Mangalam Drugs and Organics Ltd.

Regd. Office : Rupam Building, 3rd Floor, 239 P. D'Mello Road, Near G. P. O. Mumbai - 400 001.
Phone : 91-22-22616200 / 6300 / 8787 • Fax : 91-22-22619090 • CIN : L24230MH1972PLC116413

Date: 29th September, 2018

To,
BSE Limited ,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001

To,
National Stock Exchange of India Ltd
Exchange Plaza, C-1 Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051

Scrip Code: 532637

Symbols: MANGALAM

Subject: Submission of Annual Report under Regulation 34(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Dear Sir/Madam,

In compliance with the requirement under Regulation 34(1) of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith 45th Annual Report for the financial year 2017-18 duly approved and adopted by the members as per the provisions of the Companies Act, 2013 in the 45th Annual General Meeting held on 25th September, 2018.

The above is for your information and record.

Thanking You,

Your's Sincerely,
For **Mangalam Drugs & Organics Ltd**

MANGALAM DRUGS & ORGANICS LTD. MUMBAI

Nikita Bavishi
Company Secretary

Encl: A/a

45th Annual Report 2017 - 2018

MANGALAM DRUGS & ORGANICS LIMITED

(AN ISO 9001 & WHO - GMP COMPANY)

BOARD OF DIRECTORS

GOVARDHAN M. DHOOT	-	CHAIRMAN & MANAGING DIRECTOR
BRIJMOHAN M. DHOOT	-	NON - EXECUTIVE DIRECTOR
AJAY R DHOOT	-	ADDITIONAL DIRECTOR (Appointed w.e.f 20.11.2017)
ADITYA R DHOOT	-	ADDITIONAL DIRECTOR (Appointed w.e.f 20.11.2017)
SUBHASH C. KHATTAR	-	INDEPENDENT DIRECTOR
AJAY SAWHNEY	-	ADDITIONAL INDEPENDENT DIRECTOR (Appointed w.e.f 20.11.2017)
RUKMESH DHANDHANIYA	-	ADDITIONAL INDEPENDENT DIRECTOR (Appointed w.e.f 20.11.2017)
ANURADHA SUKHANI	-	INDEPENDENT DIRECTOR (resigned w.e.f 21.05.2018)
NIDHI MUNDADA	-	ADDITIONAL INDEPENDENT DIRECTOR (Appointed w.e.f 28.05.2018)

CHIEF FINANCIAL OFFICER
Mr. Ajay Samant

COMPANY SECRETARY
Ms. Nikita Bavishi

REGISTERED OFFICE
Rupam Building, 3rd Floor,
239, P.D'mello Road,
Near GPO, Mumbai – 400 001
Tel No. 91-22-22616200/6300/8787
Fax No. 91-22-2619090
E-Mail: contactus@mangalamdrugs.com
Investors E-mail Id: investor@mangalamdrugs.com
Website: http://www.mangalamdrugs.com.

WORKS

VAPI – UNIT 1
Plot No. 187, GIDC
Vapi, Dist. Valsad
Gujarat – 396 195

VAPI – UNIT 2
Plot No. 1203, GIDC
Vapi, Dist. Valsad,
Gujarat – 396 195

AUDITORS
Batliboi & Purohit, Chartered Accountants
National Insurance Building, 204
Dadabhoy Naoroji Road, Fort– 400 001

BANKERS
State Bank Of India
Indian Bank
Punjab and Maharashtra Co-Op. Bank Ltd
Central Bank of India

REGISTRAR & TRANSFER AGENTS
Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai – 400083
Tel No. 91-22-49182670

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NOTICE

NOTICE is hereby given that the Forty-Fifth Annual General Meeting of the Members of **Mangalam Drugs & Organics Limited** will be held on Tuesday, the 25th September, 2018 at 03.30 P.M at the Kilachand Conference Room, 2nd Floor, Indian Merchants Chamber Building, IMC Marg, Churchgate, Mumbai- 400020, Maharashtra, India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Audited Financial Statements as at 31st March, 2018 including the Balance Sheet, the Statement of Profit and Loss for the year ended as on that date and the reports of the Board of Directors' and the Auditors' of the Company thereon.
2. To appoint a Director in place of Shri. Govardhan Murlidhar Dhoot (DIN: 01240086) who retires from office by rotation and being eligible, offers himself for re-appointment.
3. To confirm the payment of interim dividend on equity shares already paid during the financial year ended 31st March, 2018.

SPECIAL BUSINESS:

4. **Ratification of remuneration payable to M/s Ankit Kishor Chande, Cost Auditors for the financial year 2018-19.**

   To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and any other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) ("the Act") the Company hereby ratifies remuneration of Rs. 110,000/- (Rupees One Lac Ten Thousand only) plus GST, as applicable and reimbursement of out-of-pocket expenses payable to M/s. Ankit Kishor Chande, Cost Accountant who were appointed by the Board of Directors as Cost Auditors of the Company for the financial year 2018-19, to conduct Cost Audit relating to "Bulk Drugs" businesses of the Company as may be ordered by the Central Government under the Act and the Rules thereunder."

   FURTHER RESOLVED THAT the Board of Director of the Company be and is hereby authorized to do such acts, deeds and things as may be considered necessary to give effect to the above resolution."

5. **Appointment of Shri Ajay R Dhoot (00210424) as Director, liable to retire by rotation:**

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** Shri Ajay R Dhoot (00210424**)** who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 20th November 2017 in terms of Section 149, 152 and 161 of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation."

6. **Appointment of Shri Aaditya R Dhoot (00057224) as Director, liable to retire by rotation:**

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** Shri Aaditya R Dhoot (00057224**)** who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 20th November, 2017 in terms of Section 149, 152 and 161 of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company, liable to retire by rotation."

7. **Appointment of Shri Ajay Sawhney (DIN: 05132739) as Independent Director:**

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Shri Ajay Sawhney (DIN: 05132739), who was appointed as an Additional–Independent Director by the Board of Directors with effect from 20th November, 2017, in terms of the provisions of Section 161 of the Act and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold the office for a term of 5 years effective from 20th November, 2017 till 19th November, 2022."

8. **Appointment of Shri Rukmesh Dhandhania (DIN: 02493968) as Independent Director:**

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Shri Rukmesh Dhandhania (DIN: 02493968), who was appointed as an Additional–Independent Director by the Board of Directors with effect from 20th November, 2017, in terms of the provisions of Section 161 of the Act and who has submitted a declaration that he

meets the criteria for independence as provided in Section 149(6) of the Act and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold the office for a term of 5 years effective from 20th November, 2017 till 19th November, 2022."

9. Appointment of Mrs. Nidhi Mundada (DIN: 08134952) as Independent Director:

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mrs. Nidhi Mundada (DIN: 08134952), who was appointed as an Additional–Independent Director by the Board of Directors with effect from 28th May, 2018, in terms of the provisions of Section 161 of the Act and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold the office for a term of 5 years effective from 28th May, 2018 till 27th May, 2023."

10. Re-appointment of Shri Subhash Khattar (DIN 01122941) as an Independent Director for second term of five years whose existing term expires on 31st March, 2019 and who has attained the age of Seventy-five years.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Specal Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV to the Companies Act, 2013 ("the Act") and any other applicable provisions of the Act and the Rules made thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modifications or re-enactments thereof, for time being in force), Shri Subhash C Khattar (DIN 01122941) who holds office of Independent Director up to 31st March, 2019 and who meets the criteria of independence as provided in the Act and Listing Regulations and being eligible and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company effective from 1st April, 2019 to 31st March, 2024."

RESOLVED FURTHER THAT pursuant to the provision of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, as amended from time to time, consent of the members of the Company be and is hereby accorded for continuation of Directorship of Shri Subhash C Khattar (DIN 01122941) who has attained the age of Seventy-five years and whose current term expires on 31st March, 2019 and being eligible, is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company effective from 01st April, 2019.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

11. **Change in designation of Shri Brijmohan M Dhoot from Non-Executive Director to Executive Director of the Company:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Section 197 and all other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force) as proposed and recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company respectively, the consent of the Members of the Company be and is hereby accorded to change in the designation of Shri Brijmohan M Dhoot [DIN: 01046420] from Non-Executive Director to Executive Director of the Company with effect from 14th August, 2018 at a remuneration of Rs.50,000/- (Rupees Fifty Thousand) per month notwithstanding it being in excess of the limits as prescribed in Section 197 of the Act.

RESOLVED FURTHER THAT the other terms and conditions of appointment of Shri Brijmohan M Dhoot [DIN: 01046420], currently holding office as non-executive Director of the Company, liable to retire by rotation, will remain unaltered.

RESOLVED FURTHER THAT any of the Director of the Company be and is hereby authorized to affix his Digital Signature and File necessary e-forms with the Registrar of Companies, Mumbai and take such steps and to do all such acts, deeds, matters and things as may be required to give effect to this resolution."

By order of the Board of Directors
For **Mangalam Drugs & Organics Ltd**

Nikita Bavishi
Company Secretary

Registered Office:
3rd Floor, Rupam Building,
239, P. D'Mello Road, Near GPO, Mumbai – 400001
CIN: L24230MH1972PLC116413

Place: Mumbai
Dated: 14th August, 2018

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other 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(1) and (2) of the Companies Act, 2013 in respect of item nos.4, 5, 6, 7, 8, 9, 10, 11 of the Notice set out above, is hereto annexed.

3. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. excluding Saturdays, Sundays and Public Holidays upto the date of Annual General Meeting.

4. The requirement for ratification of Appointment of Auditors by Members at each Annual General Meeting has been omitted as per Section 40 of the Companies (Amendment) Act, 2017 (notified on May 7, 2018). Accordingly resolution for ratification of appointment of Batliboi & Purohit, Statutory Auditors, who were appointed at the Annual General Meeting held on 26th September, 2017 is not included in this notice.

5. The Register of Members and Share Transfer Books of the Company will remain closed from 19th September 2018 to 25th September 2018 (both days inclusive) for the purpose of Annual General Meeting.

6. The Annual Report of the Company for the year 2017-18 is also uploaded on the Company's website www.mangalamdrugs.com in the "Investor Relations" Section.

7. As a measure of economy, copies of the Annual Report shall not be distributed at the meeting and therefore the Members are requested to bring their copy of Annual Report to the Meeting.

8. Members are requested to intimate to the Company, queries, if any, on the accounts at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.

9. The Company has appointed **M/s. Link Intime India Private Limited ,** C-101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400078 as Share Transfer Agents and the members are requested to send/address all their shares related matters/ correspondence directly to them.

10. **Change of Address /Bank details:** Members are requested to inform **M/s. Link Intime India Private Limited**, immediately of any change in their address / bank details. Members holding shares in dematerialized form are requested to intimate all changes with respect to their Email Id, signature, address, bank details and mandate etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company's records. Members holding shares in physical form are requested to intimate such changes to the Registrar and Share Transfer Agents of the Company viz. M/s. Link Intime India Private Limited.

11. As per Circular No. MRD/Dop/Cir-05/2009 dated May 20, 2009 issued by Securities And Exchange Board of India (SEBI), it is mandatory to quote Permanent Account Number (PAN) for participating in the securities market. Therefore, Members holding shares in dematerialised form are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Registrar and Share Transfer Agents of the Company viz. Link Intime India Private Limited.

12. Members/Proxies should bring the admission/attendance slip duly filled in for attending the meeting.

13. The Company has transferred unclaimed application money due for refund of public issue made in the year 2005 and unclaimed dividend for the financial year 2005-06 declared on 30th September 2006 to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claim.

14. Electronic (soft) copy of the Notice of the 45th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-Voting along with the Attendance Slip & Proxy Form and the Annual Report for 2017-2018 is being sent to all the Members whose

    e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copies of these documents are being sent in the permitted mode.

15. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 45th AGM by electronic means and all the items of the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 18th September, 2018, may cast their vote by electronic means or in the AGM.

    The information with respect to Voting process and other instructions regarding e-voting are detailed in Note No. 24.

    The voting rights of the members shall be in proportion to the paid up value of their shares in the equity capital of the Company as on the cutoff date i.e. 18th September, 2018.

16. The Company shall also arrange for the physical voting by use of ballot or polling paper at the AGM for the members who have not cast their vote through remote e voting.

17. The members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again.

18. Mr. Manish Baldeva, Practicing Company Secretary has been appointed as the scrutinizer to scrutinize the voting and e-voting process in a fair and transparent manner.

19. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 3 days after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorized by the Chairman, shall declare the result of the voting forthwith. The result declared along with the consolidated Scrutinizer's Report shall be placed on the Company's website www. mangalamdrugs.com and on the website of CDSL immediately after the result is declared by the Chairman and the same shall be simultaneously communicated to the BSE Limited and National Stock Exchange of India Limited.

20. The resolution shall be deemed to be passed on the date of AGM, subject to the receipt of sufficient votes.

21. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.

22. Trading in the shares of the Company can be done in dematerialized form only. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. It also substantially reduce the risk of fraud. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.

23 As required in terms of Secretarial Standard - 2 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the information (including profile and expertise in specific areas) pertaining to directors recommended for seeking appointment / re-appointment at the 45th Annual General Meeting have been provided below:

	Name	Shri. Govardhan. M Dhoot (DIN: 01240086)	Shri Ajay R Dhoot (DIN: 00210424)	Shri Aaditya R Dhoot (DIN: 00057224)	Shri Ajay Sawhney (DIN: 05132739)	Shri Rukmesh Dhandhania (DIN: 02493968)	Mrs. Nidhi Mundada (DIN: 07543091)	Shri Subhash C Khattar (DIN: 01122941)	Shri.Brijmohan. M Dhoot (DIN: 01046420)
2.	Date of Birth	21st October 1953	9th March,1964	3rd May, 1968	16th June, 1966	28th December, 1979	20th September, 1988	3rd July 1939	10th July, 1951
3.	Educational Qualification	Commerce Background	B.com	B.com	B.E	Masters in Marketing Management	B.E. (LT.), & MBA in Marketing	Chartered Accountant	Commerce Background
4.	Date of appointment on the Board	16th April, 1996	20th November, 2017	20th November, 2017	20th November, 2017	20th November, 2017	28th May, 2018	1st April, 2014	02nd May, 2015
5.	Category of Director	Chairman & Managing Director	Non-Executive Director.	Non-Executive Director.	Independent Director	Independent Director	Independent Director	Independent Director	Non Executive Non Independent Director
6.	Experience	He has been the Whole-time Director of the Company effective 1st November 2004. He has over three decades of experience in the Chemical Industry, handling marketing in both domestic and export market. He has traveled to many countries and visited important Industrial & Commercial Capitals all over the world.	Shri Ajay R Dhoot, designated as Vice-Chairman of IMP Powers Limited, has an experience of more than 36 years in the field of Marketing, Finance and Administration. He is a prudent Business man. He has also played a leading role in administering IMP Powers Limited's entry into domestic and international markets. He is also the promoter of Mangalam Drugs & Organics Ltd, a reputed bulk drug company manufacturing anti malarial drugs.	Shri Aaditya R Dhoot is Managing Director of IMP Powers Limited, has about 3 decades of experience, in the transformer industry. He oversees Finance, Accounts, Project expansion plans and Material Managements of IMP Powers Limited. Shri Aaditya R Dhoot, is also the Promoter and Managing Director of the subsidiary, IMP Energy Ltd., engaged in the business of setting-up small and mini Hydro Power Projects and the promoter of Mangalam Drugs & Organics Ltd,, a reputed bulk drug company manufacturing anti malarial drugs.	Ajay Sawhney is the Director in IMP Energy Limited and has 25 years of immense experience in Hydro Projects.	Rukmesh Dhandhania has a 10 years experience in Agency Business.	5+ years of experience in diverse sectors - Financial Services, FMCG and I.T. contributed in setting up strategies and executing them end-to-end at companies like Infosys, HUL, Citi and Dinshaw's.	He is a Chartered Accountant having about 45 years of experience. He specializes in taxation and auditing. He is on the statutory panel of Bank Audits and other public sector under takings (PSUs) and private company.	He has more than 40 years experience in the Chemical and Pharma Industry. He has vast knowledge and varied experience which is of great value to the company.

7.	List of other Directorships held	Beanstalk Retail Private Limited	**1.**IMP Powers Limited, **2.**Imp Energy Limited, **3.**Advance Transformers & Equipments Private Limited, **4.**Shree Kishoriju Trading & Investment Private Limited **5.**Shree Rasbihari Trading & Investment Private Limited **6.**Shree Rasbihari Electricals Private Limited **7.**Universal Transformers Private Limited. **8.**Raga Organics Private Limited. **9.**Shree JB Pharma LLP	**1.**IMP Powers Limited, **2.**Imp Energy Limited, **3.**Advance Transformers & Equipments Private Limited, **4.**Shree Kishoriju Trading & Investment Private Limited **5.**Shree Rasbihari Trading & Investment Private Limited. **6.**Indian Electrical & Electronics Manufacturers association. **7.**Universal Transformers Private Limited. **8.**Raga Organics Private Limited. **9.**Shri JB Pharma LLP	1. Imp Energy Limited	NIL	NIL	NIL	**1.** Raga Organics Private Limited **2.**Elarci (Estates & Constructional) Development Services Private Limited **3.** Beanstalk Retail Private Limited
8.	Name of Committees in which Chairman	NIL	CSR Committee - IMP Powers Limited.	NIL	NIL	NIL	NIL	Audit Committee, stakekeholder relationship committee,CSR Committee,Nomination & Remuneration committee - MDOL	NIL
9.	Name of Committees in which Member	Audit Committee, Stakeholders Relationship Committee & CSR Committee - MDOL	Stakeholders Relationship Committee - IMP Powers Limited.	Audit Committee, Stakeholders Relationship Committee & CSR - IMP Powers Limited.	NIL	Audit Committee & Nomination & Remuneration Committee - MDOL	NIL	NIL	Nomination & Remuneration Committee and CSR Committee – MDOL
10.	Number of shares held in the Company.	6,67,122 equity shares.	1,38,687 equity shares.	89,225 equity shares.	NIL	NIL	NIL	NIL	5,64,469 equity shares.
11.	Disclosure of Relationship	Shri. Govardhan M Dhoot is brother of Shri. Brijmohan M Dhoot of the Company	Shri Ajay R Dhoot is Brother of Shri Aaditya R Dhoot of the Company	Shri Aaditya R Dhoot is Brother of Shri Ajay R Dhoot of the Company	NA	NA	NA	NA.	Shri. Brijmohan M Dhoot is brother of Shri. Govardhan M Dhoot of the Company
12	No. of Borrd Meeting attended During the year	8	2	2	2	2	NA	8	6

24. INSTRUCTIONS FOR ELECTRONIC VOTING (E-VOTING)

1. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, applicable Secretarial Standard and the Listing Regulation, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 45th Annual general Meeting of the Company. The Company has appointed Mr. Manish Baldeva, Practicing Company Secretary to act as scrutinizer for conduction scrutiny of the votes cast.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on 22nd September, 2018, 9.00 A.M and ends on 24th September, 2018, 05.00 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 (record date) of 18th September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The shareholders should log on to the e-voting website www.evotingindia.com.

Click on Shareholders.

Now Enter your User ID

a. For account holders in CDSL: 16 digits beneficiary ID,

b. For account holders in NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(ii) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:.

	For Members 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) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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 recordsin order to login. • 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 (iv).

(iii) After entering these details appropriately, click on "SUBMIT" tab.

(iv) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.

(v) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(vi) Click on the EVSN for the MANGALAM DRUGS & ORGANICS LIMITED.

(vii) 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.

(viii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(ix) 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.

(x) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xii) 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.

(xiii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xiv) Note for Non – Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

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.

In case you have any queries or issues regarding e-voting, 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 call on Tollfree No. 1800-200-5533.

By order of the Board of Directors
For **Mangalam Drugs & Organics Ltd**

Nikita Bavishi
Company Secretary

Registered Office:
3rd Floor, Rupam Building,
239, P. D'Mello Road, Near GPO, Mumbai – 400001
CIN: L24230MH1972PLC116413

Place: Mumbai
Dated: 14th August, 2018.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to section 102 (1) and 102(2) of the Companies Act, 2013.

Item No. 4

Section 148(3) of the Companies Act, 2013 read with Rule 14 (a) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) ("the Act"), requires the Board to appoint an individual, who is a Cost Accountant in practice or a firm of Cost Accountants in practice, as Cost Auditor on the recommendations of the Audit committee, which shall also recommend remuneration for such Cost Auditor and such remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the members.

The Board of Directors at their meeting held on 28th May, 2018, on recommendation of the Audit Committee, approved the appointment of M/s. Ankit Kishor Chande, Cost Accountant, as the Cost Auditor of the Company for the financial year 2018-19 at fees of 1,10,000/- plus out of pocket expenses and GST as applicable for conducting the audit of the cost accounting records of the Company.

The resolution contained in Item no. 4 of the accompanying Notice, accordingly, seek members' approval for ratification of remuneration of Cost Auditors of the Company for the financial year 2018-19.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 4 of the Notice.

The Board commends this resolution for your approval.

Item No. 5 & 6

The Board, based on the recommendation of Nomination & Remuneration Committee, appointed Shri Ajay R Dhoot (DIN: 00210424) and Shri Aaditya R Dhoot (DIN 00057224) as Additional Director- Non Executive of the Company effective from 20th November, 2017 as per the provisions of Section 161 of the Companies Act, 2013 and Rules framed thereunder ("the Act") to hold office upto the date of this Annual General Meeting.

The Company has received notices in writing from members under Section 160 of the Act proposing each of their candidature for the office of Non Executive Directors.

The Company has received from Shri Ajay R Dhoot and Shri Aaditya R Dhoot (i) consent in writing to act as Director in Form DIR–2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014 and (ii) intimation in Form DIR–8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The additional details of Shri Ajay R Dhoot and Shri Aaditya R Dhoot as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India are set out in the Notes forming part of this Notice.

None of the Directors or Key Managerial Personnel except Shri Ajay R Dhoot and Shri Aaditya R Dhoot (Brothers) and their relatives, are in any way concerned financially or otherwise, in the Ordinary Resolution set out at Item No. 5 & 6 of the Notice.

The Board recommends the resolution for your approval.

Item No. 7 & 8

Pursuant to the recommendations of Nomination and Remuneration Committee of the Board, your Board has at their meeting held on 20th November, 2017 recommended the appointment of Shri Ajay Sawhney (DIN 05132739) and Shri Rukmesh Dhandhania (02493968) as an Independent Director (IDs) on the Board of the Company, as per the provisions of Section 161 of the Companies Act, 2013 and Rules framed thereunder ("the Act") to hold office upto the date of this Annual General Meeting.

As per Schedule IV of the Companies Act, 2013 and the rules made thereunder ("the Act"), the appointment of IDs shall be approved at the meeting of the members. As per the provisions of Section 149(13) read with explanation to Section 152(6) of the Act, the period of office of IDs will not be liable to determination by retirement of directors by rotation at the AGM.

The Company has received notices in writing from members under Section 160 of the Act proposing each of their candidature for the office of Independent Directors.

Shri Ajay Sawhney and Shri Rukmesh Dhandhania meets the criteria of independence as provided in Section 149(6) of the Act and is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given their consent to act as Director. In the opinion of the Board, they fulfill the conditions for appointment as ID as specified in the Act and Rules made thereunder and Listing Regulations and is independent of the management. They possesses appropriate skills, experience and knowledge.

The details required as per the provisions of the Listing Regulations and Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India have been provided in the Notes to the Notice.

Your Board considers that the Company will benefit from their valuable experience, knowledge and counsel.

The resolution contained in Item no. 7 & 8 of the accompanying Notice, accordingly, seeks members' approval for appointment of Shri Ajay Sawhney and Shri Rukmesh Dhandhania as an ID on the Board of the Company for a period of 5 year effective From 20th November, 2017 to 19th November, 2022 on the terms and conditions as specified in the draft letter of appointment.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No.7 & 8 of the Notice.

This Explanatory Statement may also be regarded as a disclosure under applicable provisions of the Listing Regulations.

The Board commends this resolution for your approval.

Item No. 9

Pursuant to the recommendations of Nomination and Remuneration Committee of the Board, your Board has at their meeting held on 28th May, 2018 recommended the appointment of Mrs. Nidhi Mundada (DIN 08134952) as an Independent Director (ID) on the Board of the Company, as per the provisions of Section 161 of the Companies Act, 2013 and Rules framed thereunder ("the Act") to hold office upto the date of this Annual General Meeting.

As per Schedule IV of the Companies Act, 2013 and the rules made thereunder ("the Act"), the appointment of ID shall be approved at the meeting of the members. As per the provisions of Section 149(13) read with explanation to Section 152(6) of the Act, the period of office of IDs will not be liable to determination by retirement of directors by rotation at the AGM.

The Company has received notice in writing from member under Section 160 of the Act proposing the candidature for the office of Independent Director.

Mrs. Nidhi Mundada meets the criteria of independence as provided in Section 149(6) of the Act and is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director. In the opinion of the Board, she fulfills the conditions for appointment as ID as specified in the Act and Rules made thereunder and Listing Regulations and is independent of the management. She possesses appropriate skills, experience and knowledge.

The details required as per the provisions of the Listing Regulations and Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India have been provided in the Notes to the Notice.

Your Board considers that the Company will benefit from her valuable experience, knowledge and counsel.

The resolution contained in Item no. 9 of the accompanying Notice, accordingly, seeks members' approval for appointment of Mrs. Nidhi Mundada as an ID on the Board of the Company for of a period 5 year effective from 28th May, 2018 to 27th May, 2023 on the terms and conditions as specified in the draft letter of appointment.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No.9 of the Notice.

This Explanatory Statement may also be regarded as a disclosure under applicable provisions of the Listing Regulations.

The Board commends this resolution for your approval.

Item No. 10

At the 41st AGM of the Company held on 29th September, 2014, Shri Subhash Chandra Khattar was appointed as Independent Director (ID) on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 for a period of 5 (five) consecutive years effective from 1st April, 2014 upto 31st March, 2019.

Pursuant to the provisions of Sections 149(10) and 149(11) of the Act, an ID shall hold office for a term up to five consecutive years on the Board of a company and shall be eligible for re-appointment on passing of a Special Resolution by the members. Further, no ID shall hold office for more than two consecutive terms.

Further As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as `Listing Regulations`), with effect from 1st April, 2019, no listed Company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years, unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given background and experience and contributions made by him during the tenure, his continued association would be beneficial to the Company and it is desirable to continue to avail his services as ID. Your Board considers that the Company will benefit from his valuable experience, knowledge and counsel.

Accordingly, it is proposed to re-appoint Shri Subhash Chandra Khattar, who have attained the age of 75 years, as Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company effective from 1st April, 2019 upto 31st March, 2024.

The Company has received a notice in writing from member under Section 160 of the Act proposing his candidature for the office of ID.

A brief justification for his continuation as Non-Executive Independent Director on the Board of the Company with effect from 1st April, 2019 is as under:

Shri Subhash C Khattar is a Chartered Accountant having about 45 years of experience. He specializes in taxation and auditing. He was on the statutory panel of Bank Audits and other public sector under takings (PSUs) and private company, His Financial and taxation knowledge is the vital

asset for the company which has bailed the company out of the crisis on many occasions. He is an eminent personality and his professional profile and proven experience in business domain adds diversity and enriched points of view in the Board`s discussions. He has all round experience in various functions of managing business enterprises like ours. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Subhash C khattar as an Independent Director.

Accordingly, the Board recommends passing of the Resolution at Item No. 10 of the Notice as a Special Resolution.

Except Shri Subhash C Khattar, being an appointee, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the special resolution set out at Item no. 10 of the Notice.

This Explanatory Statement may also be regarded as a disclosure under applicable provisions of the Listing Regulations.

The Board commends these resolutions for your approval.

Item No. 11

Members are apprised that Shri Brijmohan M Dhoot was appointed as Non-executive Director of the Company in the Board meeting held on 21st October, 2015 liable to retire by rotation. He has shown his willingness to act as Executive Director of the Company.

The Nomination & Remuneration Committee and the Board of Directors in their respective meetings held on 14th August, 2018 considering the vast experience of Shri. Brijmohan M Dhoot in the field of Pharma, administration and general management of the company has decided to avail his services on regular basis. Hence, the Committee & the Board of Directors have proposed to change his designation from Non-executive to Executive Director of the Company at a fix monthly remuneration of Rs.50,000/-(Rupees Fifty Thousand), other terms and conditions being unaltered as mentioned in Resolution No. 11. The change will take effect from 14th August, 2018 and requires the approval of shareholders in General Meeting by way of Special Resolution as per the provisions of Section 197 and other applicable provisions of the Companies Act, 2013.

Hence, in this resolution Shri. Brijmohan M Dhoot himself and Shri. Govardhan M Dhoot, being relatives may be considered to be interested in the aforesaid resolution. None of the other Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution at Item No.11 of the accompanying Notice.

The Board commends this resolution for your approval.

By order of the Board of Directors
For **Mangalam Drugs & Organics Ltd**

Nikita Bavishi
Company Secretary

Registered Office:
3rd Floor, Rupam Building,
239, P. D'Mello Road, Near GPO, Mumbai – 400001
CIN: L24230MH1972PLC116413

Place: Mumbai
Dated: 14thAugust, 2018

DIRECTORS' REPORT

To,

The Members of
Mangalam Drugs & Organics Ltd

The Directors have pleasure in presenting to you their Forty-fifth Annual Report together with Company's Audited Financial Statement for the accounting year ended 31st March, 2018.

FINANCIAL RESULT

(Rs. In Lacs)

Particulars	2017-2018	2016-2017
Revenue from operations	27937.96	30288.56
Other Income	82.70	30.79
Profit before Finance Expenses, Depreciation & Amortizations	4769.54	4622.42
Less: Depreciation & Amortizations	656.82	500.71
Finance Expenses	1178	1003.65
Profit / (Loss) before tax	**2934.72**	**3118.06**
Profit / (Loss) after tax	**1988.96**	**2227.50**
Total Comprehensive Income	36.32	36.32
Earnings Per Share (in Rs.) (Basic)	12.57	14.07

DIVIDEND

The Board of Directors have declared and paid an interim dividend @ 5% (fifty paisa each share) on 1,58,28,248 equity shares aggregating to Rs. 79,14,124/- for the year ended 31st March, 2018.

STATE OF COMPANY AFFAIRS

The Financial Statements of your company for the financial year 2017-18 are prepared as per Indian Accounting Standard ("IND-AS") and in Compliances with applicable provisions of the Companies Act 2013 read with the rules issued thereunder and the provisions of SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015.

Since it is 1st time adoption under Ind-As your company has drawn up its accounts for the last three years under Ind-As. The figures for the previous years have been suitably adjusted as appropriate to confirm to IND-AS requirements.

During the financial year implementation of Goods and Service Tax (GST) and general slow down of economy due to the same has affected our turnover and profit marginally.

During the year under review, the production of Tenofovir Disoproxil Fumarate, an anti retroviral is 14.60 MTs., compared to 2.17 MTs in the previous year. On similar line the total production volume of all the products during the year is 770.37 tons as against 601 tons in previous year.

The turnover of the company has basically dropped on account of decrease in the cost of raw material which has resulted in subsequent reduction in our sale prices of finished products. One of the main reason for drop in our net profit was due to the marginal payment of Rs.217.11 Lacs as recompense to the banks to come out of the re-structuring process, this has resulted in higher interest cost. However, this will now enable the company to borrow funds at reduced interest cost, as and when required.

During this year your company earned total income of Rs. 28020.66 Lacs compared to Rs.30319.35 Lacs in the previous year, decrease of 8.21%. The company has made a profit after tax of Rs.1988.96 Lacs as against Rs.2227.50 Lacs, decrease of 12%. The company has achieved an export turnover of Rs.5881.92 Lacs as against Rs.8504.18 Lacs.

Even though the turnover in the current year has dropped to Rs.28020.66 Lacs as against Rs.30319.15 Lacs in the previous year, the drop in profit margin is very nominal to 7.10% as against 7.35% in the previous year.

There is a considerable upgradation in ratings received from India Ratings and Research Pvt. Ltd. to IND BBB+ from IND BBB.

During the year under review Unit 2 of your company has received WHO Approvals for manufacturing of the following Active Pharmaceutical ingredients:

Lumefantrine (APIMF100)

Tenofovir Disoproxil Fumarate (APIMF204)

Artemether (APIMF138)

Emtricitabine (WHO API314)

Efavirenz (WHO API 318)

Qualification of your Company is in various stages with different customers for its ARV APIs. This progress will be reflected in times to come.

FUTURE OUTLOOK

While the future has always looked bright to us, it was only because we had striven to benefit from own technological prowess and the strategic edge we enjoyed over nearest competition. Today as we do this simhavalokana the future looks even brighter than ever before in spite of several challenges. Your company now shares habitat in API space with world's renowned companies like Gilead Sciences, ViiV Health Care and AbbVie with whom we have signed sub-licenses to introduce patented front line Antiviral actives. With both manufacturing units GMP approved by WHO-Geneva we are poised to further benefit from ongoing regulatory strategy and to contribute in the disease segments of poorly addressed therapeutic needs in the developing world. Over next three quarters, we shall introduce Nitrofurantion and Acyclovir. We shall also commercialize Pregabalin, Atorvastatin and Rosuvastatin in lifestyle disease segments of local markets. These 5 generics will strengthen our presence in local markets. Sarve Santu Niramyah has been our goal and we remain committed to it as a responsible corporate citizen.

Due to increase in the prices of intermediates we import from China, your company has started in house development of the same. This will not only improve availability but also enable to reduce costs.

INDIAN ACCOUNTING STANDARDS (IND AS)

The Company has adopted Indian Accounting Standards (Ind AS) as per the notification dated February 16, 2015 issued by the Ministry of corporate Affairs (MCA). Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014. The Company has published financials using Ind AS for the year ended March 31, 2018 along with the comparable as on March 31, 2017 and Opening Statement of Assets and liabilities as on April 01, 2016.

Following are the major areas which had an impact on account of transition to Ind AS:

- Fair Valuation of certain financial instruments
- Employee costs pertaining to defined benefit obligations
- Discounting of certain long term liabilities
- Deferred taxes on above.

GOODS AND SERVICE TAX (GST)

GST, the biggest indirect tax reform of India, was rolled-out effective July 01, 2017. This transformational reform significantly impacted all areas of business across various sectors including the pharmaceutical industry. The Act has merged all significant indirect taxes currently applicable to the Company's business operations into a single tax. This is expected to bring in greater transparency across all the economic activities and reduce multiple tax levies and administration. There was a significant short-term impact on the operations of the Company during the year mainly due to reduction of channel inventory which is now slowly being back to the normal levels. The Company has augmented its IT systems to comply with the requirements of this Act.

DEPOSIT

Your Company has not accepted any deposits from the public falling within the purview of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of principal or interest on public deposits was outstanding as on date of the balance sheet.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in notes to the Financial Statements.

RISK MANAGEMENT

The Company has formulated a policy on Risk Management and the same is detailed in the Corporate Governance Report. Risks are classified in different categories such as Financial, Operational, Legal and Strategic risks. These risks are reviewed from time to time and controls are put in place with specific responsibility of the concerned officer of the Company.

INTERNAL FINANCIAL CONTROL SYSTEMS AND ADEQUECY

The Companies Act, 2013 has mandated the Company to have a formal framework of Internal Financial Controls (IFC) and has also laid down specific responsibilities on the Board, Audit Committee, Independent Directors and Statutory Auditors with regard to IFC.

The Board reviews the effectiveness of controls documented as part of IFC framework, and take necessary corrective actions where weaknesses are identified as a result of such reviews. Based on this evaluation, no significant events had come to notice during the year that have materially affected, or are reasonably likely to materially affect, our IFC. The management has also come to a conclusion that the IFC and other financial reporting was effective during the year and is adequate considering the business operations of the Company.

The Statutory Auditors of the Company has audited the IFC over Financial Reporting and their Audit Report is annexed as Annexure B to the Independent Auditors' Report under Standalone Financial Statements.

PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A statement containing the necessary information on Conservation of Energy, Technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with rule 8 of Companies (Accounts) Rules, 2014 is annexed to report as Annexure A.

PARTICULARS OF EMPLOYEE

There are Nil employees drawing remuneration of Rs 8,50,000 (Rupees Eight lacs fifty thousand) per month or Rs 1,02,00,000/- (Rupees One crore two lacs) and above per annum during the year under review. The details of the remuneration drawn by the Managing Director, Whole Time Director and Independent Directors are stated in the Corporate Governance Report. The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year 2017-18:**

Name of the Director/KMP	Designation#	Ratio to Median Remuneration	% increase in remuneration in the financial year
Shri Govardhan Murlidhar Dhoot	Chairman & Managing Director	7.46	Nil
Shri Brijmohan Murlidhar Dhoot	Non Executive Director	0.09	-14.29%
Shri Subhash Khattar	Independent Director	0.17	4.55%
Ms Anuradha Sukhani	Independent Director	0.07	11.11%
Shri Ajay R Dhoot (1)	Additional Director	0.01	*
Shri Aaditya R Dhoot(1)	Additional Director	0.01	*
Shri Ajay Sawhney (2)	Additional Director – Independent	0.02	*
Shri Rukmesh Dhandhania (2)	Additional Director - Independent	0.03	*
Mr. Ajay Samant	Chief Financial Officer	NA	27.59
Ms. Nikita Bavishi	Company Secretary	NA	14.48

\# The Non-executive & Independent Directors of the Company are paid only 'Sitting fees' of Rs. 2000 for attending the Meetings of the Board, the Committees including meetings of Independent Directors. The Non-executive & Non-Independent Director of the Company does not receive any remuneration from the Company.

* Since the remuneration of these Directors/KMPs is only for the part of the year/previous year the ratio of their remuneration to median and increase in remuneration is not comparable .

Notes:

1. Appointed as Additional Director w.e.f 20th November, 2017.
2. Appointed as Additional and Independent Director w.e.f 20th November, 2017.

b. **The percentage change in the median remuneration of employees in the financial year:**

Median remuneration is increased by 18.99%.

c. **The number of permanent employees on the rolls of Company**: 345

d. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**:

Average annual increase in salaries of employees was around 26.05% in the last financial year.

This is based on Remuneration policy of the Company that rewards people differentially based on their contribution to the success of the Company and also ensures that external market competitiveness and internal relativities are taken care of.

There is no change / increase in managerial remuneration in Financial year 2017-18.

e. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms remuneration is as per the remuneration policy of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Directors

The Board of Directors of the Company is led by the Executive Chairman and comprises of seven other Directors as on 31st March, 2018, including four Independent Directors which includes one Woman Director as required under Section 149 (1) of the Companies Act, 2013 and three Non-Executive Director (other than Independent Directors). The composition of the Board is in conformity with the provisions of the Act and Regulation 17 of the Listing Regulations entered into with the Stock Exchanges.

All the Independent Directors of the Company have furnished declarations that they meet the criteria of independence as prescribed under the Companies Act, 2013 and under Listing Regulations.

At the Annual General Meeting of the Company held on 26th September, 2017, the members approved the reappointment of Shri Brijmohan M Dhoot (holding DIN 01046420) who had retired by rotation.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, appointed the following Directors on the Board of the Company upto the date of this report.

1) Shri Ajay R Dhoot (DIN: 00210424) has been appointed as Additional- Non Executive Director of the Company with effect from November 20, 2017 and his appointment shall be regularized at the ensuing Annual General Meeting.

2) Shri Aditya R Dhoot (DIN: 00057224) has been appointed as Additional- Non Executive Director of the Company with effect from November 20, 2017 and his appointment shall be regularized at the ensuing Annual General Meeting.

3) Shri Ajay Sawhney (DIN: 05132739) has been appointed as Additional and Independent Director of the Company with effect from November 20, 2017 and his appointment shall be regularized and appointed for a period of 5 years effective from November 20, 2017, subject to the approval of the Members at the ensuing Annual General Meeting.

4) Shri Rukmesh Dhandhania (DIN: 02493968) has been appointed as Additional and Independent Director of the Company with effect from November 20, 2017 and his appointment shall be regularized and appointed for a period of 5 years effective from November 20, 2017, subject to the approval of the Members at the ensuing Annual General Meeting.

5) Mrs. Nidhi Mundada (DIN: 08134952) has been appointed as Additional and Independent Director of the Company with effect from May 28, 2018 and her appointment shall be regularized and appointed for a period of 5 years effective from May 28, 2018, subject to the approval of the Members at the ensuing Annual General Meeting.

Mrs. Anuradha Sukhani, Independent Director of the Company, had resigned from the Board of Directors of the Company w.e.f. the closure of business hours on May 21, 2018 due to personal reasons. The Board placed on record its deep appreciation for the guidance & support provided by her for the overall growth of the Company during her association with the company.

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) (Amendment) Regulations 2018 (effective April 01, 2019), approval of Members is sought through Special Resolution for re-appointment of another term of 5 (five) years of Shri Subhash C Khattar (DIN 01122941), who has attained the age of Seventy –five years.

Shri Govardhan M Dhoot (DIN 01240086) Director, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment in accordance wih provisions of the Companies Act, 2013.

The brief resume and other relevant documents of the director are being given in the notes of Notice convening the Annual General Meeting for your perusal.

b) Meetings of Board of Directors

During the year, 8 meetings of the Board of Directors were convened and held on 15th April 2017, 08th May 2017, 11th August 2017, 25th September 2017, 31st October 2017, 20th November 2017, 12th December 2017 and 12th February 2018. The intervening gap between two consecutive meetings was not more than one hundred and twenty days. Detailed information on the meetings of the Board is included in the Corporate Governance Report which forms part of the Annual Report.

c) Committees of the Board

In Compliance with the requirements of applicable laws and as a part of best governance practices, the company has following 4 (Four) Committees of the Board as on 31st March, 2018:

(i) Audit Committee

(ii) Nomination and Remuneration Committee

(iii) Stakeholders' Relationship Committee

(iv) Corporate Social Responsibility Committee

During the financial year ended 31st March 2018, the Board re-constituted the Audit Committee and Nomination and Remuneration Committee in accordance with the Act and the Listing Regulations.

The details with respect to the aforesaid Committees forms a part of the Corporate Governance Report.

(d) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 read with rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements)Regulations, 2015, the Board had carried out the performance evaluation of its own, Committees and of Independent Directors through self assessment and group discussions. Further Independent Directors at their separate meeting evaluated the performance of the Non Independent Directors, Board as a whole and of the Chairman of the Board. The result of the evaluation is satisfactory and meets the requirement of the Company.

(e) Familiarization Programme

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Independent Directors also met with senior management team of the Company in informal gatherings.

Details of familiarization programme imparted is placed on the Company's website.

(f) Key Managerial Personnel

There was no change in the Key Managerial Personnel during the year under review.

REMUNERATION POLICY

The remuneration policy, takes into account the circumstance of business so as to attract and retain quality talent and leverage performance significantly.

Remuneration of the Executive Directors is determined by the Board, on the recommendation of the Nomination & Remuneration Committee which is subject to the approval of the Shareholders.

Non-Executive Directors are also entitled to sitting fees for attending meetings of the Board and Committees thereof the quantum of which is determined by the Board. The sitting fees payable to Non-Executive Directors, as determined by the Board is Rs. 2000 for each meeting of the Board, Audit Committee, Independent Directors Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

VIGIL MECHANISM

The Company has set up vigil mechanism viz. Whistle blower Policy to report genuine concerns and grievances. The Policy provides for adequate safeguarding to the person who avail the mechanism. The practice of the Whistleblower Policy is overseen by the Audit Committee of the Board and no employee has been denied access to the Committee.

The details of the Whistleblower Policy are explained in the Report of Corporate Governance and are also available on the Company's corporate website http://www.mangalamdrugs.com/images/pdf/whistle-blower-policy.pdf

AUDIT COMMITTEE

The Audit Committee as on March 31, 2018 comprises of the following Directors:

Shri. Subhash C Khattar (Chairman), Shri. Govardhan M Dhoot and Shri Rukmesh Dhandhania. All the recommendations made by the Audit Committee were accepted by the Board. Detailed Information of the Audit Committee may be reviewed in Report on Corporate Governance forming a part of this Report.

PREVENTION OF SEXUAL HARASSMENT POLICY

At MANGALAM, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, color, gender, religion, political opinion, national extraction, social origin, sexual orientation or age. Every individual is expected to treat his/her colleagues with respect and dignity.

The Company has in place `Prevention of Sexual Harassment Policy`. This Anti-Sexual Harassment Policy of the Company is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy. An Internal Complaints Committee (ICC) also is in place to redress complaints received regarding sexual harassment.

During the year 2017-18, NIL complaints were received by the Company related to sexual harassment.

CORPORTE SOCIAL RESONSIBILITY

The Company believes in the well being of the society at large . The Company as a part of the Corporate Social Responsibility, made focused efforts in the fields of Healthcare, Promoting Education and Eradicating Hunger & Malnutrition. The Company has in place a CSR Committee and CSR policy in line with the provisions of the Companies Act, 2013.

The Composition of the CSR Committee is as under:

Name of the Director	Category of Directorship
Shri Subhash C Khattar, Chairperson	Independent Director
Shri Govardhan M Dhoot, Member	Managing Director
Shri Brijmohan M Dhoot, member	Non Executive Director

Our main objective under CSR policy is to actively contribute to the social and economic development of the communities in which we operate. As per the policy the CSR activities are focused not just around the plants and offices of the company, but also in other geographies based on the needs of the communities. The CSR policy of the Company is available on the website of the Company.

The annual report on CSR activities as required to be made in the Board's Report as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached herewith as Annexure-C.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY

There have been no material changes/ events affecting the financial position of the Company which have occurred between the end of financial year of the Company to which the financial statements relate and the date of this report.

EXPLANATIONS OR COMMENTS ON THE QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN HIS REPORT

There is no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors appointed under Section 139 of the Companies Act, 2013 in their report. Hence the need for explanations or comments by the Board does not arise. The report of the Statutory Auditors forms part of the financial statements.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that :

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;

b) that they 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 your Company at the end of the financial year and of the profit of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the Annual Accounts on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that, such systems were adequate and operating effectively.

CHANGE IN THE CAPITAL STRUCTURE AND LISTING OF SHARES

The paid up share capital of the Company as on March 31, 2018 is Rs. 15,82,82,480 divided into 1,58,28,248 equity shares of Rs. 10/- each. The Company's equity shares are listed on the National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE). During the year under review no further shares were issued or allotted.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

Management Discussion and Analysis forms a part of this annual report, which is given as Annexure D to this Report.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format Form No. MGT-9 forms a part of this report as Annexure E.

AUDITORS AND AUDITORS' REPORT

i. Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s Batliboi & Purohit, Chartered Accountants (Firm Registration No. 101048W), were appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion 44th Annual General Meeting held on 26th September, 2017 until the conclusion of 49th Annual General Meeting of the Company to be held in the calendar year 2022, subject to the annual ratification by members at every Annual General Meeting, on such remuneration as decided by Board of Directors .

However, in terms of Section 40 of the Companies (Amendment) Act, 2017, notified on May 07, 2018, the requirement of annual ratification of appointment of Statutory Auditors by Members at every Annual General Meeting has been omitted and accordingly, Members approval is not required for ratification of their appointment annually.

Auditor's Report for the year under review does not contain any qualifications, reservations or adverse remarks.

i. Cost Auditors

As per Section 148 of the Companies Act, 2013 read with Rules framed thereunder, M/s Ankit Kishor Chande, Cost Accountants, (Membership

No. 34051) have been re-appointed as Cost Auditors for the financial year 2018-19 to conduct cost audit of the accounts maintained by the Company in respect of the Bulk Drugs as prescribed under the applicable Cost Audit Rules. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. The requisite resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice of ensuing Annual General Meeting. The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment within the meaning of the said Act.

The Cost Audit Report for the financial year 2016-17, issued by M/s Ankit Kishor Chande, Cost Auditors, in respect of the various products prescribed under the Cost Audit Rules was filed with the Ministry of Corporate Affairs on 14th September, 2017.

iii. Secretarial Auditors

The Board, pursuant to section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment thereof, had during the year, appointed Mr. Ankit Sethi, Practising Company Secretary, to conduct secretarial audit of the Company for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is attached herewith marked as Annexure F to this report.

There are no qualifications, reservation or adverse remark in the report.

CORPORATE GOVERNANCE

Corporate Governance refers to a set of systems, procedures and practices which ensure that the company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance include transparency, accountability and independence.

As required by Regulation 34 read with schedule V of the Listing Regulations, a separate Report on Corporate Governance forms part of the Annual Report. The report on Corporate Governance also contains certain disclosures required under the Companies Act, 2013. A certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations forms a part of this Report.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations. There are no materially significant Related Party Transactions entered into by the Company with the Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, there are no transactions that are required to be reported in form AOC-2.

However you may refer to Related Party Transactions in Notes to the Standalone Financial Statements.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: http://www.mangalamdrugs.com/images/pdf/rpt-policy.pdf

ACKNOWLEDGEMENTS

Your Directors place on record their sincere appreciation for the steadfast commitment and highly motivated performance by the employees at all levels which was instrumental in sustained performance of the Company. The Directors are also greatful and pleased to place on record their appreciation for the assistance and cooperation received from the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review. Your Directors are also grateful to the customers, suppliers and business associates of your Company for their continued cooperation and support.

For and on behalf of the Board of Directors

Govardhan M. Dhoot
Chairman & Managing Director
DIN NO: 01240086

Place: Mumbai
Dated: 14th August, 2018

ANNEXURE A TO DIRECTORS' REPORT

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 for the year ended 31st March 2018:

1. CONSERVATION OF ENERGY

a) Steps taken for conservation of energy and the impact of such steps:

The manufacturing processes of the Company are not energy intensive; therefore impact of energy saving devices is insignificant. Energy conservation is an ongoing process within the company. The Company has been making continuous efforts for enhancement in capacity utilization, cost competitiveness and quality through systematic process monitoring and adherence to technological norms.

b) Steps taken by the Company for utilizing alternate sources of energy

No alternative source of energy was used during the period under review.

c) Capital investment on energy conservation equipment

Nil.

2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

a) Major efforts made towards technology absorption

i. Optimization of processing parameters in the manufacture of antimalerial and antiviral APIs.

ii. Quality upgradation of anti malarial APIs which are on priority list of World Health Organization.

iii. Analytical method innovations to meet international quality demands.

b) Benefits derived as a result of the above Research and Development

i. Optimal utilization of resources for the global market.

ii. We are the first company to feature on WHO's API prequalification programme.

iii. We shall be a preferred source of future drug candidates and hence shall enjoy a competitive advantage.

c) Details of imported Technology

No technology has been imported.

d) Future plan of action

i. Development of frontline antiretroviral API and their intermediates for the exports.

ii. Introduction of 4 fresh generic API candidates to our product portfolio to boost sales in Indian market.

iii. Augment the investment in sophisticated analytical instrumentation and plant machinery to boost the quality and cost efficiencies.

e) Expenditure on R&D

The global village en route recovery curve last year faced yet another challenge when the Chinese Chemical Industry embarked on environmentally compliant practices enforced by its government. Your company wasn't the only one who had to adopt to the fluctuating supply and the soared price scenario on Chinese raw material front. Backward integration to make own imported raw materials hence occupied top position in the priority list for R and D to address at bench. The Research and Development comprises of 30 skilled scientists who wear a synergistic blend of scholarship with the bench-skills. It has developed disparate synthesis options to reduce product processing time cycles and an effluent load for existing as well as newer molecules. During the year under review, the company has expanded its anti-retroviral (AIDS) API portfolio. The continued CSIR recognition to the R&D and presentation of unique/ specialty chemicals on its website have already placed our research activity on the international map. We continue to deliver impurity standards to several companies, the compounds which had not been synthesized elsewhere globally. The Stringent Regulatory Agency like WHO-Geneva considers us as a reliable contributor to their interventions in public health upgradation.We plan to publish significant scientific findings in journals of high impact factor which we believe shall help boost our image amongst research driven organizations.

(Rs.In Lacs)

	Current Year	Previous Year
Capital	1.69	190.84
Recurring	320.42	135.88
Total	**322.11**	**326.72**

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports, initiative taken to increase exports, development of new export markets for products and services, and export plans: The Company is continuously exploring avenues to increase exports to various countries.

b) Total foreign exchange used and earned

(Rs. In Lacs)

Particulars	Current year	Previous year
Foreign Exchange Earned		
Export of goods on CIF basis (including deemed exports)	5881.92	8504.18
Foreign Exchange Outgo		
(i) Raw material	16995.84	15623.99
(ii) Commission	12.73	6.93
(iii) Travelling Expenses	52.83	39.31
Total Foreign exchange outflow	**17061.40**	**15670.23**

For and on behalf of the Board of Directors

Place: Mumbai
Dated: 14th August, 2018

Govardhan M. Dhoot
Chairman & Managing Director
DIN NO: 01240086

ANNEXURE B TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is, essentially, a philosophy. It encompasses not only the regulatory and legal requirements, but also the voluntary practices developed by the company to protect the best interests of all stakeholders. Fundamentals of Corporate Governance includes transparency, accountability and independence. Governance practices may vary but the principles are generic and universal, viz. constant improvement and sustainable value creation for all stakeholders. For ensuring sound Corporate Governance practices, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company has complied with all the Corporate Governance requirements stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015- "Listing Regulations". The Company is committed to the consistent adherence to the said corporate governance code to maintain a greater degree of responsibility and accountability. We believe that for sustained growth and for enhancing shareholder value, sound Corporate Governance is a must. Corporate governance is focused on maximizing shareholder value while ensuring fairness to all the stakeholders - customers, employees, vendor-partners, the government of the land, and society at large. Corporate Governance is not an end, it is just a beginning towards growth of company for a long term prosperity.

2. BOARD OF DIRECTORS:

Composition of Directors

The Board of Directors of the Company had a balanced mix of Composition of the Board and also met the stipulated requirements. As on March 31, 2018, MANGALAM'S Board consists of 8 members. Besides the Chairman, a Executive Director, the Board comprises of three Non-Executive Directors and four Non-Executive Independent Directors (including one Woman Director). The Board provides strategic guidance to the company and ensures effective monitoring of the management and corporate governance practices. The composition of the Board is in conformity with the Companies Act, 2013 and Listing Regulations enjoining specified combination of Executive and Non- Executive Directors with at least one Women Director.

Number of Board Meetings

Board meeting dates are finalized in consultation with all the directors. During the financial year, the Board met eight times on 15th April 2017, 08th May 2017, 11th August 2017, 25th September 2017 , 31st October 2017, 20th November 2017,12th December 2017, and12th February 2018. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under the Companies Act, 2013, Regulation 17 of the Listing Regulations and Secretarial Standards.

The following table gives details of directorship, category, attendance at board meetings, board meetings held during the year and other related matters as under during the year ended 31st March, 2018:

Name of Director(s)	Category #	Attendance Particulars			No. of other Directorships & Committee Memberships / Chairmanships held@		
		No. of Board Meetings		Attendance at the last AGM	Other Director ships	Committee Member ships	Committee Chairman ships
		Held	Attended				
Shri. Govardhan M. Dhoot	Chairman & Executive	8	8	Yes	0	0	0
Shri. Brijmohan M Dhoot	PD/NED	8	6	No	0	0	0
Shri Ajay R Dhoot*	PD/NED	2	2	Yes	2	1	0
Shri Aaditya R Dhoot*	PD/NED	2	2	Yes	2	2	0
Shri. Subhash C. Khattar	ID	8	8	Yes	0	0	0
Smt. Anuradha Sukhani**	ID	8	3	No	0	0	0
Shri Ajay Sawney*	ID	2	2	No	1	0	0
Shri Rukmesh* Dhandhania	ID	2	2	No	0	0	0

PD – Promoter Director; NED – Non-Executive Director; ID – Non-Executive Independent Director

@ These numbers exclude the Directorship / Committee Membership held in the Company and in private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013. Further, it includes only the Chairmanship / Membership of

the Audit Committee and Stakeholders' Relationship Committee. All Directors have informed the Company about the Committee Positions they occupy in other companies as per Regulation 26 of Listing Regulations, which were placed before the Board.

* Shri Ajay R Dhoot, Shri Aaditya R Dhoot, Shri Ajay Sawhney and Shri Rukmesh Dhandhania were appointed on the Board w.e.f 20th November, 2017.

** Smt. Anuradha Sukhani has resigned from the Directorship of the company w.e.f 21st May, 2018.

Except Shri. Govardhan M Dhoot and Shri. Brijmohan M Dhoot are related with each other as brothers and Shri Ajay R Dhoot and Shri Aaditya R Dhoot are related with each others as brothers, none of the other Directors are related to any other Director on the Board in term of definition of 'relative' as per the Companies Act, 2013.

Shri Govardhan M Dhoot is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, has offered himself for re-appointment. Relevant details pertaining to Shri Govardhan M Dhoot are provided in the notice of AGM.

Independent Directors

All Independent Director's of the Company have furnished declarations that they qualify the conditions of being independent as per Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. These were placed before the Board.

During the financial year, the IDs of the Company met on 12th February, 2018 under the chairmanship of Shri Subhash C Khattar without the presence of Non-Independent Directors or Management personnel to review the performance of Non-Independent Directors, the Board and its Chairperson. The meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board.

The terms and conditions of appointment of Independent Directors have been placed on the website of the Company www.mangalamdrugs.com. The details of Familiarization Programme imparted to Independent Director have been put on website of the company www.mangalamdrugs.com.

Code of Conduct:

The Board has laid down a Code of Conduct for all the Board members and senior management of the Company which is also posted on the website of the Company. The Board members and senior management have affirmed compliance with the Code of Conduct. A declaration signed by the Company's Chairman on behalf of the Board is published in the Report.

3. AUDIT COMMITTEE:

The constitution of the Audit Committee is in compliance with the provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

During the year under review, five Audit Committee meetings were held on 08th May, 2017, 11th August, 2017, 31st October, 2017, 20th November, 2017 and 12th February, 2018. Time elapsed between two meetings never exceeded 120 days.

The composition of the Committee as well as the particulars of attendance at the committee meetings during the year and other related details are given in the table below:

Name of Director	Category	Status	No. of meetings	
			Held	Attended
Shri.Subhash C. Khattar	Independent Director	Chairman	5	5
Shri.Govardhan M. Dhoot	Executive Director	Member	5	5
Smt.Anuradha Sukhani *	Independent Director	Member	4	4
Shri Rukmesh Dhandhania **	Independent Director	Member	1	1

* Smt. Anuradha Sukhani, Non Executive & Independent Director, ceased to be a member of the Audit Committee of the Company w.e.f the closure of business hours on 20th November, 2017.

** Shri Rukmesh Dhandhania, Non Executive & Independent Director was appointed as a Member of the Committee w.e.f 20th November, 2017.

The Chairman of the Committee attended the last AGM of the Company.

The Company Secretary acts as the Secretary to the Committee. In addition, the Committee meetings are attended by the Chief Financial Officer (Vice President - Finance), Statutory Auditors, Internal Auditors, Cost Auditors, General Manager (Accounts) and other related functional Executives of the Company when required.

The role and terms of reference of the Audit Committee include review of Internal Audit Reports and the Statutory Auditors' Report on the financial statements, general interaction with the internal Auditors and Statutory Auditors, review of financial statements both quarterly and annually before submission to the Board, review of management discussion and analysis of financial conditions, evaluation of internal financial controls, reviewing functioning of whistle blower mechanism and other matters specified under in the Listing Regulations, Companies Act, 2013 and other applicable laws, if any. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

4. STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholder Relationship Committee performs various functions conferred under the listing Regulations and section 178 of the Companies Act, 2013, which mainly considers and overseas resolution of grievances of security holders and investors of the Company.

During the year, committee met two times on 15th April, 2017 and 31st October, 2017.

The constitution of Stakeholder Relationship Committee as well as the particulars of attendance at the Committee meetings is given below:

Name of Director	Category	Status	No. of Meetings	
			Held	Attended
Shri. Subhash C. Khattar	Independent Director	Chairman	2	2
Shri. Govardhan M. Dhoot	Executive Director	Member	2	2

Ms.Nikita Bavishi, is designated as the Compliance Officer by the company.

The Equity shares of the Company to the extent of 99.99% are held in dematerialized form & the handling of physical transfer of shares are very minimal. No transfer of equity shares is pending as on 31st March, 2018.

Investor Grievances:

Nature of complaints received from shareholders during the year 2017-18 and their status is as follows:

Nature of complaints	Received	Resolved	Pending
Non – Receipt of dividend / issue of duplicate dividend warrants / Annual Report / Share certificate	Nil	Nil	Nil

The terms of reference of the Committee are as follows:

To approve share transfers, transmissions, issue of duplicate share certificates, to review and advise the Company on any grievance in relation to (a) Non-transfer of shares (b) Non-receipt of Annual Report, Dividend (c) any other grievance raised by any stakeholder. During the financial year 2017-18, there were no pending investor complaints against the Company.

5. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration recommends the appointment of Directors and remuneration of such Directors other than Independent Directors. Committee provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the company. The level and structure of remuneration of Senior management of the Company as per the Remuneration Policy is also overseen by this Committee.

During the year, committee met three times on 08th May, 2017, 11th August, 2017 and 20th November, 2017.

The Composition of the Committee as well as the particulars of attendance at the Committee meetings during the year ended on 31st March, 2018 is as given below:

Name of Director	Category	Status	No. of Meetings	
			Held	Attended
Shri. Subhash C. Khattar	Independent Director	Chairman	3	3
Shri. Brijmohan M Dhoot	Non-Executive Director	Member	3	3
Smt. Anuradha Sukhani*	Independent Director	Member	3	3
Shri Rukmesh Dhandhania**	Independent Director	Member	0	0

* Smt. Anuradha Sukhani, Non Executive & Independent Director, ceased to be a member of the NRC of the Company w.e.f the closure of business hours on 20th November, 2017.

** Shri Rukmesh Dhandhania, Non Executive & Independent Director was appointed as a Member of the Committee w.e.f 20th November, 2017.

Ms. Nikita Bavishi, Company Secretary provided Secretarial support to the Committee.

The terms of reference for the Nomination and Remuneration Committee includes:

1. To formulate a Nomination and Remuneration Policy on:
   a. Determining qualifications, positive attributes and independence of a director.
   b. Guiding remuneration of Directors, Key Managerial Personnel ("KMP") and other employees and Board diversity.
2. Recommend Nomination and Remuneration Policy to the Board.
3. Identify candidates who are qualified to become Directors.
4. Identify persons who are qualified to become Senior Management (Senior Management of the Company means employees of the Company who are Divisional Heads and Corporate Functional Heads). Recommend to the Board the appointment and removal of Directors and Senior Management.
5. Lay down the process for evaluation of the performance of every Director on the Board.
6. Formulate a criteria for determining qualifications, positive attributes and independence of a Director.
7. To evaluate and recommend the composition of the Board of Directors and sub committees thereof.

The roles and responsibilities of the Committee are in accordance with the requirements as specified in the Regulation 19 of the Listing Regulations and section 178 of the Companies Act, 2013 and other applicable laws, if any. Apart from the above, the Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

The qualities and positive attributes of independent directors are as provided in the Act and the Listing Regulations and they need to uphold the highest standards of ethical conduct.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations the Board has carried out the annual performance evaluation. The Board has evaluated performance of all the Directors including Independent Directors and expressed its satisfaction. Evaluation procedure covered Board's functioning such as adequacy of the size and composition of the Board and its Committees to ensure diversity and adequate skills in the best interest of the Company as a whole.

Remuneration Policy

The Nomination and Remuneration Committee recommends the remuneration to be paid to the Key Managerial Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate senior management of the quality required to run the Company successfully as also is linked to the Company's performance. The same is required to be reviewed periodically to make any adjustment based on the market.

6. **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

Pursuant to Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility Committee, interalia, to formulate Corporate Social Responsibility (CSR) Policy, to recommend the amount of expenditure to be incurred on social activities and to monitor the CSR Policy. The committee oversees the implementation and execution of CSR Policy and provides guidance on various CSR activities to be undertaken by the Company.

Based on the recommendations of the CSR Committee, the company has laid down the CSR Policy, which is displayed on the website of the Company. It can be accessed from the link: http://www.mangalamdrugs.com/images/pdf/corporate-social-responsibility-policy.pdf

During the year, committee met four times on 27th June, 2017, 31st October, 2017, 26th February, 2018 and 29th March, 2018.

The Composition of the Committee as well as the particulars of attendance at the Committee meetings during the year ended on 31st March, 2018 is as given below:

Name of Director	Category	Status	No. of Meetings	
			Held	Attended
Shri. Subhash C. Khattar	Independent Director	Chairman	4	4
Shri Govardhan M Dhoot	Executive Director	Member	4	4
Shri. Brijmohan M Dhoot	Non-Executive Director	Member	4	3

7. **REMUNERATION OF DIRECTORS**:

Executive Directors

The re-appointment & fixation of remuneration of Shri. Govardhan M Dhoot as Chairman & Managing Director of the Company was decided by the Board and approved by the Shareholders at their meeting held on 03rd September, 2015 for a period of five years starting from 01st November, 2014 .

The increase in remuneration of Shri Govardhan M Dhoot- Chairman & Manging Director was decided by the Board and approved by the Shareholders at their meeting held on 30th September, 2015 w.e.f 01st October, 2015 for the remaining period of his present term of appointment upto 31st October, 2019.

Following are the details of remuneration paid to the Executive Director of the Company:

Name of Director	Salary (Rs.)(p.a.)	Service Contracts	Notice Period
Shri Govardhan M Dhoot	20,00,004	5 years starting from 01st November, 2014	The contract may be terminated by giving the other party 3 months notice

Non-Executive Directors

In terms of Listing Regulations, the Company has linked the remuneration to be paid to the Non-Executive Directors to their attendance at the meetings of the Board or Committees. The Non-executive / Independent directors are paid only sitting fees of Rs. 2000/- for per Board/ Committee meetings. The Board has the flexibility to enhance the sitting fees upto the maximum limit allowed by the Companies Act, 2013 and Rules thereunder.

No other payments are made to the Non-Executive Directors during the Financial Year 2017-18.

The details of sitting fees paid to non-executive directors during the year under review are as follows:

Name of Director	Sitting fees paid (Rs.)	No. of shares held
Shri. Subhash C. Khattar	Rs. 46000	Nil
Shri. Brijmohan M Dhoot	Rs. 24000	564469*
Smt. Anuradha Sukhani#	Rs. 20000	Nil
Shri Ajay R Dhoot@	Rs 4000	138687
Shri Aaditya R Dhoot@	Rs 4000	89225
Shri Ajay Sawhney@	Rs. 6000	Nil
Shri Rukmesh Dhandhania@	Rs. 8000	Nil

* Including Shares held as Karta of HUF

\# Smt Anuradha Sukhani has resigned from the Board of the Company w.e.f the closure of business hours on 21st May, 2018.

@ Shri Ajay R Dhoot, Shri Aaditya R Dhoot, Shri Ajay Sawhney and Shri Rukmesh Dhandhania were appointed on the Board w.e.f 20th November, 2018.

8. **FAMILIARISATION PROGRAMME FOR DIRECTORS**

A well informed familiarized Board member, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfills stakeholders' aspirations and societal expectations. In pursuit of this, the Directors are updated on a continuing basis on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislations and economic environment, to enable them to take well informed and timely decisions. The details of the familiarization programme may be accessed on the Company's corporate website at Link http://www.mangalamdrugs.com/images/pdf/familiarization-program-details.pdf

9. **GENERAL BODY MEETINGS:**

Details of last three Annual General Meetings held are given below:

AGM	Date	Day	Time	Venue	No. of Special Resolutions passed
42nd AGM	03-09-2015	Thursday	11.30 a.m	M.C. GHIA HALL, Indian Textile Accessories & Machinery Manufacturers' Association, Bhogilal Hargovindas Bldg., 4th Flr., 18/20 K.Dubash Marg, Kala Ghoda, Mumbai – 400 001	Three
43rd AGM	30-09-2016	Friday	04.00 pm	Kilachand Conference Room, 2nd Floor, Indian Merchants Chamber Building, IMC Marg, Churchgate, Mumbai-400020	One
44th AGM	26-09-2017	Tuesday	03.30 pm	Kilachand Conference Room, 2nd Floor, Indian Merchants Chamber Building, IMC Marg, Churchgate, Mumbai-400020	Zero

No resolution was put through postal ballot during the year under review. This year there is no resolution proposed under postal ballot so far.

Details of unclaimed shares as per Listing Regulations:

In terms of Regulation 39(4) of the Listing Regulations, the Company reports the following details in respect of equity shares transferred from the "Mangalam Drugs & Organics Ltd – Unclaimed Suspense Account" during the year and the balance in the same at the beginning and at the end of the year:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding Shares lying in the suspense account at the beginning of the year i.e. as on April 1, 2017.	13	3337
Number of shareholders who approached to the Issuer, Registrar for transfer of shares from suspense account during the Financial Year 2017-18	-	-
Number of shareholders to whom shares were transferred from suspense account during the Financial Year 2017-18	-	-
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year i.e. as on March 31, 2018.	13	3337

The voting rights on such shares shall remain frozen till the rightful owner claims the shares.

10. **DISCLOSURES**

a. Related Party Transactions

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and Listing Regulations. The policy has been disclosed on the website of Company at www.mangalamdrugs.com.com. Web link for the same is http://www.mangalamdrugs.com/images/pdf/rpt-policy.pdf.

All Related Party Transactions are duly approved by the Audit Committee/Board as required under the provisions of the Companies Act, 2013 and Listing Regulations as well as Related Party Transactions Policy of the Company. The Audit Committee has, after obtaining approval of the Board of Directors, laid down the criteria for granting omnibus approval which also forms part of the Policy. Related Party Transactions of repetitive nature are approved by the Audit Committee on omnibus basis for one financial year at a time.

During the Financial Year 2017-18, there were no such Related Party Transactions, either as per Companies Act, 2013 or Listing Regulations which were required to be approved by the shareholders of the Company. Further, there were no materially significant related party transactions that may have potential conflict with the interests of Company at large.

b. Details of non-compliances, penalties, strictures by Stock Exchanges/ SEBI / Statutory Authorities on any matter related to capital markets during the last three years :- None.

c. Disclosure by Senior Management Personnel:

No material financial and commercial transactions were entered into by the Company with the Senior Management Personnel, where they could have had personal interest conflicting with its interest at large.

d. CEO/CFO Certification:

The Managing Director and Chief Financial Officer (CFO) of the Company gives an annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Managing Director and CFO also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

e. Prevention of Insider Trading:

In compliance with the SEBI Regulations on Prevention of Insider Trading, the Company has in place the Code of Conduct to Regulate, Monitor and Report Trading by Insiders to avoid any insider trading and it is applicable to all the designated persons who are expected to have access to the unpublished price sensitive information relating to the Company. The Company lays down the guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing in shares of the Company.

f. Reconciliation of Share Capital Audit:

As required by the Securities and Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by a Practicing Company Secretary to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) (collectively Depositories) and held in physical form, with the total issued and listed capital. The Auditor's Certificate confirming the same is submitted to BSE Limited and the National Stock Exchange of India Limited on a quarterly basis and is also placed before the Board of Directors.

g. Whistle Blower Policy:

In accordance with the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and the Listing Regulations, the Company has adopted a Whistle Blower Policy to provide a mechanism to its Directors, Employees and other stakeholders to raise concerns about any violation of legal or regulatory requirements, misrepresentation of any financial statement and to report actual or suspected fraud or violation of its Code of Conduct. The Policy allows the whistleblowers

to have direct access to the Chairman of the Audit Committee in exceptional circumstances and also protects them from any kind of discrimination or harassment. During the financial year 2017-18, no employee was denied access to the Audit Committee. The Company has uploaded the Whistle Blower Policy on its website, accessible at the weblink: http://www.mangalamdrugs.com/images/pdf/whistle-blower-policy.pdf

h. Policy on Protection of Women against Sexual Harassment at Workplace:

The Company believes in providing a safe and harassment free work place to all its employees. The Endeavour of the Company is to create and provide a safe environment for the women employees, so that they can pursue their career without any fear of prejudice, gender bias and sexual harassment and / or any such orientation in implicit or explicit form. For this, the Company has in place 'Policy of Protection of Women against Sexual Harassment at Work place' and a "Compliant Redressal Committees" . During the financial year 2017-18, the Company received no such complaint of sexual harassment.

i. Legal Compliances

In compliance with the SEBI Regulations on Prevention of Insider Trading, the Company has in place the Code of Conduct to Regulate, Monitor and Report Trading by Insiders to avoid any insider trading and it is applicable to all the designated persons who are expected to have access to the unpublished price sensitive information relating to the Company. The Company lays down the guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing in shares of the Company.

j. Mandatory & Non Mandatory Clauses:

The Company has been compliant with all the mandatory requirements laid down by the Listing Regulations. The non – mandatory requirements complied with have been disclosed at the relevant places.

11. MEANS OF COMMUNICATION:

During the year, the audited quarterly and audited financial results on standalone basis of the Company were submitted to the Stock Exchanges soon after the Board Meeting approved these and were published in Free Press Journal (English Newspaper), Navashakti (Marathi Newspaper) and The Business Standard (English Newspaper – All Metro Cities). The Company's financial results and official news releases are also displayed on the Company's Website www.mangalamdrugs.com. All presentations made by the company to institutional investors or to the analysts were also made available on the Company's Website for a reasonable period of time. The Company sends the soft copies of Annual Report to those shareholders whose e-mail IDs are registered with the Depository Participants and/or with the Company's Registrar and Share Transfer Agents, unless opted by them to get the physical copy, to support the "Green Initiative in Corporate Governance," of the Ministry of Corporate Affairs. The Company has designated the email id investors@mangalamdrugs.com exclusively for investor servicing, and the same is prominently displayed on the Company`s website.

12. GENERAL SHAREHOLDER INFORMATION:

(a) 45th Annual General Meeting – Day, Date. Time and Venue:

Day	Date	Time	Venue
Tuesday	25th September, 2018	03.30 PM	**KALICHAND CONFERENCE ROOM** 2nd Floor, Indian Merchants Chamber Building, IMC Marg, Churchgate, Mumbai - 400020

(b) Tentative Financial Calendar for the year 2018-19

Financial Year	1st April to 31st March
Adoption of Quarterly Results for the quarter ending: June, 2018 September, 2018 December, 2018 March, 2019	1st / 2nd week of August, 2018 1st / 2nd week of November 2018 1st / 2nd week of February 2019 Last week of May, 2019
Dates of Book Closure (Both days inclusive):	19th September, 2017 to 25th September, 2017 (Both days inclusive)
Dividend Payment Date:	Not Applicable

(c) Listing on Stock Exchanges:

The BSE Limited (BSE), Mumbai - Stock Code: 532637

The National Stock Exchange of India Ltd. (NSE) - Symbol: "MANGALAM"

The Company has paid the annual listing fees for the year 2018-19 to each of the said exchanges.

(d) Market Price Data:

The closing market Price of equity share on 28th March, 2018 (last trading day of the year) was Rs. 162.15 on BSE and Rs. 162.45 on NSE.

The monthly movement of Equity Share prices during the year at BSE & NSE is summarized below:

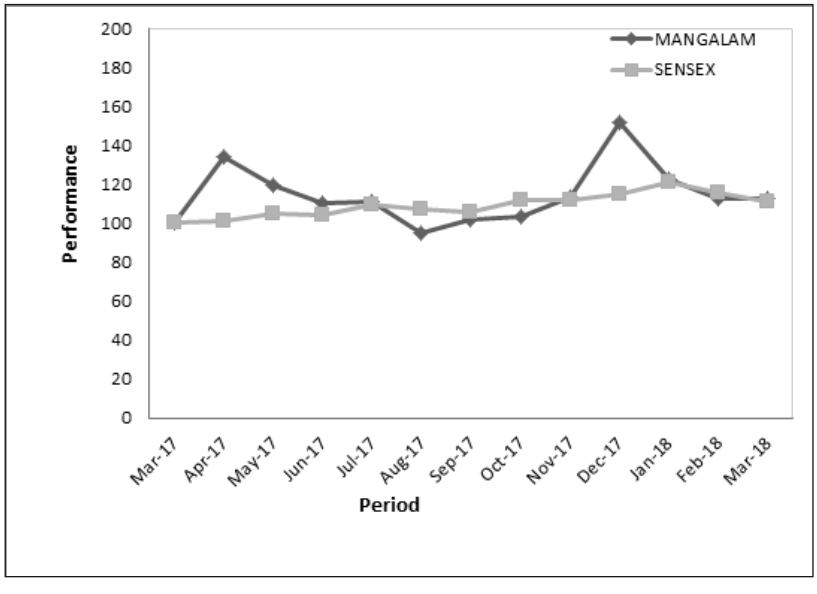
Monthly Share price Movement during the financial year ended 31st March, 2018 at BSE & NSE.

Month	BSE Ltd			National Stock Exchange Ltd		
	High (Rs.)	Low (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Volume (No. of Shares)
Apr-17	214.85	143.00	15,26,769	214.9	144.95	62,26,112
May-17	208.80	164.95	8,26,983	205.6	162.55	27,98,624
Jun-17	177.70	157.00	1,99,701	178	156.1	9,60,806
Jul-17	177.90	159.20	2,37,270	177.7	159.5	10,82,410
Aug-17	164.90	125.50	2,12,229	165	127.05	8,99,063
Sep-17	172.80	134.70	5,36,331	173.3	134.5	27,02,140
Oct-17	162.00	145.00	2,29,505	162	145	11,67,725
Nov-17	170.40	140.00	4,94,015	172	145	20,75,962
Dec-17	225.90	158.60	15,82,539	225.7	160	81,98,108
Jan-18	219.95	175.00	5,65,802	219.85	175	26,66,076
Feb-18	185.80	151.10	3,22,467	185.9	147.5	15,51,717
Mar-18	189.80	150.10	3,86,887	189.95	150.35	19,90,021

The Performance of the Equity Share Price of the Company and Sensex at BSE:

Month	MDOL Share Price at BSE*	BSE Index*	Relative Index for Comparison purpose	
			MDOL Share Price Index	Sensex
Mar-17	144.25	29,620.50	100	100
Apr-17	193.30	29,918.40	134	101.01
May-17	172.70	31,145.80	119.72	105.15
Jun-17	159.55	30,921.61	110.61	104.39
Jul-17	160.75	32,514.94	111.44	109.77
Aug-17	136.65	31,730.49	94.73	107.12
Sep-17	147.05	31,283.72	101.94	105.61
Oct-17	149.60	33,213.13	103.71	112.13
Nov-17	163.80	33,149.35	113.55	111.91
Dec-17	219.25	34,056.83	151.99	114.98
Jan-18	176.95	35,965.02	122.67	121.42
Feb-18	162.55	34,184.04	112.69	115.40
Mar-18	162.15	32,968.68	112.41	111.30

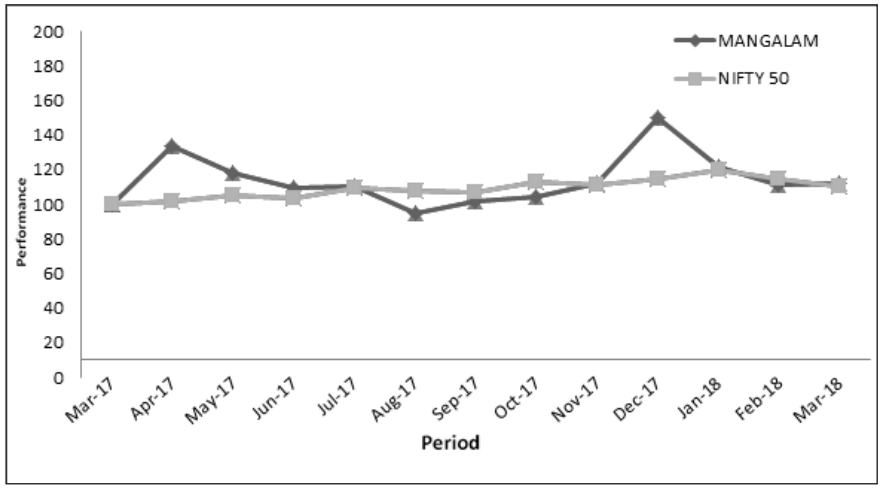
Relative Performance of MDOL Share price Vs Sensex



The Performance of the Equity Share Price of the Company and Nifty at NSE:

Month	MDOL Share Price at NSE*	NSE Index*	Relative Index for Comparison purpose	
			MDOL Share Price Index	Nifty
Mar-17	145	9173.75	100	100
Apr-17	194.1	9304.05	133.8	101.42
May-17	171.45	9621.25	118.24	104.87
Jun-17	158.95	9520.9	109.62	103.78
Jul-17	160.15	10077.1	110.44	109.84
Aug-17	137.00	9917.9	94.48	108.11
Sep-17	147.2	9788.6	101.51	106.70
Oct-17	150.6	10335.3	103.86	112.66
Nov-17	163.0	10226.55	112.41	111.47
Dec-17	217.9	10530.7	150.27	114.79
Jan-18	176.45	11027.7	121.69	120.20
Feb-18	161.5	10492.85	111.37	114.37
Mar-18	162.45	10113.7	112.03	110.24

Relative Performance of MDOL Share price Vs Nifty at NSE



(e) Registrar & Transfer Agents:

M/s. Link Intime India Private Limited

C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai – 400 083

Telephone No. 022 – 49186000 Fax No.022 – 49186060

(f) Dematerialization of Securities:

The equity shares of the Company are permitted for trading in dematerialization form only. The Company's shares are available for trading in the depository systems of both NSDL and CDSL. Security Code No. with NSDL and CDSL is - ISIN No. INE584F01014. Approximately 99.99% of the shares have been dematerialized as on 31st March, 2018. Shares held by promoters are all in the dematerialized form.

(g) Share Transfer System:

As regards transfer of shares held in physical form the transfer documents can be lodged with Registrar and Transfer Agents at the above mentioned address. Stakeholders Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the officers of the Company. Transfer of shares in depository mode need not be approved by the company. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

(h) Outstanding GDRs/ ADRs/ Warrants/ any other convertible instruments:

The Company does not have any outstanding instruments of the captioned type as on the 31st March, 2018.

(i) Shareholding Pattern as on 31st March, 2018:

SN	Category	No. of shares held	% of holding
A	**Promoter and Promoter Group**		
1	Individual/Hindu Undivided Family	3046348	19.25
2	Bodies Corporate	4988389	31.51
	Total	**8034737**	**50.76**
B	**Non Promoter Holding**		
1	Financial Institutions/Banks	39650	0.25
2	Others		
a)	Individuals	6389790	40.37
b)	Hindu Undivided Family	280102	1.77
c)	Bodies Corporate	591927	3.74
d)	NRIs/NRNs	381391	2.41
e)	Clearing Members	110651	0.70
f)	Foreign nationals	0	0
	Total	**7793511**	**49.24**
	GRAND TOTAL	**15828248**	**100**

Distribution of Shareholding as on 31st March 2018:

No. of Shares			No. of Shareholders		No. of Shares	
From	**-**	**To**	**Number**	**%**	**Number**	**% to total capital**
1	-	500	16114	87.0933	2092867	13.2224
501	-	1000	1252	6.7668	1004432	6.3458
1001	-	2000	552	2.9835	824246	5.2074
2001	-	3000	210	1.1350	522542	3.3013
3001	-	4000	100	0.5405	358126	2.2626
4001	-	5000	77	0.4162	361491	2.2838
5001	-	10000	108	0.5837	770781	4.8697
10001 and above			89	0.4810	9893763	62.5070
TOTAL			**18502**	**100.00**	**15828248**	**100.00**

(j) Registered Office:

Mangalam Drugs & Organics Ltd

Rupam Building, 3rd Floor,
239, P.D'Mello Road,
Near GPO, Mumbai- 400 001.
Maharashtra.
Tel No.: 022 22616200/6300

(k) Plant locations :

Unit No. 1

Plot No. 187-Phase II GIDC, Vapi,
Dist. Valsad, Gujarat 396 195.
Tel: 0260-3292029/2430598
Fax: 0260-2431919

Unit No. 2

Plot No. 1203, Phase III GIDC, Vapi,
Dist. Valsad, Gujarat 396 195.
Tel: 0260-3291963/3291976

Fax: 0260-2432669

(l) Investor Services:

Email ID: investor@mangalamdrugs.com

(m) Address for Correspondence:

The shareholders are requested to address their communications/ suggestions/ grievances/ queries to our Share Transfer Agents:

M/s. Link Intime India Private Limited

C-101,247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400083

Tel No: +91 22 49186000 Fax: +91 22 49186060

For and on behalf of the Board of Directors

Govardhan M. Dhoot
Chairman & Managing Director
DIN NO: 01240086

Place: Mumbai
Dated: 14th August, 2018

ANNEXURE C TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1.	**A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**	**OUR VISION** Vision of Mangalam Drugs and Organics Limited is to run our business to produce an overall positive impact on the society on a continuous basis by contributing for the Economic Development and betterment of quality of life for all our stakeholders. As a Corporate entity, we are thoroughly aware of our social responsibilities and are committed towards sustainability. The Company endeavors to make Corporate Social Responsibility ("CSR") a key business process for attaining its CSR objectives. **OUR MISSION** To actively contribute to the social and economic development of the communities and build a better sustainable way of life for the weaker sections of society, through our meaningful engagement in the areas of Education, Health Care, Sustainable Livelihood, Infrastructure Development and Social Change. The Company's CSR policy can be accessed on the Company's website: http://www.mangalamdrugs.com/images/pdf/corporate-social-responsibility-policy.pdf **OUR APPROACH** • Your Company is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Companies Act, 2013, Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules,2014 ("the **Rules**"). • To pursue CSR programmes primarily in areas that falls within the economic vicinity of our operations to enable close supervision and ensure maximum development impact. Community around the Company expects employment, development of infrastructure, care for the environment, educational institutions and other developmental activities from the Company operating around them. • As per the policy the CSR activities are focused not just around the plants and offices of the company, but also in other geographies based on the needs of the communities. • Volunteering for projects that address the felt need of those areas in which we operate while adhering to the core CSR objectives and plans. • Partnering with non-government and social welfare organizations for achieving our CSR objectives.
2.	**The composition of CSR Committee**	

NAME OF DIRECTORS	CATEGORY	STATUS
Shri Subhash C Khattar	Non Executive Independent	Chairman
Shri Govardhan M Dhoot	Executive	Member
Shri Brijmohan M Dhoot	Non Executive Non Independent	Member

3.	**Average financial years Net Profits of the Company for last three financial years**	2113.57 Lacs
4.	**Prescribed CSR Expenditure** **(two per cent of the amount as in item 3 above)**	42.27 Lacs (Plus 1.76 lacs unspent b/f)*

5.	Details of CSR Spent during the year	(a) Total amount to be spent during the Financial year 2017-18 as per Companies act 2013- 42.27 Lacs. Total amount spent during the Financial year 2017-18 - 44.04 lacs (b) Amount unspent if any – NA (c) Manner in which amount has been spent on CSR activities in the Financial Year 2017-18 Given below :-					
SR NO	**CSR Project or Activity Identified**	**Sector in which Project is covered**	**Projects of Programs 1.Local area or other 2.Specify the state and district where project or programs were undertaken**	**Amount Outlay (Budget)**	**Amount spent on the projects or programs**	**Cumulative expenditure upto to the reporting period**	**Amount spent Directly or through implementing agency**
1	Healthcare project	Healthcare under Item No.(i)	Vapi, Gujarat	10,00,000	10,00,000	10,00,000	Through implementing agency. Shri Kalyan Arogya Sansthan
2	Promoting Education	Education under Item No.(ii)	Maharashtra	33,000	33,000	33,000	Through implimenting agency. The Akansha Foundation
3.	Eradicating Hunger & malnutrition	Hunger under Item No.(i)	Maharashtra	2,21,000	2,21,000	2,21,000	Through implimenting agency. Manav Kalyan Trust
4.	Healthcare project	Healthcare under Item No.(i)	Maharashtra	31,00,000	31,00,000	31,00,000	Through implementing agency. Nargis Dutt Foundation
5.	Education & Eradication Hunger & Malnutrition	Education & eradication of Hunger & Malnutrition under item (i)	Uttrakhand	50,000	50,000	50,000	Through implementing agency. Ramanas Seva Samiti, Rishikesh
Total				**44,04,000**	**44,04,000**	**44,04,000**	

* Prescribed CSR Expenditure includes 2% of the Average Net Profits of last 3 Financial Years + Unspent Amount of Last Year (42.27+1.76) = 44.04 Lacs

6. **Reasons for not spending the two per cent of the average net profit of the last three financial years or any part thereof:** N.A.

7. **A responsibility Statement of CSR Committee of the Board of Directors of the Company:**

   The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

For and on behalf of the
CSR Committee of Mangalam Drugs & Organics Ltd

For Mangalam Drugs & Organics Ltd

Govardhan M Dhoot
Managing Director
DIN: 01240086

Subhash C Khattar
Director
DIN: 01122941
(Chairman of CSR Committee)

Dated: 14th August, 2018
Place: Mumbai

ANNEXURE D TO DIRECTORS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT.

COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE :

Your board of Directors always believes in the principles of good corporate governance. The Board believes in highest level of transparency, accountability, financial control in all its operations and believes in enhancing overall long term shareholder value and at the same time protecting the interest of other shareholders.

OUTLOOK :

While the Future has always looked bright to us, it was only because we had striven to benefit from own technological prowess and the strategic edge we enjoyed over nearest competition. Today as we do this simhavalokana the Future looks even brighter than ever before in spite of several challenges. Your company now shares habitat in API space with world's renowned companies like Gilead Sciences, ViiV Health Care and AbbVie with whom we have signed sub-licences to introduce Patented front line Antiviral actives. With both manufacturing units GMP approved by WHO-Geneva we are poised to further benefit from ongoing regulatory strategy and to contribute in the disease segments of poorly addressed therapeutic needs in the developing world. Over next three quarters, we shall introduce Nitrofurantion and Acyclovir. We shall also commercialize Pregabalin, Atorvastatin and Rosuvastatin in lifestyle disease segments of local markets. These 5 generics will strengthen our presence in local markets. Sarve Santu Niramyah has been our goal and we remain committed to it as a responsible corporate citizen.

Due to increase in the prices of intermediates we import from China, your company has started in house development of the same. This will not only improve availibility but also enable to reduce costs.

INDUSTRIAL STRUCTURE & DEVELOPMENT :

The Indian Pharmaceutical sector continues to demonstrate strong growth despite the global economic slowdown, due to inherent strength of the Indian domestic markets, economic growth, increase in health care access in the urban and rural markets. Indian Companies with strict adherence to GMP and those with regulatory approvals are the favoured outsourcing partners for generic companies and seek to capitalize on Indians renowned skills and relatively low cost.

OPPORTUNITIES :

Our company is introducing new anti-malerial drugs equivalent to international standards with competitive pricing, well equipped R&D facility and Pilot Plant make it possible to develop number of new products matching the market demands.

THREATS, RISKS & CONCERNS :

Though Indian Pharmaceutical market is growing at a healthy growth rate but on account of continuously price-cost squeeze, largely due to relentless increase in energy cost, volatile foreign exchange are all affecting overall profitability of the company.

STATE OF THE AFFAIRS OF THE COMPANY :

During the financial year due to effect of implementation of Goods and Service Tax (GST), general slow down of economy which have affected our turnover and profit.

During the year under review the Company earned Total income of Rs.28020.66 Lacs compared to Rs.30319.35 Lacs in the previous year, the company has made a profit after tax of Rs.1988.96 Lacs as against Rs.2227.50 Lacs. The company has achieved an export turnover of Rs.588192 Lacs as against Rs.8504.18 Lacs.

The turnover of the company has basically dropped on account of decrease in the cost of raw material which has resulted in subsequent reduction in our sale prices of finished products. Secondly, one of the reasons for drop in our net profit was during the year company has to pay Rs.217.11 Lacs as recompense to the banks to come out of the re-structuring process which has resulted in higher interest cost.

INTERNAL CONTROL SYSTEM ADEQUACY :

The management continuously reviews the internal control systems and procedure leading to orderly and efficient conduct of its business. Internal Audit is conducted throughout the year to monitor and report on the effectiveness of the internal control in the organizations. The internal audit reports are brought to the notice of the audit committee and corrective measures are recommended for implementations. Reports of the internal auditors are also continuously reviewed by the management and corrective actions are initiated to strengthen the controls and enhance the effectiveness of the existing system.

HUMAN RESOURCES DEVELOPMENT & RESEARCH ACTIVITIES:

The progress of the company is highly dependent upon the satisfaction of the human resources. The management believes that happiness and satisfaction of human resources is ultimate responsibility of the company. The company workforce comprises of around 395 employees. A cordial Industrial relation environment prevailed in the company during the year.

HEALTHY AND SAFETY MEASURES :

The Company has a range of policies, including on quality, safety and health aspects to guide the employees, work practices, actions and decisions. The Company continuously strives to improve the effectiveness of its policies and the employees are encouraged to contribute their might in this direction.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the company's operations include input availabilities and prices, demand and pricing of finished goods in the company's principal markets, changes in government regulations tax laws, economic developments within the country and other incidental factors.

For and on behalf of the Board of Directors

Govardhan M. Dhoot
Chairman & Managing Director
DIN NO: 01240086

Place: Mumbai
Dated: 14th August, 2018

ANNEXURE E TO DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March 2018.

[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:

Sr.No.	PARTICULARS	DETAILS
i.	CIN	L24230MH1972PLC116413
ii.	Registration Date	18 April 1972
iii.	Name of the Company	MANGALAM DRUGS AND ORGANICS LIMITED
iv.	Category / Sub-Category of the Company	Public Limited Company
v.	Address of the Registered office and contact details	3RD FLOOR, RUPAM BUILDING 239, P. D'MELLO ROAD, MUMBAI-400001
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Link Intime India Private Limited C-101, 247 Park,L.B.S. Marg, Vikhroli (West), Mumbai - 400083

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:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of drugs, medicines and allied products	210	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

NIL

The above mentioned enterprises are in which Key Managerial Personnel (KMP) and relatives of KMP are able to exercise significant influence.

III. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year April 01, 2017				No. of Shares held at the end of the year March 31,2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (Equity)									
(1) Indian									
(a) IndividuaHUF	3046348	-	3046348	19.25	3046348	-	3046348	19.25	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	4988389	-	4988389	31.51	4988389	-	4988389	31.51	-
(e) Banks /Financial Institution	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	8034737		8034737	50.76	8034737	-	8034737	50.76	-
(2) Foreign									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=A(1)+A(2)	**8034737**		**8034737**	**50.76**	**8034737**	**-**	**8034737**	**50.76**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year April 01, 2017				No. of Shares held at the end of the year March 31,2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Banks / FI	30541	-	30541	0.19	39650	-	39650	0.25	0.06
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	**30541**	-	**30541**	**0.19**	**39650**	**-**	**39650**	**0.25**	**0.06**
2. Non-Institutions									
a) Bodies Corporate.									
i) Indian	586732	-	586732	3.71	591927	-	591927	3.74	0.03
ii) Overseas	-	-	-	-	-	-	-	-	-
b*) Individuals*									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	5036714	10	5036724	31.82	5118695	10	5118705	32.33	0.52
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1405793	-	1405793	8.88	1271085	-	1271085	8.03	(0.85)
c) Others									
Non Resident Indians (Repat)	225581	-	225581	1.42	253357	-	253357	1.60	0.17
Non Resident Indians (Non Repat)	59930	-	59930	0.38	128034	-	128034	0.80	0.43
Foreign Nationals	2000	-	2000	0.012	-	-	-	-	(0.012)
Clearing Member	202331	-	202331	1.28	110651	-	110651	0.7	(0.58)
Hindu Undivided Family	243879	-	243879	1.54	280102	-	280102	1.77	0.23
Sub-total (B)(2)	7762960	10	7762970	49.05	7753851	10	7753861	48.98	(0. 06)
Total Public Shareholding (B)=(B)(1)+(B)(2)	**7793501**	**10**	**7793511**	**49.24**	**7793501**	**10**	**7793511**	**49.24**	**-**
C. Shares held byCustodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**14378238**	**10**	**14378248**	**100**	**15828248**	**-**	**15828248**	**100**	

(ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year 01/04/2017			Shareholding at the end of the year31/03/2018			% change in the shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged or encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged or encumbered to total shares	
1.	Shri JB Pharma LLP	2650000	16.74	0	2650000	16.74	0	0
2	Shree Kishoriju Trading & Investment Pvt Ltd	1098851	6.94	4.86	1098851	6.94	4.80	0
3	Shree Rasbihari Trading & Investment Pvt Ltd	1048018	6.62	4.83	1048018	6.62	1.10	0
4	Dhoot Govardhan Murlidhar	511792	3.23	2.90	511792	3.23	0	0
5	Dhoot Brijmohan Murlidhar	486996	3.08	3.04	486996	3.08	0	0
6	Chandrakanta Murlidhar Dhoot	430067	2.72	0	430067	2.72	0	0
7	Radhika A Dhoot	292500	1.85	1.85	292500	1.85	0	0
8	Smita A. Dhoot	292500	1.85	1.85	292500	1.85	0	0
9	Rajkumari R. Dhoot	275948	1.74	1.74	275948	1.74	0	0
10	Raj Exports Pvt Ltd	191520	1.21	1.21	191520	1.21	0	0
11	Govardhan Murlidhar Dhoot	155330	0.98	0.00	155330	0.98	0	0
12	Dhoot Rekha Govardhan	148760	0.94	0.94	148760	0.94	0	0
13	Ajay R Dhoot	138687	0.88	0.88	138687	0.88	0	0
14	Dhoot Jyoti Brijmohan	104550	0.66	0.66	104550	0.66	0	0
15	Aditya R. Dhoot	89225	0.56	0.56	89225	0.56	0	0
16	Brijmohan Murlidhar Dhoot	77473	0.49	0	77473	0.49	0	0
16	Rajkamal Sukhani	23520	0.15	0.15	23520	0.15	0	0
17	Shweta Govardhan Dhoot	19000	0.12	0.12	19000	0.12	0	0
	TOTAL	**8034737**	**50.76**	**25.59**	**8034737**	**50.76**	**5.9**	**0**

(iii) Change in Promoters' Shareholding:

Sr. No.	Shareholders Name	Shareholding at the beginning of the year 01/04/2017		Increase/Decrease in Shareholding during the year			Cumulative Shareholding during at the end of the year 31/03/2018	
		No. of Shares	% of total shares of the company	Date	Reason	No. of Shares	No. of Shares	% of total shares of the company
	N.A	NA	N.A	N.A	N.A	N.A	N.A	N.A

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

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year as on 01/04/2017 i.e. as per shareholding pattern of 31/03/2017		Changes in the shareholding (No. of Shares)		Shareholding at the end of the year as on 31/03/2018 i.e. as per shareholding pattern of 31/03/2018	
		No. of shares	% of total shares of the company	Increase (No. of shares)	Decrease (No. of shares)	No. of shares	% of total shares of the company
1	Thakkalapalli Sampath Rao	158450	1.0011	621	-	159071	1.0050
2.	IL and FS Securities Services Limited	69423	0.4386	65643	-	135066	0.8533
3.	Shyamsunder Gupta	106492	0.6728	-	-	106492	0.6728
4.	Adesh Ventures LLP	0	0	102647		102647	0.6485
5..	Daksha Vishanji Kotak	87100	0.5503	-	-	87100	0.5503
6.	Bhupesh Kumar Lodha	-	-	73000	-	73000	0.4612
7.	Hari Kishen Malani	72000	0.4549	-	-	72000	0.4549
8.	Rajakumari Thammineni	57000	0.3601	1116	-	58116	0.3672
9.	Karvy Stock Broking Ltd	96613	0.6104	-	48025	48588	0.307
10.	S.R.Gupta	47338	0.2991	-	-	47338	0.2991

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 01/04/2017		Increase/Decrease in Shareholding during the year		Cumulative during/at the end of the year 31/03/2018	
		No. of Shares	% of total shares of the Company	Date	No. of Shares	No. of Shares	% of total shares of the Company
	At the beginning of the year						
1.	Shri Govardhan M Dhoot	667122	4.2147	-	0	667122	4.2147
2.	Shri Brijmohan M Dhoot	564469	3.5662	-	0	564469	3.5662
3.	Shri Ajay R Dhoot	138687	0.8762	-	0	138687	0.8762
4.	Shri Aaditya R Dhoot	89225	0.5637	-	0	89225	0.5637

* Including 155330 Shares in the name of Govardhan M Dhoot (HUF)

* Including 77473 Shares in the name of Brijmohan M Dhoot (HUF)

VI. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6231.85	377.50	-	6609.35
ii) Interest due but not paid	52.21	-	-	52.21
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**6284.06**	**377.50**	**-**	**6661.56**
Change in Indebtedness during the financial year				
Addition	2623.57	50	-	2673.57
Reduction	(2390.02)	-	-	(2390.02)
Net change	**233.55**	**50**	**-**	**283.55**
Indebtedness at the end of the financial year				
i) Principal Amount	6465.41	427.50	-	6892.91
ii) Interest due but not paid	51.11	-	-	51.11
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**6516.52**	**427.50**	**-**	**6944.02**

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No	Particulars of Remuneration	Name of WTD	Total Amount
		G.M.Dhoot	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,00,004	20,00,004
	(b) Value of perquisites u/s 17(2)Income-tax Act,1961	-	-
	(c) Profits 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)	20,00,004	20,00,004
	Ceiling as per the Act	5% of the net profits	

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Shri. Brijmohan M Dhoot	Shri. Subhash Khattar	Ms Anuradha Sukhani	Shri Ajay R Dhoot	Shri Aaditya R Dhoot	Shri Rukmesh Dhandhania	Shri Ajay Sawhney	
1	**Independent Directors** Fee for attending board committee meetings	-	46,000	20,000	-	-	8,000	6,000	80,000
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-	-	**80,000**
2	**Other Non-Executive Directors** Fee for attending board committee meetings	24,000	-	-	4,000	4,000	-	-	32,000
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-	32,000
	Total (B) = (1+2)	24,000	46,000	20,000	4,000	4,000	8,000	6,000	**112,000**
	Overall Ceiling as per the Act	NA. Since only Sitting Fees was paid during the year.							

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
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) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 (d) Leave encashments during the year	- - -	7,11,396	20,54,424 3,57,985	31,23,805
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	**-**	**7,11,396**	**24,12,409**	**31,23,805**

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for the year ending March, 2018.

For and on behalf of the Board of Directors

Govardhan M. Dhoot
Chairman & Managing Director
DIN NO: 01240086

Place: Mumbai
Dated: 14th August, 2018

ANNEXURE F TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON March 31, 2018

[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 DRUGS AND ORGANICS LIMITED
CIN:L24230MH1972PLC116413
3RD FLOOR, RUPAM BUILDING 239,
P. D' MELLO ROAD, Near GPO
MUMBAI – 400001 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MANGALAM DRUGS AND ORGANICS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressingour opinion thereon.

Based on our verification of the Company'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 representatives 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 March 31, 2018 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 March 31, 2018 according to the provisions of:

1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 -Not applicable as the Company has not issued any shares / securities during the year under review;
   (d) The Securities and Exchange Board of India (Share Based EmployeesBenefits), Regulations,2014 -Not Applicable as the Company has not issued any Shares / options to the Directors /Employees under the said Regulations during the year under review;
   (e) The Securities and Exchange Board of India(Issue and Listing of Debt Securities) Regulations,2008 -Not Applicable as the Company has not issued any debt securities during the year under review;
   (f) 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;
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable as the Company has not delisted its Equity Shares from any Stock Exchanges during the year under review;
   (h) The Securities and Exchange Board of India (Buy Back of Securities)Regulations, 1998 - Not Applicable as the Company has not bought – back any of its securities during the year under review;
   (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   We have also examined compliance with the applicable Standards / Clauses / Regulations of the following:

   i. Secretarial Standards with respect to the Meetings of the Board of Directors and Committee Meetings of the Board (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
   ii. The Uniform Listing Agreement entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

During the Audit period under review, the Company has complied with all material aspects ofthe applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

Further, the company has spent complete two percent of the average net profit of the last 3 years for CSR activities.

We further report that:

During the audit period under review there were no specific laws which were exclusively applicable to the Company / Industry. However, having regard to the Compliance system prevailing in the Company and on examination of relevant documents and records on test - check basis, the Company has complied with the material aspects of the following significant laws applicable to the Company being engaged in the manufacturing activities:

1. Factories Act,1948;
2. Acts prescribed under prevention and control of pollution;
3. Acts prescribed under Environmental protection.

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 changes in the composition of Board that took place during the year under review were carried out in compliance of the provisions of Act.

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 exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of Board of Directors/ Committees of the Company were carried unanimously. We were informed that there wereno dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

We further report that:

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit and compliance certificate(s) placed before the Board Meeting, 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 general laws, rules, regulations and guidelines such as Labour Laws, The Trade Marks Act, 1999, The Indian Copyright Act, 1957, The Patents Act, 1970.

We further report that:

The Compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditor(s) and other designated professionals.

We further report that:

During the audit period under review, there were no instances of:

a) Public/Right issue of shares/ debentures/sweat equity, etc.

b) Redemption / buy-back of securities.

c) Obtaining the approval from Shareholders under Section 180 of the Companies Act, 2013.

d) Merger / amalgamation / reconstruction, etc.

e) Foreign technical collaborations.

FOR ANKIT SETHI & ASSOCIATES
COMPANY SECRETARIES
Sd/-
ANKIT SETHI
PROPRIETOR
ACS No. 25415 C. P. No.: 11089

Place: Mumbai
Date: 02nd August, 2018

Note: This report is to be read with our letter of even date which is annexed as **Annexure – A** and forms an integral part of this report.

ANNEXURE - A

TO,

THE MEMBERS,

MANGALAM DRUGS AND ORGANICS LIMITED
CIN: L24230MH1972PLC116413
3 RD FLOOR, RUPAM BUILDING 239,
P. D' MELLO ROAD, Near GPO
MUMBAI – 400001 IN

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 an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process and practices followed by us 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 the management. Our examination was limited to the verification of procedure 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.

FOR ANKIT SETHI & ASSOCIATES
COMPANY SECRETARIES

Sd/-
ANKIT SETHI
PROPRIETOR
ACS No. 25415 C. P. No.: 11089

Place: Mumbai
Date: 02nd August , 2018

Auditor's Certificate on Corporate Governance

To

The Members of

Mangalam Drugs & Organics Limited

We have examined the compliance of the conditions of Corporate Governance by Mangalam Drugs & Organics Limited for the year ended 31st March, 2018, as stipulated in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company, nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BATLIBOI & PUROHIT

Chartered Accountants

Firm Reg.No. 101048W

(Raman Hangekar)

Partner

Membership No: 030615

Place of Signature :Mumbai

Date : 28th May, 2018

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY' CODE OF CONDUCT

To

The Members of MANGALAM DRUGS & ORGANICS LIMITED

I, Govardhan M Dhoot, Chairman & Managing Director, hereby declare that the Board of Directors of the company has received affirmation on compliance with the Code of Conduct for the period from 1st April, 2017 or the date of their joining the Company, whichever is later, to 31st March, 2018 from all the Members of the Board and Senior Management Personnel of the company.

GOVARDHAN M DHOOT
Chairman & Managing Director
DIN: 01240086

Place: Mumbai
Dated : 14th August, 2018

Registered Office:
3rd Floor, Rupam Building,
239, P.D'Mello Road,
Near GPO, Mumbai-400001

CEO AND CFO CERTIFICATION UNDER REG 17 (8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We **Govardhan M Dhoot**, Chairman & Managing Director and **Ajay Samant**, Chief Financial Officer of the company herby certify that:

(A) We have reviewed the financial statements for the year ended 31st March, 2018 and that to the best of our knowledge and belief:

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(B) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(C) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed and the steps that have been taken to rectify these deficiencies.

(D) We have indicated to the Auditors and the Audit Committee

1. that there has not been any significant change in internal control over financial reporting during the year under reference;
2. significant change in accounting policies (if any) during the year and that the same have been disclosed in the notes to the financial statements; and
3. that we are not aware of any instance during the year of significant fraud with involvement therein of control the management or any employee having a significant role in the Company's internal system over financial reporting.

(Govardhan M Dhoot)

Chairman & Managing Director

Date: 28th May, 2018

Place: Mumbai

(Ajay Samant)

Chief Financial Officer

Independent Auditors' Report

To the members of Mangalam Drugs & Organics Limited,

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Mangalam Drugs & Organics Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement (hereinafter referred to as "Ind AS Financial Statements), the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with relevant rules thereunder and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its loss(including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

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 Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.

2 As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The accounts of the branch offices of the company have been audited by us under section 143(8) of the Act and have been properly dealt with by us in preparing this report;

(d) The Balance sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(e) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(f) On the basis of written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the act;

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate report in "**Annexure B**".

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended) 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 March 31,2018 on its financial position in its financial statements;

(ii) The Company does not have any long term contract including derivative contracts. Hence the question of material foreseeable losses does not arise.

(iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the company.

For **Batliboi & Purohit**
Chartered Accountants
Firm Registration Number: 101048W

CA. Raman D Hangekar
Senior Partner
Membership Number: 030615

Place: Mumbai
Date: 28th May, 2018

Annexure - A to the Auditors' Report

(i). (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets

(b) As explained to us, the fixed assets have been physically verified by management at reasonable intervals under a phased programme of verification. In accordance with this program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of company and nature of its assets.

(c) The title deeds of the immovable properties as disclosed in schedule of fixed assets to the financial statements, are held in the name of the Company.

(ii) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. No material discrepancies have been noticed on such verification.

(iii) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly paragraph 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) of the order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loans, investments, guarantees and securities.

(v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and Rules framed there under to extent notified.

(vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the order made by the Central Government for maintenance of cost records prescribed under sub-section 1 of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

(vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employee state insurance, income tax, sales tax, service tax, GST, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable, with the appropriate authorities.

According to the information and explanations given to us and the records of the company examined by us, no undisputed amounts payable in respect of provident fund, employee state insurance, income tax, sales tax, service tax, GST, duty of customs, duty of excise, value added tax, cess and any other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable except an undisputed statutory due of ESIC (deducted from the payment made to contractors) amounting to Rs. 68,10,559 is payable from last 2 years.

b) According to the information and explanations given to us, and the records of the company examined by us, the dues in respect of sales tax, income-tax, duty of customs, service tax, GST, entry tax, value added tax, central sales tax, duty of excise, which have not been deposited with the appropriate authority on account of any disputes are as under:

Sr.No	Excise Duty & Service Tax	Amount (Rs.in Lacs)	Forum where dispute is pending
a)	2010-2011	5.20	CESTAT, AHMEDABAD
b)	2011-2012	208.37	CESTAT, AHMEDABAD
c)	2015-2016	171.77	APPEAL-BARODA
d)	2016-2017	8.37	APPEAL-VALSAD
	Total Amt (In Lacs) (A)	**393.71**	
Sr.No	**INCOME TAX**	**Amount (Rs.in Lacs)**	**Forum where dispute is pending**
a)	AY-2002-2003	0.86	Income Tax appellant Tribunal Mumbai
b)	AY-2003-2004	0.88	Income Tax appellant Tribunal Mumbai
c)	AY-2005-2006	1.36	Income Tax appellant Tribunal Mumbai
d)	AY-2006-2007	21.42	Commissioner of Income tax Appeals-IV Mumbai
e)	AY-2011-12	56.14	Income Tax appellant Tribunal Mumbai has referred the matter to assessing officer
	Total Amt.(In Lacs) (B)	**80.66**	
	Sub Total Amt	**474.37**	

(viii) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution, bank or Government as at the Balance sheet date.

(ix) The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) nor has obtained any term loans during the year, hence paragraph 3 (ix) of the order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of material fraud by the Company or on the Company by its officers or employees noticed or reported during the year 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, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(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 details of such transactions have been disclosed in the financial statements as required under Ind AS and Companies Act, 2013.

(xiv) According to the information and explanations give to us and based on our examination of the records 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. Therefore, paragraph 3(xiv) of the order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi) of the order are not applicable to the Company.

For **Batliboi & Purohit**
Chartered Accountants
Firm Registration Number: 101048W

CA. Raman D Hangekar
Senior Partner
Membership Number: 030615

Place: Mumbai
Date: 28th May, 2018.

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Mangalam Drugs & Organics Limited** ("the Company") as of 31 March 2018 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 and to the best of our information & according to the explanations give to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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 **Batliboi & Purohit**
Chartered Accountants
Firm Registration Number: 101048W

CA. Raman D Hangekar
Senior Partner
Membership Number: 030615

Place: Mumbai
Date: 28th May, 2018.

BALANCE SHEET AS AT MARCH 31, 2018

(₹ in lacs)

	Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Assets :-				
1	**Non-currents assets**				
	(a) Property, Plant and Equipment	2	10,115.60	9,250.90	5,414.52
	(b) Capital work in progress	2	7.13	-	492.74
	(c) Intangible Assets	2	75.31	4.72	4.44
	(d) Financial Assets				
	(i) Others financial assets	3	172.53	116.27	99.31
2	**Current assets**				
	(a) Inventories	4	6,794.47	3,724.95	4,734.06
	(b) Financial Assets				
	(i) Investments	5	165.61	164.43	158.90
	(ii) Trade Receivables	6	4,520.77	3,681.67	2,890.83
	(iii) Cash and cash equivalents	7	43.03	62.73	49.53
	(iv) Loans	8	1,706.94	1,944.70	2,143.35
	Total Assets		**23,601.39**	**18,950.38**	**15,987.68**
	EQUITY AND LIABILITIES :-				
	Equity				
	(a) Equity share capital	9	1,582.82	1,582.82	1,437.82
	(b) Other Equity	10	8,935.43	6,988.89	4,768.67
	LIABILITIES				
1	**Non-current Liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	11	1,114.64	1,685.11	1,692.15
	(b) Deferred tax liabilities (Net)	12	1,202.98	917.60	802.12
2	**Current Liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	13	5,075.19	4,132.00	3,537.57
	(ii) Trade Payables	14	3,762.51	2,077.55	2,067.50
	(iii) Other financial liabilities (other than those specified in item (c)	15	703.08	792.24	752.38
	(b) Other current liabilities	16	1,153.87	704.52	752.20
	(c) Provisions	17	70.87	69.65	177.27
	Total Equity and Liabilities		**23,601.39**	**18,950.38**	**15,987.68**
	Significant accounting policies	1			
	The accompanying notes are an integral part of these financial statement				

In terms of our report attached

For and on behalf of the Board of Directors

(CA Raman D Hangekar)
Senior Partner: Batliboi & Purohit
CHARTERED ACCOUNTANTS
Membership No.030615
Firm Registration No.101048W

(Shri Govardhan M.Dhoot)
Chairman & Managing Director
(DIN:01240086)

(Shri Aaditya R. Dhoot)
Director
(DIN:01122941)

(Ms Nikita Bavishi)
Company Secretary

(Shri Ajay Samant)
Chief Financial Officer

Place : Mumbai
Dated: 28th May, 2018

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2018

(₹ in lacs)

	Particulars	Note No	Year ended March 31, 2018	Year ended March 31, 2017
I	Revenue from operations	18	30,767.74	31,244.39
	Less:- Excise duty / GST		2,829.78	955.83
	Revenue from operations		**27,937.96**	**30,288.56**
II	Other Incomes	19	82.70	30.79
III	**Total Income (I+II)**		**28,020.66**	**30,319.35**
IV	**Expenses**			
	Cost of materials consumed	20	18,047.91	18,190.96
	Purchases of Stock in Trade			
	Changes in inventories of finished goods, Stock in Trade and work in progress	21	(1,711.73)	1,556.90
	Employee benefits expense	22	2,298.37	1,907.82
	Finance costs	23	1,178.00	1,003.65
	Depreciation and amortization expense		656.82	500.71
	Other Expenses	24	4,616.57	4,041.23
	Total Expenses(IV)		**25,085.94**	**27,201.28**
V	**Profit/(loss) before exceptional items and tax (I-IV)**		**2,934.72**	**3,118.06**
VI	Exceptional Items		-	-
VII	**Profit/(loss) before tax (V-VI)**		**2,934.72**	**3,118.06**
VIII	Tax expense:		**945.76**	**890.56**
	(1) Current Tax	25	659.63	778.88
	(2) Deferred tax	25	286.13	111.69
IX	**Profit/(loss) for the period (VII-VIII)**		**1,988.96**	**2,227.50**
	(A) Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans		55.54	55.54
	(ii) Income tax relating to above		(19.22)	(19.22)
	Total Other Comprehensive Income (A)		**36.32**	**36.32**
XI	**Total Comprehensive Income for the period (IX+X)**		**2,025.28**	**2,263.82**
XII	**Earnings per equity share (Face value per equity share Rs. 10)**	35		
	(1) Basic (In Rs.)		**12.57**	**14.07**
	(2) Diluted (In Rs.)		**12.57**	**14.07**
	Significant accounting policies	1		
	The accompanying notes are an integral part of these financial statement			

In terms of our report attached

For and on behalf of the Board of Directors

(CA Raman D Hangekar)
Senior Partner: Batliboi & Purohit
CHARTERED ACCOUNTANTS
Membership No.030615
Firm Registration No.101048W

(Shri Govardhan M.Dhoot)
Chairman & Managing Director
(DIN:01240086)

(Shri Aaditya R. Dhoot)
Director
(DIN:01122941)

(Ms Nikita Bavishi)
Company Secretary

(Shri Ajay Samant)
Chief Financial Officer

Place : Mumbai
Dated: 28th May, 2018

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2018

(₹ In Lacs)

	Particulars	For the Period ended March 31, 2018	For the Period ended March 31, 2017
A.	**Cash flow from operating activities**		
	Net profit before tax and extra ordinary items.	2,934.72	3,118.06
	Add / (Less) :		
	Depreciation & amortisation	656.82	500.71
	Interest expenses	1,178.00	1,003.65
	Dividend Income	(2.16)	(2.06)
	(Gain)/loss on sale of fixed assets	(0.95)	78.04
	(Gain)/loss on sale of investments	(0.63)	-
	Net gain arising on financial assets measured at fair value through profit or loss	(1.56)	(5.15)
	Provision for quantity discount	-	169.79
	Operating profit before working capital changes	**4,764.24**	**4,863.05**
	Adjustment for :		
	(Increase)/decrease in short term loans and advances	237.75	198.65
	(Increase)/decrease in other current assets	-	-
	(Increase)/decrease in trade receivables	(839.10)	(960.64)
	(Increase)/decrease in inventory	(3,069.52)	1,009.11
	(Increase)/decrease in other non-current assets	(56.26)	(16.96)
	Increase/(decrease) in trade payables	1,684.96	10.05
	Increase/(decrease) in other current liabilities	360.19	(7.82)
	Increase/(decrease) in provisions	1.22	(82.89)
		(1,680.76)	**149.51**
	Cash generated from operations	**3,083.48**	**5,012.55**
	Add / (Less) :		
	Income Tax (Paid)/ Refund	(625.86)	(732.67)
	Net cash from operating activities	**2,457.63**	**4,279.88**
B.	**Cash flow from investing activities :**		
	Purchase of fixed assets including Capital WIP	(1,599.46)	(3,952.81)
	Sale of fixed assets	1.15	6.46
	Sale/(Purchase) of investments	0.66	(0.38)
	Divided Income	2.16	2.06
	Net cash from investing activities	**(1,595.49)**	**(3,944.67)**
C.	**Cash flow from financing activities :**		
	Proceeds/(repayment) of short term borrowing	943.19	594.43
	Proceeds/(repayment) of long term borrowing	(570.47)	(7.04)
	Interest Paid	(1,175.81)	(1,003.65)
	Dividend paid	(78.74)	-
	Issue of Share	-	94.25
	Net cash used in financing activities	**(881.83)**	**(322.01)**
	Net increase / (decrease) in cash and cash equivalents	**(19.70)**	**13.20**
	Cash and cash equivalents - opening balance	**62.73**	**49.53**
	Cash and cash equivalents - closing balance	**43.03**	**62.73**
	Details of cash and cash equivalent at the end of the Period / Year		
	- Cash in hand	1.43	3.11
	- Balance in current & fixed deposit accounts	41.61	59.62
		43.03	**62.73**

In terms of our report attached

For and on behalf of the Board of Directors

(CA Raman D Hangekar)
Senior Partner: Batliboi & Purohit
CHARTERED ACCOUNTANTS
Membership No.030615
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(Shri Govardhan M.Dhoot)
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Director
(DIN:01122941)

(Ms Nikita Bavishi)
Company Secretary

(Shri Ajay Samant)
Chief Financial Officer

Place : Mumbai
Dated: 28th May, 2018

MANGALAM DRUGS AND ORGANICS LIMITED

Statement of Changes in Equity for the period ended March 31, 2018.

(₹ in lacs)

Particulars	Share capital	Reserves and Surplus			money received against share warrants	Total
		Securities premium reserve	General Reserve	Retained Earnings		
Balance as at April 01, 2016	**1,437.82**	**1,440.03**	**1,079.05**	**1,401.34**	**848.25**	**4,768.67**
Equity shares issued during the year	**145.00**					
Profit for the Year	-	-	-	2,227.50		**2,227.50**
Other comprehensive income for the Year, net of tax	-	-	-	36.32		**36.32**
Total Comprehensive Income for the Year	-	**-**	**-**	**2,264**	**-**	**2,264**
Premium on issue of equity shares	-	797.50	-	-		**797.50**
Issue of Shares against share warrants	-				(848.25)	**(848.25)**
Ind AS impact				7.16		**7.16**
Balance as at March 31, 2017	**1,582.82**	**2,237.53**	**1,079.05**	**3,672.32**	**-**	**6,988.90**
Profit for the Year		-	-	1,988.96		**1,988.96**
Other comprehensive income for the Year, net of tax		-	-	36.32		**36.32**
Total Comprehensive Income for the Year		**-**	**-**	**2,025**	**-**	**2,025**
Dividend		-	-	(78.74)		**(78.74)**
Balance as at March 31, 2018	**1,582.82**	**2,237.53**	**1,079.05**	**5,618.86**	**-**	**8,935.44**

In terms of our report attached

For and on behalf of the Board of Directors

(CA Raman D Hangekar)
Senior Partner: Batliboi & Purohit
CHARTERED ACCOUNTANTS
Membership No.030615
Firm Registration No.101048W

(Shri Govardhan M.Dhoot)
Chairman & Managing Director
(DIN:01240086)

(Shri Aaditya R. Dhoot)
Director
(DIN:01122941)

(Ms Nikita Bavishi)
Company Secretary

(Shri Ajay Samant)
Chief Financial Officer

Place : Mumbai
Dated: 28th May, 2018

Notes to financial statements for the year ended March 31, 2018

Note no. 1

A) Basis of preparation and presentation of financial statements

The Company's financial statements for the year ended 31stMarch, 2018 have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015, and Companies (Indian Accounting Standards) Amendment Rules, 2016, notified, under Section 133 of Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

The financial statements are prepared on the basis of going concern under the historical cost convention using the accrual method of accounting, except for the following items:-

Items	Basis of measurement
Investment in unquoted equity shares	Measured at Fair Value
Defined Benefit Plan	Plan assets are Measured at Fair Value

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off in lacs, unless otherwise stated.

B) Use of Estimates

The preparation of financial statements requires management to make estimates assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expenditure for the periods presented. Actual results may differ from the estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

C) Judgments

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:-

Note 29:- Defined benefit obligation

Note 27:- Estimated Fair Values of Unlisted Shares

Note 25:- Recognition of Deferred taxes

D) Measurement of Fair Values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial assets and liabilities.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the assets or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and lowest priority to unobservable inputs (Level 3 inputs).

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

E) Property, Plant and Equipment (PPE)

Recognition and Measurement

PPE is measured on initial recognition at cost net of taxes/duties, credits availed, if any, and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE includes borrowing costs directly attributable to acquisition, construction or production of qualifying assets. Qualifying assets are assets which necessarily take a substantial period of time to get ready for its intended use.

Machinery spares that meet the definition of PPE are capitalized and depreciated over the useful life of the principal item of the asset.

Subsequent expenditure

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 measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Derecognition

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the item. Any gain or loss arising on disposal or retirement of item of PPE is determined as the difference between the sale proceeds and the carrying amount of the item and is recognized in the statement of profit or loss in the period in which the PPE is derecognized.

F) Investment Property

Investment property is the property either to earn rental income or for capital appreciation or for both but not for sale in ordinary course of business, use in production or supply of goods or services or for administrative purpose. Investment properties are measured initially at cost, including transaction costs.

Investment properties are derecognized either upon disposal or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period in which the property is derecognized.

G) Transition to Ind AS

On transition to Ind AS, the Company has elected to use the exemption available under Ind AS 101 to continue with the carrying value of all its PPE & Investment Property recognized as at 1st April 2016 (transition date) measured as per the previous GAAP and use that as its deemed cost as at date of transition.

H) Depreciation

Depreciation on PPE is provided to the extent of depreciable amount on the Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II of The Companies Act, 2013.

The estimated useful lives are as follows :-

Particulars of Assets	Useful life of Assets (In Years)
Building	60
Plant & Equipment's	20
Furniture & Fixtures	10
Vehicles	10
Office Equipment's	05
Electrical Installation	10
Computers	03

I) Impairment

An assets is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit And Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

J) Foreign Currency Transactions

Transactions denominated in foreign currencies; if any, are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies at the year end; if any, are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts; if any, is recognized over the life of the contract.

Non monetary foreign currency items; if any, are carried at cost.

Any income or expense on account of exchange difference either on settlement or on translation; if any, is recognized in the Profit And Loss Statement.

K) Financial Instruments

a) Financial Assets

Initial Recognition and Measurement

All financial assets are recognized initially at fair valueplus, in the case of financial assets not recorded at fairvalue through profit or loss, transaction costs that areattributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent Measurement

For the purpose of subsequent measurement financial assets are classified into two broad categories:-

- Financial Assets at Fair Value
- Financial Assets at Amortized Cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss, or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at amortized cost:-

- **Business Model Test:** The objective of the company's business model is to hold the financial asset to collect the contractual cash flows.
- **Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

  A financial asset that meets the following two conditions is measured at fair value through OCI:-

- **Business Model Test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrecoverable option to present value changes in OCI.

Impairment of financial assets

The company assesses impairment based on Expected Credit Losses (ECL) model at an amount equal to 12 months expected credit losses, or, lifetime expected credit losses, depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

b) Financial Liabilities

All financial liabilities are initially recognized at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

L) Inventories

Items of Inventories are measured at lower of cost and net realizable value after providing for obsolescence and damage, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incidental to purchase in bringing them to their respective present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost of trading and other products are determined on specific identification basis.

M) Revenue Recognition

Sale of goods

Revenue from sales is recognized, when risks and rewards of ownership of products are passed on to the customers, which is generally on dispatch/delivery of goods and there is no significant uncertainty regarding amount of consideration that will be derived.

Revenue from sale of goods are recognized at the fair value of the consideration received or receivable, net of returns including estimated returns where applicable, and trade discounts, rebates, sales tax and value added tax/GST.

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection.

Other Income

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

Dividend income is recognized when right to receive payment is established.

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Rent income is recognized based on the mutual agreement between the parties on time proportion basis.

N) Lease Accounting

Leases, where the lessor retains, substantially all the risk and rewards incidental to ownership of the leased assets, are classified as operating lease. Operating lease expense is recognized in the statement of profit and loss on a straight line basis over the lease term. In respect of assets given on lease, lease rentals are accounted on accrual basis in accordance with the respective lease terms.

O) Employee Benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognized in the statement of Profit and Loss as an expense at the undiscounted amount on an accrual basis.

These benefits include compensated absences such as paid annual leave and performance incentives which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

The cost of compensated absences is accounted as under:-

a) In case of accumulated compensated absences, when employees render service that increase their entitlement of future compensated absences, and

b) In case of non-accumulating compensated absences, when the absences occur.

Post employmentbenefits

Defined Contribution Plans

Defined Contribution Plan is a post employment benefit plan under which a Company pays specified contributions to a separate entity. The company does not make any contribution towards Defined Contribution Plan or towards Provident Fund, Superannuation Fund and Pension Scheme as it is not covered under the relevant Act.

Defined Benefit Plans

The Company's liability towards Gratuity, which is a defined benefit plan, is determined on the basis of valuations, as at Balance Sheet date, carried out by an independent Actuary. Re-measurement of the net defined benefit liability which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset celling if any (excluding interest) are recognized immediately in the Balance Sheet with a charge or credit recognized in Other Comprehensive Income in the period in which they occur. Re-measurement recognized in Other Comprehensive Income is recognized immediately in retained earnings and will be reclassified to statement of Profit and Loss.

P) Borrowing Costs

Borrowing costs; if any, include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the profit loss statement in the period in which they are incurred.

Q) Income Taxes

Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Tax expenses comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rate. Deferred Income tax reflect the current period timing difference between taxable and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, incase there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

R) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that there will be an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent Liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent Assets are neither recognized nor disclosed in the financial statements.

NOTE : 2

PROPERTY, PLANT AND EQUIPMENT

Following are the changes in the carrying value of Property, Plant and Equipment

(₹ In Lacs)

	Land	Factory Buildings	Other Building (Resident Flat)	Plant & Machinery	Laboratory Equipment	Reserch & Development Equipment	Office Equipment	Electrical Equipments	Furniture and fixtures	Motor Car and Vehicles	Air Conditioner	Computer	TOTAL TANGIBLE ASSET	Computer Software	C.W.I.P	Total
At cost / deemed cost																
As at April 01, 2016	54.40	1,154.19	78.29	7,549.47	123.79	226.75	77.93	96.90	68.52	204.96	22.91	81.06	9,739.17	17.61	492.74	10,249.52
Additions	-	1,348.17	-	2,331.88	185.03	190.84	11.15	277.93	71.68	47.55	45.23	29.32	4,538.78	1.93		4,540.71
Disposals	-	(57.28)	-	(212.57)	-	-	-		-	(0.49)	(1.06)	-	(271.40)		(492.74)	(764.14)
As at March 31, 2017	54.40	2,445.08	78.29	9,668.78	308.82	417.59	89.08	374.83	140.20	252.02	67.08	110.38	14,006.55	19.54	-	14,026.09
Additions	-	585.63	-	715.97	85.77	1.69	26.06	52.34	42.25	25.25	10.46	32.03	1,577.46	86.43	7.13	1,671.02
Disposals	-	-	-	(71.57)	-	-	-	-	-	(4.76)	-	-	(76.33)			(76.33)
As at March 31, 2018	54.40	3,030.71	78.29	10,313.18	394.59	419.28	115.14	427.17	182.45	272.52	77.54	142.41	15,507.68	105.97	7.13	15,620.78
Accumulated depreciation and impairment																
As at April 01, 2016	-	350.77	23.79	3,408.05	55.88	102.36	70.62	87.81	61.94	88.08	14.72	60.62	4,324.65	13.17		4,337.82
Depreciation expense	-	58.53	0.42	348.94	9.84	11.07	7.28	25.96	3.07	18.69	7.64	7.62	499.06	1.65		500.71
Disposals	-	(33.60)		(33.45)	-	-	-		-	(0.46)	(0.53)	-	(68.04)			(68.04)
As at March 31, 2017	-	375.70	24.21	3,723.54	65.72	113.43	77.90	113.77	65.01	106.31	21.83	68.24	4,755.66	14.82	-	4,770.48
Depreciation expense	-	93.74	0.86	429.83	13.48	13.31	5.98	28.07	10.65	22.40	11.92	10.73	640.98	15.84		656.82
Disposals	-	-		-	-	-	-	-	-	(4.56)			(4.56)			(4.56)
As at March 31, 2018	-	469.44	25.07	4,153.37	79.20	126.74	83.88	141.84	75.66	124.15	33.75	78.97	5,392.08	30.66	-	5,422.74
Carrying amount																
As at April 01, 2016	54.40	803.42	54.50	4,141.42	67.91	124.39	7.31	9.09	6.58	116.88	8.19	20.44	5,414.52	4.44	492.74	5,911.70
As at March 31, 2017	54.40	2,069.38	54.08	5,945.24	243.10	304.16	11.18	261.06	75.19	145.71	45.25	42.14	9,250.90	4.72	-	9,255.61
As at March 31, 2018	54.40	2,561.27	53.22	6,159.81	315.39	292.54	31.26	285.33	106.79	148.37	43.79	63.43	10,115.60	75.31	7.13	10,198.04

Notes to financial statements for the year ended March 31, 2018

(₹ In Lacs)

Note: 3 - Other non-current financial assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Security Deposits :-		-	
Considered Good	172.53	116.27	99.31
Considered Doubtful			
Total	**172.53**	**116.27**	**99.31**

Note: 4 - Inventories

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Raw & Packing materials	3,340.05	1,982.26	1,434.46
Work-in-progress	1,674.01	1,051.71	1,600.28
Finished Goods	1,780.41	690.98	1,699.32
Total Inventories	**6,794.47**	**3,724.95**	**4,734.06**

Note: 5- Current investments

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of Shares	₹ In lacs	No. of Shares	₹ In lacs	No. of Shares	₹ In lacs
Investments in equity instruments						
Quoted						
IMP Power Ltd.	172,172	153.23	172,172	151.67	172,172	146.51
Gujarat State Financial Corpn Ltd.	900	0.19	900	0.19	900	0.19
Ajanta Pharma	-	-	1	0.00	1	0.00
Avon Organics	-	-	1	0.00	1	0.00
Fine drugs	-	-	1	0.00	1	0.00
Hikal Chemicals	-	-	1	0.00	1	0.00
J.B. Chemicals	-	-	5	0.00	5	0.00
Kanoria Chem	-	-	1	0.00	1	0.00
Krebs Biochem	-	-	1	0.00	1	0.00
Morepen Lab	-	-	1	0.00	1	0.00
Neuland Lab	-	-	1	0.00	1	0.00
Orchid Chem	-	-	1	0.00	1	0.00
Pearl Organics	-	-	1	0.00	1	0.00
Sun Pharma	-	-	1	0.00	1	0.00
Torrent Pharma	-	-	4	0.00	4	0.00
Torrent Gujarat	-	-	1	0.00	1	0.00
Aarti Drugs Ltd	-	-	5	0.00	5	0.00
Granules Industries	-	-	1	0.00	1	0.00
Unquoted Investments						
National savings scheme		1.84		2.20		1.82
Shares of Saraswat Bank Ltd	2,500	0.25	2,500	0.25	2,500	0.25
Shares of PMC Bank Ltd	42,560	10.10	42,560	10.10	18,200	10.10
Total :-	**218,132**	**165.61**	**218,159**	**164.43**	**193,799**	**158.90**

Note: 6 - Trade Receivables

(₹ In Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured :-			
Considered Good	57.00	6.64	14.22
Other Trade Receivables	4,757.16	3,968.43	3,000.21
Less:- Provision for quantity discount	(293.39)	(293.39)	(123.60)
Total Receivables	**4,520.77**	**3,681.67**	**2,890.83**

Note: 7 - Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with banks			
- in current accounts	28.53	35.81	25.61
Deposits with maturity of less than 3 months	13.08	23.81	20.67
Cash on hand	1.43	3.11	3.25
Total cash and cash equivalents	**43.03**	**62.73**	**49.53**

Note: 8 - Loans

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured and considered good			
Loan to employees	1.25	0.78	-
Less: Allowance for doubtful loans	-	-	-
Provision for Employee Benefits	-	-	1.96
Balance with Government authorities	860.01	1,081.84	1,108.02
Prepaid Expenses	43.53	90.24	31.17
Other Current Asset	204.01	249.86	417.18
MAT credit entitlement	458.18	521.98	585.02
Advance Tax (Net of Provision for Tax)	139.96		
Total	**1,706.94**	**1,944.70**	**2,143.35**

Note: 9 - Share Capital

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	Rs. in lacs	Number of shares	Rs. in lacs	Number of shares	Rs. in lacs
a) Authorised						
(3,00,00,000 Equity Shares of Rs.10 Each)	30,000,000	3,000.00	30,000,000	3,000.00	30,000,000	3,000.00
(Previous Year:300,00,000/-Eqity shares of Rs.10 each)		-		-		-
	30,000,000	**3,000.00**	**30,000,000**	**3,000.00**	**30,000,000**	**3,000.00**
b) Issued, subscribed and fully paid up						
1,58,28,248 Equity Shares of Rs.10/-each fully paid up	15,828,248	1,582.82	15,828,248	1,582.82	14,378,248	1,437.82
(Previous Year 1,58,28,248/-Equity Shares of Rs.10/-each)						

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	Rs. in lacs	Number of shares	Rs. in lacs	Number of shares	Rs. in lacs
1) Pursuant to acquisition of business with undertaking of Mangalam Organics Pvt.Ltd.Mangalam Rasayan Pvt.Ltd & Shree Mangalam Pharma Pvt Ltd., 10,38000/-Equity shares for value Rs.10/-each were alloted to sharesholders of such companies without payment being received in cash.						
2) During Financial year 2002-2003,11,13000/-Equity Shares of face value of Rs.10/-each fully paid up were alloted as bonus shares without payment being received in cash by capitalisation of General Reserve.						
3) During the year-2003-04, 44,52,000/-Equity shares of Rs. 10/- each fully paid up were Alloted, by way of Bonus shares by capitalisation of General Reserves.						
4) During the year 2005-06, 65,00,248/-Equity shares of Rs. 10/- each fully paid up were Alloted, by way of initial public offer, at a premium of Rs.12/-per share.						
5) During the year 2015-16, 12,00,000 Equity shares of Rs 10/- each fully paid was allotted pursauant to conversion of 12,00,000 share warrants on preferntial allotment to promoter group at a premium of Rs 55/-per share.						
6) During the year 2016-17 ,1450000 Equity shares of Rs 10/- each fully paid was allotted pursuant to conversion of 1450000 share warrants on preferential allotment to promoter group at a premium of Rs 55/-per share.						
	15,828,248	**1,582.82**	**15,828,248**	**1,582.82**	**14,378,248**	**1,437.82**

Reconciliation of the number of equity shares

(₹ In Lacs)

Particulars	Number of shares	Amount
As at 1.04.2016	**14,378,248**	**1,437.82**
Increase/Decrease during the year	1,450,000	145.00
As at 31.03.2017	**15,828,248**	**1,582.82**
Increase/Decrease during the year	-	-
As at 31.03.2018	**15,828,248**	**1,582.82**

Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2018		As at March 31, 2017	
	Number	% of holding	Number	% of holding
Equity shares of Rs.10/- fully paid				
Shri JB Pharma LLP	2650000	16.74	2,650,000	16.74
Shree Kishoriju Trading and Investment Pvt.Ltd	1098851	6.94	1,098,851	6.94
Shreee Rashbihari Trading and Investment Pvt.Ltd	1048018	6.62	1,048,018	6.62

Note: 10 - Other equity

(₹ In Lacs)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
A) Reserves & Surplus			
Securities premium reserve	2,237.53	2,237.53	1,440.03
General Reserve	1,079.05	1,079.05	1,079.05
Retained Earnings	5,618.84	3,672.30	1,401.34
B) Money received against share warrant	-	-	848.25
Total Reserves and Surplus	**8,935.43**	**6,988.89**	**4,768.67**

i) Securities premium reserve

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

Particulars	March 31, 2018	March 31, 2017
Opening Balance	2,237.53	1,440.03
Exercise of options- proceeds received	-	797.50
Closing Balance	**2,237.53**	**2,237.53**

ii) General Reserve

The reserve arises on transfer portion of the net profit pursuant to earlier provisions of companies Act 1956. Mandatory transfer to general reserve is not required under the companies Act 2013.

Particulars	March 31, 2018	March 31, 2017
Opening Balance	1,079.05	1,079.05
Addition/ (deletion)	-	-
Closing Balance	**1,079.05**	**1,079.05**

iii) Retained earnings

Particulars	March 31, 2018	March 31, 2017
Opening balance	3,672.30	1,401.34
Net profit for the period	1,988.96	2,227.50
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	36.32	36.32
Ind-AS Adjustments-Processing Fees(Net of Tax)	-	7.16
Dividends	(78.74)	-
Closing balance	**5,618.84**	**3,672.30**

Note: 11 - Non-current borrowings

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Secured			
Term Loans			
Rupee loan from banks	888.28	1,535.59	1,088.60
Other loan from banks	176.36	149.52	131.80
	1,064.64	**1,685.11**	**1,220.40**
Unsecured			
Loan from Other Parties	50.00	-	471.75
	50.00	**-**	**471.75**
Total non-current borrowings	**1,114.64**	**1,685.11**	**1,692.15**

NOTE:

Term loan from State Bank of India and Punjab and Maharashtra Co-op.Bank ltd are secured by way of;

a) First Pari passu charge on entire fixed assets of the company(both present & future).

b) Second Pari passu charge on entire current assets of the company(both present & future).

Name of Security	Terms of repayment
Term loan form banks	
i) Rs. 130.88 Lacs (March 31, 2017 : 263.71 Lacs, April 1, 2016: 297.71 Lacs	Repayable in 14 Monthly equal installment, Rate of Interest 11.5 % Fixed.
ii) Rs. 97.17 Lacs (March 31, 2017 : 212.00 Lacs, April 1, 2016: 240.00 Lacs	Repayable in 14 Monthly equal installment, Rate of Interest 11.5 % Fixed.
iii) Rs. 723.24 Lacs (March 31, 2017 : 789.05 Lacs, April 1, 2016: 0.00 Lacs	Repayable in 48 Monthly equal installment, Rate of Interest 14.45 % Fixed.
iv) Rs. 342.56 Lacs (March 31, 2017 : 400.00 Lacs, April 1, 2016: 0.00 Lacs	Repayable in 48 Monthly equal installment, Rate of Interest 13.50 % Fixed.
v) Rs. 45.04 Lacs (March 31, 2017 : 93.06 Lacs, April 1, 2016: 135.26 Lacs	Repayable in 14 Monthly equal installment, Rate of Interest 11.50 % Floating.
vi) Rs. 141.91 Lacs (March 31, 2017 : 292.16 Lacs, April 1, 2016: 331.16 Lacs	Repayable in 14 Monthly equal installment, Rate of Interest 11.50 % Fixed.
vii) Rs. 19.30 Lacs (March 31, 2017 : 39.88 Lacs, April 1, 2016: 57.97 Lacs	Repayable in 14 Monthly equal installment, Rate of Interest 11.50 % Floating.
Other Loans	
i) Rs. 3.84 Lacs (March 31, 2017 : 13.88 Lacs, April 1, 2016: 28.6 Lacs	Repayable in 7 Monthly equal installment, Rate of Interest 19.50 % .
ii) Rs. 30.67 Lacs (March 31, 2017 : 39.71 Lacs, April 1, 2016: 48.67 Lacs	Repayable in 34 Monthly equal installment, Rate of Interest 10 % .
iii) Rs. 4.12 Lacs (March 31, 2017 : 5.41 Lacs, April 1, 2016: 6.58 Lacs	Repayable in 32 Monthly equal installment, Rate of Interest 9.72 % .
iv) Rs. 5.73 Lacs (March 31, 2017 : 6.91 Lacs, April 1, 2016: NIL.	Repayable in 46 Monthly equal installment, Rate of Interest 9.36 % .
v) Rs. 4.12 Lacs (March 31, 2017 : 5.41 Lacs, April 1, 2016: 6.58 Lacs.	Repayable in 32 Monthly equal installment, Rate of Interest 9.72 % .
vi) Rs. 5.49 Lacs (March 31, 2017 : 6.79 Lacs, April 1, 2016: NIL.	Repayable in 29 Monthly equal installment, Rate of Interest 9.46 % .
vii) Rs. 5.49 Lacs (March 31, 2017 : 6.79 Lacs, April 1, 2016: NIL.	Repayable in 29 Monthly equal installment, Rate of Interest 9.46 % .
viii) Rs. 5.77 Lacs (March 31, 2017 : 7.13 Lacs, April 1, 2016: NIL.	Repayable in 29 Monthly equal installment, Rate of Interest 9.46 % .
ix) Rs. 5.22 Lacs (March 31, 2017 : 6.46 Lacs, April 1, 2016: NIL.	Repayable in 29 Monthly equal installment, Rate of Interest 9.46 % .
x) Rs. 18.40 Lacs (March 31, 2017 : 19.91 Lacs, April 1, 2016: 21.28 Lacs.	Repayable in 91 Monthly equal installment, Rate of Interest 9.55 % .
xi) Rs. 18.83 Lacs (March 31, 2017 : 20.37 Lacs, April 1, 2016: 21.28 Lacs.	Repayable in 91 Monthly equal installment, Rate of Interest 9.55 % .
xii) Rs. 5.59 Lacs (March 31, 2017 : 6.81 Lacs, April 1, 2016: NIL.	Repayable in 44 Monthly equal installment, Rate of Interest 9.66 % .
xiii) Rs. 0.81 Lacs (March 31, 2017 : 2.59 Lacs, April 1, 2016: 4.97 Lacs.	Repayable in 7 Monthly equal installment, Rate of Interest 19.48 % .
xiv) Rs. 2.56 Lacs (March 31, 2017 : 4.53 Lacs, April 1, 2016: 6.30 Lacs.	Repayable in 14 Monthly equal installment, Rate of Interest 10.58 % .
xv) Rs. 5.01 Lacs (March 31, 2017 : 7.52 Lacs, April 1, 2016: 9.77 Lacs.	Repayable in 20 Monthly equal installment, Rate of Interest 10.23 % .
xvi) Rs. 3.32 Lacs (March 31, 2017 : 4.98 Lacs, April 1, 2016: 6.47 Lacs.	Repayable in 20 Monthly equal installment, Rate of Interest 10.23 % .
xvii) Rs. 18.40 Lacs (March 31, 2017 : NIL Lacs, April 1, 2016: NIL Lacs.	Repayable in 78 Monthly equal installment, Rate of Interest 8.55 % .
xviii) Rs. 5.12 Lacs (March 31, 2017 : NIL Lacs, April 1, 2016: NIL Lacs.	Repayable in 51 Monthly equal installment, Rate of Interest 8.55 % .
xix) Rs. 10.82 Lacs (March 31, 2017 : 12.74 Lacs, April 1, 2016: 14.36 Lacs.	Repayable in 54 Monthly equal installment, Rate of Interest 9.65 % .
xx) Rs. 13.77 Lacs (March 31, 2017 : 27.65 Lacs, April 1, 2016: NIL Lacs.	Repayable in 14 Monthly equal installment, Rate of Interest 18.40 % .
xxi) Rs. 94.57 Lacs (March 31, 2017 : NIL Lacs, April 1, 2016: NIL Lacs.	Repayable in 28 Monthly equal installment, Rate of Interest 10 % .

Note: 12 - *Deferred Tax Liability (Net)*

(₹ In Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deferred tax (liabilities):			
On difference between book balance and tax balance of Depreciation	1,360.02	1,077.12	891.52
On expenditure deferred in the books but allowable for tax purposes	3.03	3.79	
Total of Deferred Tax Liability	**1,363.05**	**1,080.91**	**891.52**
Deferred tax assets:			
Provision for Compensated absences, gratuity and other employee benefits	160.08	163.31	46.63
Provision for quantity discount			42.77
Total of Deferred Tax Asset	**160.08**	**163.31**	**89.40**
Net deferred tax (assets)/*liabilities:*	1,202.98	917.60	802.12

Note: 13 - Current borrowings

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Secured			
From Bank	4,697.69	3,754.50	3,537.57
Unsecured			
From Other	377.50	377.50	
Total current borrowings	**5,075.19**	**4,132.00**	**3,537.57**

Note:

Working capital facilities from State Bank of India, Indian Bank, Central Bank of India and Punjab and Maharashtra Co. op. Bank Ltd is secured by

a) First Pari Passu charge on the entire current assets of the company(both present & future).

b) Second Pari Passu charge on the entire fixed assets of the company(both present & future)

Name of Security	Terms of repayment
OD/CC Facility from Bank	
i) Rs. 145.13 Lacs (March 31, 2017 : NIL Lacs, April 1, 2016: NIL Lacs	Repayable on demand, Rate of Interest 11.20 % .
ii) Rs. 1165.72 Lacs (March 31, 2017 : 749.98 Lacs, April 1, 2016: 705.11 Lacs	Repayable on demand, Rate of Interest 12.50 % .
iii) Rs. 1802.50 Lacs (March 31, 2017 : 1457.79 Lacs, April 1, 2016: 1162.60 Lacs	Repayable on demand, Rate of Interest 11.20 % .
iv) Rs. 1599.90 Lacs (March 31, 2017 : NIL Lacs, April 1, 2016: NIL Lacs	Repayable on demand, Rate of Interest 11.20 % .

Other Loans	
i) Rs. 377.50 Lacs (March 31, 2017 : 377.50 Lacs, April 1, 2016: NIL Lacs	Repayable on demand

Note: 14 - Trade payables

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Due to Micro and Small Enterprises	192.90	230.30	133.09
Other Payables	3,569.61	1,847.25	1,934.41
Total trade payables	**3,762.51**	**2,077.55**	**2,067.50**

Note: 15 - Other Current financial liabilities

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Current maturities of Long Term Debt			
Rupee loan from banks	611.81	735.28	706.02
Other loan from banks	91.27	56.96	46.36
Total other Current financial liabilities	**703.08**	**792.24**	**752.38**

Note: 16 - Other current liabilities

(₹ In Lacs)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Statutory remittances	888.31	449.59	505.63
Accrued salaries and benefits	249.75	202.70	218.86
Interest Payable	15.81	52.22	27.71
Total Other current liabilites	**1,153.87**	**704.52**	**752.20**

Note: 17 - Provisions

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Provision for Expenses	70.87	52.71	170.89
Total Other current liabilities	**70.87**	**52.71**	**170.89**
Current tax liabilities			
Advance Tax (Net of Provision for Tax)		*16.94*	*6.38*
Total	**-**	***16.94***	***6.38***
TOTAL PROVISIONS	**70.87**	**69.65**	**177.27**

Note: 18 - Revenue from operations

Particulars	March 31, 2018	March 31, 2017
Sale of products (including excise duty)	29,792.72	29,518.31
Sale of Scrap	22.84	21.04
Excise duty Rebate/Refund on deemed exports	952.18	1,705.04
Total sale of products	**30,767.74**	**31,244.39**
Less:- Excise Duty / GST	2,829.78	955.83
Revenue from Operations (Net)	**27,937.96**	**30,288.56**

Note: 19 - Other Income

Particulars	March 31, 2018	March 31, 2017
Dividend Income on Long-term Investments	2.16	2.06
Duty Drawback Rebate Claim	12.90	19.26
House Rent Received	4.64	4.31
Insurance Claim Received	61.44	-
Gain on fair valuation of investment	1.56	5.15
Total other income	**82.70**	**30.79**

Note: 20 - Cost of materials consumed

Particulars	March 31, 2018	March 31, 2017
Raw materials at the beginning of the year	1,969.11	1,424.47
Add: Purchases	20,620.57	18,752.05
Less: raw materials at the end of the year	(3,307.76)	(1,969.11)
Add:Cenvat availed	(1,234.01)	(16.45)
Total cost of materials consumed	**18,047.91**	**18,190.96**

Note: 21 - Changes in inventories of work-in-progress, stock in trade and finished goods.

Particulars	March 31, 2018	March 31, 2017
Opening Balance		
Work-in progress	1,051.71	1,600.28
Finished goods	690.98	1,699.32
Total opening goods	**1,742.69**	**3,299.60**
Closing balance		
Work-in progress	1,674.01	1,051.71
Finished goods	1,780.41	690.98
Total closing balance	**3,454.42**	**1,742.69**
Total changes in inventories of work-in-progress, stock in trade and finished goods.	**(1,711.73)**	**1,556.90**

Note: 22 - Employee benefit expenses

₹ In Lacs

Particulars	March 31, 2018	March 31, 2017
Salaries & Wages	1,993.96	1,667.74
Contributions to provident and other funds	191.52	169.41
Staff welfare expenses	59.74	50.30
Others	53.15	20.37
Total :-	**2,298.37**	**1,907.82**

Note: 23 - Finance costs

Particulars	March 31, 2018	March 31, 2017
Interest expense on:		
Borrowings	860.52	666.26
Others:		
Bank Charges	114.48	160.90
Other Borrowing Cost	203.00	176.49
Total :-	**1,178.00**	**1,003.65**

Note: 24 - Other expenses

Particulars	March 31, 2018	March 31, 2017
Power and Fuel	1,430.58	1,152.84
Repairs to Machinery	603.35	486.00
Carriage Inward & Freight	26.93	34.39
Excise Duty diff on Finished & Semi-finished stock	326.24	-164.43
Job Work	4.25	4.69
Sales Tax Paid	78.96	436.67
Laboratory Exps	168.93	207.35
Testing Fees	58.25	26.53
Pollution Control Exps	107.01	128.15
Stores and Spares	222.02	137.60
Directors Remuneration	20.00	20.00
Corporate Social Responsibility(CSR) Expenses	44.08	15.65
Insurance Charges	47.73	31.82
Legal and Professional Fees	202.24	156.37
Miscellaneous Expenses	6.70	42.82
Postage and Telegram	10.05	8.04
Printing and Stationery	44.90	45.24
Rent, Rates and Taxes	106.06	70.85
Travelling and Conveyance	166.27	113.57
Vehicle Expenses	54.00	47.55
Service charges	24.07	44.08
Office Expenses	33.51	52.21
Telephone telex & fax charges	10.92	13.62
Membership and subscription fees	4.43	4.63
Registration & License Fees	28.84	48.56
Stamp Duty Expense	20.17	8.55
Computer Expense	12.90	9.99
Listing Fees to Stock Exchanges	4.55	4.00
Loss of Cash by Theft	-	6.00
Diminution in Value of Factory Buildings	-	23.68
Donation	0.35	-
Profit/Loss on Sale of Asset / Invts	(1.58)	78.04

AUDITORS REMUNERATION EXPENSES		
Statutory Audit Fees	3.50	1.75
Tax Audit Fees	1.25	0.80
Certification Fees	3.50	1.19
SELLING AND DISTRIBUTION EXPENSES		
Advertisement & Sales Promotion	57.91	65.96
Packing and Forwarding	119.19	112.13
Carriage Outward, Freight & Insurance	100.02	111.67
Sales Commission and Discount	144.08	147.00
Provision for quantity discounts	-	169.79
RESEARCH & DEVELOPMENT EXPENSES (UNIT-2)		
Research & Development Expenses	122.86	2.47
Salary & Wages	170.49	112.25
Laboratory Expenses	0.03	10.05
Travelling Expenses	9.30	0.82
Raw-Material Purchases	17.73	10.29
Total	**4,616.57**	**4,041.23**

Note: 25 - Income Taxes **₹ In Lacs**

a. Income tax (expense)/benefit recognized in the Comprehensive income statement

Particulars	**Year Ended March 31, 2018**	**Year Ended March 31, 2017**
Current income tax charge	*859.23*	*778.88*
Adjustments in respect of current income tax of previous year.	*(86.11)*	
Mat Credit Entitlement	*(113.49)*	
Deferred taxes (expense)/benefit	*286.13*	*111.69*
Income tax expense recognized in the statement of profit and loss (A)	***945.76***	***890.56***
Income tax expense on net (gain)/loss on remeasurement of defined benefit plans	(19.22)	(19.22)
Income Tax charged to OCI (B)	**(19.22)**	**(19.22)**
Total Income tax (expense)/benefit recognized in the Comprehensive income statement (A+B)	**926.54**	**871.34**

b. Reconciliation of tax		
Reconciliation :-		
ACCOUNTING PROFIT BEFORE INCOME TAX	***2,934.72***	***3,118.06***
Enacted tax rate in India	***34.61***	***34.61***
Computed Tax Expense	***1,015.65***	***1,079.10***
Add:-		
Tax effects of amounts which are not deductible/(taxable) in calculating taxable income:	*184.27*	*231.96*
Less:-		
Tax effect of income that is exempted from taxation	*(1.29)*	*(2.50)*
Expenses allowable on payment basis	*(9.22)*	*(22.10)*
Depreciation allowed	*(146.70)*	*(264.87)*
Effect of incremental deduction on account of research and development and other allowances	*(167.22)*	*(239.04)*
Tax Effect of donation	*(16.26)*	*(3.68)*
Prior Year Tax Provision / (Reversal)	*(86.11)*	-
Mat Credit Entitlement	*(113.49)*	-
Deferred tax on difference in WDV	*282.90*	*1,077.12*
Deferred tax on disallowance	*3.22*	*(120.54)*
Closing balance of DTL	-	*(844.89)*
INCOME TAX EXPENSE	***945.76***	***890.56***

Note: 26 - Categories of Financial Instruments

₹ In Lacs

	As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost
Financial Assets									
Investments :-									
In Equity Instruments (Quoted)	153.42	-	-	151.89	-	-	146.73	-	-
In Equity Instruments (Unquoted)	10.35	-		10.35	-		-	-	10.35
Govt. Securities	-	-	1.84	-	-	2.20	-	-	1.82
Trade Receivables	-	-	4,520.77	-	-	3,681.67	-	-	2,890.83
Loans	-	-	1,706.94	-	-	1,944.70	-	-	2,143.35
Cash and cash equivalents	-	-	43.03	-	-	62.73	-	-	49.53
Security Deposit			172.53			116.27			99.31
Total Financial Assets	**163.77**	**-**	**6,445.12**	**162.24**	**-**	**5,807.57**	**146.73**	**-**	**5,195.19**
Financial Liabilities									
Borrowings	-	-	6,189.83	-	-	5,817.11	-	-	5,229.72
Trade payables	-	-	3,762.51	-	-	2,077.55	-	-	2,067.50
Other Financial Liability	-	-	703.08	-	-	792.24	-	-	752.38
Total Financial liabilities	-	-	**10,655.42**	**-**	**-**	**8,686.91**	-	-	**8,049.60**

Note: 27 - Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, it has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets measured at fair value on recurring basis at the end of each reporting period	**As at March 31, 2018**		
	Level 1	**Level 2**	**Level 3**
	₹ in lacs	₹ in lacs	₹ in lacs
Financial Assets			
Investments :-			
In Equity Instruments (Quoted)	**153.42**	**-**	**-**
In Equity Instruments (Unquoted)	**-**	**-**	**10.35**
Financial assets measured at fair value on recurring basis at the end of each reporting period	**As at March 31, 2017**		
	Level 1	**Level 2**	**Level 3**
	₹ in lacs	₹ in lacs	₹ in lacs
Financial Assets			
Investments :-			
In Equity Instruments (Quoted)	**151.89**	**-**	**-**
In Equity Instruments (Unquoted)	**-**	**-**	**10.35**
Financial assets measured at fair value on recurring basis at the end of each reporting period	**As at April 01, 2016**		
	Level 1	**Level 2**	**Level 3**
	₹ in lacs	₹ in lacs	₹ in lacs
Financial Assets			
Investments :-			
In Equity Instruments (Quoted)	**146.73**	**-**	**-**
In Equity Instruments (Unquoted)	**-**	**-**	**10.35**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximates the fair value because there is wide range of possible fair value measurements and the costs represents estimate of fair value within that range.

The Management considers that the carrying amount of financials assets and financial liabilities carried at amortised cost approximates their fair values.

NOTE : 28

Note: :Financial Risk Management

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

A) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

a) Trade and Other Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential sale and lease rental business as the same is due to the fact that in case of its residential sell business it does not handover possession till entire outstanding is received. No impairment is observed on the carrying value of trade receivables.

b) Cash and Cash Equivalents

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Board. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans, debentures and inter-corporate loans.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The Working Capital Position of the Company is given below: **₹ In Lacs**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Cash and Cash Equivalent	43.03	62.73	49.53
Trade Receivables	4,520.77	3,681.67	2,890.83
Inventories	6,794.47	3,724.95	4,734.06
Loans & other Financial Assets	1,706.94	1,944.70	2,143.35
Total	**13,065.22**	**9,414.05**	**9,817.77**

The table below provides details regarding the contractual maturities of significant financial liabilities :

Particulars	Less than 1 Year	1-5 Years	Total
31.03.2018			
Borrowings	5,075.19	1,114.64	6,189.83
Trade payables	3,762.51	-	3,762.51
Other financial liabilities	703.08	-	703.08
Total	9,540.78	1,114.64	10,655.42

₹ In Lacs

Contractual Maturities	Less than 1 Year	1-3 Years	Total
31.03.2017			
Borrowings	4,132.00	1,685.11	5,817.11
Trade payables	2,077.55	-	2,077.55
Other financial liabilities	792.24	-	792.24
Total	7,001.79	1,685.11	8,686.91

Contractual Maturities	Less than 1 Year	1-3 Years	Total
01.04.2016			
Borrowings	3,537.57	1,692.15	5,229.72
Trade payables	2,067.50	-	2,067.50
Other financial liabilities	752.38	-	752.38
Total	6,357.45	1,692.15	8,049.60

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to commodity prices and the market value of its investments.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

NOTE : 29

EMPLOYEE BENEFIT PLANS

As per actuarial report

(a) **Defined benefit plans: Gratuity**

Particulars	Gratuity	
	2017-18	2016-17
	funded	funded
Change in present value of projected benefit obligation		
Present Value of obligation as at the beginning of the period	169.86	169.86
Interest Cost	13.59	13.59
Current Service Cost	12.73	12.73
Past Service Cost	0.00	0.00
Liability Transferred In/ Acquisitions	0.00	0.00
Benefits Paid	-3.38	-3.38
Total Actuarial (Gain)/ Loss on obligation	0.00	0.00
Actuarial Gains/(Losses) on obligations due to change in financial assumption	-16.66	-16.66
Actuarial Gains/(Losses) on obligations due to experience	-39.94	-39.94
Present Value of obligation as at the end of the period	136.19	136.19
Change in fair value of plan assets during the year		
Fair Value of plan assets at the beginning of the period	103.32	103.32
Adjustment to opening fair value of plan assets	0.00	0.00
Return on Plan Assets excl. interest income	-1.06	-1.06
Interest Income	8.27	8.27
Employer contribution	15.48	15.48
Employee contribution	0.00	0.00
Benefits paid	-3.38	-3.38
Actuarial gain/(loss) for the year on asset	0.00	0.00
Fair Value of plan assets at the end of the period	122.63	122.63

₹ In Lacs

Asset/ (liability) recognised in the balance sheet		
Present value of obligation at the end of the Period	-136.19	-136.19
Fair Value of plan assets at the end of the Period	122.63	122.63
Funded Status (Surplus/ (Deficit))	-13.57	-13.57
Net (Liability)/Asset Recognized in the Balance Sheet	-13.57	-13.57
Net Liability		
PVO At the beginning of the period	169.86	169.86
Fair value of assets at beginning of period	103.32	103.32
Net Liability	66.54	66.54
Net Interest cost for the current period		
Interest Expenses	13.59	13.59
Interest Income	-8.27	-8.27
Net Interest	5.32	5.32
Expense recognised in the statement of profit or loss during the year		
Current Service cost	12.73	12.73
Net interest cost	5.32	5.32
Past Service Cost	0.00	0.00
Total expense recognised in the employee benefit expense	18.05	18.05
Recognised in other comprehensive income for the year		
Actuarial (Gains)/Losses on Obligation For the Period	-56.60	-56.60
Return on Plan Assets, Excluding Interest Income	1.06	1.06
Change in Asset Ceiling	0.00	0.00
Net (Income)/Expense For the Period Recognized in OCI	-55.54	-55.54
Movement in the liability recognised in Balance Sheet		
Opening Net Liability	66.54	66.54
Expenses recognised in Statement of Profit & Loss	18.05	18.05
Employer's Contribution	-15.48	-15.48
Expenses recognised in Other Comprehensive Income	-55.54	-55.54
Net (Income)/Expense For the Period Recognized in OCI	13.57	13.57
Category of Assets		
Cash and Cash Equivalents	0.00	0.00
Gratuity Fund	0.00	0.00
Debt Security - Government Bond	0.00	0.00
Equity Securities - Corporate debt securities	0.00	0.00
Insurance Fund	122.63	122.63
Total :-	122.63	122.63
Net interest cost for next year		
Interest Cost	10.24	10.24
Interest Income	-9.22	-9.22
	1.02	1.02
Expense recognised in the statement of profit or loss during the year		
Current Service cost	14.78	14.78
Net interest cost	1.02	1.02
Expected contribution by the employee	0.00	0.00
Expenses recognised	15.80	15.80

		₹ In Lacs
Actuarial assumptions		
Return on Plan Assets	7.52%	7.52%
Discount Rate	7.52%	7.52%
Future salary increase	5% P.A.	5% P.A.
Mortality rate during employment	Indian assured live mortality (2006-08)	Indian assured live mortality (2006-08)
Retirement Age	60 Years	60 Years
Rate of Employee Turnover	2%	2%
Quantitative sensitivity analysis for significant assumptions is as below		
Projected benefit obligation on current assumption	136.19	136.19
a) Impact of change in discount rate		
Impact due to increase of 1%	-11.86	-11.86
Impact due to decrease of 1%	13.89	13.89
b) Impact of change in salary increase		
Impact due to increase of 1%	14.10	14.10
Impact due to decrease of 1%	-12.23	-12.23
b) Impact of change in employee turnover		
Impact due to increase of 1%	2.73	2.73
Impact due to decrease of 1%	-3.13	-3.13

Note: 30 - Capital management

The company's objectives when managing capital are to:

> Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

> Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure.

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio:

(i) Debt Equity Ratio

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Gross Debt	6,189.83	5,817.11	5,229.72
Less: -			
Cash and Cash Equivalent	43.03	62.73	49.53
Net debt (A)	6,146.80	5,754.38	5,180.19
Total Equity (B)	10,518.25	8,571.71	6,206.49
Net debt to equity ratio	**0.58**	**0.67**	**0.83**

(ii) Dividend on equity shares paid during the year

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Dividend on equity shares			
Interim dividend for the year ended March 31, 2018 of Rs. 0.50 Per Share	78.74	-	-
Dividend distribution tax on above	16.11	-	-
Dividends not recognised at the end of the reporting period	-	-	-

Note: 31 - Related Party Disclosures

Particulars	
a. Key Managerial Personnel	
Shri Govardhan M. Dhoot	Chairman & Managing Director
Shri Subhash C.Khattar	Independent Director
Shri Brijmohan M.Dhoot.	Non Executive Director
Smt Anuradha Sukhani	Independent Director
Shri Ajay R Dhoot	Non Executive Director
Shri Aaditya R Dhoot	Non Executive Director
Shri Ajay Sawhney	Independent Director
Shri Rukmesh Dhandhaniya	Independent Director
Mr. Ajay Samant	Chief Financial Officer
Ms. Nikita Bavishi	Company Secretary
b. Relatives of Key Managerial Personnel	
Mrs. Rekha G. Dhoot	
Mrs. Jyoti B. Dhoot	
Ms. Shweta G. Dhoot	
Mrs. Smita A Dhoot	
Mrs. Radhika A. Dhoot	
Ms. Shrikripa A Dhoot	
c. Enterprise under control of Key Managerial Personnel or their relatives	
Raga Organics Private Limited	
IMP Power Ltd.	
IMP Energy Ltd.	
Shree Rasbihari Trading & Investment Pvt. Ltd.	
Shree Kishoriju Trading & Investment Pvt. Ltd.	
Raj Exports Pvt. Ltd.	
Advance Transformers & Equipments Pvt. Ltd.	
Universal Transformers Pvt. Ltd.	
Beanstalk Retail Pvt. Ltd.	
Shri JB Pharma LLP	

Note: 32 - Related Party transactions

(A) Details of transactions with related parties during the year ended March 31, 2018

₹ In Lacs

Particulars		March 31, 2018	March 31, 2017
Remuneration			
Shri Govardhan M. Dhoot	KMP	20.00	20.00
Salary			
Mrs. Rekha G. Dhoot	Relative of KMP	17.49	12.61
Mrs. Jyoti B. Dhoot	Relative of KMP	17.49	12.61
Ms. Shweta G. Dhoot	Relative of KMP	8.66	6.23
Mrs. Smita A Dhoot	Relative of KMP	14.68	14.68
Mrs. Radhika A. Dhoot	Relative of KMP	14.68	14.68
Ms. Shrikripa A Dhoot	Relative of KMP	9.29	-
Mr. Ajay Samant	Chief Financial Officer	15.24	13.45
Ms. Nikita Bavishi	Company Secretary	7.34	5.84
Total :-		**124.87**	**100.10**
Payables			
Raga Organics Private Limited		**377.50**	**377.50**
Rent Deposit			
Shri Govardhan M. Dhoot		**7.00**	**7.00**

₹ In Lacs

Sitting Fees			
Shri Subhash C.Khattar	KMP	0.46	0.44
Shri Brijmohan M.Dhoot.	KMP	0.24	0.28
Smt Anuradha Sukhani	KMP	0.20	0.18
Smt Meenal Sukhani	KMP	-	0.10
Shri Ajay R Dhoot	KMP	0.04	-
Shri Aditya R Dhoot	KMP	0.04	-
Shri Ajay Sawhney	KMP	0.06	-
Shri Rukmesh Dhandhaniya	KMP	0.08	-
Total :-		**1.12**	**1.00**

(B) Key management personnnel compensation:

Particulars	March 31, 2018	March 31, 2017
Short- term employee benefits	42.58	39.29
Post-employment benefits		
Long-term employee benefits		
Termination benefits	0.81	0.63

Note: 33 - Contingent Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
A) Performance Guarantees/ Bonds			
(i) Guarantee executed in favor of Assistant Collector of Customs	-	13.27	14.03
(ii) Guarantee executed in favor of Export Parties	-	-	0.68
B) Others			
(iii) Guarantee given to GSPC Gas Co Ltd	126.39	105.51	72.58
(iv) Guarantee given to GPCB	-	1.00	27.50
(v) Guarantee given to Edelweiss Securities ltd	70.00	50.00	-
(v) Estimated ROR to be paid to Consortium Banks	-	491.00	491.00

Note: 34 - Commitments

(a) Capital commitments:

Capital expenditure contacted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	March 31, 2018	March 31, 2017	April 01, 2016

Note: 35 - Earnings per Share (Basic and Diluted)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

a)Basic Earnings Per Share	March 31, 2018	March 31, 2017
Profit for the Year (Rs. In Lakhs) - (A)	1,988.96	2,227.50
Weighted average number of equity shares for basic & diluted EPS - (B)	15,828,248.00	15,828,248.00
Earnings Per Share – Basic and Diluted (Rs.) - (A/B)	**12.57**	**14.07**
Nominal value of an equity share (Rs.)	10.00	10.00

₹ In Lacs

Note: 36 - Assets Pledged as Security

The carrying amount of assets pledged as security for current and non-current borrowing

	March 31, 2018	March 31, 2017
Current		
Financial assets		
Inventories	6,794.47	3,724.95
Trade Receivables	4,520.77	3,681.67
Total current assets pledged as security	**11,315.24**	**7,406.62**
Non-current		
Property, Plant & Equipments (Net Block)		
Land	54.40	54.4
Factory Building	2,561.28	2069.38
Other Building (Resident Flat)	53.22	54.08
Plant & Machinery	6,159.81	5945.24
Laboratory Equipment	315.39	243.1
Research & Development Equipment	292.54	304.16
Office Equipments	31.27	11.18
Electrical Equipments	285.33	261.06
Furniture and Fixtures	106.79	75.19
Motor Care & Vehicles	148.36	145.71
Air Conditioner	43.79	45.25
Computer	63.43	42.14
Intangible Assets (Net Block)		
Computer Software	75.31	4.72
Capital Work in Process (Net Block)	7.13	-
Total non-current assets pledged as security	**10,198.04**	**9,255.61**
Total assets pledged as security	**21,513.28**	**16,662.23**

Note: 37 - First time adoption of IND AS

Explanation to transition to Ind AS

Ind AS 101 -"First-time Adoption of Indian Accounting Standards" requires that all Ind AS and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended March 31, 2018 for the Company, be applied retrospectively and consistently for all financial years presented, except the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as described below. The Company has recognised all assets and liabilities whose recognition is required by Ind AS and has not recognised items of assets or liabilities which are not permitted by Ind AS, reclassified items from previous GAAP to Ind AS as required under Ind AS and applied Ind AS in measurement of recognised assets and liabilities.

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.

Derecognition of financial assets and financial liabilities

The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

Classification and measurement of financial assets

The Company has assessed conditions for classification of the financial assets on the basis of the facts and circumstances that were exist on the date of transition to Ind AS.

Deemed cost of property, plant and equipment and intangible assets

On transition to Ind AS, the Company has elected to continue with the carrying value of all assets recognised as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets.

Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances as at the date of transition to Ind AS. The Company has elected to apply this exemption for its investments in certain equity instruments.

Fair value measurement of financial assets and financial liabilities at initial recognition

The Company has applied the requirements in paragraph B5.1.2A (b) of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. This exemption has been availed by the Company.

₹ In Lacs

	Note	As at March 31, 2017	As at April 01, 2016
Reconciliation of total equity			
Total equity as per previous GAAP *		**8,616.37**	**6,152.43**
Add / (less) : Adjustments for GAAP differences			
Fair valuation of financial assets	a	140.04	134.9
Provision for quantity discount		(293.4)	(123.6)
Financial liabilities recognised as per amortised cost approach		10.95	-
Impact of taxes in respect of the above adjustments		97.74	42.8
Total equity as per Ind AS		**8,571.71**	**6,206.49**

	Note	Year ended March 31, 2017
Reconciliation of total comprehensive income		
Net profit as per previous GAAP		**2,369.69**
Fair valuation of financial assets	a	5.15
Provision for quantity discount		(169.79)
Remeasurement of defined benefit plans	b	(55.54)
Impact of taxes in respect of the above adjustments		77.98
Net profit as per Ind AS		**2,227.49**
Other comprehensive income		36.32
Total comprehensive income as per Ind AS		**2,263.81**

	Previous GAAP	Effect of transition to Ind AS	Ind AS
Year ended March 31, 2017			
Reconciliation of cash flow			
Net cash flows from operating activities	4,229.07	50.8	4,279.9
Net cash flows from investing activities	(3,944.67)	(0.0)	(3,944.7)
Net cash flows from financing activities	(271.20)	(50.8)	(322.0)
Net increase / (decrease) in cash and cash equivalents	**13.20**	**0.00**	**13.20**

Notes on reconciliations between previous GAAP and Ind AS

a) Investments at fair value through profit or loss

Under Indian GAAP, the company recognised current investments in quoted equity shares at lower of cost or fair market and non-current investments at cost less provisions for diminution in the fair value of investments, if any. Under Ind AS, gains on investments have been measured at fair value through profit or loss and gains or losses are recognised in the statement of profit and loss.

b) Employee benefits

Under previous GAAP, actuarial gains and losses were recognised in statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability / asset which is recognised in other comprehensive income in the respective periods.

c) Effect of transition to Ind AS on Standalone Cash Flow Statement for the year ended March 31, 2017

Net increase in cash and cash equivalents represents movement in cash credit facilities considered as a component of cash and cash equivalents under Ind AS which as per previous GAAP, was considered as financing activity. Other Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities and has no impact on the net cash flow for the year ended 31st March, 2017 as compared with the previous GAAP.

Note: 38

The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity, Statement of Significant Accounting Policies and the Other Explanatory Notes forms an integral part of the financial statements of the Company for the year ended March 31, 2018.

₹ In Lacs

Note: 39 - Segment Information

Segment revenue

Sales between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the statement of profit or loss.

Particulars	March 31-2018			March 31-2017		
	Total segment revenue	Inter- segment revenue	Revenue from external customers	Total segment revenue	Inter- segment revenue	Revenue from external customers
Total segment revenue	**27,937.96**	**0.00**	**27937.96**	**30,288.56**	**0.00**	**30288.56**

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from external customers	March 31, 2018	March 31, 2017
Domestic	22,056.05	21,784.38
Export	5,881.91	8,504.18
Total	**27,937.96**	**30,288.56**

In terms of our report attached

For and on behalf of the Board of Directors

(CA Raman D Hangekar)
Senior Partner: Batliboi & Purohit
CHARTERED ACCOUNTANTS
Membership No.030615
Firm Registration No.101048W

(Shri Govardhan M.Dhoot)
Chairman & Managing Director
(DIN:01240086)

(Shri Aaditya R. Dhoot)
Director
(DIN:01122941)

(Ms Nikita Bavishi)
Company Secretary

(Shri Ajay Samant)
Chief Financial Officer

Place : Mumbai
Dated: 28th May, 2018

NOTES

MANGALAM DRUGS AND ORGANICS LIMITED

(CIN: L24230MH1972PLC116413)

Registered Office: Rupam Building, 3rd Floor, 239, P. D' Mello Road, Near GPO, Mumbai – 400001, Maharashtra, India
Phone: 91-22-22616200 / 6300/8787 • Fax: 91-22-2619090
Email: investor@mangalamdrugs.com • Website: http://www.mangalamdrugs.com

ATTENDANCE SLIP

45th Annual General Meeting

Please fill in this attendance slip and hand it over at the entrance of the meeting hall.

DP ID :	
CLIENT ID:	

REGD FOLIO NO. :	
NO. OF SHARES HELD :	

Full name & address of the member attending _____

Name of Proxy _____

(To be filled in if Proxy Form has been duly deposited with the Company)

I/ We hereby record my/ our presence at the 45th Annual General Meeting of the Company to be held at KILACHAND CONFERENCE ROOM, 2nd Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai- 400001 on Tuesday, the 25th September, 2018 at 03.30 pm.

_____

Member's/ Proxy's Signature

* Strike out whichever is not applicable

Note: Persons attending the Annual General Meeting are requested to bring their copies of Annual Report.

MANGALAM DRUGS & ORGANICS LIMITED

Route Map to the AGM venue

Venue: Kilachand Conference Room, 2nd Floor, Indian Merchant Chamber, Churchgate, Mumbai 400020, Maharashtra

MANGALAM DRUGS AND ORGANICS LIMITED

(CIN: L24230MH1972PLC116413)
Registered Office: Rupam Building, 3rd Floor, 239, P. D' Mello Road, Near GPO, Mumbai – 400001
• Phone: 91-22-22616200 / 6300/8787 • Fax: 91-22-2619090
Email: investor@mangalamdrugs.com• Website: http://www.mangalamdrugs.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) : _____

Registered Address: _____

E-mail ID:_____ Folio No./ DP ID- Client ID:_____

I/We, being the member(s) of _____shares of the **Mangalam Drugs & Organics Limited**, hereby appoint:

1. Name: _____of _____having E-mail ID_____, failing him/ her;
2. Name: _____ of _____having E-mail ID_____, failing him / her;
3. Name: _____ of _____having E-mail ID_____, failing him / her;

Whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45th Annual General Meeting of the Company, to be held on Tuesday the 25th September, 2018 at 03.30 p.m at KILACHAND CONFERENCE ROOM, 2nd Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai- 400001 and at any adjournment thereof in respect of the resolutions as indicated below:

Sr. No.	RESOLUTION	Optional	
		For	Against
1	To receive, consider and adopt the Standalone Financial Statements as at 31st March, 2018 including the Balance Sheet, the Statement of Profit and Loss for the year ended on that date and reports of the Directors' and Auditors' thereon.		
2	Re-appointment of Shri Govardhan M Dhoot, who retires by rotation..		
3	To confirm the payment of interim dividend already paid on equity shares for the financial year ended 31st March, 2018		
4	Ratification of remuneration of M/s Ankit Kishor Chande, Cost Accountants as Cost Auditors for the year 2018-2019. 28.05.2018		
5	Appointment of Shri Ajay R Dhoot (DIN: 00210424) as Director, liable to retire by rotation.		
6	Appointment of Shri Aaditya R Dhoot (DIN: 00057224) as Director, liable to retire by rotation.		
7	Appointment of Shri Ajay Sawhney (DIN: 05132739) as Independent Director, for a term of 5 years effective from 20th November, 2017.		
8	Appointment of Shri Rukmesh Dhandhania (DIN: 02493968) as Independent Director, for a term of 5 years effective from 20th November, 2017.		
9	Appointment of Mrs Nidhi Mundada (DIN: 08134952) as Independent Director, for a term of 5 years effective from 28th May, 2018.		
10	Re-appointment of Shri Subhash Khattar (DIN: 01122941) as Independent Director for second term of five years effective from 01st April, 2019, who has attained the age of seventy five years.		
11	Change in the designation of Shri Brijmohan M Dhoot (DIN : 01046420) from Non-Executive Director to Executive Director of the Company.		

Signed this ____ day of _____2018

Affix Revenue Stamp

_____
Signature of Shareholder

Signatures of :

_____ First Proxy Holder

_____ Second Proxy Holder

_____ Third Proxy holder

Notes: (1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.**

(2) For the Resolutions, Explanatory statement and Notes, please refer to the Notice of the 45th Annual General Meeting.

(3) It is optional to put a 'x' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.

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

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MANGALAM DRUGS & ORGANICS LTD.

FINANCIAL HIGHLIGHTS (Figure in Lacs)

PARTICULARS	31-Mar-09	31-Mar-10	31-Mar-11	31-Mar-12	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16	31-Mar-17*	31-Mar-18*
Sales & Other Sales Income	10277.49	11275.82	12797.96	15413.59	12683.14	12275.98	22067.19	29521.91	30319.35	28020.66
Profit before Interest & Depreciation	921.46	1089.61	1313.62	1503.86	(283.71)	984.63	2044.65	3772.08	4622.42	4769.54
Interest	513.21	572.19	685.93	1016.43	1002.24	974.21	1028.37	929.18	1003.65	1178.00
Depreciation	258.41	297.12	327.30	373.64	393.97	401.05	415.40	441.30	500.71	656.82
Profit Before Tax	149.84	220.30	300.39	113.79	(1679.92)	(390.63)	600.88	2401.60	3118.06	2934.72
Profit After Tax	126.84	182.30	242.39	63.36	(1179.94)	(303.92)	614.12	1603.31	2227.50	1988.96
Total Comprehensive Income**	-	-	-	-	-	-	-	-	36.32	36.32
Equity Capital	1317.82	1317.82	1317.82	1317.82	1317.82	1317.82	1317.82	1437.82	1582.82	1582.82
Reserves & Surplus	2617.11	2799.41	2424.98	2488.33	1308.39	1004.47	1618.59	3866.36	6988.89	8935.43
Money recd agst Share Warrants	-	-	-	-	-	-	-	848.25	-	
Net Worth	3934.93	4117.23	3742.80	3806.15	2626.21	2322.29	2936.41	6152.43	8571.71	10518.25
Borrowings:										
Long Term Loans	925.59	852.35	1233.66	1531.26	3012.19	3001.76	2452.47	1794.02	2270.87	1500.09
Short Term - Bank	2031.75	2288.67	2683.65	3265.11	2791.27	3111.67	3182.43	3537.57	4132.00	5075.19
Short Term - Others	687.91	881.86	1208.80	1279.64	1474.98	1604.58	2157.37	649.91	206.48	317.63
Total Borrowings	3645.25	4022.88	5126.11	6076.01	7278.44	7718.01	7792.27	5981.50	6609.35	6892.91
Gross Block	6101.32	6682.90	7790.55	8407.70	8612.94	8827.52	9182.37	10249.52	14026.10	15620.78
Less : Depreciation	1746.93	2030.48	2343.96	2708.93	3099.58	3489.09	3887.58	4337.82	4770.49	5422.74
Net Block (Fixed Assets)	4354.39	4652.42	5446.59	5698.77	5513.36	5338.43	5294.79	5911.70	9255.61	10198.04
Investments	13.89	14.40	14.40	14.44	18.44	17.92	24.02	24.01	164.43	165.61
Current Assets, Loans & Advances	4546.02	4902.01	5964.18	6481.32	5945.94	7188.08	11670.69	10040.68	9530.32	13237.74
Less : Current Liabilities	1358.29	1428.72	1939.44	1648.46	1573.09	2504.13	6260.82	3841.86	3769.32	6190.22
Net Working Capital	3187.73	3473.29	4024.74	4832.86	4372.85	4683.95	5409.87	6198.82	5761.00	7047.52
Book Value (Rs) per share	25.65	26.82	28.40	28.88	19.93	17.62	22.28	42.79	54.15	66.45
Earnings (Rs) per share	0.96	1.38	1.58	0.48	(8.95)	(2.31)	4.66	11.15	14.07	12.57
Dividend (Rs) per share	-	-	-	-	-	-	-	-	-	0.50
Nominal value per share	10	10	10	10	10	10	10	10	10	10

* The figures reported for F.Y. 2016-17 and F.Y. 2017-18 are Ind As compliant.

** Total Comprehensive Income is required to be reported under Ind AS for F.Y. 2016-17 and F.Y. 2017-18 and hence not reported for earlieryears which are IGAAP compliant.

Previous year's figures have been re-grouped to confirm with current year's presentation, wherever applicable.

BY COURIER

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