

**ANNUAL REPORT**  
**&**  
**ACCOUNTS**

**FOR THE YEAR ENDED 31ST MARCH, 2021**

**Mangalam Engineering Projects Limited**

# Corporate Information

## BOARD OF DIRECTORS

**Shri Nawal Khandelwal**

DIN No. : 00076629

**Shri Rajendra Prasad Choudhary**

DIN No. : 00076698

**Smt. Madhu Rai**

DIN No. : 07146392

**Shri Anup Kumar Dutta**

CEO & CFO

## COMPANY SECRETARY & COMPLIANCE OFFICER

Shri Vinay Kanodia Upto (10.08.2021)

Shri Vithal Das Mall w.e.f (10.08.2021)

## STATUTORY AUDITOR

H.B.& ASSOCIATES

Chartered Accountants

24, N.S. Road, 5th floor

Kolkata - 700001

## REGISTERED OFFICE

101C, Kundan House, Ground Floor

Harinagar Ashram, Mathura Road

New Delhi-110014

Ph. : (11) 2634-0298/4347/1308

Email :info@mangalamengineering.com

Website :www.mangalamengineering.com

## CORPORATE OFFICE

16, Hare Street 2nd Floor, Kolkata -700001

Ph.: (033) 2248-2391/2/3

Fax: (033) 2248-9382

## SHARE TRANSFER AGENT

Maheshwari Data Matrics Pvt. Ltd.

23, R.N. Mukherjee, Road, 5th Floor

Kolkata-700001

Ph.: (033) 2248-2248, 2343-5029

Fax: (033) 2248-4787

E-mail: mdpldc@yahoo.com

**CIN : L74899DL1984PLC017356**

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## MANGALAM ENGINEERING PROJECTS LIMITED

REGD.OFFICE:101C, Kundan House, Ground Floor, Harinagar Ashram, Mathura Road, New Delhi-110014

Phone (011)2634-0298/4347/1308

E-mail:info@mangalamengineering.com, Website :www.mangalamengineering.com

CIN : L74899DL1984PLC017356

### NOTICE

**NOTICE** is hereby given that the 2020-21th Annual General Meeting of the members of “**MANGALAM ENGINEERING PROJECTS LIMITED**” will be held on Thursday, **the 30th September, 2021 at 3.30PM.at its registered office** - 101C, Kundan House, Ground Floor, Harinagar Ashram, Mathura Road, New Delhi-110014,to transact the following business:

#### ORDINARY BUSINESS:

- 1) **To receive, consider and adopt:**
  - a) The Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2021 with the reports of the Board of Directors’ and Auditors thereon.
  - 2) **Re-appointment of Smt. Madhu Rai (DIN: 07146392), the retiring director:**  
To appoint a Director in place of Smt. Madhu Rai (DIN: 07146392), who retires by rotation and being eligible, offers herself for re-appointment.

#### SPECIAL BUSINESS:

- 3) **Material Related Party Transaction of the Company**  
To approve the Material Related Party Transaction of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Listing Agreement (including any statutory modification(s) or enactment thereof for the time being in force), and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings, the approval of the Company be and is hereby accorded to certain “Material Related Party Transactions” with various “Related Parties”

in the nature of loans and advances on current account pattern,viz. (i) entered into with various such Related Parties during the financial year 2021-22, the aggregated peak outstanding amount on net basis in respect thereof in the account of various such Related Parties taken together was at Rs.50.00 Lacs plus interest charge p.a., party-wise details of such peak outstanding amount on net basis is as set out in Table (a) below under the Statement annexed to this Notice,the Board of Directors be and are hereby authorized to perform and execute all such deeds, matters and things including delegate such authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto.”

- 4) **Maintenance of Register of Members and other statutory registers at a place other than the registered office of the Company**

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

**RESOLVED THAT** pursuant to the provisions of Section 94 and all other applicable provisions, if any of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded to keep the Register of members along with the indices of members and/ or any other related documents required to be kept at the Registered office of the Company at the office of Maheshwari Datamatics Private Limited, 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700001 (hereinafter referred to as the Registrar & ShareTransfer Agent) or any other office of the said Registrar & Share Transfer Agent may shift its office from time to time instead of registered office of company.

**RESOLVED FURTHER THAT** Shri. N. Khandelwal Director and Shri V D Mall, the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.”

By order of theBoard

**For Mangalam Engineering Projects Limited**

Sd/-

**V D Mall**

*Company Secretary*

FCS -3686

Place: Kolkata

Dated: 10<sup>th</sup> August, 2021

## NOTES

- 1) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The proxy forms should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of the meeting.

In terms of Rules 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint single person as proxy and such persons cannot act a proxy for any other person or shareholder.

- 2) A Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- 3) The Equity Share Transfer Registers of the Company will remain closed from September 24th, 2021 to September 30th, 2021 (both days inclusive) for the purpose of Annual General Meeting.
- 4) The Company's shares are enlisted with NSDL and CDSL for participation into Electronic Depository System operated by them. Its shares are compulsorily to be traded in Electronic Form and the security bears Code ISIN INE630M01011.
- 5) Members are requested to notify immediately any change of their address, if any, to the Company in case shares are held in physical form or to the DP's, where the account is maintained, if held in demat form.
- 6) Information about the Directors seeking re-appointment at the forth coming Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed separately.
- 7) Members are requested to update their e-mail address to [info@mangalamengineering.com](mailto:info@mangalamengineering.com) or [mdpl@yahoo.com](mailto:mdpl@yahoo.com) to do so to support the "Green Initiative" in the Corporate Governance.
- 8) To comply with the provision of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules 2014, the Company shall be required to update its database by incorporating members' designated e-mail ID in its records.
- 9) Members are requested to quote folio numbers in all their correspondence. Equity Share of the Company are under compulsory Demat trading by

all investors. Considering the advantage of scrips trading, members are encouraged to consider dematerialization of their share holding so as to avoid inconvenience in future.

- 10) Members/Proxies should bring the attendance slip duly filled in for attending the Meeting
- 11) Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 12) Electronic copies of the Annual Report are being sent to all the members whose e-mail id are registered with Company/ Depository Participant(s) for communication purpose unless any members has requested for a hard copy of the same.
- 13) Electronic copy of the Notice of this Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purpose unless any members has requested for a hard copy of the same. Notices of the Annual General Meeting and the Annual Report for 2020-21 of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form will also be available on Company's website [www.mangalamengineering.com](http://www.mangalamengineering.com) for their download.
- 14) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 1.00pm) on all working days except Saturdays, up to the date of the Annual General Meeting of the Company.
- 15) Members desiring any information as regard accounts are requested to intimate the company at least 10 days before the meeting to enable the management to keep the information required readily available at the meeting
- 16) Voting through electronic means e-voting to enable the shareholders to cast their vote electronically.
  1. Pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL). The Company has signed an agreement with CDSL for e-voting facility.

### THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AS UNDER:

The voting period begins on 27th September 2021 at 10.00 A.M and end on 29th September, 2021 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd September, 2021 (may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- (iii) Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- (iv) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- (v) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/ Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Pass word/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period &amp; voting during the meeting</p>

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

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

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

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

(vi) Login method for e-Voting meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and



to the Company at the email address viz; secretary@dil-india.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.  
  
If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.
17. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.
18. The shareholders shall have one vote per equity share held by them as on the cut-off date, i.e., of 23rd September, 2021, The facility of e-voting would be provided once for every folio/client id, irrespective of the number of joint holders.
19. Shri Pravin Kumar Drolia, a Practicing Company Secretary,

(FCS-2366) Kolkata has been appointed as the Scrutinizer to scrutinize the e- voting process in a fair and transparent manner. The scrutinizer shall within a period not exceeding three (3) working days from the conclusion of thee-voting period unblocks the votes in the presence of at least two(2) witness not in the employment and make a Scrutinizer’s Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

20. The results shall be declared on or after the AGM, but not later than three days from the conclusion of the date of the AGM. There sults declared along with the Scrutinizer’s Report shall be placed on the website of CDSL within and will be communicated to the Stock Exchange where the Company’s Shares are listed.
21. In case of any queries/grievances relating to e-voting process, the Members may contact Mr, Agrhya Majumder, Central Depository Services Limited, 22, Camac Street, Block A, 1st Floor, Kolkata-16, ate-mail ID:helpdesk.evoting@cdslkindia.com, at Toll Free No. 1800-200-5533 who will address the grievances connected with the electronic voting. Members way also write to the Company Secretary at info@mangalamengineering.com or Registered Office address.
22. **Updation of Members details:**

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company/Registrar and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend etc. A form for capturing additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in the form to the Company or RTA in physical mode or in electronic mode, as per instructions mentioned on the form. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.

By order of the Board  
**For Mangalam Engineering Projects Limited**  
Sd/-  
**V D Mall**  
Company Secretary  
FCS -3686

Place: Kolkata  
Dated: 10<sup>th</sup> August, 2021



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.****Item No.3 Material Related Party**

Your Company has entered into certain business transactions in the nature of loans and advances on current account pattern with the various "Related Parties" on 10.08.2021, The aggregated peak outstanding amount on net basis in respect thereof in the account of various such Related Parties taken together was at Rs.50.00 Lacs, plus Interest charged p.a every year, which are of value exceeding 10% of the annual consolidated turnover of the Company as per the respective last audited financial statements of the Company.

The party-wise details of such transactions, as stated above, with the Related Parties are given below:

S. No.	Name of Related Party	Peak outstanding amount in respected of such Related Party Transactions entered as stated above - Rs. (in Lacs)
1	Jalpaiguri Holdings Pvt. Ltd.	Rs. 30.00 plus Interest charged p.a every year
2	Barua Hydrowatt Pvt. Ltd.	Rs. 20.00 plus Interest charged p.a every year
<b>Total – Taking Together – All the Related Parties</b>		<b>Rs. 50.00 plus Interest charged p.a every year</b>

As per the provisions of Section 188 (1) of the Companies Act, 2013 "Related Party Transactions" requires obtaining prior consent of the Board where transactions proposed to be entered into falls in the list of items referred therein and are within threshold limits prescribed under Rule 15 of Companies (Meeting of Board and its Power) Rules, 2015. Rule 15 of Companies (Meeting of Board and its Power) Rules, 2014 requires taking prior approval of the Company by Special Resolution where transactions proposed to be entered to falls, in the list of items referred therein and are in excess of threshold limits. Proviso to Section 188 further provides that nothing contained in sub-section (1) of Section 188 applies where transactions are entered into by the company in the ordinary course of business other than transactions which are not on an arm's length basis. All transactions entered into by the Company with above mentioned entities are in the ordinary course of business and are at arm's length basis.

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested in the Resolution mentioned at item No. 3 in the notice.

The Board recommends these Special Resolutions for your approval

**Item No. 4**

Pursuant to the provisions of Section 94 of the Companies Act, 2013 (the Act), all registers required to be maintained under Section 88 of the Companies Act, 2013 and annual return filed under Section 92 of the Act shall be kept at the registered office of the Company. However, such registers or copies of return may also be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved by a special resolution passed at a general meeting of the company and the Registrar has been given a copy of the proposed special resolution in advance. Accordingly, it has been decided that the statutory records of the Company viz. Register of Members and Indices of members maintained at the office of Maheshwari Data Matrics Private Limited, 23, R.N. Mukherjee Road 5th Floor, Kolkata – 700001 (hereinafter referred to as the Registrar & Share Transfer Agent) or any other office of the said Registrar & Share Transfer Agent may shift its office from time to time instead of registered office of company.

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested in the Resolution mentioned at item No. 4 in the notice.

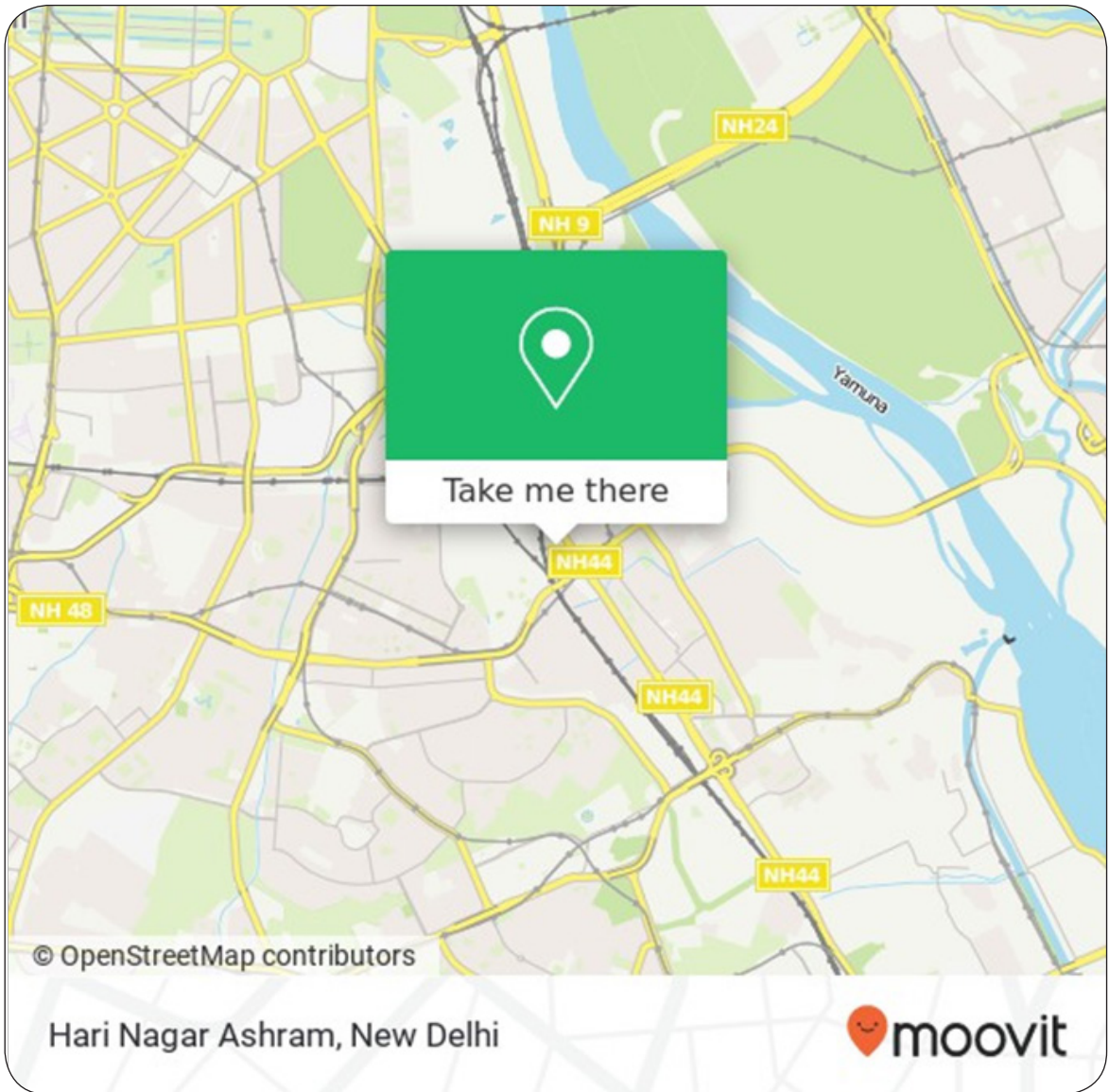
The Board recommends these Special Resolutions for your approval.

**DETAILS OF THE DIRECTOR SEEKING REAPPOINTMENT  
IN THE 2020-21th ANNUAL GENERAL MEETING**

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015 & Secretarial Standard-2)

<b>Name of the Director</b>	<b>Smt. Madhu Rai</b>
DIN No	07146392
Date of Birth/ Age	01/09/1974
Date of Appointment on the Board of the Company	01/04/2015
Brief Resume of Director	She completed her Graduation in Science. She has an experience in Finance. and I T
List of Other Public Companies (excluding in Foreign Companies)	NIL
List of Other listed Companies in which Directorship held	NIL
Chairman/Member of the Committees of the Board of Directors of Other Companies in which he is a Director (excluding in Foreign Companies) (only Audit Committee and Stakeholders Relationship Committee considered)	NIL
Disclosure of Relationship between Directors inter-se and Key Managerial Personnel	NA
Details of Shareholding, if any in the Company	NIL

**ROAD MAP TO THE VENUE OF AGM OF  
"MANGALAM ENGINEERING PROJECTS LTD."**



## ATTENDANCE SLIP

Only Shareholders or the Proxies will be allowed to attend the meeting.

D.P. ID\* ..... Folio No.....

Client ID\* ..... Number of Shares held.....

I/ We hereby record my/our presence at the Annual General meeting of the Company for 2020-21 being held on Thursday, the 30th September, 2021 at 3.30 P.M.

Signature of Shareholder: (1) ..... (2) ..... (3) .....

Signature of the Proxy holder: .....

\*Applicable for investors holding shares in electronic form.

Note: Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

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## PROXY FORM

**(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

CIN : L74899DL1984PLC017356

Name of the Company : Mangalam Engineering Projects Limited

Registered office : 101C, Kundan House, Ground Floor, Harinagar, Ashram, Mathura Road, New Delhi-110014

Name of the member(s)	
Registered Address	
Email ID	
Folio No./Client ID	
DP ID	

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

1. Name ..... Address .....

E-mail ID ..... Signature ..... or failing him.

2. Name ..... Address .....

E-mail ID ..... Signature ..... or failing him.

3. Name ..... Address .....

E-mail ID ..... Signature ..... or failing him.

as my/our proxy to attend and vote (on a poll) for me/ our behalf at the Annual General Meeting of the Company for 2020-2221, to be held on Thursday, the 30th September, 2021 at Registered office of the Company at 101C, Kundan House, Ground Floor, Harinagar Ashram, Mathura Road, New Delhi-110014 at 3.30 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	RESOLUTIONS	No. of Shares	I/We assent to the Resolution (FOR)	I /We dissent to the Resolution (AGAINST)
	<b>ORDINARY BUSINESS</b>			
1.	To Consider and adopt Audited Financial Statements as on 31st March, 2021 and, Reports of the Board of Directors and Auditors thereon.			
2.	Re-appointment of Smt. Madhu Rai (DIN:: 07146392) who retires by rotation, and being eligible, offers herself for re-appointment			
	<b>SPECIAL BUSINESS</b>			
3.	Material Related Party Transaction of the Company			
4.	Maintenance of Register of Members and other statutory registers at a place other than the registered office of the Company.			

Signed this ..... day of ..... 2021

Signature of Shareholder : .....

Signature of the Proxy holder: .....

Affix Revenue Stamp
---------------------------

**Note:**

- This form of proxy in order to be effective should be completed and deposit at the Registered office of the Company, not less than 48 hours before the commencement of the meeting.**
- For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
- It is optional to put a 'x' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Please complete all details including details of member(s) in above box before submission.

## Directors' Report for the year ended 31st March, 2021

To,  
The Members,  
Mangalam Engineering Projects Limited

### FINANCIAL RESULTS

Financial Results of the Company for the year under review along with the figures for previous year are as follows:-

(Rs.)

Particulars	31st March, 2021	31 <sup>st</sup> March, 2020
Revenue from operation	7,19,360	32,23,813
Other Income	-	2,404
Profit (Loss) before Tax	(1,80,064)	21,26,070
Taxes:		
Current year	-	-
Income tax for earlier years	-	-
Deferred Tax	4,291	992
(loss)/Profit for the year after tax	(1,84,355)	21,25,078
Total comprehensive Income for the year	92,85,064	(1,69,76,526)
Basic and diluted earnings per share (Rs.)	(0.15)	1.73

The Financial Statement of your company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Indian Accounting Standards (IND AS) and the relevant provisions of the Companies Act, 2013 and rule made therein, as applicable and regulation 48 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accounting Policies have been consistently applied except where a newly issued accounting standards, if initially adopted or a revision to an existing accounting standard requires a change in the accounting Policy. Your Company discloses unaudited financial results on quarterly basis, which are subjected to limited review, and audited financial results on an annual basis.

### REVIEW OF OPERATIONS

Total Revenues from operation including other income for Financial year ended 31st March, 2021 is at Rs 7,19,360 and Profit for the year after tax is Rs (1,84,355). Total comprehensive Income for the year is Rs. 92,85,064. The Comparative figures of the previous year are shown in the above Financial results table.

There has been no change in the nature of business of the Company during the year.

There have been no material changes affecting the financial position of the Company during the year.

### SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

The Company has no subsidiaries, Associates and Joint venture of the Company

### DIVIDEND

Your directors do not recommend any dividend.in view of the losses.

### SHARE CAPITAL

The paid-up Equity Share Capital of the Company as at 31st March, 2021 was Rs. 1,22,50,000 divided into 12,25,000 Equity Shares of Rs. 10 each. There have not been any changes in the Equity Share Capital of the Company during the Financial Year ended 31st March, 2021. During the year under review, the Company has neither issued shares with differential voting rights nor issued sweat equity or granted stock options or sweat equity.

### ABSTRACT OF THE ANNUAL RETURN:

The Abstract of the Annual Return for the year ended 31/03/2021 is annexed as Annexure-A with this Report. Pursuant to Section 92(3) and Section 134(3)(a) of the companies Act, 2013 the company has placed a copy of the Annual return as at March 31,2021, on its website at [www.mangalamengineering.com](http://www.mangalamengineering.com).

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A) Retirement of Directors

The Board consists of the Non-Executive Directors including and a Lady Independent Non Executive Director. There has been no change in the constitution of the Board during the year. Pursuant to Section 152 of Companies Act, 2013 and Articles of Association of the Company, Smt Madhu Rai, Director, is liable to retire by rotation and being eligible offers herself for re-appointments. Your Directors recommend her re-appointment. The Board

## Directors' Report for the year ended 31st March, 2021

recommends her re-appointment. The brief resume and other details as required under the Listing Regulations are provided in the Notice of the Annual General Meeting

### B) Key Managerial Personnel

During the year, the Company had 2 Key Managerial Personnel, being Shri Anup Kumar Dutta, CEO and CFO, Shri Vinay Kanodia Company Secretary.

### C) Statement on declaration given by Independent Directors

Declarations have been received from all Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act 2013 and Listing Regulations.

### D) Board Evaluation

Pursuant to the Provisions of the Companies Act, 2013, the Board carried out an annual evaluation of its own performance, its committee, and the directors individually. At the meeting of the Board all the relevant factors such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc that were material for evaluating the performance were discussed in detail.

The performance evaluation of the independent directors was carried out by the entire Board as per the procedure.

The performance evaluation of the non-independent directors on assessment of the quantity, quality and timeliness of the flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

### SEPARATE MEETING OF INDEPENDENT DIRECTOR:

In terms of requirement of Schedule IV of the Companies Act, 2013, the Independent Director had a separate meeting on 12th February, 2021, without attendance of Non-Independent Director and Members of Management Majority of Independent Director were present at the separate meeting

### NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the year 4 Board meetings were convened and held. The intervening gap between the Meetings was within the prescribed time under the Companies Act, 2013.

## AUDITORS AND THEIR REPORT

M/s H B & Associates, Chartered Accountant (Firm's registration No322716E), Kolkata has been appointed for a term of five years in the last AGM held on 21/09/2017 and the requirement of ratification has been done away with as per latest notification of MCA of May 2018.

The Auditors' Report to the Shareholders does not contain any reservations, qualification or adverse remarks and have not reported any matter under section 143(2) of the Companies Act, 2013. During the year under review, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013 and therefore no details is required to be disclosed under section 1343(3) of the Companies Act, 2013.

## SECRETARIAL AUDIT AND THE APPOINTMENT OF THE SECRETARIAL AUDITORS

The Company has appointed Pravin Kumar Drolia, Company Secretaries (C P No. 1362) as Secretarial Auditors to conduct the Secretarial Audit for the financial year 2021-22. Secretarial Audit Report for the financial year 2020-21 is being annexed as **Annexure-B** with this report. The Auditors have not reported any matter under section 143(12) of the Companies Act, 2013 and therefore no details are required to be disclosed under section 1343(3) of the Companies Act, 2013.

## VIGIL MECHANISM AND RISK MANAGEMENT

In compliance with provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has framed a Vigil Mechanism/Whistle Blower Policy to deal with unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy, if any. The Vigil Mechanism/Whistle Blower Policy has also been uploaded on the website of the Company [www.mangalamengineering.com](http://www.mangalamengineering.com)

## DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

Your Company is committed to provide and promote safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. Your company has put in place a "Policy on Prevention of Sexual Harassment" as per Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The said policy is available on your Company's website [www.mangalamengineering.com](http://www.mangalamengineering.com) and a link to the said policy has been provided. No cases have been filed under the act as the company is keeping the working environment healthy.



## **Directors' Report** for the year ended 31st March, 2021

### **POLICY ON MATERIALITY OF AND DEALING WITH THE RELATED TRANSACTIONS**

The Company's Policy on Materiality of and Dealing with Related Party Transactions' was reviewed and revised on 29th June, 2021 to bring it in conformity with the Listing Regulations. The said policy may be referred to at the Company's website at: [www.mangalamengineering.com](http://www.mangalamengineering.com).

### **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for the selection and appointment of Directors, Senior Management Personnel and their remuneration. The Remuneration Policy is also posted on the Company's website and may be accessed at the link: [www.mangalamengineering.com](http://www.mangalamengineering.com).

### **OTHER POLICIES**

Pursuant to the requirement of Listing Regulations, the Board of Directors has adopted a Policy for Preservation of Documents, Archival Policy and Policy for determining Materiality of Events/ Information. The said policy may be referred to at the Company's website at [www.mangalamengineering.com](http://www.mangalamengineering.com).

### **DEPOSITS**

The Company has not accepted Deposit from the members or the general Public during the year. There are no outstanding deposits in terms of Companies (Acceptance of Deposits) Rules, 2014.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of section 134(5) the Board confirms and submit the Directors' Responsibility Statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a

going concern basis;

- (e) the directors, in the case of a listed company, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively,
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **CORPORATE SOCIAL RESPONSIBILITY**

This is not applicable to the Company.

### **CORPORATE GOVERNANCE**

This is not applicable to the Company.

### **COST AUDIT**

This is not applicable to the company.

### **NOMINATION AND REMUNERATION COMMITTEE**

Nomination and Remuneration Committee has been constituted and members of the Committee are Shri Nawal Khandelwal, as Chairman and Shri Rajendra Prasad Choudhary, and Smt. Madhu Rai, as Members. The Company's Remuneration Policy same is available on the website of the Company [www.mangalamengineering.com](http://www.mangalamengineering.com).

### **RELATED PARTY TRANSACTIONS:**

All the related party transactions of the Company are entered on arm's length basis and are in compliance with the applicable provisions of the companies Act, 2013 and Listing Agreement. There are some materially significant transactions made by the Company with related party Members may refer to notice & explanatory statement of notice for details of related party transactions. Since all related party transaction entered into by the Company were in the ordinary course of business and were on an arm's length basis.

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

There is no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

### **STATEMENT OF LOANS, AND INVESTMENT**

This is contained in the financial statement.

### **INTERNAL FINANCIAL CONTROL**

The Company has in place internal financial control systems, commensurate with the size and complexity of its operation to ensure proper recording of financial and operational information and compliance of various

## Directors' Report for the year ended 31st March, 2021

internal controls and other regulatory and statutory compliances. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company. Based on the report of the internal auditor, corrective actions are taken and thereby strengthen the controls.

### PARTICULARS OF THE EMPLOYEES

Disclosure pursuant to Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure-C** and forms part of this report.

None of the employee was drawing remuneration specified under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. The list of the top ten employees will be available on request from the shareholder.

### MANAGEMENT DISCUSSION AND ANALYSIS

A Management discussion and analysis report as required under the SEBI (LODR) Regulations, 2015 is annexed as **Annexure-D** and forms part of this report

### CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is a Non-Banking Financial Company and has no manufacturing unit. The information pertaining to conservation of energy, technology absorption, as required under the Companies Act, 2013, read with the Companies (Accounts) Rules 2014 is not applicable to the Company. There were no foreign exchange earnings and outgo during the year.

### COMPLIANCE WITH THE SECRETARIAL STANDARDS

The Company has complied with the secretarial standards applicable to the Company.

### CASH FLOW STATEMENT

In conformity with the provisions of the Companies Act, 2013, Cash Flow Statement for the year ended 31/03/2021 is annexed with the financial statement.

### TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

The Company was not required to transfer any amount to the said fund during the year.

### PERSONNEL

The Company continues to have cordial relations with its employees.

### GREEN INITIATIVES

As a responsible corporate citizen, the Company

supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to shareholders at their e-mail address previously registered with the DPs and RTAs.

To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically.

Pursuant to the MCA Circulars and SEBI Circulars, in view of the prevailing situation of the Pandemic, owing to the difficulties involved in dispatching of the physical copies of the Notice of the 66th AGM and the Annual Report of the Company for the financial year ended 31st March, 2021 including therein the Audited Financial Statements for the year 2020-2021, the afore-mentioned documents are being sent only by email to the Members.

### ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thank the employees at all levels, who, through their dedication, co-operation, support and smart work, have enabled the Company to achieve rapid growth.

### CAUTIONARY STATEMENT

Statements in the Board Report describing the Company's objective, expectations or forecasts may be forward-looking within the meaning of the applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations are changes in government regulations, tax laws etc.

Place: Kolkata

Dated: 29/06/2021

**Nawal Khandelwal**  
(DIN No.0076629)

**Madhu Rai**  
(DIN No.07146392)

**Rajendra Prasad Choudhary**  
(DIN No.00076698)  
*Directors*

**Annexure – A to the Directors’ Report** for the year ended 31st March, 2021

**FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31st March, 2021  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN	L74899DL1984PLC017356
ii) Registration Date	19th January, 1984
iii) Name of the Company	Mangalam Engineering Projects Ltd
iv) Category / Sub-Category of the Company	Company limited by shares
v) Address of the Registered office and contact details	101C, Ground Floor, Kundan House, Harinagar Ashram, Mathura Road, New Delhi-110014
vi) Whether listed company Yes / No	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt Ltd 23, R.N .Mukherjee Road, 5 <sup>th</sup> Floor, Kolkata-700001 Phone: 033-2248-2248, 2231-6389, Fax;2248-4787 Email; info@mdpl.in; mdpldc@yahoo.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Interest Income	Not applicable	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
-------	---------------------------------	---------	--------------------------------	------------------	--------------------

NIL

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2020]				No of Shares held at the end of the year [As on 31/Mar/2021]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	283800	0	283800	23.1673	283800	0	283800	23.1673	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	360950	0	360950	29.4653	360950	0	360950	29.4653	-
e) Banks/Fi	-	-	-	-	-	-	-	-	-

**Annexure – A to the Directors’ Report** for the year ended 31st March, 2021

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2020]				No of Shares held at the end of the year [As on 31/Mar/2021]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Any other									
<b>Sub-total (A)(1)</b>	<b>644750</b>	<b>0</b>	<b>644750</b>	<b>52.6326</b>	<b>644750</b>	<b>0</b>	<b>644750</b>	<b>52.6326</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b)Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>644750</b>	<b>0</b>	<b>644750</b>	<b>52.6326</b>	<b>644750</b>	<b>0</b>	<b>644750</b>	<b>52.6326</b>	<b>0.0000</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c)Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Alternate Investment Funds	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
Provident Funds / Pension Funds	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									

**Annexure – A to the Directors’ Report** for the year ended 31st March, 2021

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2020]				No of Shares held at the end of the year [As on 31/Mar/2021]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Indian	531450	-	531450	43.3837	531450	-	531450	43.3837	-
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	8800	8800	0.7184	-	8800	8800	0.7184	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	40000	-	40000	3.2653	40000	-	40000	3.2653	-
<b>c) Others (Specify)</b>	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies-D R	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
Employee Trusts	-	-	-	-	-	-	-	-	-
Domestic Corporate Unclaimed Shares Account	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(2):-</b>	<b>571450</b>	<b>8800</b>	<b>580250</b>	<b>47.3674</b>	<b>571450</b>	<b>8800</b>	<b>580250</b>	<b>47.3674</b>	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>571450</b>	<b>8800</b>	<b>580250</b>	<b>47.3674</b>	<b>571450</b>	<b>8800</b>	<b>580250</b>	<b>47.3674</b>	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>1216200</b>	<b>8800</b>	<b>1225000</b>	<b>100.0000</b>	<b>1216200</b>	<b>8800</b>	<b>1225000</b>	<b>100.0000</b>	-

**Annexure – A to the Directors’ Report** for the year ended 31st March, 2021

## ii) Shareholding of Promoters-

SI No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/Apr/2020]			Shareholding at the end of the year [As on 31/Mar/2021]			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	PRADIP KUMAR DAGA	135000	11.0204	0.0000	135000	11.0204	0.0000	0.0000
2	ASHA DEVI DAGA	92400	7.5429	0.0000	92400	7.5429	0.0000	0.0000
3	YASHWANT KUMAR DAGA	56400	4.6041	0.0000	56400	4.6041	0.0000	0.0000
4	CONTRANSYS PRIVATE LIMITED	300950	24.5673	0.0000	300950	24.5673	0.0000	0.0000
5	JALPAIGURI HOLDINGS PRIVATE LIMITED	60000	4.8980	0.0000	60000	4.8980	0.0000	0.0000
	<b>TOTAL</b>	<b>644750</b>	<b>52.6327</b>	<b>0.0000</b>	<b>644750</b>	<b>52.6327</b>	<b>0.0000</b>	<b>0.0000</b>

## iii) Change in Promoters’ Shareholding (please specify, if there is no change)

SI No	Name	Shareholding at the beginning [01/Apr/20]/ end of the year [31/Mar/21]		Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	JALPAIGURI HOLDINGS PRIVATE LIMITED					AAACJ7869D
	01/04/2020	60000	4.8980			
	31/03/2021	60000	4.8980	60000	4.8980	
2	CONTRANSYS PRIVATE LIMITED					AABCC0141L
	01/04/2020	300950	24.5673			
	31/03/2021	300950	24.5673	300950	24.5673	
3	ASHA DEVI DAGA					ADIPD1260C
	01/04/2020	92400	7.5429			
	31/03/2021	92400	7.5429	92400	7.5429	
4	YASHWANT KUMAR DAGA					AFYPD7477F
	01/04/2020	56400	4.6041			
	31/03/2021	56400	4.6041	56400	4.6041	
5	PRADIP KUMAR DAGA					AGAPD8547R
	01/04/2020	135000	11.0204			
	31/03/2021	135000	11.0204	135000	11.0204	

**Annexure – A to the Directors’ Report** for the year ended 31st March, 2021

**iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

SI No	Name	Shareholding at the beginning [01/Apr/20]/ end of the year [31/Mar/21]		Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	<b>IDEAL MOTOR FINANCE PRIVATE LIMITED</b>					AAACI9929B
	01-04-2020	60000	4.8980			
	31-03-2021	60000	4.8980	60000	4.8980	
2	<b>GLOBE STOCKS &amp; SECURITIES LTD *</b>					AABCG0032A
	01-04-2020	60450	4.9347			
	31-03-2021	60450	4.9347	60450	4.9347	
3	<b>MANJUSHREE TRADING AND FINANCE COMPANY PVT. LTD. #</b>					AABCM7410J
	01-04-2020	27350	2.2327			
	31-03-2021	27350	2.2327	27350	2.2327	
4	<b>TEKMEK TRADING CO. PVT. LTD.</b>					AABCT5143M
	01-04-2020	56450	4.6082			
	31-03-2021-	56450	4.6082	56450	4.6082	
5	<b>ARDHI VANIJYA PRIVATE LIMITED</b>					AACCA1654M
	01-04-2020	55000	4.4898			
	31-03-2021-Transfer	1200	0.0980	56200	4.5878	
6	<b>PRJ FINANCE PVT.LTD.</b>					AADCP4314Q
	01-04-2020	55000	4.4898			
	31-03-2021	55000	4.4898	55000	4.4898	
7	<b>PRAGATI BAGS PRIVATE LTD #</b>					AADCP9374J
	01-04-2020	161200	13.1592			
	30/09/2020- Transfer	(160000)	13.0612			
	31/03/2021 - Transfer	(1200)	0.0980	-	-	
8	<b>RADHARANI COMMERCIAL PRIVATE LIMITED</b>					AAECR2761C
	01-04-2020	55000	4.4898			
	31-03-2021	55000	4.4898	55000	4.4898	
9	<b>SURESH KUMAR RAJGARIA*</b>					ACRPR0507N
	01-04-2020	40000	3.2653	40000	3.2653	
	31-03-2021	40000	3.2653	40000	3.2653	
10	<b>MEETA M PAREKH#</b>					1065
	01-04-2020	1000	0.0816			
	31-03-2021	1000	0.0816	1000	0.0816	
11	<b>B L IMPEX PRIVATE LIMITED*</b>					AABCB6096M
	01-04-2020	0	0			
	30-09-2020- TRANSFER	53000	4.3265			



**Annexure – A to the Directors’ Report** for the year ended 31st March, 2021

SI No	Name	Shareholding at the beginning [01/Apr/20]/ end of the year [31/Mar/21]		Cumulative Shareholding during the year [01/Apr/20 to 31/Mar/21]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
	31-03-2021	53000	4.3265	53000	4.3265	
12	<b>PAYANTA MERCHANTS PRIVATE LIMITED*</b>					AABCP6844K
	01-04-2020	0	0			
	30-09-2020- TRANSFER	54000	4.4082			
	31-03-2021	54000	4.4082	54000	4.4082	
13	<b>MAHADEB PNEUMATICS TRADING COMPANY PRIVATE LIMITED#</b>					AACCM5917D
	01-04-2020	0	0			
	30-09-2020- TRANSFER	53000	4.3265			
	31-03-2021	53000	4.3265			
*	Not in the list of Top 10 shareholders as on 01/04/2020. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2021.					
#	Ceased to be in the list of Top 10 shareholders as on 31/03/2021. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2020.					

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year (01/04/2020)					
1	Nawal Khandelwal (Director)	NIL	NIL		
2	Rajendra Prasad Choudhary (Director)	NIL	NIL		
3	Madhu Rai (Director)	NIL	NIL		
4	Anup Kumar Datta(CFO)	NIL	NIL		
5	Vinay Kanodia (Company Secretary)	NIL	NIL		
Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus / sweat equity etc):		NIL	NIL	NIL	NIL
At the End of the year (31/03/2021)					
1	Nawal Khandelwal (Director)			NIL	NIL
2	Rajendra Prasad Choudhary (Director)			NIL	NIL
3	Madhu Rai (Director)			NIL	NIL
4	Anup Kumar Dutta (CFO)			NIL	NIL
5	Vinay Kanodia (Company Secretary)			NIL	NIL

**Annexure – A to the Directors’ Report** for the year ended 31st March, 2021

**V. INDEBTEDNESS**

Indebtedness of the company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
(i) Principal Amount	-	-	-	-
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
(i) Principal Amount	-	-	-	-
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/Manager	Total Amount
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act,, 1961	-	-
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2.	Stock Option	--	-
3.	Sweat Equity		
4.	Commission	-	-
	– As % of profit	-	-
	– Others, specify..	-	-
5.	Others, please specify	-	-
	<b>Total (A)</b>	-	-
	Ceiling as per the Act*	NA	NA

\*not applicable there is no such managing director or whole time director

**Annexure – A to the Directors’ Report** for the year ended 31st March, 2021**B. Remuneration to other Directors:**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Nawal Khandelwal	Suresh Kumar Somani	Umesh Kumar Saraf (till 08/08/2018)	Madhu Rai	
	<b>1. Independent Directors</b>					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	-	-	-	-	-
<b>4.</b>	<b>2. Other Non-Executive Directors</b>					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	--	--	--	--
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-	-
	Ceiling as per the Act*	NA	NA	NA	NA	NA

\* not applicable since no remuneration and commission is paid by the company to any Directors

**B. Remuneration to Key Managerial Personnel, other than MD/Manager/WTD:**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Anup Kumar Dutta CFO and CFO	Vinay Kanodia Company Secretary from	
				Rs.
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	3,91,200	1,20,000	5,11,200
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	48,000		48,000
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	– As % of profit	-	-	-
	Others, specify..	-	-	-
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>4,39,200</b>	<b>1,20,000</b>	<b>5,59,200</b>

**Annexure – A to the Directors’ Report** for the year ended 31st March, 2021

**VII. Penalties/Punishment/Compounding of Offences**

The Company has not been convicted of any offence during the year.

	Type	Section of the Companies Act,2013	Brief Description	Details of Penalty/ punishment/ Compounding fees imposed	Authority [RD/NCLT /Court]	Appeal made if any, (give details)
<b>A</b>	<b>Company</b>					
	Penalty	NIL	Not applicable	Not applicable	Not applicable	Not applicable
	Punishment	NIL	Not applicable	Not applicable	Not applicable	Not applicable
	Compounding	NIL	Not applicable	Not applicable	Not applicable	Not applicable
<b>B</b>	<b>Directors</b>					
	Penalty	NIL	Not applicable	Not applicable	Not applicable	Not applicable
	Punishment	NIL	Not applicable	Not applicable	Not applicable	Not applicable
	Compounding	NIL	Not applicable	Not applicable	Not applicable	Not applicable
<b>C</b>	<b>Other officer in default</b>					
	Penalty	NIL	Not applicable	Not applicable	Not applicable	Not applicable
	Punishment	NIL	Not applicable	Not applicable	Not applicable	Not applicable
	Compounding	NIL	Not applicable	Not applicable	Not applicable	Not applicable

**Annexure – B to the Directors’ Report** for the year ended 31st March, 2021

**“ANNEXURE – A”**  
**(TO THE SECRETARIAL AUDIT REPORT OF M/S. MANGLAM ENGINEERING PROJECTS LIMITED**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021)**

To,  
The Members,  
**Mangalam Engineering Projects Limited**  
101C, Kundan House, Harinagar Ashram,  
Mathura Road, New Delhi-110014.

**Corporate Office :**  
16, Hare Street, 2<sup>nd</sup> Floor, Kolkata 700 001

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- 7.

Place: Kolkata  
Dated: May10, 2021

For **BKP & ASSOCIATES**  
*Company Secretaries*

**(CS Binay Kumar Pandey, FCS)**  
Membership No. FCS 9830  
C.P. No. 12074

**Annexure – B to the Directors’ Report** for the year ended 31st March, 2021

**Form No. MR - 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**Mangalam Engineering Projects Limited**  
101C, Kundan House, Harinagar Ashram,  
Mathura Road, New Delhi-110014.

**Corporate Office :**  
16, Hare Street, 2<sup>nd</sup> Floor, Kolkata 700 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Mangalam Engineering Projects Limited**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory practices and expressing our opinion thereon.

Based on our verification of the **Mangalam Engineering Projects Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representation during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Reserve Bank of India Act, 1934;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings:**not applicable during the under review.**
- (vi) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

## Annexure – B to the Directors’ Report for the year ended 31st March, 2021

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company for the financial year ended March 31, 2021.

- (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vii) Other laws as mentioned in the list appended below and as may be applicable to the company.

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

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (b) Listing Agreement executed by the Company with the Metropolitan Stock Exchange of India Ltd.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Company has a woman director on its Board. There was no change in the composition of the Board of Directors during the period under review.

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

Majority decision is carried through while the dissenting members’ views are captured and recorded as part of the minutes. We have however not observed any dissenting member’s views.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. During the year, the Company has closed its application for delisting of shares from the Metropolitan Stock Exchange due to non-filing of the final application within the prescribed time by the Company.

We further report that during the audit period the Company has –

- (a) not allotted any share or other securities during the period.
- (b) no redemption/buy-back of securities.
- (c) not altered the provisions of the Memorandum of Association or the Articles of Association.
- (d) not taken any major decision in the last Annual General Meeting held in the year 2020.
- (e) no merger / amalgamation / reconstruction etc.
- (f) no foreign technical collaborations.

This Report is to be read with our letter of even date which is annexed “Annexure-A” and forms an integral part of this report.

Place: Kolkata  
Dated: May 10, 2021

For **BKP & ASSOCIATES**  
Company Secretaries

(**CS Binay Kumar Pandey**, FCS)  
Membership No. FCS 9830



**Annexure – B to the Directors’ Report** for the year ended 31st March, 2021

LIST OF OTHER APPLICABLE LAWS

1. Apprentices Act, 1961
2. Consumer Protection Act, 1986
3. Indian Contract Act, 1872
4. Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
5. Employees’ State Insurance Act, 1948
6. Environment Protection Act, 1986
7. Maternity Benefit Act, 1961
8. Minimum Wages Act, 1948
9. Negotiable Instruments Act, 1881
10. Payment of Bonus Act, 1965
11. Payment of Gratuity Act, 1972
12. Payment of Wages Act, 1936
13. Sexual Harassment of Women at Workplace ( Prevention, Prohibition and Redressal ) Act, 2013
14. Registration Act, 1908
15. Sale of Goods Act, 1930
16. Workmen’s Compensation Act, 1923
17. Income-Tax Act, 1961
18. The Central Goods and Service Tax Act, 2017
19. The Customs Act, 1962
20. The Motor Vehicles Act, 1988
21. Shops & Establishment Act, Profession Tax Act, and other Commercial Acts of respective states.

**Annexure – C to the Directors’ Report** for the year ended 31st March, 2021

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AS AMENDED FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021.**

- i. The ratio of the remuneration of each Director, to the median remuneration of the employees of the Company for the financial year 2020-21: None of the directors received any remuneration and therefore this clause is not applicable.
- ii. The percentage increase in remuneration of, Shri Anup Kumar Dutta, CEO and Chief Financial Officer was 0.98% and Shri Vinay Kanodia Company Secretary it was NIL.
- iii. In the financial year, The percentage is increase in the median remuneration of employees: Median for the full year is not Applicable..
- iv. There were 2 permanent employees on the rolls of the Company as on March 31, 2021.
- v. There is no non- managerial employee during the year under review only two persons have been employee .
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

## **Annexure – D to the Directors’ Report** for the year ended 31st March, 2021

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

This report forms part of the Board Report for the year ended 31<sup>st</sup> March, 2021.

The Management Discussion and Analysis Report has been prepared in accordance with the provisions of Regulation 34(2)(e) of Listing Regulations, read with Schedule V(B) thereto, with a view to provide an analysis of the business and Financial Statement of the Company for FY 2020-21

#### **INDIAN ECONOMIC OVERVIEW**

The Indian economy passed through one of the volatile periods in living memory in 2020-21. At the start of 2020, India was among five largest global economies; its economic growth rate was the fastest among major economies (save China); its market size at 1.38 billion was the second largest in the world; its rural population of the underconsumed was the largest in the world.

The Indian government announced a complete lockdown in public movement and economic activities from the fourth week of March 2020. As economic activities came to a grinding halt, the lockdown had a devastating impact on an already-slumping economy as 1.38 billion Indians were required to stay indoors - one of the most stringent lockdowns enforced in the world.

The outbreak of the novel coronavirus and the consequent suspension of economic activities due to the pandemic-induced lockdown, coupled with muted consumer sentiment and investments, had a severe impact on the Indian economy during the first quarter of the year under review. The Indian economy de-grew 23.9 per cent in the first quarter of 2020-21, the sharpest de-growth experienced by the country since the index was prepared.

The Indian and state governments partially lifted controls on movement, public gatherings and events from June 2020 onwards, each stage of lockdown relaxation linked to economic recovery. Interestingly, as controls relaxed what the country observed was a new normal: individuals were encouraged to work from home; inter-city business travel was replaced by virtual engagement; a greater premium was placed on the ownership of personal mobility modes (cars and two-wheelers).

The result is that India’s relief consumption, following the lifting of social distancing controls, translated into a full-blown economic recovery. A number of sectors in India – real estate, steel, cement, home building products and consumer durables, among others - reported unprecedented growth. India de-grew at a relatively improved 7.5 per cent in the July-September quarter and reported 0.4 per cent growth in the October-December quarter and a 1.6% growth in the last quarter of the year under review.

The result is that India’s GDP contracted 7.3% during 2020-21, largely on account of the sharp depreciation of the first two quarters. This sharp Indian recovery – one of the most decisive among major economies – validated India’s robust long-term consumption potential.

#### **OVERALL REVIEW AND INDUSTRY STRUCTURE AND DEVELOPMENT**

NBFCs have always played an important role in promoting financial inclusion in India. They have been complementing and supplementing the banking sector in reaching out credit to the un-banked segments of the society. The biggest contribution of NBFCs is their ability to cater to the needs of the Micro, Small & medium Enterprises (MSMEs) which form the cradle of Entrepreneurship and innovation in India. NBFCs innate ability to understand their customers’ needs and accordingly innovate to offer customized products make them the perfect conduit for credit delivery to MSMEs. In addition, NBFCs like Asset Finance Companies (NBFC-AFCs) and Infrastructure Finance Companies (NBFC-IFCs) are actively contributing to the process of nation building, especially at a time when banks are reluctant to take more exposure on infrastructure projects.

#### **BUSINESS SEGMENT**

The Company is a Non-deposit taking NBFC Company and this is only one business segment of investment and lending business in the Company. The Capital of the Company is currently fully invested and further scope in NBFC can be there upon raising of the Capital or upon inter-corporate borrowing which is presently not under consideration for further

## Annexure – D to the Directors’ Report for the year ended 31st March, 2021

development of the activity of the Company.

### OPPORTUNITY AND THREATS, OUTLOOK, RISK AND CONCERN

The size of the Company is very small and the opportunity and threats, outlook, and risk matters do not concern the Company in view of the size of the Company. The Covid-19 affect will be minimal during the year.

### FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

#### Financial Review:

The summary of our financial performance is as follows:

- Our Revenue from operations stood at Rs. 7,19,360/- in 2020-21 against Rs. 32,23,813/- in 2019-20, Profit / (Loss) after tax stood at Rs. (1,84,355)/- in 2020-21 against Rs. 21,25,078/- in 2019-20. Earnings per share (EPS) stood at Rs. (0.15) in current year against Rs. 1.73 in 2019-20

#### Details of the significant changes (i.e the change of 25% or more as compared to immediately previous financial year) in the key financial ratios.

Ratios	2020-21	2019-20	% Change
Current Ratio	544.46	712.96	-23.63%
Net Profit Margin	(25.63)	65.92	65.92%
Return on Net Worth	0.21	2.71	107.75%

### RISK & CONCERN

The Volatile nature of the securities market especially in the light of impending large scale trade wars and resultant fall out on capital flows, makes the company’s business susceptible to volatilities. However, our management is committed to contain risks and endeavors to maximize shareholders wealth. As risk is an integral part of the business of the Company, it manages the risk by diversifying its investment portfolio, by maintaining a conservative financial profile, by following prudent business and risk management practices.

### INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has adequate internal control systems and procedures commensurate with the size and nature of business ensuring that assets and resources are used reasonably and are adequately protected and all the internal policies and statutory guidelines are complied with.

### HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The employees relations continue to be cordial as the company continues to lay emphasis on employees development at all levels, There are two employees in the Company as on 31.03.2021.

### CAUTIONARY STATEMENT

This is stated in the Board report.

# Financial Statement

## Independent Auditor's Report

To the Members of  
**Mangalam Engineering Projects Limited**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Mangalam Engineering Projects Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss (excluding Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) 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 Note 31 of the financial statements, as regards to the management's evaluation of COVID-19 impact on the future performance of the Company.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Independent Auditor's Report**

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



## Independent Auditor's Report

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure- "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 as at 31st March 2021 on its financial position in its financial statements- Refer Note 34 to the financial statements.
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **H.B. & ASSOCIATES**  
 Chartered Accountants  
 Firm Regn. No. 0322716E  
**H. S. SENAPATI**  
 Partner  
 Membership No. 54660

Place: Kolkata  
 Date: 29/06/2021

## Annexure 'A' to the Auditor's Report

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

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments.
- b) As explained to us, property, plant and equipments have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no discrepancies were noticed on such verification.
- c) The Company does not have immovable properties so, Paragraph 3(i)(c) of the said Order is not applicable.
- ii. The stock in trade consists of shares which have been physically verified at reasonable intervals by the management and no discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms, LLP or Other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, there is no such deposits, taken by the Company, for which directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, are required to be complied with.
- vi. As explained to us by the management maintenance of cost records under sub section 148(i) of the Companies Act, 2013 is not required.
- Vii. a) According to the records of the Company and as per the information and explanations given to us, it has been regular in depositing undisputed statutory dues like Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Excise Duty, Cess and Other Statutory Dues with the appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Goods and Services Tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable.
- c) On the basis of our examination of the documents and records the following disputed statutory dues which have not been deposited with the appropriate authorities are as under:

Nature of Tax	Amount involved	Asst. Year	Forum (where it is pending)
Income Tax Act, 1961	Rs. 682,480	2011-12	Commissioner Of Income Tax (Appeals)

- viii. The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, comment on paragraph 3(ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its Officer or Employees has been noticed or reported during the course of our audit, nor have we been informed of any such case by the management.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, Managerial remuneration has been paid/provided by the Company in accordance with Section 197 read with Schedule V to the Companies Act, 2013.

## Annexure 'A' to the Auditor's Report

- xii. 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.
- xiii. 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 it is of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence comment on paragraph 3(xiv) of Order is not applicable.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is Registered under section 45-IA of Reserve Bank of India Act, 1934.

For **H.B. & ASSOCIATES**  
*Chartered Accountants*  
Firm Regn. No. 0322716E  
**H. S. SENAPATI**  
*Partner*  
Membership No. 54660

Place: Kolkata  
Date: 29/06/2021

## **Annexure 'B' to the Auditor's Report**

### **(Referred to Paragraph 2(f) of Report on Other Legal and Regulatory Requirements of our Report of even date)**

We have audited the internal financial controls over financial reporting of **Mangalam Engineering Projects Limited** ("the Company") as of 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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

## Annexure 'B' to the Auditor's Report

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 31st 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.

Place: Kolkata  
Date: 29/06/2021

For **H.B. & ASSOCIATES**  
*Chartered Accountants*  
Firm Regn. No. 0322716E

**H. S. SENAPATI**  
*Partner*

Membership No. 54660  
UDIN :- 21054660AAAAI09874

**Balance Sheet** as at 31st March, 2021

(Amount in Rs.)

	Notes	As At 31.03.2021	As At 31.03.2020
<b>ASSETS</b>			
<b>(1) FINANCIAL ASSETS</b>			
(a) Cash and cash Equivalents	3	12,065	13,93,237
(b) Loans & Advances	4	62,42,044	56,65,572
(c) Investments	5	8,13,36,845	7,12,90,361
(d) Other Financial Assets	6	1,46,677	81,847
<b>(2) NON-FINANCIAL ASSETS</b>			
(a) Current Tax Asset (Net)	7	1,61,031	1,09,892
(b) Property, Plant and Equipment	8	114	114
<b>Total Assets</b>		<b>8,78,98,776</b>	<b>7,85,41,023</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(A) LIABILITIES</b>			
<b>(1) FINANCIAL LIABILITIES</b>			
(a) Others Payables	10		
(i) Total Outstanding Dues to Micro and Small Enterprises			
(ii) Total Outstanding Dues to Creditors other than Micro and Small Enterprises		51,300	50,220
(b) Other Financial liabilities	11	66,027	-
<b>(2) NON-FINANCIAL LIABILITIES</b>			
(a) Provisions	12	15,605	14,164
(b) Deferred Tax Liabilities	9	5,283	992
(c) Other Non-Financial Liabilities	13	150	300
<b>(B) EQUITY</b>			
(a) Equity Share Capital	14	1,22,50,000	1,22,50,000
(b) Other Equity	15	7,55,10,411	6,62,25,347
<b>Total Equity and Liabilities</b>		<b>8,78,98,776</b>	<b>7,85,41,023</b>

The accompanying notes are an integral part of the Financial Statements

As per our report of even date annexed

For and on behalf of the Board of Directors

For **H. B. & Associates**  
Chartered Accountants  
Firm ICAI Reg. No.0322716E

**H.S. Senapati**  
Partner  
Membership No. 54660

**Nawal Khandelwal**  
(DIN No.0076629)

**Madhu Rai**  
(DIN No.07146392)

**Anup Kumar Dutta**  
CEO & CFO

**Vinay Kanodia**  
Company Secretary

Place : Kolkata  
Date : 29/06/2021

**Rajendra Prasad Choudhary**  
(DIN No.00076698)

**Statement of Profit and Loss** for the period ended 31st March, 2021

(Amount in Rs.)

Particulars	Notes	For the year ended 31.03.2021 ₹	For the year ended 31.03.2020 ₹
I. Revenue from Operations			
Interest Income	16	6,41,827	5,82,495
Dividend Income	17	468	26,09,292
Net Gain on Fair Value Change	18	77,065	32,026
<b>Total Revenue from Operation</b>		<b>7,19,360</b>	<b>32,23,813</b>
II. Other Income	19	-	2,404
<b>III. Total Revenue (I +II)</b>		<b>7,19,360</b>	<b>32,26,217</b>
IV. <b>Expenses:</b>			
Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	20	(64,830)	17,985
Employee Benefit Expenses	21	5,59,200	5,20,364
Other Expenses	22	4,05,054	5,61,798
<b>IV. Total Expenses</b>		<b>8,99,424</b>	<b>11,00,147</b>
V. Profit/(Loss) before Exceptional Items and Tax (III - IV)		<b>(1,80,064)</b>	21,26,070
VI. Exceptional Item		-	-
VII. Profit/(Loss) before Tax (V -VI)		<b>(1,80,064)</b>	21,26,070
VIII. <b>Tax Expense:</b>			
1 Current Tax		-	-
2 Deferred Tax		4,291	992
<b>Net Current Tax (VIII)</b>		<b>4,291</b>	992
IX. Profit/(Loss) for the Period (VII- VIII)		<b>(1,84,355)</b>	21,25,078
X. Other Comprehensive Income for the period			
(A) (i) Item that will not be reclassified to Profit or Loss		94,69,419	(1,64,24,311)
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		-	(26,77,293)
XI. Total Comprehensive Income for the period (IX +X)		<b>92,85,064</b>	(1,69,76,526)
Earnings per Equity Share			
(1) Basic	30	<b>(0.15)</b>	1.73
(2) Diluted		<b>(0.15)</b>	1.73

The accompanying notes are an integral part of the Financial Statements

As per our report of even date annexed

For **H. B. & Associates**  
Chartered Accountants  
Firm ICAI Reg. No.0322716E  
**H.S. Senapati**  
Partner  
Membership No. 54660

Place : Kolkata  
Date : 29/06/2021

For and on behalf of the Board of Directors

**Nawal Khandelwal**  
(DIN No.0076629)

**Madhu Rai**  
(DIN No.07146392)

**Rajendra Prasad Choudhary**  
(DIN No.00076698)

**Anup Kumar Dutta**  
CEO & CFO

**Vinay Kanodia**  
Company Secretary

**Statement of Cash Flow** for the year ended 31.03.2021

(Amount in Rs.)

PARTICULARS	For the year ended 31.03.2021 ₹	For the year ended 31.03.2020 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax	(1,80,064)	21,26,070
Less: Prior Period Items	-	-
Net Profit/(Loss) after Tax	(1,80,064)	21,26,070
<b>Adjustment for :</b>		
Contingency Provision against Standard Asset	1,441	538
Fair valuation of investment	(44,904)	(22,472)
Profit on Sale of Mutual Fund	(32,161)	(9,554)
<b>Operating Profit before Working Capital Changes</b>	<b>(2,55,688)</b>	<b>20,94,582</b>
<b>Movements In Working Capital :</b>		
Increase/(Decrease) in Trade Payables	-	(42,105)
Increase/(Decrease) in Other Non Financial Liabilities	(150)	170
(Increase)/ Decrease in Loans And Advances	(6,27,611)	(2,12,269)
Increase/(Decrease) in Other Payable	1,080	(21,067)
(Increase)/Decrease in Other Financial Assets	(64,830)	15,708
<b>Cash generated from/(used in) Operations</b>	<b>(9,47,200)</b>	<b>18,35,019</b>
<b>Net Cash from Operating Activities</b>	<b>(9,47,200)</b>	<b>18,35,019</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
(Purchase)/Sale of Investments (Net)	(5,00,000)	(6,50,000)
<b>Net Cash from Investing Activities</b>	<b>(5,00,000)</b>	<b>(6,50,000)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Bank Overdraft	66,027	-
<b>Net Cash from Financing Activities</b>	66,027	-
<b>Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(13,81,173)</b>	<b>11,85,019</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	13,93,238	2,08,218
<b>Cash and Cash Equivalents at end of the year</b>	<b>12,065</b>	<b>13,93,238</b>



**Statement of Cash Flow** for the year ended 31.03.2021

(Amount in Rs.)

PARTICULARS	As At 1.03.2021 ₹	As At 31.03.2020 ₹
<b>Cash &amp; Cash Equivalents :</b>		
<b>Balances with Bank</b>		
Current Account	9,949	1,50,366
On Term Deposit less than 3 months	-	12,40,000
Cash on Hand	2,116	2,871
<b>Total</b>	<b>12,065</b>	<b>13,93,237</b>

**Notes :**

- (a) Previous year's figures have been regrouped/recasted wherever necessary.  
 (b) The above cash flow has been prepared under "Indirect Method" as prescribed under Indian Accounting Standard (Ind AS) 7, "Statement of Cash Flow".

As per our report of even date annexed

For and on behalf of the Board of Directors

For **H. B. & Associates**  
*Chartered Accountants*  
 Firm ICAI Reg. No.0322716E  
**H.S. Senapati**  
*Partner*  
 Membership No. 54660

**Nawal Khandelwal**  
 (DIN No.0076629)

**Anup Kumar Dutta**  
 CEO & CFO

**Madhu Rai**  
 (DIN No.07146392)

**Vinay Kanodia**  
 Company Secretary

**Rajendra Prasad Choudhary**  
 (DIN No.00076698)

Place : Kolkata  
 Date : 29/06/2021

**Statement of changes in Equity** for the year ended 31.03.2021

(Amount in Rs.)

**(A) Equity Share Capital**

	Notes	Number	Amount
Equity Shares of ₹ 10/- each issued, subscribed and fully paid At 1st April, 2019	14	12,25,000	1,22,50,000
Issued during the year 2019-20		-	-
At 31st March, 2020	14	12,25,000	1,22,50,000
Issued during the year 2020-2021		-	-
At 31st March, 2021	14	12,25,000	1,22,50,000

**(B) Other Equity**

Particulars	Items of OCI					Total
	Securities Premium	Investment Allowance Reserve	RBI Reserve Fund	Retained Earnings	FVOCI Equity Instruments	
Balance as on 1st April, 2019	1,27,40,000	1,175	8,74,331	(54,30,187)	7,50,16,554	8,32,01,873
Profit for the year	-	-	-	21,25,078	-	21,25,078
Net Gain / (Loss) on FVTOCI Investments	-	-	-	-	(1,91,01,604)	(1,91,01,604)
Transfer to RBI Fund	-	-	4,25,016	(4,25,016)	-	-
Balance as on 31st March, 2020	1,27,40,000	1,175	12,99,347	(37,30,124)	5,59,14,950	6,62,25,347
Profit for the year	-	-	-	(1,84,355)	-	(1,84,355)
Net Gain / (Loss) on FVTOCI Investments	-	-	-	-	94,69,419	94,69,419
Balance as on 31st March, 2021	1,27,40,000	1,175	12,99,347	(39,14,479)	6,53,84,369	7,55,10,411

The accompanying notes are an integral part of the Financial Statements

As per our report of even date annexed

For and on behalf of the Board of Directors

**For H. B. & Associates**  
Chartered Accountants  
Firm ICAI Reg. No.0322716E  
**H.S. Senapati**  
Partner  
Membership No. 54660

**Nawal Khandelwal**  
(DIN No.0076629)

**Anup Kumar Dutta**  
CEO & CFO

**Madhu Rai**  
(DIN No.07146392)

**Vinay Kanodia**  
Company Secretary

**Rajendra Prasad Choudhary**  
(DIN No.00076698)

Place : Kolkata  
Date : 29/06/2021

## Notes to the Financial Statement as at / for the year ended 31.03.2021

### CORPORATE INFORMATION

Mangalam Engineering Projects Limited bearing CIN - L74899DL1984PLC017356 is a Public Limited Company, Limited by Shares listed in Metropolitan Stock Exchange, incorporated in India on January 1, 1984. The registered office of the Company is situated at 101 C, Ground Floor, Kundan House, Harinagar Ashram, Mathura Road, New Delhi DL 110014.

The Company is primarily engaged in the business of Non Banking Financial Company.

The financial statement for the year ended 31st March, 2021 was approved for issue by the Board of Directors of the company on 29th June, 2021 and subject to adoption by the shareholders in the ensuing Annual General Meeting.

### NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

#### 1 Significant Accounting Policies

##### a) Statement of Compliance with Ind AS

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2018 with restatement of previous year figures presented in this financial statements. Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The Company has adopted all the applicable Ind AS and the adoption was carried out in the previous F.Y.2019-20 in accordance with Ind AS-101 First time adoption of Indian Accounting Standards.

The transition was carried out from Generally Accepted Accounting Principles in India which comprised of applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant applicable provisions of the Companies Act, 1956, and the Companies Act, 2013 to the extent applicable and the applicable guidelines issued by the Securities and Exchange Board of India (SEBI) ("Previous GAAP").

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements were approved for issue by the Board of Directors have been considered while preparing those financial statements in the F.Y.2020-21.

##### b) Basis of preparation and presentation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

##### c) Historical Cost Convention

The financial statements have been prepared on the historical cost basis except for certain items which are measured at fair value at the end of each reporting period, as explained below:

- (i) certain financial assets and liabilities that is measured at fair value;
- (ii) defined benefit plans – plan assets measured at fair value;

## Notes to the Financial Statement as at / for the year ended 31.03.2021

### d) Operating Cycle

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

### e) Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("functional currency"). The financial statements are presented in Indian Rupees(Rs.), which is the functional currency of the Company.

## 2 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Since the company is a non-banking financial institution; the Revenue includes major amounts in the nature of Dividend and Interest.

### a) Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Transition to Ind AS

For all debt instruments measured at amortized cost, interest income is recognised using the Effective Interest Rate method (EIR).

### b) Dividend Income

Dividend income is recognised when the Company's right to receive the dividend is established i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

### c) All other income are accounted for on accrual basis.

## 3 Expenses

All expenses are accounted for on accrual basis.

## 4 Property, Plant and Equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any.

Historical cost of an asset includes the purchase cost of asset, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measure reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

## Notes to the Financial Statement as at / for the year ended 31.03.2021

### (a) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2018 (transition date) measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

### (b) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down method to allocate their cost, net of their residual values, over their estimated useful lives.

The useful life is taken as per prescribed useful life in Part C of Schedule II to the Companies Act, 2013. The asset's residual values (5%) and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

## 5 Inventories

### Securities held as stock-in-trade

- a) Securities acquired with the intention of short-term holding and trading positions are considered as Inventories and shown as current assets.
- b) In respect of securities held as inventories, brokerage and stamp duty are written off as revenue expenditure.
- c) The securities held as inventories under current assets are valued at Fair Value using Ind AS 109 - 'Financial Instruments'.

## 6 Provisions, Contingent Liabilities and Contingent Assets

- a) A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

When discounting is used, the increase in the passage of time is recognized as finance costs.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to provision is presented in the Statement of Profit and Loss, net of any reimbursement.

- b) A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognized in the financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

## Notes to the Financial Statement as at / for the year ended 31.03.2021

- c) A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable.

When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

- d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

### 7 Impairment of Assets

#### a) Non-financial assets

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

#### b) Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

ECL impairment loss allowance is measured at an amount equal to lifetime ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income or expense in the Statement of Profit and Loss. This amount is reflected under the head "Other expenses" in the profit or loss. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Balance sheet. The allowance reduces the net carrying amount.

Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

### 8 Taxes

Income tax expense comprises current tax and deferred tax and is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in Equity or in OCI.

#### a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and Equity are recognized in OCI and in Equity respectively.

## Notes to the Financial Statement as at / for the year ended 31.03.2021

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

### b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws to the extent it is likely to give future economic benefits in the form of availability to set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 9 Earnings per Share

- a) Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.
- b) Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined as at the end of each period presented. Dilutive potential equity shares are determined independently for each period presented.
- c) The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## Notes to the Financial Statement as at / for the year ended 31.03.2021

### 10 Cash and Cash Equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.

### 11 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### 12 Employee Benefits

#### a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

#### b) Defined contribution plans

The Company makes contributions to defined benefit schemes which are mainly administered through duly constitute Provident Fund contributions are in the nature of defined contribution scheme. Provident funds are deposited with the Government and recognised as expense.

The service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur.

### 13 Financial Instruments

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

#### (A) Financial Assets

##### (i) Initial Recognition & Measurement

All the financial assets are recognised at Fair Value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets, that are not measured at fair value through profit or loss, are added to the fair value on initial recognition.

The financial assets include equity, loans and advances, cash and bank balances and other financial instruments.

##### (ii) Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- 1) At amortised cost,
- 2) At fair value through other comprehensive income (FVTOCI), and



## Notes to the Financial Statement as at / for the year ended 31.03.2021

3) At fair value through profit or loss (FVTPL).

(a) Investment in Mutual Funds at Fair Value through Profit or Loss (FVTPL)

The investments held in the liquid funds whether being debt or equity instruments, generate cash flows that represent payments of principal and interest. However, the holder of the liquid fund at its discretion has the option sell its investments in order to optimise returns. Therefore, the cash flows paid by the fund to the unit holder comprise gains/losses on the instruments held by the fund, in addition to interest and principal cash flows from those instruments.

The business model objective is achieved by both collecting contractual cash flows and selling its financial assets. Therefore the liquid funds are classified as Fair Value through Profit or Loss (FVTPL).

(b) Investment in Equity investments at Fair Value through Other Comprehensive Income (FVTOCI)

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in associates which are carried at cost. The Company makes such election on an instrument by instrument basis.

All quoted equity instruments are measured at fair value which is determined based on Level-1 inputs that is quoted prices (unadjusted) in active markets and last traded prices.

All unquoted equity instruments are measured at fair value by taking into account the financial statements of such instruments to the extent available to the Company.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

However, the Company may transfer the cumulative gain or loss within equity.

### (iii) De- Recognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

## (B) Financial Liabilities

(i) Initial Recognition & Measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities classified at amortised cost, net of directly attributable transaction costs. The financial liabilities include trade and other payables, other financial instruments, etc.

(ii) Subsequent measurement

For the purpose of subsequent measurement, Financial liabilities are classified through amortised cost.

Financial Liabilities at amortised cost

The difference between the fair value of the deposits and the transaction price on initial recognition of the deposit is accounted for separately as "Pre-received income" shown under the head 'Other Financial Liabilities'. The accounting treatment for these will depend upon the nature of the element included in the deposits. Had the entity not placed the deposits with the lessor, the monthly rentals would have been higher. This indicates that the nature of the interest-free element in these deposits represents a pre-received income. Hence, this difference will be recognised as 'Pre-received Income', which will be amortised to the statement of profit and loss over the life of the deposit on a straight line basis.

## Notes to the Financial Statement as at / for the year ended 31.03.2021

The deposits would subsequently be measured at amortised cost, which is computed using the Effective Interest Rate (EIR) method. The entity should, over the period of the lease/contract, recognise and accrue its amortised cost of deposits as finance cost calculated at the market rate of interest for such deposits.

### (C) Offsetting of Financial Instruments

Financial assets and financial liabilities including derivative instruments are offset and the net amount is reported in the Balance sheet, if there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

### (D) Fair Value Measurement

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement".

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

## NOTE 2 : USE OF CRITICAL ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

The areas involving critical estimates or judgements are:

#### • Contingencies -

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. The Company consults with legal counsel and other experts on matters related to specific litigations where considered necessary. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

**Notes to the Financial Statement** as at / for the year ended 31.03.2021

- **Deferred Taxes –**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- **Fair Value Measurements -**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

- **Uncertainties relating to the global health pandemic from COVID-19 -**

Estimation of uncertainties relating to the global health pandemic from COVID-19 - The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of investments, tangible assets, other assets and liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company financial statements may differ from that estimated as at the date of approval of these financial statements.

**Notes to the Financial Statement** as at / for the year ended 31.03.2021

(Amount in Rs.)

**Note : 3 CASH AND CASH EQUIVALENT**

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
Balances with Bank		
On Current Accounts	9,949	1,50,366
On Term Deposit (Maturity for less than 3 Months)	-	12,40,000
Cheque in hand	-	-
Cash on Hand	2,116	2,871
	<b>12,065</b>	<b>13,93,237</b>

**Note : 4 LOANS & ADVANCES**

	As At 31.03.2021	As At 31.03.2020 ₹
<b>Unsecured, Considered Good</b>		
Loans		
-To Body Corporate	62,42,044	56,65,572
	<b>62,42,044</b>	<b>56,65,572</b>

**Note : 5 FINANCIAL ASSETS**

	As At 31.03.2021		As At 31.03.2020	
	No. of shares	₹	No. of shares	₹
<b>INVESTMENTS</b>				
Quoted				
(i) Investment in Equity Instrument( FVTOCI )				
Deepak Spinner Limited	8,69,429	7,95,52,754	8,69,429	7,02,93,335
Longview Tea Company Limited	52,500	5,25,000	52,500	3,15,000
(ii) Investment at Mutual Fund( FVTPL )				
Aditya Birla Sunlife Savings Fund (G)	-	-	1,716	6,82,026
Aditya Birla Sunlife Low Duration Fund (G)	2,441	12,59,091	-	-
<b>Total</b>		<b>8,13,36,845</b>		<b>7,12,90,361</b>

**Note : 6(A) FINANCIAL ASSETS - OTHERS**

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
Other Receivable	2,338	2,338
<b>Total (A)</b>	<b>2,338</b>	<b>2,338</b>

**Note : 6(B) INVENTORIES**

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
Equity Shares (Fully Paid up)(Quoted)( FVTPL )		
50 Equity Shares of ₹ 10/- each of M/s Unique Manufacturing & Marketing Ltd*	50	50
72 Equity Shares of ₹ 10/- each of M/s Reliance Industries Ltd.	1,44,223	79,437
1 Equity Share of ₹ 10/- each of Reliance Infrastructure Ltd.	35	10

**Notes to the Financial Statement** as at / for the year ended 31.03.2021

(Amount in Rs.)

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
18 Equity Shares of ₹ 10/- each of M/s Reliance Communication Ltd.	31	12
<b>Total (B)</b>	<b>1,44,339</b>	<b>79,509</b>
<b>Total(A+B)</b>	<b>1,46,677</b>	<b>81,847</b>

\*In absence of Market Price, Value Per Share is taken at ₹ 1/- Per Share

**Note : 7 CURRENT TAX ASSET (NET)**

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
Advance payment of Income Tax	1,61,031	1,09,892
<b>Total</b>	<b>1,61,031</b>	<b>1,09,892</b>

**Note 8: Property, plant and equipment**

Description	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				Carrying Amount (Net) as at March 31, 2021
	As at March 31, 2020	Additions during the year	Adjustments/ sales during the year	As at March 31, 2021	As at March 31, 2020	Additions during the year	Adjustments/ sales during the year	As at March 31, 2021	
Plant & Machinery	89	-	-	89	-	-	-	-	89
Furniture & Fixtures	25	-	-	25	-	-	-	-	25
<b>Total</b>	<b>114</b>	<b>-</b>	<b>-</b>	<b>114</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>114</b>

Description	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				Carrying Amount (Net) as at March 31, 2020
	Deemed Cost As at April 1, 2019	Additions during the year	Adjustments / sales during the year	As at March 31, 2020	As at April 1, 2019	Additions during the year	Adjustments/ sales during the year	As at March 31, 2020	
Plant & Machinery	89	-	-	89	-	-	-	-	89
Furniture & Fixtures	25	-	-	25	-	-	-	-	25
<b>Total</b>	<b>114</b>	<b>-</b>	<b>-</b>	<b>114</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>114</b>

**NOTE 9 DEFERRED TAX (NET)**

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
Difference between Accounting base and Tax base of Assets and Liabilities	992	(26,77,293)
Addition During the Year	4,291	-
Reversal Deferred Tax during the year	-	26,78,285
<b>Total Deferred Tax Liabilities/(Assets) (Net)</b>	<b>5,283</b>	<b>992</b>

**NOTE 9(A) : DEFERRED TAX RECONCILIATION**

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
<b>Deferred Tax Liabilities:</b>		
Fair Valuation of Mutual Fund	9,340	4,674
<b>Total</b>	<b>9,340</b>	<b>4,674</b>

**Notes to the Financial Statement** as at / for the year ended 31.03.2021

(Amount in Rs.)

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
<b>Deferred Tax Assets:</b>		
On Provisions	4,057	3,683
<b>Total</b>	<b>4,057</b>	<b>3,683</b>
<b>Deferred Tax Liabilities/(Assets) (Net)</b>	<b>5,283</b>	<b>992</b>

**NOTE 9(B) : RECONCILIATION OF TAX EXPENSE ON THE ACCOUNTING PROFIT FOR THE YEAR**

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
<b>Profit / (loss) before Tax</b>	<b>(1,80,064)</b>	<b>21,26,070</b>
Applicable Tax Rate	26%	26%
<b>Tax Liability</b>	<b>(46,817)</b>	<b>5,52,778</b>
Adjustment for Exempt Income	(122)	(6,78,416)
Adjustment for Unrecognised Business Loss	46,938	1,25,638
Adjustment in Non-Financial Liability	(4,057)	(3,683)
Adjustment in Financial Assets	9,340	4,674
Tax Expense/ (Income)	5,283	992
<b>As per Statement of Profit and Loss Account</b>	<b>4,291</b>	<b>992</b>

**NOTE 10 OTHER PAYABLES**

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
Payable to Auditor	41,300	10,620
Payable to Employee	10,000	39,600
<b>Total</b>	<b>51,300</b>	<b>50,220</b>

**NOTE 11 OTHER FINANCIAL LIABILITIES**

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
Book Overdraft	66,027	-
	<b>66,027</b>	<b>-</b>

**Note : 12 SHORT TERM PROVISIONS**

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
Contingency Provision against Standard Assets	15,605	14,164
<b>Total</b>	<b>15,605</b>	<b>14,164</b>

**Note : 13 OTHER NON-FINANCIAL LIABILITIES**

	As At 31.03.2021 ₹	As At 31.03.2020 ₹
<b>Statutory Dues</b>		
– Professional Tax	150	300
<b>Total</b>	<b>150</b>	<b>300</b>

**Notes to the Financial Statement** as at / for the year ended 31.03.2021

(Amount in Rs.)

**Note : 14 EQUITY SHARE CAPITAL**

		As At 31.03.2021 ₹	As At 31.03.2020 ₹
<b>(A) AUTHORISED SHARE CAPITAL</b>			
Equity shares			
150,00,000 (15,00,000) shares of Rs. 10/- each		1,50,00,000	1,50,00,000
<b>Total</b>		<b>1,50,00,000</b>	<b>1,50,00,000</b>
<b>(B) ISSUED , SUBSCRIBED &amp; FULLY PAID</b>			
Equity shares			
1,22,50,000 (1,22,50,000) shares of Rs 10/- each		1,22,50,000	1,22,50,000
<b>Total</b>		<b>1,22,50,000</b>	<b>1,22,50,000</b>

**B. Reconciliation of Equity shares outstanding at the beginning & at the end of the reporting period**

Equity Shares	Nos.	As At 31.03.2021 ₹	Nos.	As At 31.03.2020 ₹
At the beginning of the period	12,25,000	1,22,50,000	12,25,000	1,22,50,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	12,25,000	1,22,50,000	12,25,000	1,22,50,000

**C. Details of Shareholders holding more than 5% of Shares in the Company**

Equity Shares	Nos.	As at 31.03.2021 % Holding in the Class	Nos.	As at 31.03.2020 % Holding in the Class
Contransys Private Limited	3,00,950	25	3,00,950	25
Pradip Kumar Daga	1,35,000	11	1,35,000	11
Asha Devi Daga	92,400	8	92,400	8

D. No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

**Note : 15 OTHER EQUITY**

PARTICULARS	Note No.	RESERVES & SURPLUS					Other Comprehensive Income		Total of Other Equity
		Securities Premium Reserve	Investment Allowance Reserve	RBI Reserve Fund	Retained Earnings	Total	Investments measured at FVTOCI	Total	
		₹	₹	₹	₹	₹	₹	₹	₹
Balance at 1st April, 2019		1,27,40,000	1,175	8,74,331	(54,30,187)	81,85,319	7,50,16,554	7,50,16,554	8,32,01,873
Profit for the year 2019-2020		-	-	-	21,25,078	21,25,078	(1,91,01,604)	(1,91,01,604)	(1,69,76,526)
Transfer to RBI Fund		-	-	4,25,016	(4,25,016)	-	-	-	-
Balance as at 31st March, 2020		1,27,40,000	1,175	12,99,347	(37,30,124)	1,03,10,398	5,59,14,950	5,59,14,950	6,62,25,347
Profit for the year 2020-2021		-	-	-	(1,84,355)	(1,84,355)	94,69,419	94,69,419	92,85,064
Transfer to RBI Fund		-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2021</b>		<b>1,27,40,000</b>	<b>1,175</b>	<b>12,99,347</b>	<b>(39,14,479)</b>	<b>1,01,26,042</b>	<b>6,53,84,369</b>	<b>6,53,84,369</b>	<b>7,55,10,411</b>

**Notes to the Financial Statement** as at / for the year ended 31.03.2021

(Amount in Rs.)

**Note : 16 INTEREST INCOME**

	For the Year Ended 31.03.2021 ₹	For the Year Ended 31.03.2020 ₹
Interest on Loans	6,23,213	5,72,387
Interest on Deposit with Bank	18,614	10,108
<b>Total</b>	<b>6,41,827</b>	<b>5,82,495</b>

**Note : 17 DIVIDEND INCOME**

	For the Year Ended 31.03.2021 ₹	For the Year Ended 31.03.2020 ₹
Dividend Income	468	26,09,292
<b>Total</b>	<b>468</b>	<b>26,09,292</b>

**Note : 18 NET GAIN ON FAIR VALUE CHANGES**

	For the Year Ended 31.03.2021 ₹	For the Year Ended 31.03.2020 ₹
Profit on Sale of Mutual Fund( realized )	32,161	9,554
Fair Value Gain on Financial Instruments( unrealized )	44,904	22,472
<b>Total</b>	<b>77,065</b>	<b>32,026</b>

**Note : 19 OTHER INCOME**

	For the Year Ended 31.03.2021 ₹	For the Year Ended 31.03.2020 ₹
Interest on Income Tax Refund	-	2,404
<b>Total</b>	<b>-</b>	<b>2,404</b>

**Note : 20 CHANGE IN INVENTORIES:**

	For the Year Ended 31.03.2021 ₹	For the Year Ended 31.03.2020 ₹
Inventory at the end of the Year (Shares)	1,44,339	79,509
Inventory at the Beginning of the year (Shares)	79,509	97,494
<b>Total</b>	<b>(64,830)</b>	<b>17,986</b>

**Note : 21 EMPLOYEE BENEFIT EXPENSES**

	For the Year Ended 31.03.2021 ₹	For the Year Ended 31.03.2020 ₹
Salaries, Wages and Bonus	5,59,200	5,20,300
Staff Welfare Expenses	-	64
<b>Total</b>	<b>5,59,200</b>	<b>5,20,364</b>



**Notes to the Financial Statement** as at / for the year ended 31.03.2021

(Amount in Rs.)

**Note : 22 OTHER EXPENSES**

	For the Year Ended 31.03.2021 ₹	For the Year Ended 31.03.2020 ₹
Printing & Stationery	9,637	12,101
Advertisement	20,706	38,420
Rates & Taxes	5,050	4,700
Travelling & Conveyance	5,054	998
<b>Auditor remuneration</b>		
As Statutory Audit Fees	10,620	10,620
As Certification Fees	3,540	3,540
As Limited Review Fees	16,520	16,520
Legal & Professional Fees	1,86,478	3,15,575
Provision for Standard Assets	1,441	538
Subscription & Listing Fees	1,30,390	1,03,840
General Charges	15,618	54,946
	<b>4,05,054</b>	<b>5,61,798</b>

**NOTE 23 : Related Party Disclosure (In accordance with IND AS -24)****A) Name of Related Party and Nature of Relationship****Key Management Personnel**

i) Sri Anup Kumar Dutta

ii) Sri Vinay Kanodia

**B) Related Party Transactions**

Name of Related Party	Nature of Transaction	As at 31.03.2021 (₹)	As at 31.03.2020 (₹)
Sri Anup Kumar Dutta	Managerial Remuneration	4,39,200	4,00,300
Sri Vinay Kanodia	Managerial Remuneration	1,20,000	1,20,000

There is no balance written off during the year in respect of Related Parties.

24. As the company's activities falls within a single primary business segment i.e. NBFC Business so disclosures requirement of Indian Accounting Standard 108 "Segmental Reporting" has not been considered.

**25. Financial Instruments by category**

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

SI No.	PARTICULARS	Refer Note No	Total Fair Value	31st March, 2021			Total
				Carrying value			
				FVTPL	FVTOCI	Amortized cost	
	<b>Financial Assets</b>						
(a)	Cash and Cash Equivalents	3	12,065	-	-	12,065	12,065
(b)	Loans	4	62,42,044	-	-	62,42,044	62,42,044
(c)	Investments	5	8,13,36,845	12,59,091	8,00,77,754	-	8,13,36,845
(d)	Other financial assets	6	1,46,677	-	-	1,46,677	1,46,677
	<b>Total</b>		<b>8,77,37,631</b>	<b>12,59,091</b>	<b>8,00,77,754</b>	<b>64,00,786</b>	<b>8,77,37,631</b>

Notes to the Financial Statement as at / for the year ended 31.03.2021

(Amount in Rs.)

SI No.	PARTICULARS	Refer Note No	Total Fair Value	31st March, 2021			Total
				Carrying value			
				FVTPL	FVTOCI	Amortized cost	
	<b>Financial Liabilities</b>						
(a)	Other Payables	10	51,300	-	-	51,300	51,300
(b)	Other financial liabilities	11	66,027	-	-	66,027	66,027
	<b>Total</b>		<b>1,17,327</b>	<b>-</b>	<b>-</b>	<b>1,17,327</b>	<b>1,17,327</b>

SI No.	PARTICULARS	Refer Note No	Total Fair Value	31st March, 2020			Total
				Carrying value			
				FVTPL	FVTOCI	Amortized cost	
	<b>Financial Assets</b>						
(a)	Cash and Cash Equivalents	3	13,93,237	-	-	13,93,237	13,93,237
(b)	Loans	4	56,65,572	-	-	56,65,572	56,65,572
(c)	Investments	5	7,12,90,361	6,82,026	7,06,08,335	-	7,12,90,361
(d)	Other financial assets	6	81,847	-	-	81,847	81,847
	<b>Total</b>		<b>7,84,31,017</b>	<b>6,82,026</b>	<b>7,06,08,335</b>	<b>71,40,656</b>	<b>7,84,31,017</b>
	<b>Financial Liabilities</b>						
(a)	Other Payables	10	50,220	-	-	50,220	50,220
(b)	Other financial liabilities	11	-	-	-	-	-
	<b>Total</b>		<b>50,220</b>	<b>-</b>	<b>-</b>	<b>50,220</b>	<b>50,220</b>

26 Fair Value Hierarchy

The fair value of the financial assets and financial liabilities are 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.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities. The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

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

Level 2: Inputs other than the quoted prices included within 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).

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31st March, 2021 :

PARTICULARS	Refer Note No	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at Fair Value through OCI (FVTOCI)</b>					
Investments in Quoted equity shares	5	8,00,77,754	8,00,77,754	-	-

**Notes to the Financial Statement** as at / for the year ended 31.03.2021

(Amount in Rs.)

PARTICULARS	Refer Note No	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at Fair Value through Profit or Loss (FVTPL)</b>				-	
Investments in Mutual Funds	5	12,59,091		12,59,091	-
Inventories( Shares)	6	1,44,339	1,44,289	-	50
<b>TOTAL</b>		<b>8,14,81,184</b>	<b>8,02,22,043</b>	<b>12,59,091</b>	<b>50</b>

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31st March, 2020 :**

PARTICULARS	Refer Note No	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at Fair Value through OCI (FVTOCI)</b>			-		
Investments in Quoted equity shares	5	7,06,08,335	7,06,08,335	-	-
<b>Assets measured at Fair Value through Profit or Loss (FVTPL)</b>					
Investments in Mutual Funds	5	6,82,026	-	6,82,026	-
Inventories( Shares)	6	79,509	79,459	-	50
<b>TOTAL</b>		<b>7,13,69,870</b>	<b>7,06,87,793</b>	<b>6,82,026</b>	<b>50</b>

**27 CAPITAL RISK MANAGEMENT**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2021 and 31st March, 2020.

**28 FINANCIAL RISK MANAGEMENT**

Financial risk management objectives and policies

The Company's principal financial liabilities includes Other payable and Other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Cash and cash equivalents and Other financial assets that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**Notes to the Financial Statement** as at / for the year ended 31.03.2021

(Amount in Rs.)

The Board of Directors reviewed policies for managing each of these risks, which are summarized below :

**Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices. The Company's activities expose it to a variety of financial risks, including the effects of changes in interest rates.

**(a) Price risks**

The Company's exposure to securities price risk arises from investments held - both quoted and mutual fund are classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. The Company is not expecting high risk exposure from its investment in securities.

The table below sets forth the fair value of quoted investments in securities of listed companies and mutual funds :

PARTICULARS	As At 31.03.2021 ₹	As At 31.03.2020 ₹
Investments in Quoted Equity Shares ( at FVTOCI)	8,00,77,754	7,06,08,335
Investments in Mutual Funds (at FVTPL)	12,59,091	6,82,026
<b>Total</b>	<b>8,13,36,845</b>	<b>7,12,90,361</b>

**Sensitivity Analysis :**

The impact of increases/decreases of the index on the Company's quoted equity investments and mutual funds for the period is based on the assumption that the equity index has increased/ decreased with all other variables held constant, and that all the Company's equity investments and mutual funds moved as per the market index.

PARTICULARS	Increase/ decrease in Basis points	Effect on Profit before tax	Effect on Other Comprehensive Income	Effect on Pre tax Equity
As at 31st March, 2021	5.00%	62,955	40,03,888	40,66,842
	<b>-5.00%</b>	<b>(62,955)</b>	<b>(40,03,888)</b>	<b>(40,66,842)</b>
As at 31st March, 2020	5.00%	34,101	35,30,417	35,64,518
	<b>-5.00%</b>	<b>(34,101)</b>	<b>(35,30,417)</b>	<b>(35,64,518)</b>

**Credit risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.

**Notes to the Financial Statement** as at / for the year ended 31.03.2021

(Amount in Rs.)

- iv) Significant increase in credit risk on other financial instruments of the same counterparty, Deposits with banks and other financial institutions

**Deposits with banks and other Financial institutions :-**

The Company considers factors such as track record, market reputation and service standards to select banks with which balances and deposits are maintained. Generally, the balances are maintained with the banks with which the Company has also availed borrowings. The Company does not maintain significant cash balances other than those required for its day to day operations.

**Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and working capital limits.

Short term liquidity requirements comprises mainly of other payables and employee dues arising during normal course of business as on the balance sheet date. The maturity profile of the Company's financial liabilities based on the remaining period from the date of the balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

**Maturity Patterns of other financial liabilities**

	31.03.2021 ₹	31.03.2020 ₹
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
Other Financial Liabilities - within 1 year	51,300.00	50,220.00
<b>Total</b>	<b>51,300.00</b>	<b>50,220.00</b>

**29 Earning Per Share (in accordance with IND AS -33)****The Computation of Basic/Diluted earning**

	31.03.2021 ₹	31.03.2020 ₹
(A) Net Profit/(Loss) Attributable to Equity Shareholders	(1,84,355)	21,25,078
(B) Weighted Average No. of Equity Shares	12,25,000	12,25,000
(C) Nominal Value of Equity Shares	10	10
(D) Basic / Diluted Earning Per Share [A/B]	<b>(0.15)</b>	<b>1.73</b>

- 30** There is no amount due to be credited to the Investors Education and Protection Fund as on 31st March,2021.
- 31** The Company has considered internal and external information upto the date of approval of Financial Statement in assessing the recoverability of Property, Plant and Equipment, cash and cash equivalent, investment and other assets and liabilities. The Company has used the principle of prudence in applying judgements, estimate and assumption including sensitivity analysis and based on current indicator of future economic conditions, they expect to recover the carrying amount of these assets. The company has concluded the other impact of COVID-19 is not material based on these estimates. The impact of global health pandemic may be different from that estimated as at the date of approval of these financial statement and the company will continue to closely monitor any material changes to future economic conditions.
- 32** Contingent Liability in respect of Income Tax ₹ 682,480/- for the Assessment Year 2011-2012 which have been pending before CIT Appeal.

**Notes to the Financial Statement** as at / for the year ended 31.03.2021

(Amount in Rs.)

- 33 Provision for standard assets, sub-standard assets and doubtful assets for unrecoverable amounts has been made as per RBI guidelines.
- 34 The Payment of Gratuity Act,1972 and other Long Term Employees Benefit are not applicable to the Company.
- 35 The Company has reclassified and regrouped previous years figure to conform to this year's classification.
- 36 **Disclosure in Notes to Financial Statements**

As at 31.03.2021

Asset Classification as per RBI Norms	Asset Classification as per Ind As 109	Gross Carrying Amount as per Ind As	Loss Allowance (Provision) as required under Ind As 109	Net Carrying Amount	Provision required as per IRACP norms	Difference Between as per Ind As 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)= (4)-(6)
<b>Performing Assets</b>						
STANDARD	Stage 1	62,42,044	-	62,42,044	15,605	(15,605)
<b>TOTAL</b>	<b>Stage 1</b>	<b>62,42,044</b>	<b>-</b>	<b>62,42,044</b>	<b>15,605</b>	<b>(15,605)</b>
	<b>Total</b>	<b>62,42,044</b>	<b>-</b>	<b>62,42,044</b>	<b>15,605</b>	<b>(15,605)</b>

As at 31.03.2020

Asset Classification as per RBI Norms	Asset Classification as per Ind As 109	Gross Carrying Amount as per Ind As	Loss Allowance (Provision) as required under Ind As 109	Net Carrying Amount	Provision required as per IRACP norms	Difference Between as per Ind As 109 Provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)= (4)-(6)
<b>Performing Assets</b>						
STANDARD	Stage 1	56,65,572	-	56,65,572	14,164	(14,164)
<b>TOTAL</b>	<b>Stage 1</b>	<b>56,65,572</b>	<b>-</b>	<b>56,65,572</b>	<b>14,164</b>	<b>(14,164)</b>
	<b>Total</b>	<b>56,65,572</b>	<b>-</b>	<b>56,65,572</b>	<b>14,164</b>	<b>(14,164)</b>



**MANGALAM ENGINEERING PROJECTS LIMITED**

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