

**MANGALAM ENGINEERING
PROJECTS LIMITED**

Annual Report
For the year ended 31st March, 2020

MANGALAM ENGINEERING PROJECTS LIMITED

CIN No: L74899DL1984PLC017356

Board of Directors

Nawal Khandelwal (DIN: 00076629)

Rajendra Prasad Choudhary (DIN: 00076698)

Madhu Rai (DIN: 07146392)

Anup Kumar Dutta, CEO and CFO

Vinay Kanodia, Company Secretary

Auditors

H. B. & Associates

Chartered Accountants

Registered Office:

101C, Kundan House, Ground Floor,

Harinagar Ashram, Mathura Road,

New Delhi-110 014

Phone: 011-2634 0298/4347/1308

Website: www.mangalamengineering.com

E-mail: info@mangalamengineering.com

Corporate Office:

16, Hare Street,

Kolkata-700 001

Registrar & Transfer Agent

Maheshwari Datamatics Pvt Ltd.

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

Kolkata-700 001

Phone: 033-2248-2248, 2243 5029

E-Mail: mdpldc@yahoo.com

Mangalam Engineering Projects Limited
CIN No.L174889DL1984PLC017356
Regd Office:101C, Kundan House, Ground Floor,
Harinagar Ashram, Mathura Road,
New Delhi-110 014
Phone No:011-2634-0298/4347/1308, 4306-5849, Fax No.011-2634-0324
www.mangalamengineering.com, E-mail: info@mangalamengineering.com

Notice

Notice is hereby given that the 2019-20th Annual General Meeting of the shareholders of the Mangalam Engineering Projects Limited will be held on Wednesday, the 30th September, 2020 at 12.00 Noon through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business:

Ordinary Business:

1. To receive consider and adopt the Financial Statements of the Company for the year ended on 31st March, 2020 including audited balance sheet as at 31st March, 2020 and the statement of profit and loss and Cash Flow Statement for the year ended on that date together with the reports of the Board of Directors and Auditors of the Company thereon.
2. To appoint a director in place of Smt Madhu Rai (Holding DIN No.07146392) who retires by rotation and being eligible offers herself for re-appointment.

By Order of the Board
Nawal Khandelwal
Director

Place: Kolkata

Date: 30th June, 2020.

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A person holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person can not act a proxy for any person or shareholder.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, if any, is annexed hereto.
3. The Register of Members and the Share Transfer books of the Company will remain closed from 24/09/2020 to 30/09/2020 for annual closing.
4. Company has appointed M/S Maheshwari Datamatics Private Limited, 23, R N Mukherjee Road, 5th Floor, Kolkata – 700 001, as its Registrar and Transfer Agents (RTA) for both physical and demat segment of equity shares. Members are requested to send all their correspondence at the above address of RTA. For any

communication, the shareholders may also send requests to email ids: mdpldc@yahoo.com and info@mangalamengineering.com.

5. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send relevant share certificates to the above referred Registrar for doing the needful.
6. Members are requested to notify change in address, if any, immediately to the above referred Registrar quoting their Folio numbers.
7. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
8. In terms of circulars issued by The Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of Permanent Account Number Card (PAN Card) to the company or its Registrars and Transfer Agents in cases of Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN Card for all the above mentioned transactions.
9. Shareholders of the Company are requested to please get their shares dematerialized for security and other beneficial reasons.
10. Details under SEBI (LODR), 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
11. Electronic copy of the Annual Report for 2019-20 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes.
12. In future, Electronic copy of the Notice of the General Meetings of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form will be sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same.
13. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2019-20 will also be available on the Company's website www.mangalamengineering.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.
14. Documents referred to in the accompanying Notice and the Explanatory Statement, if any, shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 5.00 pm) on all working days except Saturdays up to and including the date of the Annual General Meeting of the Company.
15. Institutional Members/Bodies Corporate (i.e other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution /Attorney letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at info@mangalamengineering.com with a copy marked to helpdesk.evoting@cdslindia.com on or before 29/09/2020 without which the vote shall not be treated as valid.

16. The Company has appointed Shri Pravin Kumar Drolia, Practising Company Secretary (Certificate of Practice No. 1362) as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
17. The Company has connectivity with both NSDL and CDSL under **ISIN No INE630M01011**.

VOTING THROUGH ELECTRONIC MEANS THROUGH VIDEO CONFERENCING (VC) OR THROUGH OTHER AUDIO VISUAL MEANS (OAVM)

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.mangalamengineering.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. CSE Limited and National Stock Exchange of India Limited at www.msei.in respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 27/09/2020 at 9.00 A M and ends on 29/09/2020 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 23/09/2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on “Shareholders” module.
- (v) 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.

OR

Alternatively, if you are registered for CDSL’s **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL’s **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

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

For Shareholders holding shares in Demat Form and Physical Form	
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"> • 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.
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"> • 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).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.

- (x) 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- Members are requested to directly register their email id by visiting the link <http://mdpl.in/form/email-update> of the Company's Registrar and Share Transfer Agent M/s. Maheshwari Datamatics Pvt Ltd.
2. For Demat shareholders -Members are requested to update/register their email id with their Depository Participant (DP).

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at info@mangalamengineering.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at info@mangalamengineering.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to 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.
- 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 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 (designated email address

by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, 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.

By Order of the Board
Nawal Khandelwal
Director
DIN No. 00076629

Place: Kolkata
Date: 30th June , 2020

Information required to be furnished under SEBI(LODR), Regulations, 2015 in respect of the Appointment/Re-appointment of the Directors

Nawal

Name of the Director	Smt Madhu Rai
DIN No	07146392
Date of Birth	01/09/1974
Date of Appointment	01/04/2015
Qualification	B.Sc
Experience in specific functional areas	Computer, Railway Components and Finance
Directorship in other Companies	Nil
Chairmanship Membership/ of Committees of Other Public Companies	Nil
Shareholding in the Company	Nil
Relationship with other directors	No

BOARD REPORT

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:-

Particulars	(Rs.)	
	31st March, 2020 (IND AS)	31st March, 2019 (IND AS)
Revenue from operation and other Income	3226217	608912
Profit (Loss) before Tax	2126070	(1088791)
Taxes		-
Current year	-	-
Income tax for earlier years	-	-
Deferred Tax	992	-
(loss)/Profit for the year after tax	2125078	(1088791)
Total comprehensive Income for the year	(16796525)	13962580
Basic and diluted earnings per share (Rs.)	1.73	(0.89)

The financial statement has been prepared for the current year on the basis of the first-time application of the IND-AS and therefore the figures for the current year are not comparable with the last year AS figures.

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.

REVIEW OF OPERATIONS

Revenues from operation and other income for Financial year ended 31st March, 2020 is at Rs 3226217 and Profit for the year after tax is Rs 2125078. Total comprehensive Income for the year is (16976526). The Comparative figures of the previous year are shown in the above Financial results table. There has not been any change in the business of the Company during the year. The Company has for the first time adopted IND AS and the adjustment thereof may be considered as the material change affecting the financial position of the Company during the year.

DELISTING

The promoters of the Company during the year had proposed to delist the Company from Metropolitan Stock Exchange of India Limited the only exchange on which the Company is listed and the in-principle approval of the exchange has been received on 19/11/2018.Later on this proposal was not perused and dropped.

ISSUE OF CAPITAL

There has been no issue of capital by the Company during the year.

DIRECTORS

The Board consists of non-executive directors including independent directors and lady director who have wide and varied experience in different disciplines of corporate functioning. There has been no change in the directors during the year.

Smt Madhu Rai, Director, is liable to retire by rotation and being eligible offers herself for re-appointments. Your Directors recommend her re-appointment.

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.

BOARD MEETINGS

During the year 10(Ten) Board meetings were convened and held. The intervening gap between the Meetings was within the prescribed time under the Companies Act, 2013.

During the year, there were no instances where the Board had not accepted the recommendation of the Audit Committee.

AUDITOR S AND THEIR REPORT

M/s H B & Associates, Chartered Accountant (Firm's registration No 322716E), 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 Binay Kumar Pandey, Company Secretaries (C P No. 12074) as Secretarial Auditors to conduct the Secretarial Audit for the financial year 2020-21. Secretarial Audit Report for the financial year 2019-20 is being annexed as Annexure-I 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

The details of the vigil mechanism are available on the Company's website www.mangalamengineering.com.

The Audit Committee has been delegated the responsibility for monitoring and reviewing risk management, assessment and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing and mitigating all elements of risk which the Company may be exposed to. A risk policy and matrix has been adopted and approved by the Board on the recommendation of the Audit Committee. for observation by the company executives. The CFO and CEO certify the adherence of the risk management policy on quarterly basis to the audit committee and the Board.

The Company has not received any complained under 'Sexual harassment of Women at work place (Prohibition, Prevention and Redressal) Act, 2013 during the year.

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.

KEY MANAGERIAL PERSONNEL

There has been no change in the key Managerial position of the Company. Shri Anup Kumar Dutta, CEO and CFO and Shri Vinay Kanodia, Company Secretary are the Key Managerial Personnel of the Company.

CORPORATE SOCIAL RESPONSIBILITY

Due to the non-filling of the conditions for appointment of the Corporate Social Responsibility Committee, such committee has not been formed by the company. The company is under no obligation to spend any amount on the matter.

CORPORATE GOVERNANCE

This is not applicable to the Company.

COST AUDIT

This is not applicable to the company.

NOMINATION AND REMUNERATION COMMITTEE

A 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 is annexed as Annexure-II and forms a part of this report and the same is available on the website of the Company www.mangalamengineering.com.

RELATED PARTY TRANSACTIONS:

There have been no related party transactions during the year under section 188 of the Companies Act, 2013. Suitable disclosure as required by the Accounting standard (IND AS-24) has been made in the notes to the Financial Statement.

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.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent directors have submitted their disclosure to the Board that they fulfill all the

requirements as to qualify for their appointment as an Independent Director under the provisions of the Companies Act, 2013.

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 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-III 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-IV 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 out go during the year.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

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

ABSTRACT OF THE ANNUAL RETURN:

The Abstract of the Annual Return for the year ended 31/03/2020 is annexed as Annexure-V with this Report.

CASH FLOW STATEMENT

In conformity with the provisions of the Companies Act, 2013, Cash Flow Statement for the year ended 31/03/2020 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.

POST BALANCE SHEET EVENTS

The impact of the covid-19 on the performance of the Company shall be minimal since the size of the Company is small. The shareholders are requested to refer to the note no 32 to the financial statement,

PERSONNEL

The Company continues to have cordial relations with its employees.

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.

Regd Office

101C, Kundan House, Harinagar Ashram

Mathura Road, New Delhi- 110 014

Dated: 30/06/2020

Nawal Khandelwal,
(DIN No.0076629)

Madhu Rai,
(DIN No.07146392)

Rajendra Prasad Choudhary
(DIN No.00076698)
Directors

<p>CS BINAY KUMAR PANDEY <i>Practising Company Secretary</i></p>	<p>M/s B K P & ASSOCIATES Company Secretaries 4th Floor, Room No. 426, City Centre Building, 19, Synagogue Street, Kolkata 700 001</p>
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To,
The Members,
Mangalam Engineering Projects Limited
101C, Kundan House, Harinagar Ashram,
Mathura Road, New Delhi-110014.
Corporate Office :
16, Hare Street, 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 out 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.

Place: Kolkata
Dated: June 25, 2020

For B K P & ASSOCIATES
Company Secretaries

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

CS BINAY KUMAR PANDEY
Practising Company Secretary

M/s B K P & ASSOCIATES
Company Secretaries
4th Floor, Room No. 426,
City Centre Building,
19, Synagogue Street,
Kolkata 700 001

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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, Kolkata 700 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 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's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized 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, 2020 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 31st March, 2019 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 import and export of goods and services;
- (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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (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;
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, 2019.
 - (g) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (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. During the year, one independent director resigned for the personal reasons and an additional director was appointed. Except this, there has been 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 2019.
- (e) no merger / amalgamation / reconstruction etc.
- (f) no foreign technical collaborations.

Place: Kolkata
Dated: June 25, 2020.

For B K P & ASSOCIATES
Company Secretaries

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

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.

**MANGALAM ENGINEERING PROJECTS LIMITED
NOMINATION AND REMUNERATION POLICY
(Amended by Board w.e.f 1st April, 2019)**

INTRODUCTION:

In compliance with the provisions of Section 178 of the Companies Act, 2013 read with the applicable rules thereto and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the SEBI Listing Regulations) as amended from time to time and in pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

OBJECTIVE AND PURPOSE OF THE POLICY:

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry to which the Company belongs.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Constitution of the Nomination and Remuneration Committee:

The Board has constituted Nomination and Remuneration Committee on 12th February 2015. The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirements.

Definitions:

- ‘Board’ means Board of Directors of the Company.
- ‘Directors’ means Directors of the Company.
- ‘Committee’ means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board. In accordance with provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations
- ‘Company’ means Mangalam Engineering Projects Limited.
- ‘Independent Director’ means a director referred to in Section 149 (6) of the Companies Act, 2013. and in Regulation 16 of SEBI Listing Regulations
- ‘Key Managerial Personnel (KMP)’ means-
 - (i) Chief Executive officer or the Managing Director or the Manager
 - (ii) Whole-time Director
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary;
 - (v) Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board;
 - (vi) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
- ‘Senior Management Personnel’ means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Applicability:

The Policy is applicable to -

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

General :

- This Policy is divided in three parts:

- (i) **Part – A** covers the matters to be dealt with and recommended by the Committee to the Board,
- (ii) **Part – B** covers the appointment, nomination and removal and
- (iii) **Part – C** covers remuneration and perquisites etc.

PART – A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Carry out the evaluation of performance of Directors, KMP and Senior Management Personnel and recommend to the Board, their appointment and removal.
- Recommend to the Board a policy relating to remuneration for the directors, KMP and other employees and recommend to the Board, amendments to such policy as and when required.
- Recommend to the board , all remuneration, in whatever form, payable to senior management

PART – B

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

- **Guiding Principles**
 - Remuneration policy and arrangements for Directors, KMPs and Senior Management Personnel, shall be determined by the Committee on the basis of Company's financial position, pay and employment conditions prevailing in peer companies or elsewhere in competitive market to ensure that the remuneration and the other terms of employment shall be competitive to ensure that the Company can attract, retain and motivate competent executives.
 - Remuneration packages may be composed of fixed and incentive pay depending on short and long term performance objectives appropriate to the working of the Company.
 - The Committee considers that a successful remuneration policy must ensure that a

significant part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

• **Appointment criteria and qualifications:**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company may appoint or continue the employment of any person as Managing Director/Whole-time Director/ Manager who has attained the age of seventy years and the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
4. Every whole-time Key Managerial Personnel of the Company shall be appointed by means of a resolution of the Board containing the terms and conditions of the appointment, including the remuneration. Provided that the appointment of managing director/whole time director/ manager shall require approval of shareholders as per the provisions of the Companies Act, 2013.
5. A whole time KMP shall not hold office in more than one company except in its subsidiary company, if any, at the same time. However, such KMP can be a director of any Company with the permission of the Board.
6. The Managing Director or Manager of the Company may be the Managing Director or Manager of one and not of not more than one other Company and such appointment should be approved by a resolution passed at a meeting of the Board with the consent of all the directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the directors then in India.

• **Term / Tenure:**

1. Managing Director/Whole-time Director:

- The Company shall appoint or re-appoint any person as its Managing Director or Whole Time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special

resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

3. Key Managerial Personnel (KMP)-

If the office of any whole time KMP is vacated, the resulting vacancy shall be filled up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.

• **Evaluation:**

The Committee shall carry out evaluation of performance of every Director, at regular interval (yearly).

• **Removal:**

Due to reasons for disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of any Act, rules and regulations, their service contract or evaluation of their performance.

• **Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company subject to such approvals, as may be required in this regard.

PART – C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTORS, DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL

1. The remuneration / compensation / commission etc. to the Managing Director/Whole-time Directors and Directors will be determined by the Committee. It shall be fixed as per the statutory provisions of the Companies Act, 2013 and the rules made there under for the time

being in force and in accordance with and subject to the relevant provisions of the Articles of Association of the Company. The Committee shall recommend the remuneration / compensation / commission etc. to be paid the Managing Director/Whole-time Director and Directors to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

2. Increments to the existing remuneration / compensation structure of Whole time Director and Directors may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of managerial person.

3. The Non- Executive / Independent Directors may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed such amount as may be prescribed by the Central Government from time to time.

4. Commission to Non-executive Directors may be paid within the monetary limit approved by shareholders, as per the applicable provisions of the Companies Act, 2013.

5. The remuneration / compensation / commission etc. to the KMP and Senior Management Personnel will be determined based on the Company's financial position, trends and practices on remuneration prevailing in peer companies, in the industry to which the company belongs and performance of such KMP and Senior Management Personnel.

6. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

7. An Independent Director shall not be entitled to any stock option of the Company.

The full or key features of this policy shall be included in the Board's Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report forms part of the Board Report for the year ended 31st March, 2020.

OVERALL REVIEW AND INDUSTRY STRUCTURE AND DEVELOPMENT

The financial market in India continues to be under pressure due to the non-performing assets and recovery of NPA is facing problem. However, with the operationalisation of the Insolvency and Bankruptcy code, the situation has eased.

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 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, Risk and Concern 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

This has already been discussed in the Board report.

The Impact of covid-19 is contained in the statements of notes to the financial statement of the Company.

In the preparation of the financial results the Company has not followed a treatment different from that followed under accounting standard

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 along with the detailed explanations thereof.

Ratios	2019-20	2018-19	% Change	Detailed explanation if more than 25%
Current Ratio	11209.18%	4615.86%	142.84%	Due to increase in cash and cash equivalent in 19-20
Operating Profit Margin	66.82%	-185.34%	136.05%	Due to the increase in the profit in the current year
Net Profit Margin	66.79%	-185.34%	136.04%	Due to the increase in the profit in the current year

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 31.03.2020.

CAUTIONARY STATEMENT

This is stated in the Board report.

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2020

[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 th 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 and dividend 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					

Provident Funds / Pension Funds	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-total(B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	329800	201650	531450	43.4531	531450	0	531450	43.3837	0.0000
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	8800	8800	0.7184	0	8800	8800	0.7184	0.0000
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	40000	0	40000	3.2653	40000	0	40000	3.2653	0.0000
c) Others (Specify)	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Sub-total(B)(2):-	369800	210450	580250	47.3674	571450	8800	580250	47.3674	0.0000
Total Public Shareholding (B)=(B)(1)+ (B)(2)	369800	210450	580250	47.3674	571450	8800	580250	47.3674	0.0000
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1014550	210450	1225000	100.0000	1216200	8800	1225000	100.0000	0.0000

ii) Shareholding of Promoters-

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/Apr/2019]			Shareholding at the end of the year [As on 31/Mar/2020]			% 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
	TOTAL	644750	52.6327	0.0000	644750	52.6327	0.0000	0.0000

ii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl No	Name	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]		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
	01/04/2019	60000	4.8980			
	31/03/2020	60000	4.8980	60000	4.8980	
2	CONTRANSYS PRIVATE LIMITED					AABCC0141L
	01/04/2019	300950	24.5673			
	31/03/2020	300950	24.5673	300950	24.5673	
3	ASHA DEVI DAGA					ADIPD1260C
	01/04/2019	92400	7.5429			
	31/03/2020	92400	7.5429	92400	7.5429	
4	YASHWANT KUMAR DAGA					AFYPD7477F

	01/04/2019	56400	4.6041			
	31/03/2020	56400	4.6041	56400	4.6041	
5	PRADIP KUMAR DAGA					AGAPD8547R
	01/04/2019	135000	11.0204			
	31/03/2020	135000	11.0204	135000	11.0204	

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

SI N o	Name	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the compan y	
1	IDEAL MOTOR FINANCE PRIVATE LIMITED					AAACI9929B
	01-04-2019	60000	4.8980			
	31-03-2020	60000	4.8980	60000	4.8980	
2	GLOBE STOCKS & SECURITIES LTD					AABCE0032A
	01-04-2019	40500	3.3020			
	10/05/2019 - Transfer	-40500	-3.3020	0	0.0000	
	31-03-2020	0	0.0000	0	0.0000	
3	GLOBE STOCKS AND SECURITIES LTD.					AABCG0032A
	01-04-2019	20000	1.6327			
	10/05/2019- Transfer	40500	3.3020	60450	4.9347	
	31-03-2020	60450	4.9347	60450	4.9347	
4	MANJUSHREE TRADING AND FINANCE COMPANY PVT. LTD.					AABCM7410J
	01-04-2019	27350	2.2327			
	31-03-2020	27350	2.2327	27350	2.2327	
5	TEKMEK TRADING CO. PVT. LTD.					AABCT5143M
	01-04-2019	56450	4.6082			
	31-03-2020	56450	4.6082	56450	4.6082	

6	ARDHI VANIJYA PRIVATE LIMITED					AACCA1654M
	01-04-2018	55000	4.4898			
	31-03-2019	55000	4.4898	55000	4.4898	
7	PRJ FINANCE PVT.LTD.					AADCP4314Q
	01-04-2019	55000	4.4898			
	31-03-2020	55000	4.4898	55000	4.4898	
8	PRAGATI BAGS PRIVATE LTD *					AADCP9374J
	01-04-2019	161200	13.1592			
	31/03/2020	161200	13.1592	161200	13.1592	
9	RADHARANI COMMERCIAL PRIVATE LIMITED					AAECR2761C
	01-04-2019	55000	4.4898			
	31-03-2020	55000	4.4898	55000	4.4898	
10	SURESH KUMAR RAJGARIA					ACRPR0507N
	14/09/2019	40000	3.2653	40000	3.2653	
	31-03-2020	40000	3.2653	40000	3.2653	
11	BHAWANI FREIGHT AND FORWARDERS PRIVATE LIMITED					AACCA1654M
	01-04-2019	1000	0.0816			
	31-03-2020	1000	0.0816	1000	0.0816	
12	MEETA PAREKH*					AKTPR0732M
	01-04-2019	1000	0.0816			
	31-03-2020	1000	0.0816	1000	0.0816	
*	Not in the list of Top 10 shareholders as on 01/04/2018 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2019.					
#	Ceased to be in the list of Top 10 shareholders as on 31/03/2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2018.					

(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 (01/04/2019)					

1	Nawal Khandelwal (Director)	NIL	NIL		
2	Suresh Kumar Somani (Director) (upto 11/06/2019)	NIL	NIL		
3	Rajendra Prasad Choudhary Director (from 11/06/2019)	NIL	NIL		
4	Madhu Rai (Director)	NIL	NIL		
5	Vinay Kanodia, Secretary	NIL	NIL		
6	Anup Kumar Datta (CFO & CEO)	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 (31/03/2020)					
1	Nawal Khandelwal (Director)			NIL	NIL
2	Rajendra Prasad Choudhary Director (from 11/06/2019)			NIL	NIL
3	Madhu Rai (Director)			NIL	NIL
4	Vinay Kanodia, Secretary			NIL	NIL
5	Anup Kumar Datta (CFO & CEO)			NIL	NIL

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	-	-	-	-
Total (i + ii + iii)	-	-	-	-

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	-	-

	Total (A)	-	-	-
	Ceiling as per the Act*	NA	NA	NA

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

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Nawal Khandelwal	Suresh Kumar Somani (upto 11/06/2019)	Rajendra Prasad Choudhary(From 11/06/2019)	Madhu Rai	
	1. Independent Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
4.	2. Other Non-Executive Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	--	--	--	--
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	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:

				Rs.
Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Anup Kumar Dutta CFO and CFO	Vinay Kanodia Company Secretary	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax	261600	120000	381600
	(b) Value of perquisites u/s 17(2) Income Tax Act., 1961	138700	-	138700
	(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	-	-	
	Total	400300	120000	520300

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)
A	Company					
	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	Directors					
	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
C	Other officer in default					
	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

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, 2020, 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, 2020, and **profit** (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 33** 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.

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.

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.

Other Matter

The corresponding financial information of the Company as at and for the year ended March 31, 2019 and the transition date opening balance sheet as at April 1st, 2018 included in these Ind AS financial statements, are based on the previously issued financial statements for the years ended March 31, 2019 and March 31, 2018, prepared in accordance with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 which were audited by us, on which we expressed an unmodified opinion. These financial statements have been adjusted for differences in accounting principles to comply with Ind AS and such adjustments on transition to Ind AS which has been approved by the Company's Board of Directors have been audited by us.

Our opinion is not modified in respect of this matter.

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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 2020 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: 30/06/2020

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, 2020, 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, 2020 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	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.
- 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 : 30/06/2020

ANNEXURE 'B' TO THE INDEPENDENT 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, 2020 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 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR H. B. & ASSOCIATES

Chartered Accountants

Firm Regn. No.0322716E

H. S. SENAPATI

Partner

Membership No.54660

Place : Kolkata

Date : 30/06/2020

MANGALAM ENGINEERING PROJECTS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2020
CIN NO.-L74899DL1984PLC017356

ASSETS	Notes	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
(1) FINANCIAL ASSETS				
(a) Cash and cash Equivalents	3	13,93,237	2,08,218	4,27,844
(b) Loans	4	56,65,572	54,50,423	58,50,420
(c) Investments	5	7,12,90,361	8,70,32,646	7,31,73,232
(d) Other Financial Assets	6	81,847	97,555	4,63,571
(2) NON-FINANCIAL ASSETS				
(a) Current Tax Asset (Net)	7	1,09,892	1,12,772	1,15,357
(b) Deferred Tax Asset	8	-	26,77,293	-
(c) Property, Plant and Equipment	9	114	114	114
Total Assets		7,85,41,023	9,55,79,021	8,00,30,538

EQUITY AND LIABILITIES	Notes	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
(A) LIABILITIES				
(1) FINANCIAL LIABILITIES				
(a) Trade Payables	10			
(i) Total Outstanding Dues to Micro and Small Enterprises				
(ii) Total Outstanding Dues to Creditors other than Micro and Small Enterprises		10,620	52,725	10,830
(b) Others Payables	11			
(i) Total Outstanding Dues to Micro and Small Enterprises				
(ii) Total Outstanding Dues to Creditors other than Micro and Small Enterprises		39,600	60,667	-
(2) NON-FINANCIAL LIABILITIES				
(a) Provisions	12	14,164	13,626	15,621
(b) Deferred Tax Liabilities	8	992	-	-
(c) Other Non-Financial Liabilities	13	300	130	130
(B) EQUITY				
(a) Equity Share Capital	14	1,22,50,000	1,22,50,000	1,22,50,000
(b) Other Equity	15	6,62,25,347	8,32,01,873	6,77,53,957
Total Equity and Liabilities		7,85,41,023	9,55,79,021	8,00,30,538

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

For and on behalf of the Board of Directors

NAWAL KHANDELWAL

DIN ,00076629

RAJENDRA PRASAD CHOUDHARY

DIN ,00076698

MADHU RAI
DIRECTORS

DIN ,07146392

ANUP KUMAR DUTTA
VINAY KANODIA

CEO AND CFO
COMPANY SECRETARY

H.S. SENAPATI
PARTNER

Membership No. 54660

Place : Kolkata

Date : 30-06-2020

MANGALAM ENGINEERING PROJECTS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2020
CIN NO.-L74899DL1984PLC017356

Particulars	Notes	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
I. Revenue from Operations			
Interest Income	16	5,72,387	5,87,463
Dividend Income	17	26,09,292	-
Net Gain on Fair Value Change	18	22,472	-
Total Revenue from Operation		32,04,151	5,87,463
II. Other Income	19	22,066	21,449
III. Total Revenue (I + II)		32,26,217	6,08,912
IV. Expenses:			
Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade.	20	17,985	(33,070)
Employee Benefit Expenses	21	5,20,364	7,15,539
Other Expenses	22	5,61,798	10,15,234
IV. Total Expenses		11,00,147	16,97,703
V. Profit/(Loss) before Exceptional Items and Tax (III - IV)		21,26,070	(10,88,791)
VI. Exceptional Item		-	-
VII. Profit/(Loss) before Tax (V - VI)		21,26,070	(10,88,791)
VIII. Tax Expense:			
1 Current Tax		-	-
2 Deferred Tax		992	-
Net Current Tax (VIII)		992	-
IX. Profit/(Loss) for the Period (VII - VIII)		21,25,078	(10,88,791)
X. Other Comprehensive Income for the period			
(A) (i) Item that will not be reclassified to Profit or Loss		(1,64,24,311)	1,38,59,414
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		(26,77,293)	11,91,957
XI. Total Comprehensive Income for the period (IX + X)		(1,69,76,526)	1,39,62,580
Earnings per Equity Share			
(1) Basic	30	1.73	(0.89)
(2) Diluted		1.73	(0.89)

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

For and on behalf of the Board of Directors

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Membership No. 54660

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DIRECTORS
ANUP KUMAR DUTTA CEO AND CFO
VINAY KANODIA, COMPANY SECRETARY

Place : Kolkata
Date: 30-06-2020

MANGALAM ENGINEERING PROJECTS LIMITED**Statement of Cash Flow For the Year Ended 31.03.2020**

PARTICULARS	For the year ended 31.03.2020	For the year ended 31.03.2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) after Tax	21,26,070	(10,88,791)
Adjustment for :		
Contingency Provision against Standard Asset	538	(1,995)
Dividend Income	(26,09,292)	-
Interest Income	(5,72,387)	(5,87,463)
Profit on Sale of Mutual Fund	(9,554)	
Operating Profit before Working Capital Changes	(10,64,625)	(16,78,249)
Movements In Working Capital :		
Increase/(Decrease) in Trade Payables	(42,105)	41,895
Increase/(Decrease) in Other Non Financial Liabilities	170	-
(Increase)/ Decrease in Loans And Advances	(2,12,269)	4,11,782
Increase/(Decrease) in Other Payable	(21,067)	60,667
(Increase)/Decrease in Other Financial Assets	15,708	3,56,815
Cash generated from/(used in) Operations	(13,24,188)	(8,07,090)
Direct Taxes Paid (Net)	-	-
Net Cash from Operating Activities	(13,24,188)	(8,07,090)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Profit on Sale of Mutual Fund	9,554	-
Dividend Income	26,09,292	-
Interest Received	5,72,387	5,87,463
(Purchase)/Sale of Investments (Net)	(6,82,026)	-
Net Cash from Investing Activities	25,09,207	5,87,463
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Dividend Paid (Inclusive of DDT)	-	-
Net Cash from Financing Activities	-	-
Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B+C)	11,85,019	(2,19,627)
Cash and Cash Equivalents at the beginning of the year	2,08,218	4,27,844
Cash and Cash Equivalents at end of the year	13,93,237	2,08,218

MANGALAM ENGINEERING PROJECTS LIMITED**Standalone Statement of Cash Flow For the Year Ended 31.03.2020**

PARTICULARS	As At 31.03.2020	As At 31.03.2019
Cash & Cash Equivalents :		
Balances with Bank		
Current Account	1,50,366	1,54,651
On Term Deposit less than 3 months	12,40,000	50,000
Cash on Hand	2,871	3,567
Total	13,93,237	2,08,218

Note :

- (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 H. B. & ASSOCIATES
Chartered Accountants
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For and on behalf of the Board of Directors

Place : Kolkata
Date : 30/06/2020

NAWAL KHANDELWAL
DIN ,00076629
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DIRECTORS
ANUP KUMAR DUTTA, CEO & CFO
VINAY KANODIA, COMPANY SECRETARY

MANGALAM ENGINEERING PROJECTS LIMITED

Statement of changes in Equity for the Period Ended 31st March, 2020

38 (A) Equity Share Capital	Notes	Number	(Amount in `)
Equity Shares of ` 10/- each issued, subscribed and fully paid At 1st April, 2018	14	12,25,000	1,22,50,000.00
Issued during the year 2018-19		-	-
At 31st March, 2019	14	12,25,000	1,22,50,000.00
Issued during the year 2019-2020		-	-
At 31st March, 2020	14	12,25,000	1,22,50,000.00

(B) Other Equity

(Amount in `)

Particulars					Items of OCI	Total
	Securities Premium	Investment Allowance Reserve	RBI Reserve Fund	Retained Earnings	FVOCI Equity Instruments	
Balance as on 1st April, 2018	1,27,40,000	1,175	8,74,331	(43,41,396)	5,84,79,847	6,77,53,957
Profit for the year	-	-	-	(10,88,791)	-	(10,88,791)
Net Gain / (Loss) on FVTOCI Investments	-	-	-	-	1,50,51,371	1,50,51,371
Adjustment of Deffered Tax on Transition Date	-	-	-	-	14,85,336	14,85,336
Transfer to RBI Fund	-	-	-	-	-	-
Balance as on 31st March, 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

The accompanying Notes are an integral part of the Financial Statements
As per our report of even date annexed

FOR H. B. & ASSOCIATES
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Firm ICAI Reg. No.0322716E

For and on behalf of the Board of Directors

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DIRECTORS

ANUP KUMAR DUTTA CEO AND CFO
VINAY KANODIA, COMPANY SECRETARY

Place : Kolkata

Date: 30/06/2020

MANGALAM ENGINEERING PROJECTS LIMITED

Notes to the Financial Statement As At and for the Year Ended 31.03.2020

CORPORATE INFORMATION

MANGALAM ENGINEERING PROJECTS LIMITED bearing CIN - L74899DL1984PLC017356 is a Public Limited Company, Limited by Shares listed in Calcutta 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, 2020 was approved for issue by the Board of Directors of the company on 30th May, 2020 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 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").

These financial statements for the year ended 31st March, 2020 are the first financial statements of the Company prepared in accordance with Ind AS. The date of transition to Ind AS is 1st April, 2018. Reconciliations and descriptions of the effect of the transition from previous GAAP to Ind AS on the Company's Balance Sheet and Statement of Profit and Loss have been summarized in Note No-25 to the financial statements.

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 are approved for issue by the Board of Directors has been considered in preparing these financial statements.

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;

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.

(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).

- 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

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.

MANGALAM ENGINEERING PROJECTS LIMITED

Notes to the Financial Statement As At and for the Year Ended 31.03.2020

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.

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.

MANGALAM ENGINEERING PROJECTS LIMITED

Notes to the Financial Statement As At and for the Year Ended 31.03.2020

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
- 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.

MANGALAM ENGINEERING PROJECTS LIMITED

Notes to the Financial Statement As At and for the Year Ended 31.03.2020

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.

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).

MANGALAM ENGINEERING PROJECTS LIMITED

Notes to the Financial Statement As At and for the Year Ended 31.03.2020

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.

- **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.

MANGALAM ENGINEERING PROJECTS LIMITED**Notes to the Financial Statement As At 31.03.2020**

Note : 3 CASH AND CASH EQUIVALENT	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
Balances with Bank			
On Current Accounts	1,50,366	1,54,651	91,106
On Term Deposit (Maturity for less than 3 Months)	12,40,000	50,000	3,20,000
Cheque in hand	-	-	12,612
Cash on Hand	2,871	3,567	4,126
Total	<u>13,93,237</u>	<u>2,08,218</u>	<u>4,27,844</u>

Note : 4 Loans	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
Unsecured, Considered Good			
Loans			
-To Body Corporate	56,65,572	54,50,423	57,80,420
-To Others	-	-	70,000
Total	<u>56,65,572</u>	<u>54,50,423</u>	<u>58,50,420</u>

MANGALAM ENGINEERING PROJECTS LIMITED

Notes to the Financial Statement As At 31.03.2020

Note : 5 FINANCIAL ASSETS	As At 31.03.2020		As At 31.03.2019		As At 01.04.2018	
	No. of shares		No. of shares		No. of shares	
INVESTMENTS						
Quoted						
(i) Investment in Equity Instrument						
a. Deepak Spinner Limited	8,69,429	7,02,93,335	8,69,429	8,60,73,471	8,69,429	7,21,62,607
b. Longview Tea Company Limited	52,500	3,15,000	52,500	9,59,175	52,500	10,10,625
(ii) Investment at Mutual Fund						
Aditya Birla	1,716	6,82,026		-		-
Total		<u>7,12,90,361</u>		<u>8,70,32,646</u>		<u>7,31,73,232</u>

Note : 6(A) FINANCIAL ASSETS - OTHERS	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
Advances To Staff	-	-	9,200
Interest Receivable	2,338	61	3,89,947
Total (A)	<u>2,338</u>	<u>61</u>	<u>3,99,147</u>

Note : 6(B) INVENTORIES	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
Equity Shares (Fully Paid up)(Quoted)			
50 Equity Shares of ` 10/- each of M/s Unique Manufacturing & Marketing Ltd*	50	50	50
72 Equity Shares of ` 10/- each of M/s Reliance Industries Ltd.	79,437	97,232	63,554
1 Equity Share of ` 10/- each of Reliance Infrastructure Ltd.	10	137	428
18 Equity Shares of ` 10/- each of M/s Reliance Communication Ltd.	12	75	392
Total (B)	<u>79,509</u>	<u>97,494</u>	<u>64,424</u>
Total(A+B)	<u>81,847</u>	<u>97,555</u>	<u>4,63,571</u>
*In absence of Market Price, Value Per Share is taken at ` 1/- Per Share			

Note : 7 CURRENT TAX ASSET (NET)	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
Advance payment of Income Tax	1,09,892	1,12,772	1,15,357
Total	<u>1,09,892</u>	<u>1,12,772</u>	<u>1,15,357</u>

MANGALAM ENGINEERING PROJECTS LIMITED

Notes to the Financial Statement As At 31.03.2020

#	NOTE 8 DEFERRED TAX (NET)	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
	Difference between Accounting base and Tax base of Assets and Liabilities	(26,77,293)	-	-
	Reversal Deferred Tax during the year	26,78,285	(26,77,293)	-
	Total Deferred Tax Liabilities/(Assets) (Net)	992	(26,77,293)	-

NOTE 8(A) : DEFERRED TAX RECONCILIATION

PARTICULARS	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
Deferred Tax Liabilities:			
Fair Valuation of Mutual Fund	4,674	-	-
Total	4,674	-	-
Deferred Tax Assets:			
Fair Valuation of Equity Instruments		11,91,957	
Adjustment of Fair Valuation of Equity Instruments on Transition Date		14,85,336	
On Provisions	3,683	-	-
Total	3,683	26,77,293	-
Deferred Tax Liabilities/(Assets) (Net)	992	(26,77,293)	-

NOTE 8(B) : RECONCILIATION OF TAX EXPENSE ON THE ACCOUNTING PROFIT FOR THE YEAR

PARTICULARS	As at 31st March,2020	As at 31st March,2019
Profit / (loss) before Tax	21,26,070	(10,88,791)
Applicable Tax Rate	26%	26%
Tax Liability	5,52,778	(2,83,086)
Adjustment for Exempt Income	(6,78,416)	-
Adjustment for Unrecognised Business Loss	1,25,638	2,83,086
Adjustment in Non-Financial Liability	(3,683)	-
Adjustment in Financial Assets	4,674	-
Tax Expense/ (Income)	992	-
As per Statement of Profit and Loss Account	992	-

MANGALAM ENGINEERING PROJECTS LIMITED*Notes to the Financial Statement As At 31.03.2020***Note 9: Property, plant and equipment**

(Amount in `)

Description	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				Carrying Amount (Net) as at March 31, 2020
	As at March 31, 2019	Additions during the year	Adjustments/sales during the year	As at March 31, 2020	As at March 31, 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
Total	114	-	-	114	-	-	-	-	114

(Amount in `)

Description	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				Carrying Amount (Net) as at March 31, 2019
	Deemed Cost As at April 1, 2018	Additions during the year	Adjustments/sales during the year	As at March 31, 2019	As at April 1, 2018	Additions during the year	Adjustments/sales during the year	As at March 31, 2019	
Plant & Machinery	89	-	-	89	-	-	-	-	89
Furniture & Fixtures	25	-	-	25	-	-	-	-	25
Total	114	-	-	114	-	-	-	-	114

MANGALAM ENGINEERING PROJECTS LIMITED*Notes to the Financial Statement As At 31.03.2020*

NOTE 10 TRADE PAYABLES	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
Current			
Trade Payables			
Total Outstanding Dues to Micro and Small Enterprises *	-	-	-
Total Outstanding dues of Creditors other than Micro Enterprise & Small Enterprises*	10,620	52,725	10,830
Total	10,620	52,725	10,830

* There are no Micro, Small and Medium Enterprises to which the company owes dues as no parties claim to be registered as a Micro, Small and Medium Enterprises.

NOTE 11 OTHER PAYABLES	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
Payable to Employee	39,600	60,667	-
Total	39,600	60,667	-

Note : 12 SHORT TERM PROVISIONS	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
Contingency Provision against Standard Assets	14,164	13,626	15,621
Total	14,164	13,626	15,621

Note : 13 OTHER NON-FINANCIAL LIABILITIES	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
Statutory Dues			
– Professional Tax	300	130	130
Total	300	130	130

MANGALAM ENGINEERING PROJECTS LIMITED

Notes to the Financial Statement As At 31.03.2020

Note : 14 EQUITY SHARE CAPITAL	As At 31.03.2020	As At 31.03.2019	As At 01.04.2018
(A) I AUTHORISED SHARE CAPITAL			
<i>Equity shares</i>			
150,00,000 (15,00,000) shares of Rs. 10/- each	<u>1,50,00,000</u>	1,50,00,000	1,50,00,000
Total	<u>1,50,00,000</u>	<u>1,50,00,000</u>	<u>1,50,00,000</u>
(B) ISSUED , SUBSCRIBED & FULLY PAID			
<i>Equity shares</i>			
12,250,000 (1,225,000) shares of Rs 10/- each	<u>1,22,50,000</u>	1,22,50,000	1,22,50,000
Total	<u>1,22,50,000</u>	<u>1,22,50,000</u>	<u>1,22,50,000</u>

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

Equity Shares	Nos.	As At 31.03.2020	Nos.	As At 31.03.2019	Nos.	As At 01.04.2018
At the beginning of the period	12,25,000	1,22,50,000	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	<u>12,25,000</u>	<u>1,22,50,000</u>	<u>12,25,000</u>	<u>1,22,50,000</u>	<u>12,25,000</u>	<u>1,22,50,000</u>

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

Particulars	Nos.	As at 31.03.2020 % Holding in the Class	Nos.	As at 31.03.2019 % Holding in the Class	Nos.	As At 01.04.2018
Equity Shares						
Contransys Private Limited	3,00,950	25	3,00,950	25	3,00,950	25
Pradip Kumar Daga	1,35,000	11	1,35,000	11	1,35,000	11
Asha Devi Daga	92,400	8	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.

MANGALAM ENGINEERING PROJECTS LIMITED*Notes to the Financial Statement As At 31.03.2020*

#	Note : 15 OTHER EQUITY	RESERVES & SURPLUS					Other Comprehensive Income		Total of Other Equity	
		PARTICULARS	Note No.	Securities Premium Reserve	Investment Allowance Reserve	RBI Reserve Fund	Retained Earnings	Total		Investments measured at FVTOCI
	Balance as on 01.04.2018		1,27,40,000	1,175	8,74,331	(43,41,396)	92,74,110	5,84,79,847	5,84,79,847	6,77,53,957
	Profit for the year 2018-19		-	-	-	(10,88,791)	(10,88,791)	1,50,51,371	1,50,51,371	1,39,62,580
	Adjustment of Deffered Tax on Transition Date		-	-	-	-	-	14,85,336	14,85,336	14,85,336
	Transfer to RBI Fund		-	-	-	-	-	-	-	-
	Restated Balance at 31st March, 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

MANGALAM ENGINEERING PROJECTS LIMITED

Notes to the Financial Statement As At 31.03.2020

Note : 16 INTEREST INCOME	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
Interest on Loans	5,72,387	5,87,463
Total	5,72,387	5,87,463

Note : 17 DIVIDEND INCOME	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
Dividend on Long Term Investments	26,09,292	-
Total	26,09,292	-

Note : 18 NET GAIN ON FAIR VALUE CHANGES	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
Fair Value Gain on Financial Instruments	22,472	-
Total	22,472	-

Note : 19 OTHER INCOME	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
Contingent Provision against Standard Asset(Write Back)	-	1,995
Interest on Income Tax Refund	2,404	3,137
Interest on Term Deposit with Bank	4,108	16,317
Profit on Sale of Mutual Fund	9,554	-
Misc Income	6,000	-
Total	22,066	21,449

Note : 20 CHANGE IN INVENTORIES:	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
Inventory at the end of the Year (Shares)	79,509	97,494
Inventory at the Beginning of the year (Shares)	97,494	64,424
Total	17,985	(33,070)

MANGALAM ENGINEERING PROJECTS LIMITED*Notes to the Financial Statement As At 31.03.2020*

Note : 21 EMPLOYEE BENEFIT EXPENSES	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
Salaries, Wages and Bonus	5,20,300	7,15,283
Staff Welfare Expenses	64	256
Total	5,20,364	7,15,539

Note : 22 OTHER EXPENSES	For the Year Ended 31.03.2020	For the Year Ended 31.03.2019
Printing & Stationery	12,101	48,739
Advertisement	38,420	27,300
Rates & Taxes	4,700	4,750
Travelling & Conveyance	998	1,580
Auditor remuneration		
As Auditor	10,620	10,410
NBFC Audit/Certification Fees	3,540	3,540
Limited Review Audit Fees	16,520	16,520
Legal & Professional Fees	3,15,575	6,03,895
Bank Charges	108	497
Demat Charges	2,188	2,303
Telephone & Postage	583	1,480
Filing Fees	8,750	7,965
Provision for Standard Assets	538	-
Interest Not Recoverable Written Off	-	6,580
Subscription & Listing/Delisting Fees	1,03,840	2,73,940
General Charges	43,317	5,735
Total	5,61,798	10,15,234

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

<i>Name of Related Party</i>	<i>Nature of Transaction</i>	As at 31.03.2020 (₹)	As at 31.03.2019 (₹)
Sri Anup Kumar Dutta	Managerial Remuneration	4,00,300	3,58,750
Sri Vinay Kanodia	Managerial Remuneration	1,20,000	60,667

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.

FINANCIAL INSTRUMENTS- ACCOUNTING, CLASSIFICATION AND FAIR VALUE MEASUREMENTS

38

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, 2020			Total
				Carrying value			
				FVTPL	FVTOCI	Amortized cost	
Financial Assets							
(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
	Total		7,84,31,017	6,82,026	7,06,08,335	71,40,656	7,84,31,017
Financial Liabilities							
(a)	Trade Payables	10	10,620	-	-	10,620	10,620
(b)	Other Payables	11	39,600	-	-	39,600	39,600
	Total		50,220	-	-	50,220	50,220

SI No.	PARTICULARS	Refer Note No	Total Fair Value	31st March, 2019			Total
				Carrying value			
				FVTPL	FVTOCI	Amortized cost	
Financial Assets							
(a)	Cash and Cash Equivalents	3	2,08,218	-	-	2,08,218	2,08,218
(b)	Loans	4	54,50,423	-	-	54,50,423	54,50,423
(c)	Investments	5	8,70,32,646	-	8,70,32,646	-	8,70,32,646
(d)	Other financial assets	6	97,555	-	-	97,555	97,555
	Total		9,27,88,842	-	8,70,32,646	57,56,196	9,27,88,842
Financial Liabilities							
(a)	Trade Payables	10	52,725	-	-	52,725	52,725
(b)	Other Payables	11	60,667	-	-	60,667	60,667
	Total		1,13,392	-	-	1,13,392	1,13,392

SI No.	PARTICULARS	Refer Note No	Total Fair Value	1st April, 2018			Total
				Carrying value			
				FVTPL	FVTOCI	Amortized cost	
Financial Assets							
(a)	Cash and Cash Equivalents	3	4,27,844	-	-	4,27,844	4,27,844
(b)	Loans	4	58,50,420	-	-	58,50,420	58,50,420
(c)	Investments	5	7,31,73,232	-	7,31,73,232	-	7,31,73,232
(d)	Other financial assets	6	4,63,571	-	-	4,63,571	4,63,571
	Total		7,99,15,067	-	7,31,73,232	67,41,835	7,99,15,067
Financial Liabilities							
(a)	Trade Payables	10	10,830	-	-	10,830	10,830
(b)	Other Payables	11	-	-	-	-	-
	Total		10,830	-	-	10,830	10,830

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, 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)
Assets measured at Fair Value through OCI (FVTOCI)					
Investments in Quoted equity shares	5	7,06,08,335	7,06,08,335	-	-
Assets measured at Fair Value through Profit or Loss (FVTPL)					
Investments in Mutual Funds	5	6,82,026	-	6,82,026	-
Inventories(Shares)	6	79,509	79,459	-	50
TOTAL		7,13,69,870	7,06,87,793	6,82,026	50

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31st March, 2019 :

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)
Assets measured at Fair Value through OCI (FVTOCI)					
Investments in Quoted equity shares	5	8,70,32,646	8,70,32,646	-	-
Assets measured at Fair Value through Profit or Loss (FVTPL)					
Investments in Mutual Funds	5	-	-	-	-
Inventories(Shares)	6	97,494	97,444	-	50
TOTAL		8,71,30,140	8,71,30,090	-	50

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 1st April, 2018 :

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)
Assets measured at Fair Value through OCI (FVTOCI)					
Investments in Quoted equity shares	5	7,31,73,232	7,31,73,232	-	-
Assets measured at Fair Value through Profit or Loss (FVTPL)					
Investments in Mutual Funds	5	-	-	-	-
Inventories(Shares)	6	64,424	64,373	-	50
TOTAL		7,32,37,656	7,32,37,605	-	50

27 First-time Adoption of IND AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2019, with a transition date of 1st April, 2018. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2020 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Optional Exemptions availed**Deemed Cost for Property, Plant and Equipment**

The Company has opted paragraph D7 AA of Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly the carrying value of property, plant and equipments has been considered as deemed cost as at the transition date.

B. Applicable Mandatory Exceptions**1 Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTOCI
- Investment in mutual fund carried at FVTPL
- Investment in equity instruments held as a stock in Trade carried at FVTPL

2 Classification and measurement of financial assets

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

3. Fair Value of Financial Assets and Liabilities

As per Ind AS exemption, the Company has not fair valued the financial assets and liabilities retrospectively and has measured the same

B. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

- 1 Reconciliation of Balance sheet as at April 1, 2018 (Transition Date)
- 2 Reconciliation of Balance sheet as at March 31, 2019
- 3 Reconciliation of Statement of Profit & Loss for the year ended March 31, 2019
- 4 Reconciliation of Equity as at April 1, 2018 and as at March 31, 2019.

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

MANGALAM ENGINEERING PROJECTS LIMITED

Notes to the Financial Statement As At 31.03.2020

1 Reconciliation of Balance sheet as at April 1, 2018

PARTICULARS	Notes	Regrouped Previous GAAP	IND AS Adjustments	IND AS
ASSETS				
(1) FINANCIAL ASSETS				
(a) Cash and cash Equivalents		4,27,844	-	4,27,844
(b) Loans		58,50,420	-	58,50,420
(c) Investments	A	1,46,93,385	5,84,79,847	7,31,73,232
(d) Other Financial Assets	B	3,99,147	64,424	4,63,571
(2) NON-FINANCIAL ASSETS				
(a) Current Tax Asset (Net)		1,15,357	-	1,15,357
(b) Property, Plant and Equipment		114	-	114
Total Assets		2,14,86,267	5,85,44,271	8,00,30,538
EQUITY AND LIABILITIES				
(A) LIABILITIES				
(1) FINANCIAL LIABILITIES				
(i) Trade Payables				
Total Outstanding Dues to Micro and Small Enterprises				
Total Outstanding Dues to Creditors other than Micro and Small Enterprises		10,830		10,830
(2) NON-FINANCIAL LIABILITIES				
(a) Provisions		15,621	-	15,621
(b) Other Non Financial Liabilities		130	-	130
(B) Equity				
(a) Equity share capital		1,22,50,000	-	1,22,50,000
(b) Other equity	A,B,C	92,11,658	5,85,42,299	6,77,53,957
Total Equity and Liabilities (A+B)		2,14,88,239	5,85,42,299	8,00,30,538

MANGALAM ENGINEERING PROJECTS LIMITED

Notes to the Financial Statement As At 31.03.2020

2 Reconciliation of Balance sheet as at March 31, 2019

PARTICULARS	Notes	Regrouped Previous GAAP	IND AS Adjustments	IND AS
ASSETS				
(1) FINANCIAL ASSETS				
(a) Cash and cash Equivalents		2,08,218	-	2,08,218
(b) Loans		54,50,423	-	54,50,423
(c) Investments	A	1,46,93,385	7,23,39,261	8,70,32,646
(d) Other Financial Assets		61	97,494	97,555
(2) NON-FINANCIAL ASSETS				
(a) Current Tax Asset (Net)		1,12,772	-	1,12,772
(b) Deferred Tax Asset		-	26,77,293	26,77,293
(c) Property, Plant and Equipment		114	-	114
Total Assets		2,04,64,973	7,51,14,048	9,55,79,021
EQUITY AND LIABILITIES				
(A) LIABILITIES				
(1) FINANCIAL LIABILITIES				
(i) Trade Payables				
Total Outstanding Dues to Micro and Small Enterprises				
Total Outstanding Dues to Creditors other than Micro and Small Enterprises		52,725	-	52,725
(ii) Other Payables				
Total Outstanding Dues to Micro and Small Enterprises				
Total Outstanding Dues to Creditors other than Micro and Small Enterprises		60,667	-	60,667
(2) NON-FINANCIAL LIABILITIES				
(a) Provisions		13,626	-	13,626
(b) Other Non Financial Liabilities		130	-	130
(B) Equity				
(a) Equity share capital		1,22,50,000	-	1,22,50,000
(b) Other equity	A,B,C	80,89,473	7,51,12,401	8,32,01,873
Total Equity and Liabilities		2,04,66,621	7,51,12,401	9,55,79,021

MANGALAM ENGINEERING PROJECTS LIMITED

Notes to the Financial Statement As At 31.03.2020

3 Reconciliation of Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Notes	Previous GAAP	IND AS Adjustments	IND AS
I. Revenue from Operations				
Interest Income		5,87,463		5,87,463
II. Other income		21,449	-	21,449
III. Total income		6,08,912	-	6,08,912
IV. Expenses				
Change in Inventories of Finished Goods, Work-in-Progress and	B	324	(33,395)	(33,070)
Employee benefit expense		7,15,539	-	7,15,539
Other expenses		10,15,234	-	10,15,234
Total Expenses (III)		17,31,097	-	16,97,703
V. Profit/(Loss) before tax (II-III)		(11,22,185)	-	(10,88,791)
VI. Income tax expense				
- Current tax		-	-	-
- Deferred tax		-	-	-
VII. Total Tax Expense		-	-	-
VIII Profit for the year (IV - V)	B	(11,22,185)	33,394	(10,88,791)
IX. Other Comprehensive Income				
A. Items that will not be classified to profit or loss	A	-	1,38,59,414	1,38,59,414
B. Income Tax relating to items that will not be reclassified to Profit or Loss	C	-	11,91,957	11,91,957
X Total Comprehensive Income for the period (VI + VII) (comprising profit (loss) and other comprehensive income for the period)		(11,22,185)	1,50,84,765	1,39,62,580

The following explains the material adjustments made while transition from previous accounting standards to IND AS

A. Investments in Equity instruments

Under the previous GAAP, investments in equity instruments were classified as long-term investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, these investments are required to be measured at fair value (except for Investments in associates for which exemption with regard to deemed cost is adopted).

Fair value changes with respect to investments in equity instruments have been recognised in FVOCI - Equity Investments (net of tax) as at the date of transition and subsequently in the other comprehensive income for the year ended 31st March 2019. As a result there has been :

PARTICULARS	31st March, 2019	1st April, 2018
Increase in Carrying Amount of Investments	1,38,59,414	5,84,79,847
Deferred Tax Liability on Fair Valuation of Investments	97,555	-
Increase in Total Equity (recognised in OCI)	1,39,56,969	5,84,79,847

B. Fair Valuation of Inventories

Under Indian GAAP, the Company recognised inventories at lower of cost or net realisable value. Under Ind AS the Company has designed inventories as FVTPL. Ind AS requires FVTPL inventories to be measured at fair value. At the date of transition to Ind AS and as on 31 March 2018, difference between the inventories fair value and Indian GAAP cost has been recognised in the Profit & Loss.

Fair value changes with respect to inventories have been recognised in FVTPL as at the date of transition and subsequently in Profit & Loss for the year ended 31st March 2019. As a result there has been :

PARTICULARS	31st March, 2019	1st April, 2018
Increase in Carrying Amount of Inventories	33,395	62,452
Increase in Inventories (recognised in Profit & Loss)	33,395	62,452

C. Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

MANGALAM ENGINEERING PROJECTS LIMITED**Notes to the Financial Statement As At 31.03.2020****28 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, 2020 and 31st March, 2019.

29 FINANCIAL RISK MANAGEMENT**Financial risk management objectives and policies**

The Company's principal financial liabilities includes Trade 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.

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

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Investments in Quoted Equity Shares (at FVTOCI)	7,06,08,335	8,70,32,646	7,31,73,232
Investments in Mutual Funds (at FVTPL)	6,82,026	-	-
TOTAL	7,12,90,361	8,70,32,646	7,31,73,232

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 Comprehensiv e Income	Effect on Pre tax Equity
As at 31st March, 2020	5.00%	34,101	35,30,417	35,64,518
	-5.00%	(34,101)	(35,30,417)	(35,64,518)
As at 31st March, 2019	5.00%	-	43,51,632	43,51,632
	-5.00%	-	(43,51,632)	(43,51,632)

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:

MANGALAM ENGINEERING PROJECTS LIMITED**Notes to the Financial Statement As At 31.03.2020**

- 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.
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,

Deposits with banks and other financial instruments

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 trade 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

Particulars	31.03.2020	31.03.2019	01.04.2018
Current Liabilities			
Financial Liabilities			
Trade Payables - within 1 year	-	-	-
Other Financial Liabilities - within 1 year	39,600.00	60,667.00	-
Total	39,600.00	60,667.00	-

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

Particulars	31.03.2020	31.03.2019
Net Profit/(Loss) Attributable to Equity Shareholders	21,25,078	(10,88,791)
Weighted Average No. of Equity Shares	12,25,000	12,25,000
Nominal Value of Equity Shares	10	10
Basic / Diluted Earning Per Share	1.73	(0.89)

MANGALAM ENGINEERING PROJECTS LIMITED**Notes to the Financial Statement As At 31.03.2020**

Note-31 Other Equity Reconciliation	As at 31.03.2019 ([₹])	As at 01.04.2018 ([₹])
Other Equity as per Previous GAAP	80,89,473	92,11,658
Adjustments for		
Change in Fair value of Investments earlier recognised at lower of cost or net reliable value	95,847	62,452
Investments in Equity Shares Measured at FVTOCI	7,23,39,261	5,84,79,846
Deferred tax thereon	26,77,293	-
Other Equity as per Ind AS	8,32,01,873	6,77,53,957

32 There is no amount due to be credited to the Investors Education and Protection Fund as on 31st March,2020.

33 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, the expect to recover the carrying amount of these asset. 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.

34 Contingent Liability not provided in respect of Income Tax ` 682,480/- for the Assessment Year 2011-2012 which have been pending before CIT Appeal.

35 Provision for standard assets, sub-standard assets and doubtful assets for unrecoverable amounts has been made as per RBI guidelines.

36 The payment of Gratuity Act,1972 and other Long Term Employees Benefit are not applicable to the Company.

37 The Company has reclassified and regrouped previous years figure to conform to this year's classification.

38 Disclosure in Notes to Financial Statements

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)
Performing Assets						
Standard	Stage 1	56,65,572	-	56,65,572	14,164	(14,164)
Total	Stage 1	56,65,572	-	56,65,572	14,164	(14,164)
	Total	56,65,572	-	56,65,572	14,164	(14,164)

As at 31.03.2019

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)
Performing Assets						
Standard	Stage 1	54,50,423	-	54,50,423	13,626	(13,626)
Total	Stage 1	54,50,423	-	54,50,423	13,626	(13,626)
	Total	54,50,423	-	54,50,423	13,626	(13,626)

As at 1.04.2018

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)
Performing Assets						
Standard	Stage 1	62,48,367	-	62,48,367	15,621	(15,621)
Total	Stage 1	62,48,367	-	62,48,367	15,621	(15,621)
	Total	62,48,367	-	62,48,367	15,621	(15,621)

NAWAL KHANDLWAL

DIN ,00076629

RAJENDRA PRASAD CHOUDHARY

DIN ,00076698

MADHU RAI, DIN:07146392

DIRECTORS

ANUP KUMAR DUTTA CEO AND CFO
 VINAY KANODIA, COMPANY SECRETARY

DATE:30/06/2020

38 Disclosure in Notes to Financial Statements
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)
Performing Assets						
Standard	Stage 1	56,65,572	14,164	56,51,408	14,164	0
Subtotal		56,65,572	14,164	56,51,408	14,164	0
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
Total	Stage 1	56,65,572	14,164	56,51,408	14,164	0
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	56,65,572	14,164	56,51,408	14,164	0