



The Power of Distribution

MAS FINANCIAL SERVICES LIMITED

MFSL/SEC/EQ/2021/32

June 02, 2021

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, 2021.

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, 2021.

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

Regd. Office :

6, Ground Floor, Narayan Chambers,

B/h Patang Hotel, Ashram Road, Ahmedabad-380 009.

CIN : L65910GJ1995PLC026064

+ 91(O) 079 4110 6500 / 079 3001 6500

+ 91(O) 079 4110 6597, + 91 (O) 079 4110 6561

www.mas.co.in

mfsl@mas.co.in

MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR HALF YEAR ENDED 31 MARCH 2021

(₹ 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) (till 19 January 2021) 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 Mrs. Shweta K. Gandhi Mr. Dhvanil K. Gandhi Mr. Saumil D. Pandya

Transactions with related parties are as follows:

	Half year ended 31 March 2021		
	Key management personnel	Other related parties	Total
Remuneration (including bonus)	18.55	30.89	49.44
Dividend paid	3.13	0.98	4.11
Sitting fees	5.90	-	5.90

Balances outstanding from related parties are as follows:

	As at 31 March 2021		
	Key management personnel	Other related parties	Total
Loans and advances given	18.11	-	18.11
Bonus payable	1.20	1.92	3.12



MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR HALF YEAR ENDED 31 MARCH 2021

(₹ In Lakhs)

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

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:

	Half year ended 31 March 2021
Post-employment benefits	1.34
Other long term employment benefits	(1.69)
	<u>(0.35)</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 2021	Maximum balance out- standing during half year ended 31 March 2021
1	M Power Micro Finance Private Limited	-	1,247.32

* The director interested in M Power Micro Finance Private Limited redeemed his holding on 23 October 2020 and hence, the disclosures made are of maximum balance outstanding up to that date.



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

(₹ In Lakhs)

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

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(A) Commitments			
I) Loan commitments for sanctioned but not disbursed amount	557.85	798.84	4857.95

The Group's pending litigations comprise of proceedings pending with Income Tax and other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions / contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.

32 Corporate social responsibility ("CSR") expenses:

The average profit before tax of the Holding Company for the last three financial years was ₹ 20,882.02 lakhs, basis which the Holding Company was required to spend ₹ 417.64 lakhs towards CSR activities for the current financial year (31 March 2020: ₹ 330.04 lakhs).

a) Amount spent during the year on:

Particulars	31 March 2021			31 March 2020		
	Amount Spent	Amount Unpaid/ provision	Total	Amount Spent	Amount Unpaid/ provision	Total
Construction / acquisition of any asset	-	-	-	-	-	-
On purpose other than (i) above	33.43	384.21	417.64	53.91	-	53.91

b) The Group has not made any transaction with related parties in relation to CSR expenditure as per Ind AS 24

c) In case of Section 135(6): Details of ongoing projects

Opening balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Holding Company	In Separate CSR Unspent A/c		From Holding Company's bank A/c	From Separate CSR Unspent A/c	With Holding Company	In Separate CSR Unspent A/c
Nil	N.A.	417.64	33.43	-	384.21	-

Note: Closing balance of ₹ 384.21 lakhs available with the Holding Company shall be transferred to an unspent CSR account by end of 30 April 2021.

33 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.

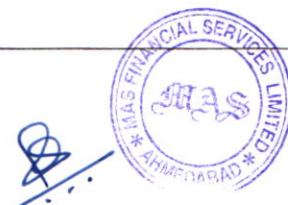
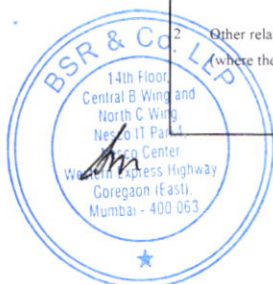
The Group is engaged primarily on the business of 'Financing' only, taking into account the risks and returns, the organization structure and the internal reporting systems. All the operations of the Group are in India. All non-current assets of the Group are located in India. Accordingly, there are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

34 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 ("KMP") (where there are transactions)	Mr. Kamlesh C. Gandhi (Chairman and managing director) Mr. Mukesh C. Gandhi (Whole time director and chief financial officer) (till 19 January 2021) 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 Mrs. Shweta K. Gandhi Mr. Dhvanil K. Gandhi Mr. Saumil D. Pandya



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

(₹ In Lakhs)

34 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 2021		Total
	Key management personnel	Other related parties	
Remuneration (including bonus)	39.56	64.70	104.26
Dividend paid	3.13	0.98	4.11
Sitting fees	10.70	-	10.70

	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

Balances outstanding from related parties are as follows:

	As at 31 March 2021		Total
	Key management personnel	Other related parties	
Loans and advances given	18.11	-	18.11
Bonus payable	1.20	1.92	3.12

	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 1 April 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 2021	Year ended 31 March 2020
Post-employment benefits	2.68	2.48
Other long term employment benefits	0.38	-
	<u>3.06</u>	<u>2.48</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.



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2021

(₹ In Lakhs)

34 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 2021	Maximum balance outstanding during the year ended 31 March 2021	As at 31 March 2020	Maximum balance outstanding during the year ended 31 March 2020	As at 1 April 2019
1	M Power Micro Finance Private Limited	-	1,305.11	1,300.00	1,300.00	500.00

* The director interested in M Power Micro Finance Private Limited redeemed his holding on 23 October 2020 and hence, the disclosures made are of maximum balance outstanding up to that date

35 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 Group has been given below:

	As at 31 March 2021	As at 31 March 2020	As at 1 April 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	-	-	-

36 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 2021 and 31 March 2020. 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		Net amount
	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)	
31 March 2021						
Loans and advances	4,09,304.28	2,973.33	4,06,330.95	12.87	32,027.41	3,74,290.67
31 March 2020						
Loans and advances	3,63,608.10	3,421.35	3,60,186.75	10,034.11	49,916.12	3,00,236.52
1 April 2019						
Loans and advances	3,63,024.72	1,764.03	3,61,260.69	62.44	51,044.56	3,10,153.69

Note:

1 ₹ 2,986.20 lakhs (31 March 2020: ₹ 13455.46 lakhs, 31 March 2019: ₹ 1,826.47 lakhs) represents advances received against loan agreements.

2 ₹ 32,027.41 lakhs (31 March 2020: ₹ 49,916.12 lakhs, 31 March 2019: ₹ 51044.56 lakhs) represents security deposits received from borrowers.

