



The Power of Distribution

MAS FINANCIAL SERVICES LIMITED

MFSL/SEC/EQ/2020/35

24th June, 2020

To,
The Manager,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

To,
General Manager
National Stock Exchange of India Limited
Exchange Plaza
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400051
Trading Symbol: **MASFIN**

Scrip Code: **540749**

Dear Sir,

Sub: Disclosures of related party transactions on consolidated basis as on March 31, 2020.

Pursuant to Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Please find enclosed herewith Disclosures of related party transactions on a consolidated basis for the half year and year ended as on March 31, 2020.

Kindly take the same on your record.

Thanking you,
Yours faithfully,

FOR, **MAS FINANCIAL SERVICES LIMITED**

RIDDHI BHAYANI
(COMPANY SECRETARY & COMPLIANCE OFFICER)
MEMBERSHIP NO.: A41206



Encl. As above

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MAS FINANCIAL SERVICES LIMITED

Related party disclosure on a consolidated basis for half year ended 31 March 2020

(₹ In Lakhs)

Related party disclosures:

(a) Related party disclosures as required by Ind AS 24 - Related Party Disclosures.

List of related parties and relationships:

Sr. No.	Nature of Relationship
1	Key management personnel (where there are transactions)
	Mr. Kamlesh C. Gandhi (Chairman and managing director)
	Mr. Mukesh C. Gandhi (Whole time director and chief financial officer)
	Mrs. Darshana S. Pandya (Director and chief executive officer)
	Mr. Bala Bhaskaran (Independent director)
	Mr. Umesh Shah (Independent director)
	Mr. Chetanbhai Shah (Independent director)
	Mrs. Daksha Shah (Independent director)
2	Other related parties (where there are transactions)
	Prarthna Marketing Private Limited
	Anamaya Capital LLP
	Mrs. Shweta K. Gandhi
	Mr. Dhvanil K. Gandhi
	Mr. Saumil D. Pandya

Transactions with related parties are as follows:

	Half year ended 31 March 2020		
	Key management personnel	Other related parties	Total
Remuneration (including bonus)	845.24	37.10	882.34
Dividend paid	1,771.04	1,412.82	3,183.86
Sitting fees	4.70	-	4.70

Balances outstanding from related parties are as follows:

	As at 31 March 2020		
	Key management personnel	Other related parties	Total
Loans and advances given	19.79	-	19.79
Bonus payable	96.38	1.80	98.18

All transactions with these related parties are priced on an arm's length basis.

Key managerial personnel who are under the employment of the Group are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.



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Related party disclosure on a consolidated basis for half year ended 31 March 2020

(₹ In Lakhs)

Related party disclosures: (Continued)

(a) Related party disclosures as required by Ind AS 24 - Related Party Disclosures. (Continued)

Transactions with key management personnel are as follows:

	Half year ended 31 March 2020
Post-employment benefits	5.87
Other long term employment benefits	(5.00)
	<u>0.87</u>

The remuneration of key management personnel are determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

(b) Disclosures as per Regulation 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015).

Loans and advances in the nature of loans to companies in which directors are interested as under:

Sr. No.	Name	As at 31 March 2020	Maximum balance out-standing during the half year ended 31 March 2020
1	M Power Micro Finance Private Limited	1,300.00	1,300.00



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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2020

(₹ In Lakhs)

28 Contingent liabilities and commitments (to the extent not provided for)

	As at 31 March 2020	As at 31 March 2019
(A) Commitments		
I) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
Property, plant and equipment	-	20.08
II) Loan commitments for sanctioned but not disbursed amount	798.84	4,857.95

29 Corporate social responsibility ("CSR") expenses:

The gross amount required to be spent by the Holding Company during the year towards CSR is ₹ 330.04 lakhs (31 March 2019: ₹ 228.52 lakhs) as per section 135 of the Act. Details of amount spent towards CSR as below:

		In cash	Yet to be paid in cash	Total
(i) Construction / acquisition of any assets	(Year ended 31 March 2020)	-	-	-
	(Year ended 31 March 2019)	-	-	-
(ii) On purposes other than (i) above	(Year ended 31 March 2020)	53.91	-	53.91
	(Year ended 31 March 2019)	25.87	-	25.87

30 Segment reporting:

Operating segment are components of the Group whose operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Group is engaged primarily on the business of 'Financing' only, taking into account the risks and returns, the organization structure and the internal reporting systems. All the operations of the Group are in India. All non-current assets of the Group are located in India. Accordingly, there are no separate reportable segments as per Ind AS 108 - 'Operating Segments'.

31 Related party disclosures:

(a) Related party disclosures as required by Ind AS 24 - 'Related Party Disclosures'.

List of related parties and relationships:

Sr. No.	Nature of Relationship	
1	Key management personnel (where there are transactions)	Mr. Kamlesh C. Gandhi (Chairman and managing director) Mr. Mukesh C. Gandhi (Whole time director and chief financial officer) Mrs. Darshana S. Pandya (Director and chief executive officer) Mr. Bala Bhaskaran (Independent director) Mr. Umesh Shah (Independent director) Mr. Chetanbhai Shah (Independent director) Mrs. Daksha Shah (Independent director)
2	Other related parties (where there are transactions)	Prarthna Marketing Private Limited Anamaya Capital LLP Mrs. Shweta K. Gandhi Mr. Dhvanil K. Gandhi Mr. Saumil D. Pandya



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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2020

(₹ In Lakhs)

31 Related party disclosures: (Continued)

(a) Related party disclosures as required by Ind AS 24 - Related Party Disclosures. (Continued)

Transactions with related parties are as follows:

	Year ended 31 March 2020		Total
	Key management personnel	Other related parties	
Remuneration (including bonus)	1,723.80	68.28	1,792.08
Dividend paid	2,605.89	2,060.87	4,666.76
Sitting fees	9.20	-	9.20

	Year ended 31 March 2019		Total
	Key management personnel	Other related parties	
Remuneration (including bonus)	1,470.65	55.09	1,525.74
Dividend paid	846.34	655.41	1,501.75
Sitting fees	6.45	-	6.45

Balances outstanding from related parties are as follows:

	As at 31 March 2020		Total
	Key management personnel	Other related parties	
Loans and advances given	19.79	-	19.79
Bonus payable	96.38	1.80	98.18

	As at 31 March 2019		Total
	Key management personnel	Other related parties	
Loans and advances given	21.92	-	21.92
Bonus payable	159.57	1.57	161.14

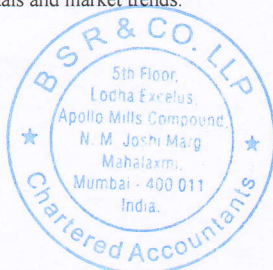
All transactions with these related parties are priced on an arm's length basis.

Key managerial personnel who are under the employment of the Group are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

Transactions with key management personnel are as follows:

	Year ended 31 March 2020	Year ended 31 March 2019
Post-employment benefits	2.48	27.71
Other long term employment benefits	-	14.04
	<u>2.48</u>	<u>41.75</u>

The remuneration of key management personnel are determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.



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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2020

(₹ In Lakhs)

31 Related party disclosures: (Continued)

(b) Disclosures as per Regulation 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015).

Loans and advances in the nature of loans to companies in which directors are interested as under:

Sr. No.	Name	As at 31 March 2020	Maximum balance outstanding during the year ended 31 March 2020	As at 31 March 2019	Maximum balance outstanding during the year ended 31 March 2019
1	Paras Capfin Company Private Limited	-	-	-	857.75
2	M Power Micro Finance Private Limited	1,300.00	1,300.00	500.00	3,350.97

* The director interested in Paras Capfin Company Private Limited redeemed his holding on 11 May 2018 and hence, the disclosures made are of amount outstanding as on 11 May 2018 and maximum balance outstanding up to that date.

- 32 Under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") which came into force from October 2, 2006, certain disclosures are required to be made relating to micro, small and medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments. The disclosure as required by section 22 of MSMED Act for the Holding Company has been given below:

	As at 31 March 2020	As at 31 March 2019
Principal amount payable to suppliers as at year-end	-	-
Interest due thereon as at year end	-	-
Interest amount for delayed payments to suppliers pursuant to provisions of MSMED Act actually paid during the year, irrespective of the year to which the interest relates	-	-
Amount of delayed payment actually made to suppliers during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

33 Offsetting

Following table represents the recognised financial assets that are offset, or subject to enforceable master netting arrangements and other similar arrangements but not offset, as at 31 March 2020 and 31 March 2019. The column 'net amount' shows the impact of Group's balance sheet if all the set-off rights were exercised.

	Effect of offsetting on the balance sheet			Related amount not offset		
	Gross amounts	Gross amount off set in balance sheet (refer note 1)	Net amount presented in balance sheet	Advances received against loan agreements (refer note 1)	Financial instrument collateral (refer note 2 and 3)	Net amount
31 March 2020						
Loans and advances	3,62,643.95	3,421.35	3,59,222.60	10,049.88	50,032.17	2,99,140.55
31 March 2019						
Loans and advances	3,50,031.77	1,764.03	3,48,267.74	62.44	51,242.11	2,96,963.19

Note:

- ₹ 13,471.23 lakhs (31 March 2019: ₹ 1,826.47 lakhs) represents advances received against loan agreements.
- ₹ 49,916.12 lakhs (31 March 2019: ₹ 51,044.56 lakhs) represents security deposits received from borrowers.
- ₹ 116.05 lakhs (31 March 2019: ₹ 197.55 lakhs) represents deposits given as security against borrowings.

