

MGEL/CS/NSE/2021-22/36

Date: September 6, 2021

To,  
Listing Compliance Department  
National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block-G,  
Bandra Kurla Complex, Bandra,  
Mumbai-400 051, Maharashtra.

Company Symbol: MGEL (EQ), ISIN: INE0APB01016

Subject: Submission of 11<sup>th</sup> Annual Report of the Company for the F.Y. 2020-21 together with Notice of 11<sup>th</sup> AGM.

Dear Sir/Madam,

Pursuant to Regulation 30 and Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 11<sup>th</sup> Annual Report of the Company for the F.Y. 2020-21 together with Notice of 11<sup>th</sup> Annual General Meeting (AGM) to be held on Thursday, September 30, 2021, through Video Conferencing/Other Audio Visual Means (VC/OAVM) in accordance with Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 (hereinafter collectively referred to as "MCA Circulars") issued by Ministry of Corporate Affairs ("MCA") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India ("SEBI Circulars") and all other relevant circulars issued from time to time.

In compliance with above Circulars issued by MCA and SEBI, applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the 11<sup>th</sup> Annual Report of the Company for the F.Y. 2020-21 together with Notice of 11<sup>th</sup> AGM is being sent to all the members of the Company whose email addresses are registered with the Company or Depository Participant(s).

The 11<sup>th</sup> Annual Report and Notice of 11<sup>th</sup> AGM are also being made available on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com).

Kindly take this information on your record.

Thanking You,

Yours faithfully,

For Mangalam Global Enterprise Limited



Vrunda Patel

Company Secretary & Compliance Officer

Encl: A/a.



**Mangalam Global Enterprise Limited**

CIN: L24224GJ2010PLC062434

Regd. Office: 101, Mangalam Corporate House, 19/B, Kalyan Society, Near M.G. International School,  
Mithakhali, Ahmedabd-380006, Gujarat (INDIA) Tel: +91 79 61615000 (10 Lines) E mail:  
[info@groupmangalam.com](mailto:info@groupmangalam.com)

# 11<sup>th</sup> Annual Report

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## 2020-2021



Mangalam Global Enterprise Limited

## **MISSION**

To reach and sustain  
position of Leadership  
with Customer satisfaction,  
People development,  
Society care and  
Stakeholder confidence.

## **VISION**

We believe in consistent  
and dependable quality of  
products and services.  
We emphasise on safety,  
harmony , innovation and  
continuous improvement.



# Values We Stand For

## The Golden Rule

We will be a force to reckon with for setting trends with the values and principles of the group

## Society cares

Through efforts to conserve and improve environment

## Integrity

Our team ensures that we follow our moral compass while providing our stakeholders the best returns

## Associate confidence

Through sharing of knowledge and concern for mutual benefits

## People

We provide a fair opportunity to each one to beat their best, for growth through transparency, trust and honesty

## Trust

Our Company's ultimate-goal is to build trusted relationship with our stakeholders



# Our Rich Heritage

The Group Business was started by late Shri Tejmalji Mangal at Beawar, in the Province of Rajasthan, west part of India. The main activities were trading and distribution of Paper and Chemicals.

**1942**

A new branch office was opened in the major city of Rajasthan Ajmer. It was headed by Shri Om Prakash Mangal.

**1962**

Group Started Venturing out for Manufacturing of dye Intermediates, as locational advantage of Ahmedabad.

**1987**

Group stopped Manufacturing of major dye intermediates and in turn started more focus on manufacturing of dyes and converting itself as a buying and selling house.

**2001**

Group Shifted to a single point location at Vatva, Ahmedabad. Group also signed an agreement with "LONSEN" Group China, to start manufacturing of different auxiliaries in India.

**2008**

Full Fledged operations as a separate business unit started at Singapore after conversion of all businesses in Singapore as wholly owned subsidiary of the company.

**2018**

**1951**

Big expansions were carried out by forward integration i.e. entering into manufacturing of exercise note books and allied products, in continuation with paper and chemical trading & distribution business.

**1975**

One more new Branch Office was opened in Jaipur owing to flourishing demand and need of the business.

**1991**

Group started its first dye intermediates manufacturing plant mainly producing Naphtelene and benezone derivatives.

**2005**

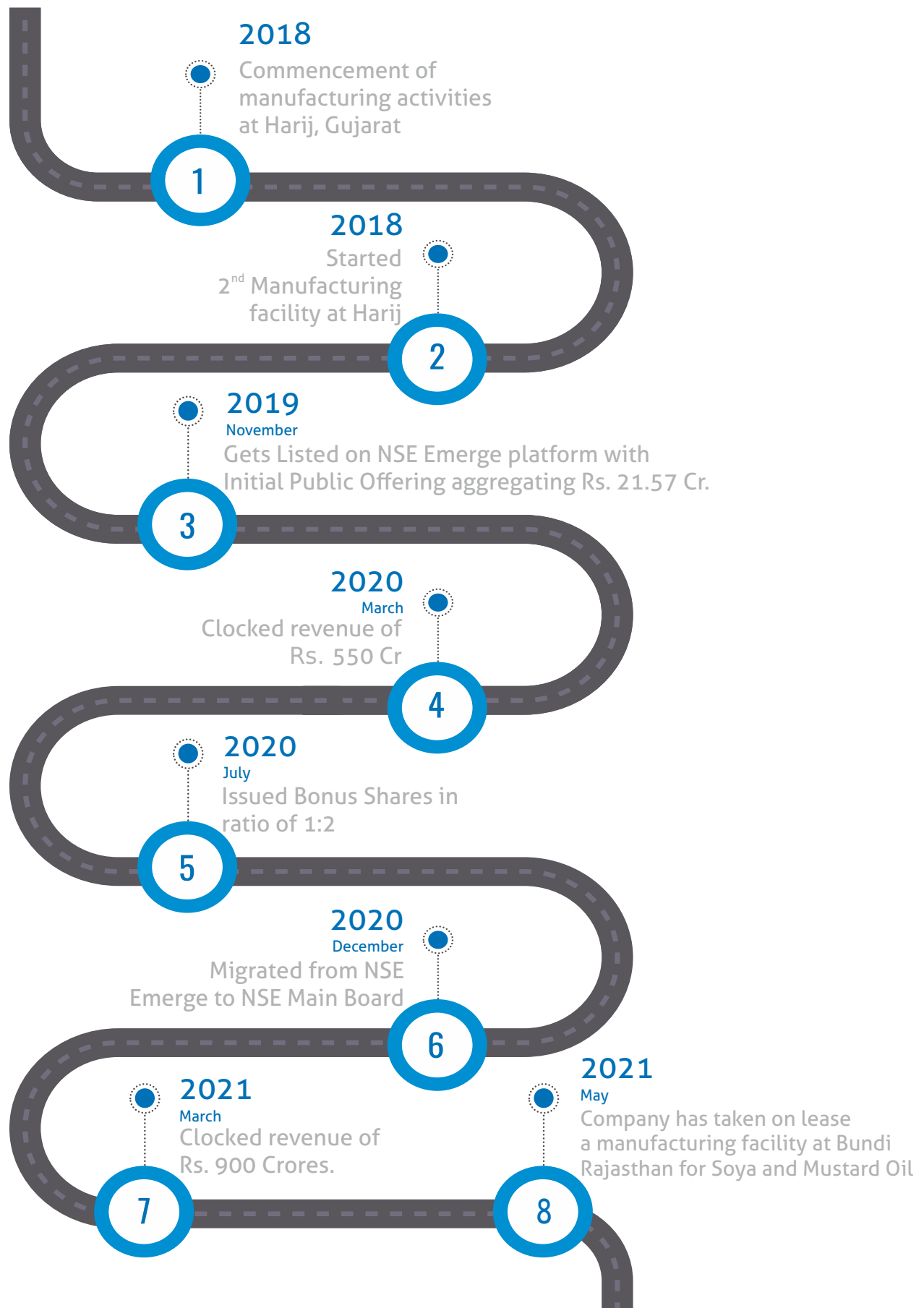
Group made major investments in the field of logistics to support its manufacturing, trading and distribution activities.

**2017**

The Group under the leadership of its mentor Mr. Vipin Prakash Mangal started structured trade business in the name and style of "MANGALAM".

# 'Mangalam' An Illustrious Journey

## JOURNEY OF GROWTH



# Indian Agriculture Sector

**Agriculture is primary source of livelihood for 58% of Population**

**Share of Agriculture & Allied industry is about 20% of GDP**

**India is among 15 leading exporters of Agri products across the globe**

**India accounts for 7.39 % of the global agriculture output**

**India is the largest producer, consumer and exporter of spices and spice products**



# Our Product Base

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**Cotton**



**Castor**



**Mustard**



## Our Product Base



**Rice**



**Soya**



**Wheat**



# Our Recent Initiative....



**Bundi Plant, Rajasthan**  
(Soya/Mustard)  
(Started in May-2021)

# Manufacturing Facilities

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## Harij, Gujarat

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Castor Processing

450 MTPD

Castor Refined Oil (FSG)

220 MTPD

Castor DOC

225 MTPD

Cotton Ginning & Pressing

150 MTPD

## Bundi, Rajasthan

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Soya Bean Processing  
(OCT - MAR)

800 MTPD

Mustard Cake Processing  
(APR - SEP)

400 MTPD

Refined Oil

150 MTPD

Mustard Chillax

100 MTPD

Filling Station

300 MTPD

## Bavla, Gujarat

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Rice Processing

125 MTPD

Wheat Processing

150 MTPD



# Our Esteemed Cliental



# Where We Stand Now

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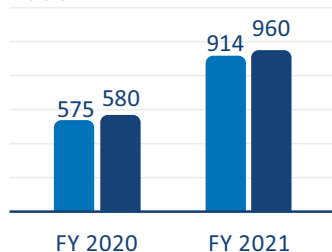




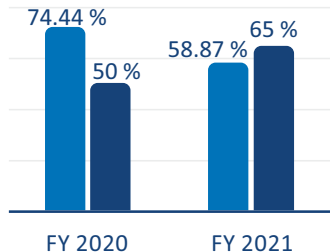
# Key Financial Ratio

## Revenue

In Crore INR

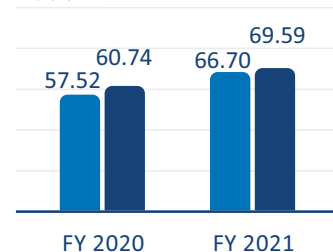


## Revenue Growth

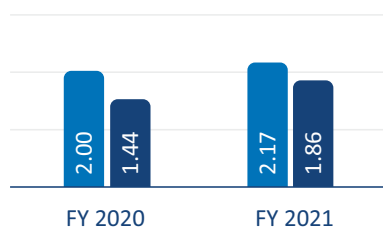


## Networth

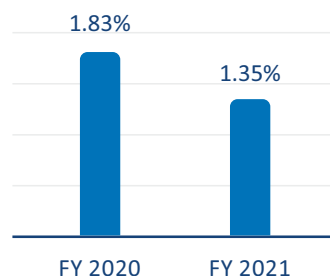
In Crore INR



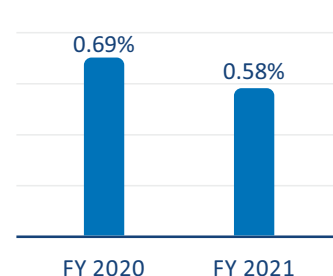
## EPS



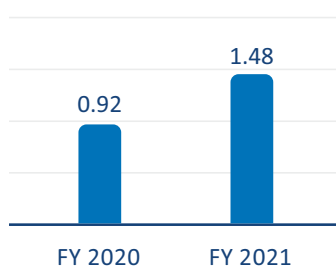
## OPM



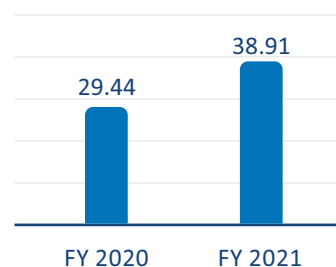
## NPM



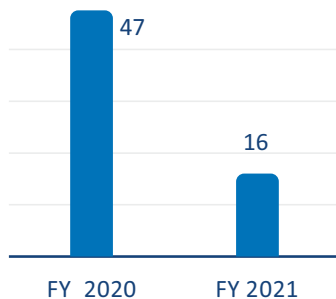
## Debt to Equity



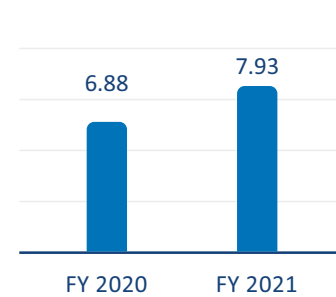
## Inventory Turnover



## Debtors Turnover



## Return On Networth



# Management Team



**Mr. Vipin Prakash Mangal**  
Chairman & Director

Mr. Vipin Prakash Mangal, aged 53 years, is the Promoter and Chairman & Director of the Company. He holds a Bachelor's degree in Commerce from the University of Ajmer. He has 30 years of business experience in manufacturing, trading of various commercial commodities and affiliated consultancy services. He has high-level connections in the international market with multinational companies of Europe, China, Korea, Taiwan and USA etc.



**Mr. Chanakya Prakash Mangal**  
Joint MD & COO

Mr. Chanakya Prakash Mangal, aged 25 years, is the Promoter and Joint Managing Director & COO of the Company. He holds a Bachelor's degree in Commerce from the Gujarat University. He is actively involved in the day-to-day operations and looks after the sales and administration department of the Company.



**Mr. Chandragupt Prakash Mangal**  
Joint MD & CEO

Mr. Chandragupt Prakash Mangal, aged 23 years, is Promoter and Joint Managing Director & CEO of the Company. He holds a degree in Supply Chain Management from Kelly School of Business, Indiana University, USA. He holds level II badge in CFA from CFA Institute. He is actively involved in the day-to-day operations and looks after the finance and overall administration of the Company.

# Strategies to achieve our Goals



## Income side strategy

- Revamp the production techniques by adapting cost effective methods
- Focus on high margin business to increase profitability
- Envisage our scope of work towards manufacturing
- Alleviate the trading business which is cost competitive and demands high capital



## Organizational Build-up

- Become an employer of choice by grooming internal talent
- Hire the right talent and cross trained manpower
- Focus on training and development to ensure continuous upskilling



## Debt side strategy

- Restructuring of interest rates of existing lenders to minimize finance cost
- Improve debtor cycle by efficient receivable management



## Technology Vision

- Consistent improvement through upgrading to cutting edge production technologies
- Capture industry specific data at various touch points to improve forecasting and decision making



## **CHAIRMAN'S MESSAGE TO STAKEHOLDERS**



**Dear Shareholders,**

I hope you and your family are healthy and safe.

Year 2020 was an incredibly difficult year for the world due to Covid-19 pandemic, and India was no exception. As the pandemic spread like wildfire and claimed a ghastly toll on human life and livelihoods, economic activity contracted significantly. Just as there were visible signs of recovery, a fierce second wave put paid to hopes of an early return to pre-Covid level economic activity. For the Financial Year 2021-22, despite the initial disruption caused by the second wave of COVID-19, India is expected to grow at a healthy rate, albeit on a low base. Expectation of revival in consumption and pick-up in the business activity is expected to drive growth. Sector-wise, the agriculture sector is expected to be the

key contributor to growth. The accelerated pace of vaccinations across countries and better healthcare delivery is certainly helpful in controlling the spread. The situation is now improving steadily, and I hope that we will soon see light at the end of this rather long tunnel. We salute to all corona warriors for their valuable support to nation.

COVID-19 pandemic has led to many challenges for the corporate sector. It forced companies to run differently along with testing the resilience of the business to the unprecedented disruptions. However, your Company gradually adapted to changing situations and executed operations ensuring limited interruptions.

During the pandemic situation, the production at our manufacturing units partially re-started from April 14, 2020 at limited capacity after obtaining necessary approvals and the teams ensured an uninterrupted supply of goods and services. I would like to extend my sincere gratitude to each and every team members of Mangalam Group for their relentless efforts, who have responded beyond their call of duty during the nationwide lockdown. Our team has demonstrated a strong sense of responsibility and has ensured that we continue with business as usual, despite the hardship.

Even though the recent challenges of Covid-19 prevailing in the country, your Company has recorded 58.87% of growth in income of the Company as compared to previous year and has booked profit (PBT) of Rs. 7.03 Crores for the year ended on March 31, 2021.

We would like to inform that during the year 2020-21, the securities of your Company have been migrated from SME Platform to Main Board Platform of NSE with effect from December 23, 2020. This would improve liquidity in the stock; and provide more visibility to your Company. Members would also recollect that during the year 2020-21, the Company issued Bonus Shares in the ratio of 1:2 rewarding the members for their support and faith in the Company.

Also I would like to share that your Company has recently started Manufacturing Unit on long lease basis in Bundi, Rajasthan for production of Soya Oil, Soya Meal, Soya De Oiled Cake, Mustard Oil, Mustard Meal and Mustard De Oiled Cake. Furthermore, your Company has also purchased one more unit at Bavla, Gujarat for processing of wheat and rice. In all, Company's plants are located at four places out of which two are at Harij, Gujarat, one is at Bundi, Rajasthan and one is at Bavla, Gujarat.

Further, your Directors have recommended a dividend of Rs. 1/- per equity share for the year ended March 31, 2021 which is being placed for your approval.

Before concluding, I would like to thank all the employees for their support and commitment towards the Company. I also express my gratitude to all customers, suppliers, associates and stakeholders for believing in the Company and supporting us in these difficult times. We will continue to create long-term, sustainable value for all by being consistent and flexible and I look forward to an exciting journey ahead, together.

**Thank You.**

**Warm Regards,  
Vipin Prakash Mangal  
Chairman & Executive Director  
DIN: 02825511**



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## CORPORATE INFORMATION

## MANGALAM GLOBAL ENTERPRISE LIMITED

(Formerly known as Mangalam Global Enterprise Private Limited)

CIN: L24224GJ2010PLC062434

## BOARD OF DIRECTORS

NAME	DESIGNATION
Mr. Vipin Prakash Mangal	Chairman & Executive Director
Mr. Chanakya Prakash Mangal	Joint Managing Director & COO
Mr. Chandragupt Prakash Mangal	Joint Managing Director & CEO
Mrs. Sarika Modi	Non-Executive Director
Mr. Praveen Kumar Gupta	Non-Executive Independent Director
Mr. Manish Bagadia (resigned w.e.f. 9 <sup>th</sup> June, 2020)	Non-Executive Independent Director
Mr. Shubhang Mittal (appointed w.e.f. 8 <sup>th</sup> June, 2020)	Non-Executive Independent Director
Mr. Madhusudan Garg (appointed w.e.f. 8 <sup>th</sup> June, 2020)	Non-Executive Independent Director
Mr. Anilkumar Shyamlal Agrawal (appointed w.e.f. 1 <sup>st</sup> November, 2020)	Additional (Non-Executive Independent) Director

## KEY MANAGERIAL PERSONNEL

NAME	DESIGNATION
Mr. Chanakya Prakash Mangal	Joint Managing Director & COO
Mr. Chandragupt Prakash Mangal	Joint Managing Director & CEO
Mr. Ashutosh Mehta	Chief Financial Officer
Ms. Vrunda Patel (appointed w.e.f. 14 <sup>th</sup> May, 2020)	Company Secretary & Compliance Officer
Ms. Rutu Shah (resigned w.e.f. 14 <sup>th</sup> May, 2020)	Company Secretary & Compliance Officer

## AUDIT COMMITTEE

NAME	DESIGNATION
Mr. Madhusudan Garg	Chairman
Mr. Praveen Kumar Gupta	Member
Mr. Chandragupt Prakash Mangal	Member

## STAKEHOLDERS RELATIONSHIP COMMITTEE

NAME	DESIGNATION
Mrs. Sarika Modi	Chairperson
Mr. Madhusudan Garg	Member
Mr. Chanakya Prakash Mangal	Member

## NOMINATION &amp; REMUNERATION COMMITTEE

NAME	DESIGNATION
Mr. Madhusudan Garg	Chairman
Mrs. Sarika Modi	Member
Mr. Shubhang Mittal	Member
Mr. Praveen Kumar Gupta	Member
Mr. Anilkumar Shyamlal Agrawal	Member

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

NAME	DESIGNATION
Mr. Chanakya Prakash Mangal	Chairman
Mr. Chandragupt Prakash Mangal	Member
Mr. Madhusudan Garg	Member
Mr. Anilkumar Shyamlal Agrawal	Member

## MANAGEMENT COMMITTEE

NAME	DESIGNATION
Mr. Chandragupt Prakash Mangal	Chairman
Mr. Vipin Prakash Mangal	Member
Mr. Chanakya Prakash Mangal	Member

REGISTERED OFFICE	PLANT LOCATION
<p>101, Mangalam Corporate House, 19/B, Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad -380 006, Gujarat, India.</p> <p><b>Email :</b> info@groupmangalam.com</p> <p><b>Website :</b> www.groupmangalam.com</p> <p><b>Phone :</b> +91 79 - 6161 5000</p>	<ol style="list-style-type: none"> <li><b>Unit: I - Cotton Unit</b> Survey No. 124 And 122, Harij-Kukrana Road, Village - Jaska, Taluka- Harij, District-Patan - 384 240, Gujarat, India.</li> <li><b>Unit: II - Castor Oil Unit</b> Survey No. 355/P1 and 355P1/P1, Harij-Kukrana Road, Village - Jaska, Taluka -Harij, District-Patan - 384 240, Gujarat, India.</li> <li><b>Unit Bundi - Soya &amp; Mustard Oil Unit</b> Khasra No. 564/155, 565/155, 566/155, 567/155, 845/568 Ramganj Balaji, NH12, District Bundi-323001, Rajasthan.</li> <li><b>Unit Bavla – Wheat &amp; Rice Processing Unit</b> Block/Survey No. 155/paiki of Khata No. 447 of Village Lodariyal, Taluka: Sanand, Sub-District: Sanand, District: Ahmedabad, Gujarat</li> </ol>

STATUTORY AUDITORS	COST AUDITOR
<p>M/s. K K A K &amp; Co., Chartered Accountants Krishna Mansion, Ghee Bazar, Kalupur, Ahmedabad-380002, Gujarat</p> <p><b>Email :</b> kkakco.ca@gmail.com</p>	<p><b>M/s. A. G. Tulsian &amp; Co., Cost Accountants</b> 308-309, Sahajanand Palace, Opp. Rahul Tower, Prahaladnagar, Ahmedabad - 380 015, Gujarat, India</p> <p><b>Email :</b> pgtulsian@gmail.com</p>

INTERNAL AUDITOR	SECRETARIAL AUDITOR
<p><b>M/s. RMJ &amp; Associates LLP, Chartered Accountants</b> A/8, 6th Floor, Safal Profitaire, Corporate Road, Prahaladnagar, Ahmedabad-380015</p> <p><b>Email :</b> info@rmj.in</p>	<p><b>M/s. SCS and Co. LLP, Company Secretaries</b> 415, Pushpam Complex, Nr. Bank of Baroda, Opp. Seema Hall, Satellite, Ahmedabad-380015, Gujarat</p> <p><b>Email :</b> scsandcollp@gmail.com</p>

REGISTRAR & TRANSFER AGENT	BANKERS TO THE COMPANY
<p><b>Link Intime India Private Limited</b> <b>Registered Office Address:</b> C-101, 1st Floor, 247 Park Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083.</p> <p><b>Tel No. :</b> +91 22 -49186200</p> <p><b>Fax No. :</b> +91 22 -49186195</p> <p><b>Email :</b> ahmedabad@linkintime.co.in</p> <p><b>Website :</b> www.linkintime.co.in</p> <p><b>Branch/Correspondence Address:</b> 506 To 508, Amarnath Business Centre - 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off Chimanlal Girdharlal Road, Ellisbridge, Ahmedabad - 380 006.</p> <p><b>Tel No. :</b> +91 79 26465179 /86 / 87</p> <p><b>Fax No. :</b> +91 79 26465179</p>	<p><b>HDFC Bank Limited</b> Shilp II, Next to Vikram Chambers, Ashram Road, Ahmedabad - 380 009, Gujarat, India.</p> <p><b>Website:</b> www.hdfcbank.com</p> <p><b>Punjab National Bank</b> Vivekanand College Building, Outside Raipur Gate, Ahmedabad - 380 002, Gujarat, India</p> <p><b>Website:</b> www.pnbindia.in</p>

## **NOTICE OF 11<sup>TH</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the Eleventh (11<sup>th</sup>) Annual General Meeting (AGM) of the Members of Mangalam Global Enterprise Limited (Formerly known as Mangalam Global Enterprise Private Limited) will be held on Thursday, September 30, 2021 at 2:00 P.M. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon; and
  - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditors thereon.
2. To declare a dividend of Rs. 1/- (Rupees One) per equity share of Rs. 10/- each for the financial year ended on March 31, 2021.
3. To appoint a Director in place of Mr. Chanakya Prakash Mangal (DIN: 06714256), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Chandragupt Prakash Mangal (DIN: 07408422), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mrs. Sarika Modi (DIN: 08320453), who retires by rotation at this Annual General Meeting and being eligible offers herself for re-appointment.

### **SPECIAL BUSINESS:**

6. **To ratify the remuneration payable to M/s. A.G. Tulsian & Co., Cost Accountants (Firm Registration Number 100629) Cost Auditor of the Company for the Financial Year ended on March 31, 2022.**

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(3) and any other applicable provision(s), if any, of the Companies Act, 2013, read with the Rule 14 of Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members be and is hereby accorded to ratify the remuneration of Rs. 25000/- (Rupees Twenty Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses payable to M/s. A.G. Tulsian & Co., Practicing Cost Accountants (Firm Registration Number 100629), Ahmedabad appointed by the Board of Directors of the Company in their meeting held on June 25, 2021 as Cost Auditor of the Company, based on the recommendations of the Audit Committee, to conduct the audit of the cost records of the Company for the financial year ended on March 31, 2022;

**RESOLVED FURTHER THAT** the Board of Directors of the Company including its committee of Directors thereof, be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. **To appoint Mr. Anilkumar Shyamlal Agrawal (DIN: 00528512) as Non-Executive Independent 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 the provisions of Sections 149, 152, and any other applicable provisions of the Companies Act, 2013 (the Act) and the rules made there under read with Schedule IV of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force) on the recommendation of the Nomination and Remuneration Committee and Board of Directors, Mr. Anilkumar Shyamlal Agrawal (DIN: 00528512), who was appointed by the Board as Additional Non-Executive Independent Director of the Company with effect from November 1, 2020, in terms of provisions of Section 161 of the Act and Articles of Association of the Company and who holds the office upto the date of this Annual General Meeting, being eligible for appointment as Non-Executive Independent Director of the Company, and in respect of whom the Company has received a notice under Section 160 of the Act proposing his candidature for the office of the Director, be and is hereby appointed as an Non-Executive Independent Director of the Company, to hold office for five (5) consecutive years upto October 31, 2024, not liable to retire by rotation;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution including certifying and filing of necessary forms with the Registrar of Companies and issue appointment letter to Mr. Anilkumar Shyamlal Agrawal (DIN: 00528512) and filing of other necessary forms and documents with the Registrar of Companies."



**8. To increase the Authorised Share Capital of the Company and to make consequent alteration in Clause V of the Memorandum of Association:**

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 13, 61, 64 and other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded for increase in Authorised Share Capital of the Company from Rs. 40,00,00,000/- (Rupees Forty Crore Only) divided into 40000000 (Four Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 50,00,00,000/- (Rupees Fifty Crore Only) divided into 50000000 (Five Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company;

**RESOLVED FURTHER THAT** the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V:

“V. The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crore Only) divided into 50000000 (Five Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient, in the best interest of the Company.”

**9. Approval for giving Loan or Guarantee or providing security in connection with Loan to any entity as specified under Section 185 of the Companies Act, 2013 in which any of the Directors of the Company is interested/deemed to be interested:**

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

**“RESOLVED THAT** in supersession of the earlier resolutions passed by the Members of the Company at the Extra Ordinary General Meetings held on November 16, 2018 and September 23, 2019 and pursuant to the provisions of Section 185 and all other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Amendment) Act, 2017 and Rules made thereunder, including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force, and subject to such other consents, permissions, approvals, as may be required in that behalf, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company or any other person in whom any of the Directors of the Company is interested/deemed to be interested, up to limits approved by the shareholders of the Company u/s 186 of the Companies Act, 2013, from time to time, in their absolute discretion as may be deemed beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing entity for its principal business activities.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient, in the best interest of the Company.”

**10. To alter Articles of Association 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 the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 and rules thereof including any statutory modifications or re-enactments thereof for the time being in force and subject to approvals, permissions and sanctions from the appropriate authority, if any, the consent of the Members of the Company be and is hereby accorded to alter the Articles of Association of the Company in the manner set out herein below:

- (i) The existing Article No 98 is replaced/substituted with the new Article mentioned as under:

Existing Article	New Article
98. Unless otherwise determined in a general meeting of the Company and subject to the provisions of the Act and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15, atleast two thirds of whom shall be liable to retire by rotation.	98. At every Annual General Meeting, the Directors shall retire by rotation in accordance with provisions of Section 152 of the Companies Act, 2013 as amended from time to time. A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto. The directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

- (ii) The existing Article No. 106 is deleted from the Articles of Association of the Company.  
 (iii) Due to deletion of Article No. 106, the existing Article from 107 to 143 is re numbered to 106 to 142.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to take all the requisite, incidental, consequential steps to implement the above resolution and to perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, any question, query, or doubt that may arise in this regard, and to execute/publish all such notices, deeds, agreements, papers and writings as may be necessary and required for giving effect to this resolution.”

**Registered office:**

101, Mangalam Corporate House,  
 19/B, Kalyan Society,  
 Near M.G. International School, Mithakhali,  
 Ahmedabd-380006, Gujarat, India

**For and on behalf of Board of Directors**

**Mangalam Global Enterprise Limited**  
**CIN: L24224GJ2010PLC062434**

**Date :** September 3, 2021  
**Place :** Ahmedabad

**Vipin Prakash Mangal**  
**Chairman & Executive Director**  
**DIN: 02825511**

**IMPORTANT NOTES**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic” and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID-19 pandemic” (collectively referred to as “SEBI Circulars”) and all other relevant circulars issued from time to time, physical attendance of the Members to the Annual General Meeting “AGM” venue is not required and AGM be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Hence, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Institutional/Corporate Shareholders are required to send a scanned copy (PDF/JPG format) of its Board or governing body resolution/authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said resolution/ authorization shall be sent to the Company Secretary by email to **cs@groupmangalam.com** with a copy marked to evoting@nsdl.co.in and scrutinizer at **scsandcollp@gmail.com**, at least 48 hours before the commencement of AGM.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The explanatory Statement pursuant to the Section 102 of the Companies Act, 2013 relating special business in respect of Item No. 6 to 10 of the Notice to be transacted at the AGM is annexed hereto.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the day of AGM will be provided by NSDL.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
9. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
10. There being no physical shareholders in the Company, the Register of members and share transfer books of the Company will not be closed. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. September 23, 2021, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
11. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 and General Circular No. 2/2021 dated 13<sup>th</sup> January, 2021 issued by MCA, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15th January, 2021 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
12. Members holding shares in dematerialised mode are requested to register/update their e-mail addresses with the relevant Depository Participants. In case of any queries/difficulties in registering the e-mail address, Members may write to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
13. The Company has appointed SCS AND CO. LLP (Firm Registration Number: - L2020GJ008700), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

The remote e-voting period begins on Monday, September 27, 2021 at 9:00 A.M. and ends on Wednesday, September 29, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on Cut-Off Date i.e. September 23, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-Off Date, being September 23, 2021.

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

- a) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository

Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>

**Individual Shareholders (holding securities in demat mode) login through their depository participants**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

**B) Login Method for evoting and joining the virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:
  - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.



- a) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- b) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [scsandcollp@gmail.com](mailto:scsandcollp@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@groupmangalam.com](mailto:cs@groupmangalam.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@groupmangalam.com](mailto:cs@groupmangalam.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. September 23, 2021, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [cs@groupmangalam.com](mailto:cs@groupmangalam.com). However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. **1800 1020 990 and 1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. September 23, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
5. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

**INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO REGISTER THEMSELVES AS SPEAKERS DURING ANNUAL GENERAL MEETING:**

Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at [cs@groupmangalam.com](mailto:cs@groupmangalam.com) seven days before the date of AGM i.e., by Thursday, September 23, 2021.

Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Members seeking any information with regard to the accounts or any matter to be placed at the AGM or who would like to ask questions, are requested to write to the Company mentioning their name DP ID and Client ID/folio number, PAN, email id, mobile number at **cs@groupmangalam.com** on or before September 23, 2021 so as to enable the management to keep the information ready. The same will be replied by the Company suitably.

### NOTE:

Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

### INFORMATION ON DIVIDEND

- i. Subject to approval of the Members at the AGM, the dividend will be paid within 30 days from the conclusion of the AGM, to the Members whose names appear on the Company's Register of Members as on the Record Date i.e. Friday, September 17, 2021, and in respect of the shares held in dematerialized mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
- ii. Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. In case the payment of dividend may not be made through electronic mode due to various reason, Dividend warrants / demand drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details, after normalisation of the postal service.
- iii. Shareholders are requested to register/ update their complete bank details with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialized mode by submitting the requisite documents.
- iv. Pursuant to the Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020/Income Tax Act, 1961 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company/ RTA (if shares held in physical form).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail to **cs@groupmangalam.com** by September 17, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by e-mail to **cs@groupmangalam.com**. The aforesaid declarations and documents need to be submitted by the shareholders by September 17, 2021.

- v. The Company has fixed Friday, September 17, 2021 as the 'Record Date' for determining entitlement of members to receive dividend for the FY 2020-21, if approved at the AGM.

Those members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Record Date shall be entitled for the dividend which will be paid on or before Thursday, October 28, 2021, subject to applicable TDS.

- vi. Members are requested to note that, dividends if not encashed for a consecutive period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of which dividends are not encashed for the consecutive period of seven (7) years are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.
- vii. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

#### **INSTRUCTIONS ON RIGHT TO WAIVE DIVIDEND BY SHAREHOLDERS**

1. A Shareholder can waive/forgo the right to receive the dividend (either final and/or interim) if any, declared by the company, to which he is entitled, on some or all the Equity Shares held by him in the Company as on the Record Date fixed for determining the names of Members entitled for such dividend.
2. However, the shareholders cannot waive/forgo the right to receive the dividend (either final and/or interim) for a part of percentage of dividend on share(s).
3. The Equity Shareholder(s) who wish to waive/forgo the right to receive the dividend for the Financial Year 2020-21 shall inform in advance to the Company in the prescribed form, which is available on the website of the Company i.e. [www.groupmangalam.com](http://www.groupmangalam.com).
4. In case of joint holders holding the Equity Shares of the Company, all the joint holders are required to intimate to the Company in the prescribed form (available on the website of the Company) about their decision of waiving/forgoing their right to receive the dividend from the Company.
5. The prescribed form (available on the website of the Company) once filled with required data asked for, shall be sent to the Company by hand delivery or by post or courier or through e-mail ID on [cs@groupmangalam.com](mailto:cs@groupmangalam.com) on or before September 17, 2021.
6. Further, for detailed understanding on waiver of dividend, the shareholder can check the Mangalam Global Enterprise Limited (Waiver of Dividend) Rules available on the website of the Company i.e. [www.groupmangalam.com](http://www.groupmangalam.com). The same has been approved and adopted by the Board of Directors of the Company which came into effect on June 25, 2021.

## **EXPLANATORY STATEMENT**

**(Pursuant to Section 102 (1) of the Companies Act 2013 and Secretarial Standard 2 on General Meetings)**

### **Item No. 6:**

#### **To approve Cost Auditor's Remuneration for the Financial Year 2021-22: ORDINARY RESOLUTION**

The Board of Directors at its meeting held on June 25, 2021, upon the recommendation of the Audit Committee, approved the appointment of M/s. A.G. Tulsian & Co., Practicing Cost Accountants (Firm Registration Number 100629), to conduct the audit of the Cost records of the Company for the Financial Year ending on March 31, 2022 at a remuneration of Rs. 25000/- (Rupees Twenty Five Thousand Only) excluding all applicable taxes and reimbursement of out of pocket expenses.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (as amended or re-enacted from time to time) the remuneration as mentioned above, payable to the Cost Auditors, is required to be ratified by the Members of the Company.

The Board recommends the resolution set out under Item No. 6 for the approval of the Members by way of passing an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives, are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

### **Item No. 7:**

#### **To appoint Mr. Anilkumar Shyamlal Agrawal (DIN: 00528512) as Non-Executive Independent Director of the Company: SPECIAL RESOLUTION**

Pursuant to the provisions of Section 161 of the Companies Act, 2013 (the 'Act'), the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Anilkumar Shyamlal Agrawal (DIN: 00528512) as an Additional Non-Executive Independent Director of the Company with effect from November 1, 2020 and he holds office up to the date of the ensuing Annual General Meeting.

The Company has received notice in writing under Section 160 of the Act, proposing the candidature of Mr. Anilkumar Shyamlal Agrawal (DIN: 00528512) for the office of Non-Executive Independent Director of the Company.

The brief profile of Mr. Anilkumar Shyamlal Agrawal is as under:

Mr. Anilkumar Shyamlal Agrawal (DIN: 00528512) is having vast experience in Non-Banking Finance Business. He is associated with Suman Finstock Private Limited, a Non-Banking Financial Company since last 25 years. Further, he is also associated with VSD Infratech Limited, Hindprakash Overseas Private Limited. Currently he is Independent Director on the Board of Hindprakash Castor Derivatives Private Limited (Subsidiary of Mangalam Global Enterprise Limited). He is also registered as Independent Director in Independent Director's Data Bank.

The Company has received declaration from Mr. Anilkumar Shyamlal Agrawal confirming that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and also he has not been debarred or disqualified from being appointed or continuing as Director of any Companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs, or any such statutory authority. He also confirmed that he meets the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI (LODR) Regulations, 2015').

Further, the Nomination and Remuneration has evaluated the balance of skill, knowledge and experience of Mr. Anilkumar Shyamlal Agrawal. In the opinion of Nomination and Remuneration Committee and the Board, Mr. Anilkumar Shyamlal Agrawal fulfills the conditions for appointment as Non-Executive Independent Director as specified in the Act, the Rules made thereunder and the SEBI(LODR) Regulations, 2015 and he is independent of the management and considering his vast experience and knowledge, it would be beneficial to appoint him on the Board of the Company. The term of appointment of Mr. Anilkumar Shyamlal Agrawal as Non-Executive Independent Director is not liable to retired by rotation.

A copy of the draft letter for the appointment of Mr. Anilkumar Shyamlal Agrawal as Non-Executive Independent Director setting out the terms and conditions are uploaded on the website of the Company and also would be available for inspection by the Members at the Registered Office of the Company during the normal working hours on any working days of the Company.

Information as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 regarding appointment of Mr. Anilkumar Shyamlal Agrawal is attached hereto.

Further, as per Regulation 25(2A) of the SEBI (LODR) Regulations, 2015 (amended on August 3, 2021), the appointment of Independent Director is subject to approval of shareholders by way of a Special Resolution.



The Board recommends resolution set out under Item No. 7 for the approval of the Members by way of passing a Special Resolution.

Except Mr. Anilkumar Shyamlal Agrawal, being appointee Director and their relatives, none of the other Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

**Item No. 8:**

**To increase the Authorised Share Capital of the Company and to make consequent alteration in Clause V of the Memorandum of Association: ORDINARY RESOLUTION**

The present authorised share capital of the Company is Rs. 40,00,00,000/- (Rupees Forty Crore Only) divided into 40000000 (Four Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

Considering the fund requirement of the Company, it is proposed to increase the authorized share capital of the Company from Rs. 40,00,00,000/- (Rupees Forty Crore Only) divided into 40000000 (Four Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 50,00,00,000/- (Rupees Fifty Crore Only) divided into 50000000 (Five Crore) Equity Shares of Rs. 10/- (Rupees Ten Only), by way of creation of an additional 10000000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each, ranking pari passu in all respect with existing equity shares of the company, aggregating to Rs. 10,00,00,000/- (Rupees Ten Crore Only). Consequently, existing Clause V of the Memorandum of Association would also be required to be altered to reflect such altered Authorised Share Capital.

Pursuant to provisions of the Companies Act, 2013, the proposed increase in Authorised Share Capital and the consequential changes in Clause V of the Memorandum will require the approval of the Members of the Company.

The copy of draft amended Memorandum of Association is available for inspection at Registered Office of the Company during the normal working hours on any working days of the Company and also be available during the Annual General Meeting.

The Board recommends resolution set out under Item No. 8 for the approval of the Members by way of passing of Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives, are concerned or interested, financially or otherwise, in this resolution.

**Item No. 9:**

**Approval for giving Loan or Guarantee or providing security in connection with Loan to any entity as specified under Section 185 of the Companies Act, 2013 in which any of the Directors of the Company is interested/deemed to be interested: SPECIAL RESOLUTION**

In terms of the provisions of Section 185 of the Companies Act, 2013, a company may advance any loan, including any loan represented by a book debt, to any person in whom any of the Directors of the Company is interested or give any guarantee or provide any security in connection with any loan taken by any such person, subject to the condition that approval of the shareholders of the Company is obtained by way of passing a Special Resolution and requisite disclosures are made in the Explanatory Statement.

The Board is of the view that the Company may be required to invest surplus funds, if available in its subsidiary Companies/LLP or to any other body corporate(s) in which the Directors of the Company are interested, as and when required. Hence, as an abundant caution, the Board decided to seek approval of the shareholders pursuant to the amended provisions of Section 185 of the Act to advance any loan, including any loan represented by book debt, to its subsidiary company(ies)/LLP (Indian or overseas) or other body corporate(s) in whom any of the Directors of the Company is interested or to give guarantee or provide any security in connection with any loans/ debentures / bonds etc. raised by its subsidiary company(ies) (Indian or overseas) or other body corporate(s) in whom any of the Directors of the Company is interested as mentioned in the resolution.

The Members may note that the Board of Directors (including any Committee of the Board or any Director(s) or Officer(s) authorised by the Board) may carefully evaluate proposals and provide such loan, guarantee or security through deployment of surplus funds, from time to time, for business purpose such subsidiaries and/or other body corporate(s) in whom any of the Directors of the Company is interested.

The Board recommends the resolution set out under Item No. 9 for the approval of the Members by way of passing a Special Resolution.

Except Executive Directors and their relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives, are concerned or interested, financially or otherwise, in this resolution.

**Item No. 10:**

**To alter Articles of Association of the Company**

To keep the Articles in line with provisions of Section 152 of the Companies Act, 2013, it is necessary to alter Articles, either by replacement of new Article or deletion of existing Article, with the approval of the members of the Company.

The existing Article No 98 is required to be replaced with the new Article and at the same time existing Article No. 106 related to Limit on number of non-rotational Directors is required to be deleted from the Articles of Association of the Company. Revised Articles are already

placed in the resolution. The approval of the members of the company is required, by way of special resolution pursuant to section 14 of the Companies Act, 2013 and accordingly the Board recommended the relevant resolution for the approval of members.

Further, due to deletion of Article No. 106, the existing Article from 107 to 143 is re numbered to 106 to 142.

None of the Directors and Key Managerial Personnel of the Company or their relatives, are concerned or interested, financially or otherwise, in this resolution.

**Registered office:**

101, Mangalam Corporate House,  
19/B, Kalyan Society,  
Near M.G. International School, Mithakhali,  
Ahmedabd-380006, Gujarat, India

**Date :** September 3, 2021

**Place :** Ahmedabad

**For and on behalf of Board of Directors**

**Mangalam Global Enterprise Limited**  
**CIN: L24224GJ2010PLC062434**

**Vipin Prakash Mangal**  
**Chairman & Executive Director**  
**DIN: 02825511**

## **INFORMATION AS REQUIRED UNDER REGULATION 36(3) SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF DIRECTORS BEING REAPPOINTED / APPOINTED:**

<b>Name of Director</b>	<b>Mr. Chanakya Prakash Mangal (DIN: 06714256)</b>	<b>Mr. Chandragupt Prakash Mangal (DIN: 07408422)</b>	<b>Mrs. Sarika Modi (DIN: 08320453)</b>	<b>Mr. Anilkumar Shyam Lal Agrawal (DIN: 00528512)</b>
<b>Date of Birth</b>	August 9, 1995	December 8, 1997	May 29, 1979	March 30, 1962
<b>Date of Initial Appointment</b>	November 15, 2013	January 18, 2016	September 23, 2019	November 1, 2020
<b>Date of Appointment (at current term)</b>	September 18, 2019	September 18, 2019	September 23, 2019	November 1, 2020
<b>Educational Qualifications</b>	He holds a Bachelor's degree in Commerce.	He holds degree in Supply Chain Management from Kelley School of Business, Indiana University and also holds level II badge in CFA from CFA Institute.	She holds Bachelor's degree in Arts.	He holds Bachelor's degree in Commerce.
<b>Expertise in specific functional areas - Job profile and suitability</b>	He has been actively involved in the day to day operations of the Company and looks after the sales and administration department of the Company.	He has been actively involved in the day to day operations of the Company and looks after the finance and overall administration of the Company.	She has an experience of more than 5 years in administration department.	He has an experience of more than 25 years in Non-Banking Finance Business.
<b>Directorships held in other companies (excluding foreign companies, Section 8 companies and Struck off Companies and our Company)</b>	1. Mangalam Worldwide Private Limited 2. Mangalam Saarloh Private Limited 3. Mangalam Logistics Private Limited 4. Hindprakash Castor Derivatives Private Limited	1. Mangalam Dura Jet Technologies Private Limited 2. Mangalam Worldwide Private Limited 3. Mangalam Saarloh Private Limited 4. ECS Environment Private Limited 5. Mangalam Logistics Private Limited 6. Hindprakash Castor Derivatives Private Limited	Nil	1. Hindprakash Castor Derivatives Private Limited 2. Hindprakash Overseas Private Limited 3. VSD Infratech Limited 4. Suman Finstock Private Limited

<b>Memberships / Chairmanships of committees of other public companies (including listed Company)</b>	Nil	Nil	Nil	Nil (During the last three years, he had not been appointed as Independent Directors as such, the requirement regarding details of resignation during last three years is not applicable.)
<b>Shareholding in the Company as on date of this Notice</b>	3386150 Number of Equity Shares	3623320 Number of Equity Shares	Nil	3000 Number of Equity shares
<b>Inter-se Relationship with other Directors</b>	With Directors & KMP of the Company: Son of Mr. Vipin Prakash Mangal (Promoter cum Chairman & Director) and brother of Mr. Chandragupt Prakash Mangal (Promoter cum Joint Managing Director & CEO)	With Directors & KMP of the Company: Son of Mr. Vipin Prakash Mangal (Promoter cum Chairman & Director) and brother of Mr. Chanakya Prakash Mangal (Promoter cum Joint Managing Director & COO)	None	None

**Registered office:**

101, Mangalam Corporate House,  
19/B, Kalyan Society,  
Near M.G. International School, Mithakhali,  
Ahmedabad-380006, Gujarat, India

**Date :** September 3, 2021

**Place :** Ahmedabad

**For and on behalf of Board of Directors**

**Mangalam Global Enterprise Limited**  
**CIN: L24224GJ2010PLC062434**

**Vipin Prakash Mangal**  
**Chairman & Executive Director**  
**DIN 02825511**



## DIRECTORS' REPORT

Dear Members,

**Mangalam Global Enterprise Limited**

**Ahmedabad**

The Board of Directors hereby submits the 11th report of the business and operations of your Company ("the Company"), along with the Standalone & Consolidated Audited Financial Statements, for the Financial Year ended on March 31, 2021.

### FINANCIAL HIGHLIGHTS:

The audited financial statements of the Company for the Financial Year ended on March 31, 2021, prepared in accordance with the relevant applicable Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 (the 'Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 and it is the first Ind-AS compliant annual financial statements of the Company with comparative figures for the year ended on March 31, 2020 are also under Ind-AS. The date of transition is April 1, 2019.

The disclosure and effects of first time adoption of Ind-AS are provided in Note 44 of the standalone financial statements and Note 44 of the consolidated financial statements.

(Rs. in Lakhs)

PARTICULARS		STANDALONE - YEAR ENDED		CONSOLIDATED - YEAR ENDED	
		31/03/2021	31/03/2020	31/03/2021	31/03/2020
I.	Revenue from Operations	90,778.22	57,305.42	95,950.32	58,178.90
II.	Other Income	626.82	227.64	518.95	231.67
III.	<b>Total Revenue (I+II)</b>	<b>91,405.04</b>	<b>57,533.06</b>	<b>96,469.27</b>	<b>58,410.57</b>
IV.	<b>Earnings Before Interest, Taxes, Depreciation and Amortization Expense</b>	<b>1442.81</b>	<b>1334.04</b>	<b>1589.41</b>	<b>1345.30</b>
V.	Finance Cost	525.37	558.61	702.17	750.69
VI.	Depreciation and Amortization Expense	214.71	283.47	293.16	287.70
VII.	<b>Profit Before Tax (IV-V-VI)</b>	<b>702.73</b>	<b>491.96</b>	<b>594.08</b>	<b>306.91</b>
VIII.	<b>Tax Expense:</b>				
	a) Current Tax (Adjusted)	169.29	122.40	187.23	125.27
	b) Deferred Tax (Asset)/Liabilities	4.76	(21.92)	(66.90)	(61.30)
	c) Income Tax (Prior Period)	-	(4.20)	(0.10)	(4.20)
	<b>Total Tax Expense</b>	<b>174.05</b>	<b>96.28</b>	<b>120.23</b>	<b>59.77</b>
IX.	<b>Profit After Tax (VII-VIII)</b>	<b>528.68</b>	<b>395.68</b>	<b>473.85</b>	<b>247.14</b>

Previous year figures have been regrouped / re-arranged wherever necessary.

### STATE OF THE COMPANY'S AFFAIRS / OPERATIONS:

The Company is mainly engaged into:

- Manufacturing of Edible Oil / Non-edible Oil and Agricultural Products i.e. Soya Oil, Soya Meal, Soya De Oiled Cake, Mustard Oil, Mustard Meal, Mustard De Oiled Cake, Refined Castor Oil First Special Grade (FSG), Castor De-Oiled Cake and High Protein Castor De-Oiled Cake, Cotton Bales.
- Trading including domestic and export of Agricultural Products i.e. Wheat, Rice etc. Further, processing of wheat and rice may start by the end of year 2021-22.

The Company's plants are operated (i) For Cotton Unit (Unit I) : at Village: Jaska, Taluka, Harij, Dist: Patan, Gujarat and (ii) For Castor Oil Unit (Unit II) : at Village: Jaska, Taluka, Harij, Dist: Patan, Gujarat.

During the year, Castor Oil Unit (Unit III) situated at Survey No. 175/P3/P2, Village-Jagana, Taluka-Palanpur, District-Banaskantha-385520, Gujarat was not operational by the Company from October 1, 2020, due to commercial feasibility reason. The said property was taken on lease and the deed of surrender of lease was executed on November 3, 2020.

Further, your Company has recently taken on lease Soya & Mustard Oil Manufacturing Unit in Bundi, Rajasthan. From May 20, 2021, the Company has started commercial operation for Unit: Bundi: at Ramganj Balaji, NH12, District Bundi.

At present, the Company is operating with three (3) plants at above mentioned locations.

Furthermore, your Company took part in the e-auction of immovable and movable property of Kaneri Agro Industries Limited ("KAIL"), conducted by the Bank of Baroda ("Bank") and your Company being declared as H1 in the said e-auction, was recently handed over the possession of Unit: Bavla, Gujarat i.e. (i) Immoveable Property of KAIL admeasuring area of 13873 sq. mtrs situated at Block/Survey No. 155/paiki of Khata No. 447 of Village Lodariyal, Taluka: Sanand, in the registration District: Ahmedabad and Sub-District: Sanand (Gujarat) and also (ii) Movable Property i.e. Plant and Machinery located at the said premises by the Bank. Further, the requisite registration procedure for the purchase of aforesaid property is under process with relevant jurisdictional Sub- Registrar Office. The said unit will be used for processing of wheat and rice. The processing of wheat and rice may start by the end of year 2021-22.

### Standalone operating results:

During the year under review, Revenue from Operations of the Company is Rs. 90,778.22 Lakhs as compared to Rs. 57,305.42 Lakhs in the previous financial year.

During the year under review, the Company has earned a Profit Before Tax (PBT) of Rs. 702.73 Lakhs and Profit After Tax (PAT) of Rs. 528.68 Lakhs as compared to Profit Before Tax (PBT) of Rs. 491.96 Lakhs and Profit After Tax (PAT) of Rs. 395.68 Lakhs, respectively, in the previous financial year.

### Consolidated operating results:

During the year under review, on a Consolidated basis, your Company (together with its Subsidiaries) has earned Revenue from Operations Rs. 95,950.32 Lakhs as compared to Rs. 58,178.90 Lakhs in the previous financial year. Correspondingly, the Consolidated Profit Before Tax and Consolidated Profit After Tax registered during the year under review is Rs. 594.08 Lakhs and Rs. 473.85 Lakhs, respectively, as compared to Consolidated Profit Before Tax and Consolidated Profit After Tax of Rs. 306.91 Lakhs and Rs. 247.14 Lakhs, respectively, in the previous financial year.

## CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated financial statements of the Company for the financial year 2020-21 are prepared in compliance with applicable provisions of the Companies Act, 2013, Indian Accounting Standards ("Ind AS") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI (LODR) Regulations, 2015") which form part of this Annual Report.

### DIVIDEND:

The Directors have recommended a dividend of Rs. 1/- (10%) per equity share for the year ended March 31, 2021 (previous year Rs.1/- per equity share) subject to approval of members in the ensuing Annual General Meeting.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The dividend, if declared, shall be subject to deduction of income tax at source. Your Company shall, accordingly, make the payment of the final Dividend after deduction of tax at source.

### TRANSFER TO RESERVES:

During the year, the Company has not apportioned any amount to other reserve. The profit earned during the year has been carried to the balance sheet of the Company.

### COMPANY BACKGROUND:

Mangalam Global Enterprise Limited bearing Corporate Identification Number L24224GJ2010PLC062434 was originally incorporated as "Hindprakash Colourchem Private Limited" under the Companies Act, 1956 on September 27, 2010. Further, name of the Company was changed to Mangalam Global Enterprise Private Limited and a Fresh Certificate of Incorporation consequent to change of name was issued on July 31, 2014 by Registrar of Companies, Ahmedabad. Further, the Company was converted in to Public Limited Company and the name of the Company was changed to "Mangalam Global Enterprise Limited" and a Fresh Certificate of Incorporation consequent upon conversion of Company from Private Limited to Public Limited dated September 30, 2019 was issued by the Registrar of Companies, Ahmedabad. Further, the Company came out with the Initial Public offer (IPO) and securities of the Company were listed and admitted to dealings on the Emerge platform of National Stock Exchange of India Limited ('NSE') on November 27, 2019. Thereafter, the securities of the Company got migrated from SME Emerge Platform of NSE to Main Board of NSE from December 23, 2020.

### CHANGE IN NATURE OF BUSINESS:

During the year, your Company has not changed its business or object and continues to be in the same line of business as per main objects of the Company.

## CHANGE IN THE REGISTERED OFFICE:

During the year, there was no change in address of registered office of the Company. The Registered office of the Company is situated at 101, Mangalam Corporate House, 19/B, Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad -380 006, Gujarat, India.

## SHARE CAPITAL:

During the year under review, the following changes have taken place in the authorized and paid-up share capital of the Company:

### AUTHORIZED CAPITAL:

- (i) The Authorised Share Capital of the Company was increased from Rs. 17,00,00,000/- (Rupees Seventeen Crore Only) divided into 17000000 (One Crore Seventy Lakhs) Equity Shares of Rs. 10/- each to Rs. 27,00,00,000/- (Rupees Twenty Seven Crore Only) divided into 27000000 (Two Crore Seventy Lakhs) Equity Shares of Rs. 10/- each vide Special Resolution passed by the Members through Postal Ballot process on June 18, 2020.
- (ii) Further, the Authorised Share Capital of the Company was increased from Rs. 27,00,00,000/- (Rupees Twenty Seven Crore Only) divided into 27000000 (Two Crore Seventy Lakhs) Equity Shares of Rs. 10/- each to Rs. 40,00,00,000/- (Rupees Forty Crore Only) divided into 40000000 (Four Crore) Equity Shares of Rs. 10/- each vide Special Resolution passed by the Members through Postal Ballot process on November 6, 2020.

### ISSUED, SUBSCRIBED & PAID-UP CAPITAL AND ALLOTMENTS:

The details of Allotments made during the Financial Year 2020-21 are given as under:

Sr No.	Kind of Issue	Pre Issue Paid-Up Capital (No. of Shares)	No. of Shares Allotted	Face Value (Rs.)	Price Per Share (Including Premium)	Date of Allotment	Post Issue Paid-Up Capital (No. of Shares)	Date of Listing Approval from NSE	Date of Trading Approval from NSE
1	Bonus Issue	16057410	8028705	10	10	02/09/2020	24086115	September 7, 2020	September 15, 2020
2	Preferential Issue	24086115	1000000	10	42	05/12/2020	25086115	December 17, 2020	December 23, 2020

At present, the paid-up capital of the Company is Rs. 25,08,61,150/- (Rupees Twenty Five Crore Eight Lakhs Sixty One Thousand One Hundred Fifty Only) divided into 25086115 (Two Crore Fifty Lakhs Eighty Six Thousand One Hundred Fifteen) Equity Shares of Rs. 10/- each.

- There was no reduction of share capital or buy back of shares or changes in capital transaction resulting from restructuring.
- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
- The Company has not issued sweat equity shares to its directors or employees.
- The Company does not have any Employees Stock Option Scheme for its Employees/Directors.
- During the financial year 2020-2021, the Company has not made allotment of any securities, other than equity shares, and as such, the requirement for obtaining credit rating was not applicable to the company.

## TRANSFER OF SHARES AND UNPAID/UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

There is no money lying to unpaid / unclaimed dividend account pertaining to any of the previous years with the Company. As such the Company is not required to transfer such amount to the Investor Education and Protection Fund established by the Central Government in pursuant to the provisions of Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Further, the provisions related to the shares in respect of which dividend has not been paid/claimed for the consecutive period of seven (7) years or more which are required to be transferred to the demat account of the IEPF Authority, are not applicable to the Company.

## MIGRATION TO MAIN BOARD:

Pursuant to Regulation 280(2) read with Regulation 277 under Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018 and the SEBI (LODR) Regulations, 2015, the members of the Company, passed Special Resolution through Postal Ballot process on November 6, 2020 and approved for migration of Securities of the Company from SME Emerge Platform of National Stock Exchange of India Limited ('NSE') to the Main Board of NSE. The Company received In Principle Approval for migration of securities from SME to Main Board of NSE on November 19, 2020 and approval for listing of equity shares on Capital Market Segment (Main Board) of NSE on December 21, 2020. The equity shares of the Company got listed and admitted to dealings on the NSE (Capital Market Segment) with effect from December 23, 2020.

#### UTILISATION OF FUNDS RAISED UNDER PREFERENTIAL ISSUE:

The Company had raised funds of Rs. 420 Lakhs through Preferential Issue during the financial year 2020-21 and the entire funds have been utilized in the manner as proposed in the Offer Document/Special resolution in the financial year 2020-21. The details of which are hereunder:

(Rs. in lakhs)

Sr. No.	Object	Original Allocation	Funds Utilized
1.	To augment Capital base, to meet increased working capital requirements and the general corporate purpose as the Board decide from time to time.	420.00	420.00

Further, there was no deviation/variation in the utilization of the funds raised through Preferential Issue.

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

##### Board of Directors and KMP:

The Board of Directors of the Company is led by the Executive Chairman and other seven Directors which comprises of two Managing Directors, four Independent Directors and one Non-Executive Director (other than Independent Director). As on March 31, 2021, the Board was constituted with Mr. Vipin Prakash Mangal, Chairman & Executive Director, Mr. Chanakya Prakash Mangal, Joint Managing Director & COO, Mr. Chandragupt Prakash Mangal, Joint Managing Director & CEO, Mr. Praveen Kumar Gupta, Mr. Madhusudan Garg, Mr. Shubhang Mittal, Mr. Anilkumar Shyamlal Agrawal, Independent Directors and Mrs. Sarika Modi, Non-Executive Director.

##### Appointment:

Considering the integrity, expertise and experience, the following Directors were appointed during the financial year 2020-21:

- Mr. Madhusudan Garg (DIN:02300800) & Mr. Shubhang Mittal (DIN: 01243335): At the 10<sup>th</sup> Annual General Meeting held on August 13, 2020, the Members of the Company approved the appointment of Mr. Madhusudan Garg & Mr. Shubhang Mittal as Non-Executive Independent Directors for a term of 5(five) consecutive years with effect from June 8, 2020.
- Mr. Anilkumar Shyamlal Agrawal (DIN: 00528512): Pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Rules thereof, the Board of Directors of the Company in their meeting held on November 1, 2020, approved the appointment of Mr. Anilkumar Shyamlal Agrawal as an Additional Director in the category of Non-Executive Independent Director, to hold office upto the date of ensuing Annual General Meeting of the Company. The Company has received notices in writing pursuant to Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Anilkumar Shyamlal Agrawal for the office of Independent Director of the Company for a term upto five years w.e.f November 1, 2020. Your Directors recommend his appointment as an Independent Director of the Company.

##### Retired by Rotation:

Pursuant the provisions of Section 152 of the Companies Act, 2013 and rules thereof and Articles of Association of the Company, Mr. Chanakya Prakash Mangal (DIN: 06714256), Joint Managing Director & COO, Mr. Chandragupt Prakash Mangal (DIN: 07408422), Joint Managing Director & CEO and Mrs. Sarika Modi (DIN: 08320453), Non-Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment.

##### Cessation

During the year 2020—21, Mr. Manish Bagadia (DIN: 02009864), Independent Director has resigned from the Board with effect from June 9, 2020. The Board of Directors places on record its appreciation for assistance and guidance provided by Mr. Manish Bagadia as Director of the Company during his tenure. The Company will cherish the valuable guidance provided by him during the tenure of his directorship. The Board of Directors wish him a healthy and peaceful life.

##### Key Managerial personal:

During the financial year 2020-21, Ms. Rutu Shah, Company Secretary & Compliance officer resigned with effect from May 14, 2020. Ms. Vrunda Patel was appointed as Company Secretary & Compliance officer of the Company with effect from May 14, 2020. Except above, there was no change in the Key Managerial Personnel during the year



## BOARD MEETINGS HELD DURING THE YEAR:

During the financial year 2020-21, Fifteen (15) Board Meetings were held, the details of which are give below:

Sr No.	Date on which Board Meetings were held	Total Strength of the Board	No. of Directors Present
1	01/05/2020	6	3
2	14/05/2020	6	5
3	08/06/2020	6	5
4	19/06/2020	7	6
5	20/07/2020	7	7
6	02/09/2020	7	7
7	15/09/2020	7	7
8	03/10/2020	7	7
9	31/10/2020	7	7
10	01/11/2020	7	7
11	09/11/2020	8	8
12	03/12/2020	8	8
13	05/12/2020	8	7
14	13/02/2021	8	8
15	14/02/2021	8	8

## COMMITTEES OF THE BOARD OF DIRECTORS:

In compliance with the requirement of applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the 'SEBI (LODR) Regulations, 2015') and as part of the best governance practice, the Company has constituted following Committees of the Board.

- I. Audit Committee
- II. Stakeholders Relationship Committee
- III. Nomination and Remuneration Committee
- M. Corporate Social Responsibility (CSR) Committee
- V. Management Committee

Details of the composition of the Board and its Committees and of the meetings held, attendance of the Directors at such meetings and other relevant details are provided in the Corporate Governance Report.

## FORMAL EVALUATION OF THE PERFORMANCE OF THE BOARD, COMMITTEES OF THE BOARD AND INDIVIDUAL DIRECTORS:

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 read with the rules thereof and the SEBI (LODR) Regulations, 2015, the Board has carried out the evaluation of annual performance of its own, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance.

In pursuant to Regulation 17(10) of the SEBI (LODR) Regulations, 2015, the evaluation of Independent Directors were done by the entire Board of Directors which includes:

- I. Performance of the Directors and
- II. Fulfillment of the Independence criteria as specified in the regulations and their independence from the management.

The manner in which the evaluation was carried out is provided in the Corporate Governance Report, which is part of this Annual Report.

**FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter alongwith necessary documents, reports and internal policies to enable them to familiarize with the Company's Procedures and practices. The Company has through presentations at regular intervals, familiarized and updated the Independent Directors with the strategy, operations and functions of the Company and Agricultural Industry as a Whole and business model. The details of such familiarization programmes imparted to Independent Directors can be accessed on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com)

**NOMINATION AND REMUNERATION POLICY:**

The Board has, on the recommendation of the Nomination & Remuneration Committee, formulated a policy on appointment and remuneration of Directors, Key Managerial personnel and Senior Management personnel. The Nomination and Remuneration Policy is outlined in the Corporate Governance Report which is a Part of the this Report. The detailed Policy is placed on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com)

**DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Clause (c) of Sub-Section (3) of Section 134 of the Companies Act, 2013, which states that—

- a) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and that no material departures have been made from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the Annual Accounts on a going concern basis;
- e) the Directors 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) the Directors have devised proper systems to ensure compliance with the provisions of all applicable Laws and that such systems were adequate and operating effectively.

**AUDITORS:****➤ STATUTORY AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules thereof, M/s. K K A K & Co., Chartered Accountants, (Firm Registration No.: 141173W) Ahmedabad have been appointed as Statutory Auditors of the Company at the 10<sup>th</sup> Annual General Meeting of the Company held on August 13, 2020 for a period of five years from the conclusion of the 10<sup>th</sup> Annual General Meeting till the conclusion of 15<sup>th</sup> Annual General Meeting to be held in the calendar year 2025.

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The report given by the Statutory Auditors on the financial statements of the Company is a part of this Annual Report. There were no qualifications, reservations, and adverse remark or Disclaimer given by the Statutory Auditors in their Report.

**Reporting of frauds by Auditors:**

During the year under review, the Auditors have not reported to the Audit Committee or the Board, under Section 143 (12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would be required to be mentioned in the Directors' Report.

**➤ COST AUDITORS:**

The Cost Audit Report for the financial year ended March 31, 2020 has been filed within stipulated time frame. Pursuant to the provisions of the Companies Act, 2013 and rules thereof, the Board of Directors of the Company, in their meeting held on June 25, 2021, on the recommendation of the Audit Committee, have appointed M/s A.G. Tulsian & Co., Cost Accountants, Ahmedabad (Firm Registration No.: 100629) as the Cost Auditor of the Company to audit the cost records of the Company for the financial year 2021- 22. Further, as per Section 148 of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be ratified at the ensuing Annual General Meeting.

The Company has maintained cost accounts and records in accordance with provisions of Section 148 of the Companies Act, 2013 and rules thereof.

## ➤ SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules thereof, the Company has appointed SCS and Co. LLP (LLPIN: AAV-1091), Practicing Company Secretaries (ACS-41942, CP No. 23630), Ahmedabad to conduct a Secretarial Audit of the Company. The Secretarial Audit Report for the year ended March 31, 2021 is annexed herewith as Annexure "A" to this Board's Report.

With regard to qualifications/observation of the Secretarial Auditor, the Board of Directors submits as under:

1. With regard to delay in submission of trading window closure intimation to stock exchange, the Company will ensure to inform the stock exchange within the time limit.
2. With regard to shares acquired by insider during the closure of trading window, the shares were acquired by relative of one of the Director and the Compliance Officer immediately informed about the change in shareholding position of such person during the closure of trading window and consequences of trading by designated persons or their immediate relatives during such closure of trading window.

Except above, there were no qualifications/observations/reservations and adverse remark in the Secretarial Audit Report.

## PARTICULAR OF EMPLOYEES:

The information required pursuant to Section 197 of Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed as Annexure "B" to this report.

Further, Executive Director and/or Joint Managing Directors have not received any remuneration or commission from any of subsidiary of the Company for the financial year under review. Further, the Company does not have any Holding Company. As such, disclosure regarding receipt of the remuneration or commission by the Managing Director(s)/Whole Time Director from the subsidiary of the Company under provisions of Section 197(14) of the Companies Act, 2013 is not required.

## SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES AND LLP:

As on March 31, 2021, the Company has following subsidiaries (including LLP):

SR. No.	Name	Address of Registered Office	Nature of Business
1.	Hindprakash Derivatives Limited (Subsidiary)	Castor Private 301, Mangalam Corporate House, 19/B Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad - 380006, Gujarat, India	The Main Business is to carry on the business to manufacture, process, refine, buy, sell, export, import, trade & otherwise deal in castor oil, castor oil derivatives, edible and non-edible oils, oilseeds, oil cakes, kernels and by-products and categories of chemicals, dyes, dyestuff, color chemicals, intermediates and commodities and to act as buyers, sellers, merchant, exporter, importer, traders, agents, dealers, distributors, commission agents, brokers, stockiest etc in all kinds, classes, size nature and description of industrial, commercial, consumer capital goods, item, things, articles, commodities, merchandise, products and allied activities.
2.	Mangalam Global (Singapore) Pte Ltd (formerly known as Mangalprakash (Singapore) Pte Ltd) (Wholly Owned Subsidiary)	10 Anson Road, #27-02, International Plaza, Singapore (079903)	The Main Business is to carry on wholesale trade of variety of goods without a dominant product
3.	Mangalam Global (UK) Limited (Wholly Owned Subsidiary)	Kemp House, 160 City Road, London, EC1V 2NX, United Kingdom	The Main Business is to carry on Wholesale trade of grain, unmanufactured tobacco, seeds, animal feeds, chemical products waste and scrap and non-specialized wholesale trade
3.	Farpoint Enterprise LLP (Subsidiary)	304, Mangalam Corporate House, 19/B Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad - 380006, Gujarat, India.	The Main Business is manufacturing, Manufacturer's representatives, buyers, sellers, traders, agents, stockiest, importers, exporters, wholesalers, dealers, consultants, advisors, packers, brokers and to deal in all kinds, types description and size of articles, goods and commodities.

During the financial year 2020-2021, the Company has incorporated an offshore wholly owned subsidiary i.e. Company Mangalam Global (UK) Limited on July 17, 2020. However, the Company is still facing technical challenges to transfer the funds to Mangalam Global (UK) Limited towards subscription money for acquisition of 1 share. None of the companies/LLP have become or ceased to be subsidiaries, joint ventures or associate companies/LLP.

During the year, the Board of Directors reviewed the affairs of the subsidiaries.

Further, a statement containing the salient features of the financial statements of its respective subsidiaries of the company in the prescribed format i.e. Form AOC-1 is annexed to this Report as Annexure "C".

Except above, the Company does not have any joint venture or associate companies.

Pursuant to the Section 136 of the Companies Act, 2013, the financial statements of the company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries companies/LLP, are available on the website of the company [www.groupmangalam.com](http://www.groupmangalam.com).

### **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

As per the audited financial statements as on March 31, 2021, the net profit of the Company is exceeding Rs. 5.00 Crore. As such, the Board of Directors of the Company in its meeting held on June 25, 2021 has constituted the Corporate Social Responsibility (CSR) Committee in accordance with the provisions of Section 135 of the Companies Act, 2013 and rules thereof. Further, the Board of Directors, on the recommendation of CSR Committee, has approved the Corporate Social Responsibility Policy on August 13, 2021. The CSR Policy is available on the website of the company at [www.groupmangalam.com](http://www.groupmangalam.com). The composition and terms of reference of the Committee are detailed in the enclosed Corporate Governance Report.

### **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, New Delhi.

### **ADEQUACY OF INTERNAL FINANCIAL CONTROL:**

The Companies Act, 2013 read with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 re-emphasizes the need for an effective Internal Financial Control system in the Company which should be adequate and shall operate effectively. The Company has devised proper system of internal financial control which is commensurate with size and nature of business. The Company has an Audit Committee headed by the Independent director, inter-alia, to oversee company's financial reporting process, disclosure of financial information, and reviewing the performance of statutory and internal auditors with management. Further, the Board has also appointed M/s. RMJ & Associates LLP, as Internal Auditors of the Company pursuant to the provisions of Section 138 of the Companies Act, 2013.

### **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

To foster a positive workplace environment, free from harassment of any nature, we have adopted a policy on "Prevention of Sexual Harassment", through which we address complaints of sexual harassment at the all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate.

We have also constituted an Internal Complaints Committee to consider and address sexual harassment complaints in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, there were no incidences/complaint reported under said Act.

### **CORPORATE GOVERNANCE:**

The Company was listed on Emerge Platform of NSE and with effect from December 23, 2020 the Company has been migrated to the main board of the NSE. As such, the requirement of compliances under Regulation 17 to 27 and clause (b) and to (i) of sub regulation (2) of Regulation 46 and part C, D and E of Schedule V have been applicable from December 23, 2020. In line with the Company's commitment to good Corporate Governance Practices, your Company has complied with all the mandatory provisions of the SEBI (LODR) Regulations, 2015.

A separate report on Corporate Governance and Certificate from the Practicing Company Secretary regarding compliance of condition of corporate governance, as stipulated under SEBI (LODR) Regulations, 2015 is forming a part of this Annual Report. A Certificate of the CEO and CFO of the Company in terms of the SEBI (LODR) Regulations, 2015, inter-alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed as Annexure "I" to report on Corporate Governance.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (MDA):**

Pursuant to Regulation 34(2)(e) read with part B of Schedule V of the SEBI (LODR) Regulations, 2015, Management Discussion and Analysis Report is forming the part of this Annual Report.

### **FIXED DEPOSIT:**

The Company has not accepted any fixed deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 are not applicable.

### **PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS & SECURITY:**

The particulars of Loans, Guarantees, Investments and Security covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements which is a part of this Annual Report.

### **ANNUAL RETURN:**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on [www.groupmangalam.com](http://www.groupmangalam.com).

### **RELATED PARTY TRANSACTIONS:**

All the Related Party Transactions entered into during the financial year were on an Arm's Length basis and in the Ordinary Course of Business. No material significant Related Party Transactions (i.e. exceeding 10% of the annual consolidated turnover as per the last audited financial statement) with Promoters, Directors, Key Managerial Personnel (KMP) and other related parties which may have a potential conflict with the interest of the Company at large, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable.

Further, prior omnibus approval of the Audit Committee is obtained on yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted were placed before the Audit Committee and the Board of Directors for their approval on quarterly basis.

The details of the related party transactions for the financial year 2020-21 is given in notes of the financial statements which is part of Annual Report.

The Policy on Related Party Transactions as approved by the Board of Directors is available on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com)

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY:**

No material changes and commitments have occurred that would affect financial position of the Company from the end of the financial year of the Company to which the financial statements relate and the date of the directors' report.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The 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(3) of The Companies (Accounts) Rules, 2014 as amended from time to time is annexed to this Report as Annexure "D".

### **DISCLOSURE BY DIRECTORS:**

The Directors on the Board have submitted notice of interest under Section 184(1) of the Companies Act, 2013 i.e. in Form MBP 1, intimation under Section 164(2) of the Companies Act, 2013 i.e. in Form DIR 8 and declaration as to compliance with the Code of Conduct of the Company.

### **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE:**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015, the Audit Committee consists of the following members:

- a) Mr. Madhusudan Garg (Independent Director) – Chairman
- b) Mr. Praveen Gupta (Independent Director)- Member
- c) Mr. Chandragupt Prakash Mangal (Joint Managing Director & CEO)- Member

The details of composition, terms of the reference and number of meetings & attendance at the Audit Committee held during the financial year is provided in the Corporate Governance Report which is part of this Annual Report.

### **WHISTLE BLOWER POLICY/VIGIL MECHANISM:**

The Company has established a whistle blower policy / vigil mechanism in compliance with the provision of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015 for the genuine concerns expressed by the employees



and Directors about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Company provides adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company. The Board has approved the policy for vigil mechanism which is available on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com)

### STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:

The Company has received declarations from Mr. Madhusudan Garg, Mr. Praveen Kumar Gupta, Mr. Shubhang Mittal and Mr. Anilkumar Shyamlal Agrawal, Independent Directors of the Company that they meet with the criteria of independence as prescribed under Sub-section (6) of Section 149 of the Companies Act, 2013 alongwith in compliance in Rule 6(1) and (3) of Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended from time to time and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and there has been no change in the circumstances which may affect their status as independent director during the year and they have complied with the code of conduct for Independent Directors prescribed in Schedule IV of the Companies Act, 2013.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, paid to them for the purpose of attending meetings of the Board / Committee of the Company.

### MATERIAL ORDER PASSED BY REGULATORS/COURTS/TRIBUNALS:

There was no material order passed by Regulators/Courts/Tribunals during the year under review impacting the going concern status and company's operations in future.

### INSURANCE

The assets of your Company have been adequately insured.

### RISK MANAGEMENT:

A well-defined risk management mechanism covering the risk mapping and trend analysis risk exposure potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact if triggered. A detailed exercise is being carried out to identify evaluate monitor and manage both business and non-business risks. During the year under review, the Management reviewed the risk management and minimization procedure adopted by the Company covering the business operations of the Company.

### WEBSITE:

As per Regulation 46 of SEBI (LODR) Regulations, 2015, the Company has maintained a functional website namely "www.groupmangalam.com" containing basic information about the Company. The website of the Company is also containing information like Policies, Shareholding Pattern, Financial Results and information of the designated officials of the Company who are responsible for assisting and handling investor grievances for the benefit of all stakeholders of the Company, etc.

### APPRECIATIONS AND ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for the assistance and co-operation received from the Company's customers, vendors, bankers, auditors, investors and Government bodies during the year under review. Your Directors place on record their appreciation of the contributions made by employees at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, co-operation and support.

#### Registered office:

101, Mangalam Corporate House,  
19/B, Kalyan Society,  
Near M.G. International School, Mithakhali,  
Ahmedabd-380006, Gujarat, India

**For and on behalf of Board of Directors**  
**Mangalam Global Enterprise Limited**  
**CIN: L24224GJ2010PLC062434**

**Date :** September 3, 2021

**Place :** Ahmedabad

**Vipin Prakash Mangal**  
**Chairman & Executive Director**  
**(DIN: 02825511)**

**SECRETARIAL AUDIT REPORT**

**Form No. MR-3**

**For the financial year ended 31<sup>st</sup> March, 2021**

[Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**MANGALAM GLOBAL ENTERPRISE LIMITED**  
**(CIN: L24224GJ2010PLC062434)**  
101, Mangalam Corporate House,  
19/B Kalyan Society, Near M.G. International School,  
Mithakhali, Ahmedabad – 380006, Gujarat, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mangalam Global Enterprise Limited (Formerly known as Mangalam Global Enterprise Private Limited) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes 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, I hereby report that, in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- i. The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
- v. 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 and circulars/ guidelines/Amendments issued there under;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and circulars/ guidelines/ Amendments issued there under;
  - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars/ guidelines/Amendments issued there under; and
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and circulars/ guidelines/Amendments issued there under.
- vi. Revised Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules made there under, Regulations, Guidelines etc. mentioned above except:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015 Intimation of Closure of Trading Window	Trading Window remained opened on July 14, 2020	Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company delayed in closing of Trading window for the purpose of Recommending Issue of Bonus Shares. (Intimation of Board meeting for Recommendation of Bonus Shares was given by company on July 13, 2020). Company closed and intimated to National Stock Exchange of India Limited ("NSE") about the trading Window Closure from July 14, 2020 at 7:45:09 P.M.
2.	Regulation 4(1) of SEBI (Prohibition of Insider Trading Regulations), 2015	Shares acquired by Insiders during closure of Trading Window.	Ms. Sonal Madhusudan Garg (PAN AKQPG3585Q), being an immediate relative (daughter) of Mr. Madhusudan Garg (Independent Director of MGEL), being designated person as per SEBI provisions who acquired 58 Equity Shares amounting to Rs. 2662.20/- of MGEL on January 5, 2021 and 606 Equity Shares amounting to Rs. 27,807.10/- on January 6, 2021 during the closure of Trading Window w.r.t. approval/adoption of Unaudited Financial Results for the quarter and nine months ended 31 <sup>st</sup> December, 2020. On analyzing weekly Benpos position by Compliance Officer, Compliance officer came to know that there is a change in holding of Ms. Sonal Garg during closure of Trading Window, Compliance officer immediately informed Ms. Sonal Garg via email that there is change in shareholding position of her during the closure of trading window and for which already intimation via email w.r.t. closure of trading window was intimated. Compliance officer also informed via mail to her the consequence of trading by designated person or immediate relative of designated person during such closure of trading window.

The Management has identified and confirmed the laws as being specifically applicable and general acts applicable to the Company and as list out in the **Annexure I**. We have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances of the said major specific and general acts/rules.

During the period under review, provisions of the following Acts, Rules, Regulations and Standards were not applicable to the Company,

- The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and circulars/ guidelines/ Amendments issued there under;
- 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; - the Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company has appointed Link Intime India Private Limited as Registrar & Share Transfer Agent as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings.

#### I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

#### I further report that -

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that during the period under review—**

1. On recommendation of Board of Directors, Shareholders of the Company approved resolution w.r.t. “Increase in the Authorised Share Capital of the Company from Rs.17,00,00,000/- (Rupees Seventeen Crores Only) divided into 17000000 (One Crore Seventy Lakh) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 27,00,00,000/- (Rupees Twenty Seven Crore Only) divided into 27000000 (Two Crore Seventy Lakh) Equity Shares of Rs. 10/-(Rupees Ten Only) each and make consequent alteration in Clause V of the Memorandum of Association”by way of Postal Ballot on June 18, 2020.
2. Shareholders of the Company in the 10<sup>th</sup> Annual General Meeting (AGM) of the Company held on Thursday, 13<sup>th</sup> August, 2020 at 11.00 A.M. (IST) through two-way video conferencing (“VC”) or other audio-visual means (“OAVM”) approved amongst other agendas:-
  - Final Dividend of Rs. 1/- per Equity Share for the Financial Year ended on March 31, 2020;
  - Ordinary Resolution for considering and approving the issuance of Bonus Shares in the ratio of 1:2 (i.e. one bonus equity share of Rs.10/- each for every two fully paid up equity shares of 10/- each held).
3. Pursuant to Shareholders approval, the Board of Directors of the Company, at its meeting held on Wednesday 2<sup>nd</sup> September, 2020 approved Allotment of 8028705 (Eighty Lakh Twenty Eight Thousand Seven Hundred Five) Equity Shares of Rs. 10/- (Rupees Ten Only) each as Bonus Share in the ratio of 1 :2 (i.e. one bonus equity share of Rs. 10/- (Rupees Ten Only) each for every two fully paid up equity shares of Rs. 10/- (Rupees Ten Only) each held) to the shareholders as on the record date i.e. 1<sup>st</sup> September, 2020.
4. On recommendation of Board of Directors, Shareholders of the Company passed following resolutions by way of Postal Ballot on November 6, 2020:-
  - To increase the Authorised Share Capital of the Company from Rs. 27,00,00,000/- (Rupees Twenty Seven Crore Only) divided into 27000000 (Two Crore Seventy Lakh) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 40,00,00,000/- (Rupees Forty Crore Only) divided into 40000000 (Four Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each and to make consequent alteration in Clause V of the Memorandum of Association;
  - Issue of 1000000 (Ten Lakh) Equity Shares on a Preferential Basis to Promoters and Person belonging to Promoters’ Group of the Company and Person other than the Promoters and Promoters’ Group;
  - Migration of the Company from Emerge Platform of National Stock Exchange of India Limited to Main Board of National Stock Exchange of India Limited.
5. Pursuant to Shareholders approval through Postal Ballot on November 6, 2020, The Board of Directors of the Company, at its meeting held on December 5, 2020, considered and approved the issue and allotment of 1000000 (Ten Lakh) equity shares of face value of Rs. 10/- each, for cash, at a price of Rs. 42/- per equity share (including a share premium of Rs. 32/- per equity share), aggregating to Rs. 4,20,00,000/- (Rupees Four Crore Twenty Lakh Only) by way of preferential issue to the Promoters and Person belonging to Promoters’ Group of the Company and Person other than the Promoters and Promoters’ Group.  
Consequently, the issued, subscribed and paid-up equity share capital of the Company stands increased to Rs. 25,08,61, 150/- (Rupees Twenty Five Crore Eight Lakh Sixty One Thousand One Hundred Fifty Only) divided into 25086115 (Two Crore Fifty Lakh Eighty Six Thousand One Hundred Fifteen) equity shares of face value of Rs. 10/- each (Rupees Ten Only) from Rs. 24,08,61,150/- (Rupees Twenty Four Crore Eight Lakh Sixty One Thousand One Hundred Fifty Only) divided into 24086115 (Two Crore Forty Lakh Eighty Six Thousand One Hundred Fifteen) equity shares of face value of Rs. 10/- (Rupees Ten Only) each.
6. The Shareholders of the Company, vide Special Resolution passed through Postal Ballot process on November 6, 2020 approved migration of Securities of the Company from SME Emerge Platform of National Stock Exchange of India Limited to the Main Board of National Stock Exchange of India Limited (the ‘NSE’). The Company had received In Principle Approval from NSE for migration of securities from SME to Main Board of NSE on November 19, 2020 and approval for listing of equity shares on Capital Market Segment (Main Board) of NSE on December 21, 2020. The equity shares of the Company got listed and admitted to dealings on the NSE Main Board (Capital Market Segment) with effect from December 23, 2020. Therefore, trading of Equity Shares of company changed to 1 Equity Share instead of lot size.

**For SCS and Co. LLP**  
**Company Secretaries**  
**ICSI Unique Code:-L2020GJ008700**

**SD/-**  
**Anjali Sangtani**  
**Partner**

**Place: Ahmedabad**  
**Date: September 2, 2021**

**ACS No.: 41942 C P No.: 23630**  
**UDIN: A041942C000879416**

**Note:** This Report is to be read with **Annexure I** and my letter of even date which is annexed as **Annexure II** and both Annexures form integral part of this report.

**Annexure I****List of major Specific and General Acts/Rules applicable to the Company**

1. Food Safety and Standards Authority of India,
2. The Prevention of Food and Adulteration Act 1954,
3. The Edible Oils Packaging (Regulation) Order, 1998,
4. Essential Commodities Act, 1955 (in relation to food),
5. Food Safety And Standards (Packaging And Labeling) Regulations, 2011,
6. Weights and Measurement Act, 1976,
7. The Factories Act, 1948
8. The Environment Protection Act, 1986 ("Environment Protection Act")
9. The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")
10. The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")
11. The Hazardous Waste (Management and Handling) Rules, 1989 ("Hazardous Waste Rules") and Amendment Rules, 2003

**Annexure II**

To,  
The Members,  
MANGALAM GLOBAL ENTERPRISE LIMITED  
(CIN: L24224GJ2010PLC062434)  
101, Mangalam Corporate House,  
19/B Kalyan Society, Near M.G. International School,  
Mithakhali, Ahmedabad - 380006, Gujarat, India

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

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

**For SCS and Co. LLP**  
**Company Secretaries**  
**ICSI Unique Code:-L2020GJ008700**

**SD/-**  
**Anjali Sangtani**  
**Partner**

**Place: Ahmedabad**  
**Date: September 2, 2021**

**ACS No.: 41942 C P No.: 23630**  
**UDIN: A041942C000879416**



## PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rules made there under.

**A. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

- a) The ratio of remuneration of each director to the median remuneration of employees for the Financial Year and the Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year:

Sr. No.	Name	Designation	Nature of Payment	Ratio against median employee's remuneration*	Percentage Increase
1.	Mr. Vipin Prakash Mangal	Chairman & Executive Director	Remuneration	9.46:1	Not Applicable
2.	Mr. Chanakya Prakash Mangal	Joint Managing Director & COO	Remuneration	9.46:1	Not Applicable
3.	Mr. Chandragupt Prakash Mangal	Joint Managing Director & CEO	Remuneration	9.46:1	Not Applicable
4.	Mrs. Sarika Modi	Non-Executive Independent Director	Sitting Fees	-	Not Applicable
5.	Mr. Praveen Kumar Gupta	Non-Executive Independent Director	Sitting Fees	-	Not Applicable
6.	Mr. Manish Bagadia <sup>@</sup>	Non-Executive Independent Director	Sitting Fees	-	Not Applicable
7.	Mr. Shubhang Mittal <sup>#</sup>	Non-Executive Independent Director	Sitting Fees	-	Not Applicable
8.	Mr. Madhusudan Garg <sup>#</sup>	Non-Executive Independent Director	Sitting Fees	-	Not Applicable
8.	Mr. Anilkumar Shyamlal Agrawal <sup>&amp;</sup>	Non-Executive Independent Director	Sitting Fees	-	Not Applicable
9.	Mr. Ashutosh Mehta	Chief Financial Officer	Remuneration	-	Not Applicable
10.	Ms. Rutu Shah <sup>~</sup>	Company Secretary & Compliance Officer	Remuneration	-	Not Applicable
11.	Ms. Vrunda Patel <sup>%</sup>	Company Secretary & Compliance Officer	Remuneration	-	Not Applicable

\* During the year under review, all the Non-Executive Directors of the Company were paid Sitting Fees for attending the Board Meeting and other Committees Meetings. Hence, the ratio of remuneration of all Non-Executive Directors to the median remuneration of employees are not disclosed or compared.

@ Mr. Manish Bagadia, Independent Director resigned with effect from June 9, 2020

# Mr. Shubhang Mittal and Mr. Madhusudan Garg have been appointed as Independent Directors with effect from June 8, 2020

& Mr. Anilkumar Shyamlal Agrawal has been appointed as Independent Director with effect from November 1, 2020

~ Ms. Rutu Shah, Company Secretary & Compliance Office resigned with effect from May 14, 2020

% Ms. Vrunda Patel has been appointed as Company Secretary & Compliance Office with effect from w.e.f. May 14, 2020.

**b) The percentage increase in the median remuneration of employees in the financial year:**

The median remuneration of the employees in current financial year as on 31st March, 2021 increased by 10.46% over the previous financial year. The median remuneration of employees increased by 10.46% due to increase in salary expenses in the financial year 2020-21 as compared to previous year.

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

As on 31<sup>st</sup> March, 2021, there are 113 permanent Employees on rolls of the Company.

**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:**

The Average salary of employees was decreased by 14.40%. Although number of employees increased in the current financial year 2020-21, but due to decrease in average payscale per employee in the current financial year 2020-21 as compared to previous financial year 2019-20, the average salary of employees decreased by 14.40%.

- e) The Company affirms that the remuneration is as per remuneration policy of the Company.
- f) During the financial year, there was no employee employed throughout the financial year or part of the financial year who was in receipt of remuneration in the aggregate of not less than Rs. 8.50 Lacs per month or Rs. 1.02 Crore per financial year. The statement containing the names of the top ten employees in terms of remuneration drawn as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this report. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary of the Company.

**Registered office:**

101, Mangalam Corporate House,  
19/B, Kalyan Society,  
Near M.G. International School, Mithakhali,  
Ahmedabd-380006, Gujarat, India

**For and on behalf of Board of Directors**  
**Mangalam Global Enterprise Limited**  
**CIN: L24224GJ2010PLC062434**

**Date :** September 3, 2021

**Place :** Ahmedabad

**Vipin Prakash Mangal**  
**Chairman & Executive Director**  
**(DIN: 02825511)**

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

### Part "A": Subsidiaries

(Rs. in Lakhs)

Sr. No.	Particulars	Details of Subsidiaries			
1	Name of the subsidiary	Hindprakash Castor Derivatives Private Limited	Mangalam Global (Singapore) Pte Ltd*	Mangalam Global (UK) Limited	Farpoint Enterprise LLP
2	The date since when subsidiary was acquired	30 <sup>th</sup> March, 2019	19 <sup>th</sup> October, 2018	17 <sup>th</sup> July, 2020	31 <sup>st</sup> March, 2019
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	Reporting Currency – US Dollar Exchange Rate – 1 USD = ₹ 73.5047	Reporting Currency – Great Britten Pound Exchange Rate – 1 GBP = ₹ 100.9509	N.A.
5	Share capital	11.78	716.76	0	400
6	Reserves & surplus	137.93	124.82	0	(0.34)
7	Total assets	2,578.48	5,739.84	0.12	471.00
8	Total Liabilities	2,428.76	4898.26	0.12	71.34
9	Investments	30	0	0	0
10	Turnover	974.66	9528.03	0	292.45
11	Profit before taxation	(251.97)	113.32	0	2.12
12	Provision for taxation	(71.79)	17.97	0	0
13	Profit after taxation	(180.18)	95.35	0	2.12
14	Proposed Dividend	-	-	0	-
15	% of shareholding	51.01%	100%	100%	99%

\* Formerly known as Mangalprakash (Singapore) Pte Ltd.

#### Notes:

The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations. All Subsidiaries have already commenced their Business except Mangalam Global (UK) Limited. Mangalam Global (UK) Limited was incorporated on July 17, 2020. However, the Company is still facing technical challenges to transfer the funds to Mangalam Global (UK) Limited towards subscription money for acquisition of 1 share.
- Names of subsidiaries which have been liquidated or sold during the year. No subsidiaries have been liquidated or sold during the year.

**Part B: Associates and Joint Ventures: N.A.**

#### Registered office:

101, Mangalam Corporate House,  
19/B, Kalyan Society,  
Near M.G. International School, Mithakhali,  
Ahmedabad-380006, Gujarat, India

For and on behalf of the Board of Directors,  
**Mangalam Global Enterprise Limited**  
(CIN: L24224GJ2010PLC062434)

**Vipin Prakash Mangal**  
Chairman & Director  
(DIN:02825511)

**Chanakya Prakash Mangal**  
Joint Managing Director & COO  
(DIN:06714256)

**Chandragupt Prakash Mangal**  
Joint Managing Director & CEO  
(DIN:07408422)

**Ashutosh Mehta**  
Chief Financial Officer  
(PAN:AAWPM1688A)

**Vrunda Patel**  
Company Secretary  
(M. No.: A39707)

**Date:** September 3, 2021

**Place:** Ahmedabad

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

*(Pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)*

### A. CONSERVATION OF ENERGY:

#### i.) The steps taken or impact on conservation of energy:

The Company has taken measures and applied strict control system to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum possible wastage as far as possible. The day to day consumption is monitored and various ways and means are adopted to reduce the power consumption in an effort to save energy.

#### ii.) The steps taken by the Company for utilizing alternate sources of energy:

The Company is using DOC(Biofuel) instead of coal in boiler to reduce the total cost of conservation of energy.

#### iii.) The capital investment on energy conservation equipment:

During the year under review, Company has not incurred any capital investment on energy conservation equipment.

### B. TECHNOLOGY ABSORPTION:

#### i.) The effort made towards technology absorption:

The Company has not imported any technology and hence there is nothing to be reported here.

#### ii.) The benefit derived like product improvement, cost reduction, product development or import substitution:

None

#### iii.) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –

a. The details of technology imported: Nil

b. The year of import: Not Applicable

c. Whether the technology has been fully absorbed: Not Applicable

d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

#### iv.) The expenditure incurred on Research and Development:

During the year under review, the Company has not incurred any Expenditure on Research and Development

### C. FOREIGN EXCHANGE EARNINGS & EXPENDITURE:

#### i.) Details of Foreign Exchange Earnings:

(Rs. in Lakhs)

Sr. No.	Particulars	F.Y. 2020-21	F.Y. 2019-20
1.	FOB Value of Export	12,600.82	1,199.36

#### ii.) Details of Foreign Exchange Expenditure:

(Rs. in Lakhs)

Sr. No.	Particulars	F.Y. 2020-21	F.Y. 2019-20
1.	Foreign Exchange Expenditure	17.67	26.61

#### Registered office:

101, Mangalam Corporate House,  
19/B, Kalyan Society,  
Near M.G. International School, Mithakhali,  
Ahmedabd-380006, Gujarat, India

For and on behalf of Board of Directors  
Mangalam Global Enterprise Limited  
CIN: L24224GJ2010PLC062434

Date : September 3, 2021

Place : Ahmedabad

Vipin Prakash Mangal  
Chairman & Executive Director  
(DIN: 02825511)

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Financial Year 2020-21 was an extraordinary year by any measure. It was a year of a global pandemic, global recession and unprecedented government actions. Ever since the first outbreak of Coronavirus (Covid-19) in India in March 2020, it led to huge economic damage on the Indian economy. The pandemic came with uncertainty and implications on all aspects of businesses.

Despite India being ahead of most countries in announcing a near-total nationwide lockdown and implementing work from home measures, there was job and earning deficit, and free fall of employment, along with instability in prices. The lockdown impacted supply chain management and sent the GDP and import-export cycle plunging. The second wave of Covid-19 that emerged in India during the last quarter of Financial Year 2020-21 had another devastating effect on economic activities. However, an anticipated vaccine-powered recovery and a faster vaccination drive have the capability to offer a back-ended upside to GDP growth in Financial Year 2022, following the disruptions that may emerge in the near term.

### GLOBAL ECONOMY

Although the global economy is emerging from the collapse triggered by the pandemic, the recovery is projected to be subdued. Moreover, there is a material risk of setbacks in containing the pandemic or other adverse events derailing the recovery. The pandemic is likely to steepen the long-expected slowdown in potential growth over the next decade, undermining prospects. The heightened level of uncertainty around the global outlook highlights policy makers' role in raising the likelihood of better growth outcomes while warding off worse ones.

The global economy is experiencing an exceptionally strong but highly uneven recovery. Global growth is set to reach 5.6 percent in 2021—its strongest post-recession pace in 80 years. In particular, the impact of the pandemic on investment and human capital is expected to erode growth prospects in EMDEs and set back key development goals. The global recovery, which has been dampened in the near term by a resurgence of COVID-19 cases, is expected to strengthen over the forecast horizon as confidence, consumption and trade gradually improve, supported by ongoing vaccination drive.

### INDIAN ECONOMY

As per the data released by the Government, the Indian economy is estimated to have reported a negative growth of 7.3% during Financial Year 2020-21, compared with a growth of 4% in the earlier fiscal year of Financial Year 2019-20, as the pandemic ravaged the economy. The contraction in FY 2020-21 GDP is worse in more than 40 years. In its monthly economic report for April 2021, the Reserve Bank of India (RBI) pointed out that the economic impact of the second wave of Covid-19 pandemic was disproportionately felt by individuals sustaining on daily livelihoods and small businesses, both organised as well as unorganised. Despite expansive Government spending designed to rescue thousands of severely battered businesses to blunt the pandemic's impact, India has been established among the worst-performing major economies.

During Financial Year 2020-21, India's GDP shrunk by 24.4% and 7.3% in the first and second quarters of the fiscal year, respectively. The data reflected the deepening of India's severest recessions.

However, in the third quarter, the economy witnessed a turnaround with growth coming in at 0.4%, officially signaling that India was out of a recession after two consecutive quarters of degrowth. In the fourth quarter of the year, the Indian economy grew by 1.6%, recording a slight pick-up in GDP despite second wave of Covid-19 hitting the economy hard. This was the second consecutive quarter when India's economy grew in the positive territory after a negative growth in the previous two quarters.

### OUTLOOK

In its World Economic Outlook (April 2021), the International Monetary Fund (IMF) has noted that India's growth rate is projected to jump by an impressive 12.5% in Financial Year 2021-22. This will be stronger than that of China, and India will perhaps be the only major economy to record a positive growth during the pandemic.

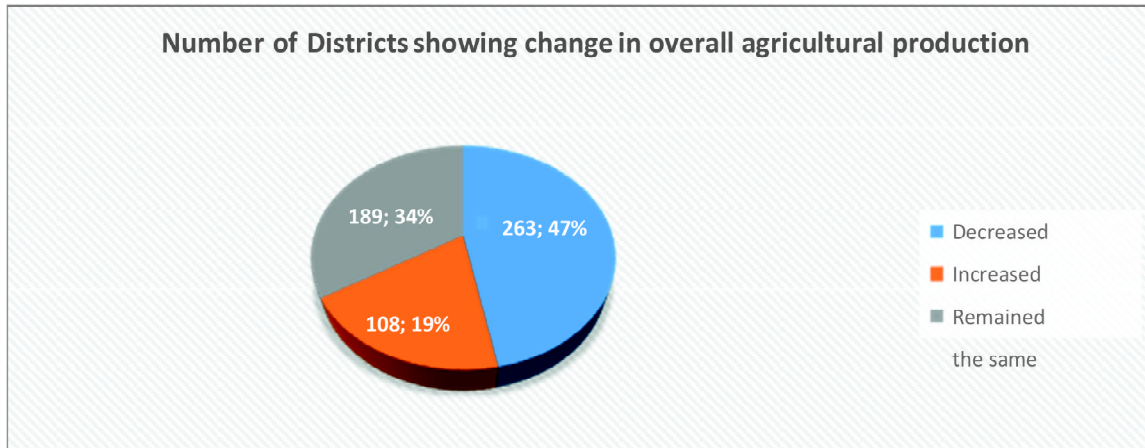
Gauging the situation, Reserve Bank of India, in its Monetary Policy Committee meeting in April 2021, projected India's real GDP to grow by 10.5% in Financial Year 2021-22. However, the escalating second wave of Covid-19 infections with the spread of new mutants is posing serious downside risks to the economy and heightens the possibility of business disruptions, in addition to the substantial loss of life and significant humanitarian concerns.

Nevertheless, Reserve Bank of India has assured that India is better prepared to meet the challenges posed by the second wave, as fiscal and monetary authorities stand ready to act in a coordinated manner to limit its spill-overs to the economy at large.

### IMPACT OF COVID-19 PANDEMIC ON AGRICULTURE SECTOR\*

The impact of lockdown imposed in the entire country owing to COVID-19 on the overall production levels in the agricultural and allied sector has been significant with overall production levels in the agriculture and allied sector declining in 47% of the below mentioned sample districts. However, 19% of the districts have also reported an increase in the overall level of production in the sector and 34% of the districts have shown no change in the levels of production in the agriculture and the allied sector. Some of the reasons for decline in agricultural activities include lack of availability of labour and machines, need for social distancing, and restrictions on free movement of men and machineries.





\* As per Report of Department of Economic Analysis & Research, NABARD Impact Assessment of COVID-19 on Indian Agriculture and Rural Economy dated November 11, 2020

### GOVERNMENT INITIATIVES ON AGRICULTURE

The farming sector came into sharp focus in Union Budget 2021-22 as the Government allocated Rs. 75,000 crore for Farmers Samman Nidhi. It also enhanced the agricultural credit target to Rs 16.5 lakh crore for Ground Level Credit (GLC) in Financial Year 2021-22 to help build agriculture infrastructure. Money in the hands of farmers through the Minimum Support Price (MSP) regime will keep the momentum going in agriculture during the COVID times.

There are signs that the Government is clearing past arrears at an accelerated pace and has provided for doubling of expenditure in the fourth quarter. This will help boost demand and give further impetus to growth.

Sourced from website of Ministry of Agriculture & Farmers Welfare, GOI

### INDUSTRY OVERVIEW

#### ➤ CASTOR:

The India castor oil market is currently witnessing moderate growth. Castor oil is a multi-purpose vegetable oil extracted from the seeds of the *Ricinus Communis* plant. It has a high ricinoleic acid content and offers excellent lubricating properties. Consequently, it is used in the production of wax, dyes, inks, soaps, caulks, paints, textiles, polishes, flypapers, adhesives, pigments, surfactants, brake fluids, machining oils, electrical liquids, washing powders and lubricating greases in India. Castor oil has anti-bacterial and anti-inflammatory properties and provides various therapeutic benefits. As a result, it finds applications in several industries, including pharmaceuticals and cosmetics. Moreover, on account of its distinctive chemical structure, castor oil is used as a key raw material in the manufacturing of various end products, such as biodiesel, machining oils, polyurethane adhesives and refrigeration lubricants. This represents another growth-inducing factor contributing to the market growth.

#### ➤ COTTON:

Cotton plays an important role in the Indian economy as the country's textiles industry is predominantly cotton based. Cotton is a fiber, oil, and protein yielding crop, where India stands first in cotton production among the top cotton producers globally.

#### ➤ RICE:

India is one of the top ten rice-producing countries in the Asia-Pacific, which is endowed with a wet environment suitable for rice cultivation. The COVID-19 has resulted in increasing consumption of rice due to changes in health habits in the country. Higher demand for Indian rice from North America and European regions coupled with good climatic conditions are supporting the growth of the market.

#### ➤ WHEAT:

Wheat cultivation in India traditionally been dominated by the northern region of India. The northern states of Punjab and Haryana Plains in India have been prolific wheat producers. India is among top five countries producing wheat in the world. Various studies and researches show that wheat and wheat flour play an increasingly important role in the management of India's food economy.

#### ➤ MUSTARD:

India is amongst the biggest consumers of mustard oil based on its high consumption in various culinary practices, such as cooking, frying, poaching, dressing, etc. Additionally, the expanding agriculture sector contributes to the increasing availability of high yielding mustard seeds, thereby catalyzing the mustard oil production. Moreover, the wide presence of brick-and-mortar retail

centers, including convenience stores, grocery stores, supermarkets, hypermarkets, etc., is also propelling the demand for mustard oil in the country. In line with this, the increasing sales of mustard oil over e-commerce platforms supported by several discounted offers, cashback, doorstep delivery options, etc., are also catalyzing the market for mustard oil in India. Moreover, the market is further driven by the growing demand for mustard oil in the personal care sector in India.

#### ➤ **SOYABEAN:**

Some of the key factors driving the demand of soybean oil in India includes its large population, rising disposable incomes, growth of the food services sector and increasing demand in non-food applications. In India, the changing consumer dietary habits are primarily augmenting the demand for soybean oil based on its neutral taste, high smoke point, and low saturated fat content. Additionally, the high penetration of international food trends in India has led to the increasing utilization of soybean oil in preparing condiments, dressings, mayonnaise, non-dairy creamers, margarine, shortenings, whipped toppings, etc. Western and Central India currently represent the biggest markets for soybean oil in the country as they also represent the key regions where the domestic soybean crop is grown. Additionally, there is also a strong household demand for soybean oil in Western and Central India.

#### **KEY MARKET DRIVERS OF PRODUCTS WE DEAL IN:**

1. Castor oil is becoming an essential bio-based raw material which makes it ideal for various industrial applications.
2. Castor oil acts as a major raw material which is used in the production of various end products such as biodiesel, polyurethane adhesives, machining oils, refrigeration lubricants. This versatile nature of castor oil has been contributing towards the propelling growth of the market.
3. Dietary shift of consumers towards carbohydrate-based diet, especially intake of rice has been noticed in many high-income countries. This is set to drive the market growth in the forecast years 2021-2025.
4. Increased import of mustard seed is increasing the growth of the Mustard Market owing to the wide range of mustard seed applications.
5. Oil extracted from mustard seeds is traditionally being used to relieve muscle pain, arthritis pain, for cancer risk prevention, asthma, and several other body ailments, thus increasing the growth of Mustard Market during the forecast period of 2021-2025.
6. The emergence of multi culinary food culture is increasing the growth of the Mustard Market.
7. Increasing Trend of Vegan Diet across the globe, plant based protein like soybean will experience high demand. Soyabean is a rich source of amino acids, and is extremely beneficial for people suffering from lactose intolerance. These factors will drive the growth of soybean market.

#### **KEY MARKET CONSTRAINTS OF PRODUCTS WE DEAL IN:**

1. The global castor oil market is being hindered by the unstable prices of castor beans which is the result of their fluctuating supply.
2. The supply of castor oil highly depends upon the weather conditions of the region and a long harvesting process of castor beans.
3. Although aggregate rice yields reported at the national level continue to rise in most of the Asian countries, albeit at a reduced rate, yield declines have been documented in several long-term experiments on double-crop and triple-crop irrigated rice systems. Reduced quality of nitrogen management and soil nitrogen supply over the years have reduced the rate of production in the last few years. Thus, it is anticipated to hamper the market growth during the forecast period 2021-2025.
4. Some of the factors that is set to impede the growth of the Mustard Market are high cost and increasing competition among manufacturers.
5. Cultivation of Soyabean has shown fast deforestation. Soya production requires more water, inducing more cost for harvesting.

#### **BUSINESS MODEL OF THE COMPANY**

The Company is mainly engaged into:

- a) Manufacturing of Edible Oil / Non-edible oil and Agricultural Products i.e. Soya Oil, Soya Meal, Soya De Oiled Cake, Mustard Oil, Mustard Meal, Mustard De Oiled Cake, Refined Castor Oil First Special Grade (FSG), Castor De-Oiled Cake and High Protein Castor De-Oiled Cake, Cotton Bales.
- b) Trading including domestic and export of Agricultural Products i.e. Wheat, Rice etc. Further, processing of wheat and rice may start by the end of year 2021-22.

The Company's plants are operated (i) For Cotton Unit: at Village: Jaska, Taluka, Harij, Dist: Patan, Gujarat and (ii) For Castor Oil Unit: at Village: Jaska, Taluka, Harij, Dist: Patan, Gujarat.

During the year, Castor Oil Unit (Unit III) situated at Survey No. 175/P3/P2, Village-Jagana, Taluka-Palanpur, District-Banaskantha-

385520, Gujarat was not operational by Company from October 1, 2020, due to commercial feasibility reason. The said property was taken on lease and the deed of surrender of lease was executed on November 3, 2020.

Further, your Company has recently taken on lease Soya & Mustard Oil Manufacturing Unit in Bundi, Rajasthan. From May 20, 2021, the Company has started commercial operation for Unit: Bundi: at Ramganj Balaji, NH12, District Bundi.

At present, the Company is operating with three (3) plants at above mentioned locations.

Furthermore, your Company took part in the e-auction of immovable and movable property of Kaneri Agro Industries Limited ("KAIL"), conducted by Bank of Baroda ("Bank") and your Company being declared as H1 in the said e-auction, was recently handed over the possession of Unit: Bavla, Gujarat i.e. (i) Immovable Property of KAIL admeasuring area of 13873 sq. mtrs situated at Block/Survey No. 155/paiki of Khata No. 447 of Village Lodariyal, Taluka: Sanand, in the registration District: Ahmedabad and Sub-District: Sanand (Gujarat) and also (ii) Movable Property i.e. Plant and Machinery located at the said premises by the Bank. Further, the requisite registration procedure for the purchase of aforesaid property is under process with relevant jurisdictional Sub- Registrar Office. The said unit will be used for processing of wheat and rice. The processing of wheat and rice may start by the end of year 2021-22.

The Installed Capacities of Unit I, II, Unit: Bundi and Unit: Bavla are as given below:

Manufacturing Units	Installed/processing Capacity
<b>Unit: I - Cotton Unit</b> Survey No. 124 And 122, Harij-Kukrana Road, Village – Jaska, Taluka-Harij, District-Patan – 384 240, Gujarat, India.	150 MT Cotton per day
<b>Unit: II - Castor Oil Unit</b> Survey No. 355/P1 and 355P1/P1, Harij-Kukrana Road, Village – Jaska, Taluka -Harij, District-Patan – 384 240, Gujarat, India.	a. 450 MT Castor Seeds crushing/day b. 220 MT Castor Refined Oil (FSG) per day c. 225 MT Castor De-Oiled Cake per day
<b>Unit Bundi – Soya &amp; Mustard Oil Unit</b> Khasra No. 564/155, 565/155, 566/155, 567/155, 845/568 Ramganj Balaji, NH12, District Bundi-323001, Rajasthan.	a. 800 MT per day Soyabean processing (October-March) b. 400 MT per day Mustard Cake processing (April-September) c. 150 MT per day Refined Oil d. 100 MT per day Mustard Chillax e. 300 MT per day Filling Station
<b>Unit Bavla – Wheat &amp; Rice Processing Unit</b> Block/Survey No. 155/paiki of Khata No. 447 of Village Lodariyal, Taluka: Sanand, Sub-District: Sanand, District: Ahmedabad, Gujarat	a. 125 MT per day Rice processing b. 150 MT per day Wheat processing

## RISK MITIGATION FRAMEWORK

Despite the strong growth drivers, Indian Agricultural Industry faces challenges in terms of low awareness among large number of end users spread across the world. Managing inventory and distribution costs is a challenge for the industry players in the wake of volatility in the business environment. The performance of the crop protection industry and other Agri-inputs depends on monsoons, pest and disease incidences on crops. Agricultural Companies face issues due to seasonal nature of demand, the unpredictability of pest attacks and high dependence on monsoons.

Compliance to growing regulatory norms is a continuing requirement which can lead to delays in obtaining necessary approvals. Changes in guidelines or policies in various geographies may also lead to sudden disruption of business in specified products. Many Agricultural Industries have foreign exchange exposure either in the form of forex loans or exports and imports. For Companies which operate largely in the domestic arena, any major forex movement may affect profitability due to fluctuating import costs.

While on the one side input cost could increase, on the other side weak monsoon could reduce pricing flexibility, thereby affecting margins. To minimize the risk, a comprehensive and integrated risk management framework is followed by the Company.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains an adequate and effective Internal Control System, equivalent with its size and complexity. It believes that these systems provide, among other things, a reasonable assurance that transactions are executed with management authorization. It also ensures that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles, along with the assets of the Company being adequately safeguarded against significant misuse or loss. This is supplemented through an internal audit programme and periodic review by the management and the Audit Committee.

## ENVIRONMENT SAFETY, HEALTH AND ENERGY CONSERVATION

Safety at work places is of paramount importance to the Company. The aim is to maintain the higher standards of safety across factories and workplaces; and ensure the latest best practices are implemented across the business to bring operational efficiencies and save energy.

## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's financial performance for the year ended March 31, 2021 is summarized below:

(Rs. in Lakhs)

PARTICULARS	STANDALONE - YEAR ENDED		CONSOLIDATED - YEAR ENDED	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
I. Revenue from Operations	90,778.22	57,305.42	95,950.32	58,178.90
II. Other Income	626.82	227.64	518.95	231.67
<b>III. Total Revenue (I+II)</b>	<b>91,405.04</b>	<b>57,533.06</b>	<b>96,469.27</b>	<b>58,410.57</b>
<b>IV. Earnings Before Interest, Taxes, Depreciation and Amortization Expense</b>	<b>1442.81</b>	<b>1334.04</b>	<b>1589.41</b>	<b>1345.30</b>
V. Finance Cost	525.37	558.61	702.17	750.69
VI. Depreciation and Amortization Expense	214.71	283.47	293.16	287.70
<b>VII. Profit Before Tax (IV-V-VI)</b>	<b>702.73</b>	<b>491.96</b>	<b>594.08</b>	<b>306.91</b>
<b>VIII. Tax Expense:</b>				
a) Current Tax (Adjusted)	169.29	122.40	187.23	125.27
b) Deferred Tax (Asset)/Liabilities	4.76	(21.92)	(66.90)	(61.30)
c) Income Tax (Prior Period)	-	(4.20)	(0.10)	(4.20)
<b>Total Tax Expense</b>	<b>174.05</b>	<b>96.28</b>	<b>120.23</b>	<b>59.77</b>
<b>ix. Profit After Tax (VII-VIII)</b>	<b>528.68</b>	<b>395.68</b>	<b>473.85</b>	<b>247.14</b>

During the year under review, considering the standalone performance of the Company, the revenue from operations was increased by 58.41%, Financial cost was decreased to 33.24%, depreciation expenses were decreased to 24.26%. The Profit Before Tax (PBT) and Profit After Tax (PAT) were increased by 42.84% and 33.61%, respectively.

## SEGMENT PERFORMANCE

Details of segment performance (geographical wise) of the Company is as under:

(Rs. in Lakhs)

Segments Revenue	F.Y. 2020-21	F.Y. 2019-20
Indian Operations	90,820.46	57,341.78
Foreign Operations	9,528.03	837.12

## KEY FINANCIAL RATIOS

Particulars	F.Y. 2020-21	F.Y. 2019-20
Debtors Turnover	16.05	47.47
Inventory Turnover	38.91	29.44
Current Ratio	1.45	1.90
Interest Coverage Ratio	2.34	1.88
Debt Equity Ratio	1.48	0.92
Operating Profit Margin	1.35%	1.83%
Net Profit Margin	0.58%	0.69%
Return on Net Worth	7.93%	6.88%

The Key Financial Ratios has not witnessed a significant change i.e. a change of 25% or more as compared to Financial Year 2019-20 except Debtors Turnover, Inventory Turnover, Debt Equity Ratio, and Operating Profit Margin.

**Explanations related to change of 25% or more as compared to Financial Year 2019-20, in Key Financial Ratios are given as under:**

### 1. Debtors Turnover:

Debtor Realisation Cycle of Exports is longer. Exports have increased substantially during the financial year 2020-21 which has impacted the overall Debtor Turnover Ratio.

### 2. Inventory Turnover:

During the Financial Year 2020-21, the Company has improved Inventory Turnover Ratio by efficient Inventory Management.

### 3. Debt Equity Ratio:

During the Financial Year 2020-21, turnover increased substantially. The Company raised short term funds from Banks to meet the working capital requirement in order to achieve higher turnover.

**4. Operating Profit Margin:**

Due to Covid-19 pandemic, Raw Material Cost as well as Domestic and International freights have increased which has mainly impacted the operating profit margin.

**Explanations related to change in Return on Networth as compared to Financial Year 2019-20:**

Due to swift decision making and utilizing available opportunities in the market, Return on Networth has increased despite capital infusion in the Company by way of Bonus Issue and Preferential Allotment. Achieving higher topline and better fund management has helped us to provide better Return on Networth.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS**

The Company's relations with the employees continued to be cordial and harmonious. Your Company considers manpower as its assets and understands that people have been driving force for growth and expansion of the Company. The Company acknowledge that its principal assets is its employees. The Company has continued its efforts in building a diverse and inclusive workforce. Mangalam Global Enterprise Limited is committed to provide a robust learning platform and at the same time building the capability of its employees. The Company is into process of continuous improvements based on feedback and inputs from multiple stakeholders, past experiences and industry's best practices (Recruitment and Selection, Leave & Attendance Management) for giving better employee experiences.

As on March 31, 2021, there were 113 permanent employees employed by the Company. The Company will continue to create opportunity and ensure recruitment of diverse candidates without compromising on meritocracy.

**STAKEHOLDER ENGAGEMENT**

The Company's endeavour is to maintain regular engagement with all its stakeholders to ensure that their concerns are addressed and expectations are met. Dynamic processes are in place within the Company to ensure integration of feedback from various stakeholders such as suppliers, customers, employees, and investors on a routine basis. By trusting employees, partnering with suppliers and dealers, and engaging with local communities, we work towards serving and delighting our customers.

**CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis contains "Forward Looking Statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Company's future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, several risks, uncertainties, and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. The Company undertakes no obligation to publicly revise any forward-looking statements to reflect future/ likely events or circumstances.

**Registered office:**

101, Mangalam Corporate House,  
19/B, Kalyan Society,  
Near M.G. International School, Mithakhali,  
Ahmedabd-380006, Gujarat, India

**For and on behalf of Board of Directors**  
**Mangalam Global Enterprise Limited**  
**CIN: L24224GJ2010PLC062434**

**Date :** September 3 , 2021  
**Place :** Ahmedabad

**Vipin Prakash Mangal**  
**Chairman & Executive Director**  
**(DIN: 02825511)**



## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company believes that effective Corporate Governance is not just the framework enforced by the regulation but it is supported through the principles of transparency, unity, integrity, spirit and accountability and commitments towards the stakeholders, shareholders, employees and customers. Good Corporate Governance requires competence and capability levels to meet the expectations in managing the business and its resources and helps to achieve goals and objectives of the organization; It enhances long term Shareholders value through assisting the top management in taking sound business decisions and prudent financial management and achieving transparency and professionalism in all decisions and activities of the Company.

Your Company believes that good Corporate Governance is essential for achieving long-term corporate goals of the Company and for meeting the needs and aspirations of its stakeholders, including shareholders. The Company's Corporate Governance philosophy has been further strengthened through the Model Code of Conduct for the Directors/ Designated Persons of the Company for prevention of Insider Trading.

We take pleasure in reporting that your Company has complied in all respects with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015"), as applicable, with regard to Corporate Governance.

Good Corporate Governance should provide proper incentives for the Board and Management to pursue objectives that are in the interests of the Company and its shareholders and should facilitate effective monitoring.

The Company acutely and consistently reviews its systems, policies and internal controls with an objective to establish sound risk management system and impeccable internal control system.

### BOARD OF DIRECTORS:

At the helm of the Company's Corporate Governance practice is its Board. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations and societal expectations.

### APPLICABILITY OF REPORT ON CORPORATE GOVERNANCE:

The Company was listed on Emerge Platform of National Stock Exchange of India Limited (NSE) and with effect from December 23, 2020 the Company has been migrated to the main board of the NSE. As such, the requirement of compliances under Regulation 17 to 27 and clause (b) and to (i) of sub regulation (2) of Regulation 46 and part C, D and E of Schedule V have been applicable from December 23, 2020. In line with the Company's commitment to the good Corporate Governance Practices, your Company has complied with all the mandatory provisions of the SEBI (LODR) Regulations, 2015.

### COMPOSITION OF THE BOARD:

- a) The Board of the Company is constituted with optimum combination of Executive and Non-Executive Directors including independent Directors, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013. All Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 as amended from time to time and Section 149 of the Companies Act, 2013. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company. As on March 31, 2021, the Board comprises of Eight (8) Directors out of which three (3) are Promoter & Executive Directors, one (1) is woman Non-Executive Non-Independent Director and four (4) are Independent Directors which are in conformity of Regulation 17 of the SEBI (LODR) Regulations, 2015. As on the date of this report, the Board comprises following Directors:

The Composition of Board, category of Directors, their total directorship and Membership in other committees are as under:

Name of Director	Designation	Category	Original Date of Appointment	Other Directorship*	No. of Committee Membership/Chairman in other Domestic Company including this Company^		Directorship in other listed entity	No. of Equity Shares held as on March 31, 2021
					Chairman#	Members##		
Mr. Vipin Prakash Mangal	Chairman & Executive Director	Promoter & Executive Director	03/09/2019	5	-	-	-	1835410
Mr. Chanakya Prakash Mangal	Joint Managing Director & COO	Promoter & Executive Director	15/11/2013	5	-	1	-	3286150
Mr. Chandragupt Prakash Mangal	Joint Managing Director & CEO	Promoter & Executive Director	18/01/2016	8	-	1	-	3623320
Mr. Madhusudan Garg®	Independent Director	Non-Executive Director	08/06/2020	1	1	2	-	-
Mr. Praveen Gupta	Independent Director	Non-Executive Director	23/09/2019	1	-	1	-	51000
Mr. Shubhang Mittal~	Independent Director	Non-Executive Director	08/06/2020	4	-	-	-	27000
Mr. Anilkumar Shyamlal Agrawal	Independent Director	Non-Executive Director	01/11/2020	5	-	-	-	3000
Mrs. Sarika Modi	Professional Director	Non-Executive Director	23/09/2019	0	1	1	-	-

\* Details of Directorship in Wholly Owned Subsidiaries incorporated outside India have been included in the Total Directorships.

^ In accordance with Regulation 26 of the SEBI (LODR) Regulations, 2015, Membership and Chairmanship of only Audit Committee and Stakeholders Relationship Committee across all Public Companies.

® Excluding holding of 69000 shares as Karta in Madhu Sudan Garg HUF.

~ Excluding holding of 39000 shares as Karta in Shubhang Mittal and Sons HUF.

#### # Details of Chairman in Committees:

Name of Directors	Committees
Mr. Madhusudan Garg	Audit Committee – Mangalam Global Enterprise Limited
Mrs. Sarika Modi	Stakeholders Relationship Committee - Mangalam Global Enterprise Limited

#### ## Details of Membership in Committees:

Name of Directors	Membership in Committees
Mr. Chanakya Prakash Mangal	Stakeholders Relationship Committee - Mangalam Global Enterprise Limited
Mr. Chandragupt Prakash Mangal	Audit Committee - Mangalam Global Enterprise Limited
Mr. Madhusudan Garg	Stakeholders Relationship Committee - Mangalam Global Enterprise Limited
Mr. Praveen Kumar Gupta	Audit Committee - Mangalam Global Enterprise Limited
Mr. Shubhang Mittal	-
Mr. Anilkumar Shyamlal Agrawal	-
Mrs. Sarika Modi	-

None of the above Directors bear inter-se relation with other Directors except Mr. Vipin Prakash Mangal, Mr. Chanakya Prakash Mangal and Mr. Chandragupt Prakash Mangal. Mr. Vipin Prakash Mangal is father of Mr. Chanakya Prakash Mangal and Mr. Chandragupt Prakash Mangal. Mr. Chanakya Prakash Mangal is an elder brother of Mr. Chandragupt Prakash Mangal.

The composition of Board is in compliance with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The number of Directorship(s), Committee Membership(s)/Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as amended from time to time.

#### BOARD MEETING:

Regular meetings of the Board of Directors are held at least once in a quarter, *inter-alia*, to review the quarterly financial results of the Company. Additional Board meetings are convened, as and when required, to discuss and decide on various business policies, strategies and other businesses. The Board meetings are held at registered office of the Company.

During the year under review, the Board of Directors of the Company met Fifteen (15) times, viz May 1, 2020; May 14, 2020; June 8, 2020; June 19, 2020; July 20, 2020; September 2, 2020; September 15, 2020; October 3, 2020; October 31, 2020; November 1, 2020; November 9, 2020; December 3, 2020; December 5, 2020; February 13, 2021 and February 14, 2021.

The details of attendance of each Director at the Board Meeting and Annual General Meeting are given below:

Name of Directors	No. of Board Meetings held during the F.Y. 2020-21	No. of Board Meetings eligible to attend during the F.Y. 2020-21	No. of Board Meetings attended during the F.Y. 2020-21	Attended the previous AGM held on August 13, 2020 (Yes/No/Not applicable)
Mr. Vipin Prakash Mangal	15	15	15	Yes
Mr. Chanakya Prakash Mangal	15	15	15	Yes
Mr. Chandragupt Prakash Mangal	15	15	15	Yes
Mr. Madhusudan Garg	15	12	12	Yes
Mr. Praveen Kumar Gupta <sup>#</sup>	15	15	12	Yes
Mr. Shubhang Mittal <sup>#</sup>	15	12	10	No
Mr. Anilkumar Shyamlal Agrawal <sup>&amp;</sup>	15	5	5	Not Applicable
Mrs. Sarika Modi	15	15	14	Yes
Mr. Manish Bagadia <sup>@</sup>	15	3	2	Not Applicable

<sup>#</sup> Mr. Shubhang Mittal and Mr. Madhusudan Garg have been appointed as Independent Directors with effect from June 8, 2020

<sup>&</sup> Mr. Anilkumar Shyamlal Agrawal has been appointed as Independent Director with effect from November 1, 2020

<sup>@</sup> Mr. Manish Bagadia, Independent Director resigned with effect from June 9, 2020 due to some personal reasons.

All the information required to be furnished to the Board was made available to them along with detailed agenda notes.

#### Directorship & Membership of Board / Committees of Domestic Companies:

Name of Directors	Directorship	No. of Committees*
Mr. Vipin Prakash Mangal (Chairman & Executive Director)	Mangalam Global Enterprise Limited	-
	Mangalam Dura Jet Technologies Private Limited	-
	Mangalam Multi Businesses Private Limited	-
	Mangalam Finserv Private Limited	-
Mr. Chanakya Prakash Mangal (Joint Managing Director & COO)	Mangalam Global Enterprise Limited	Stakeholders Relationship Committee – Member
	Mangalam Worldwide Private Limited	-
	Mangalam Saarloh Private Limited	-
	Mangalam Logistics Private Limited	-
	Hindprakash Castor Derivatives Private Limited	-
Mr. Chandragupt Prakash Mangal (Joint Managing Director & CEO)	Mangalam Global Enterprise Limited	Audit Committee - Member
	Mangalam Dura Jet Technologies Private Limited	-
	Mangalam Worldwide Private Limited	-
	Mangalam Saarloh Private Limited	-
	Mangalam Logistics Private Limited	-
	Hindprakash Castor Derivatives Private Limited	-
	ECS Environment Private Limited	-

Mr. Madhusudan Garg (Independent Director)	Mangalam Global Enterprise Limited	Audit Committee – Chairman Nomination and Remuneration Committee - Chairman Stakeholders Relationship Committee - Member
	Hindprakash Castor Derivatives Private Limited	-
Mr. Praveen Kumar Gupta (Independent Director)	Mangalam Global Enterprise Limited	Audit Committee – Member Nomination and Remuneration Committee - Member
	Shagun Marbles Private Limited	-
Mr. Shubhang Mittal (Independent Director)	Mangalam Global Enterprise Limited	Nomination and Remuneration Committee - Member
	Uma Buildestate Private Limited	-
	Riddhi Siddhi Township Developers Private Limited	-
	Krishna Kunj Developers Private Limited	-
	All India Gem and Jewellery Domestic Council	-
Mr. Anilkumar Shyamlal Agrawal (Independent Director)	Mangalam Global Enterprise Limited	Nomination and Remuneration Committee - Member
	Hindprakash Overseas Private Limited	-
	VSD Infratech Limited	-
	Suman Finstock Private Limited	-
	Hindprakash Castor Derivatives Private Limited	-
Ms. Sarika Modi (Non-Executive Director)	Mangalam Global Enterprise Limited	Nomination and Remuneration Committee – Member Stakeholders Relationship Committee – Chairperson

\* Committees include Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee across all Public Companies.

**A Matrix setting out the skills/expertise/competence of the Individual Directors is given below:**

Sr No.	Name of Director	Area of Skill/Expertise				
		Knowledge	Behavioural Skills	Strategic Thinking and decision making	Financial Skills	Technical/Professional Skills and Specialized Knowledge
1	Mr. Vipin Prakash Mangal	☑	☑	☑	☑	☑
2.	Mr. Chanakya Prakash Mangal	☑	☑	☑	☑	☑
3.	Mr. Chandragupt Prakash Mangal	☑	☑	☑	☑	☑
4.	Mr. Madhusudan Garg	☑	☑	☑	☑	☑
5.	Mr. Praveen Kumar Gupta	☑	☑	☑	☑	☑
6.	Mr. Shubhang Mittal	☑	☑	☑	☑	☑
7.	Mr. Anilkumar Shyamlal Agrawal	☑	☑	☑	☑	☑
8.	Mrs. Sarika Modi	☑	☑	☑	☑	☑

#### Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 ("the Act") and Rules made thereunder and as provided in Schedule IV of the Act and SEBI (LODR) Regulations, 2015, the Board has carried out the annual evaluation of performance of the its own, its Committees and individual directors. The performance of the Board is evaluated based on composition of the Board, its committees, performance of duties and obligations, governance issues etc. The performance of the committees is evaluated based on adequacy of terms of reference of the Committee, fulfilment of key responsibilities, frequency and effectiveness of meetings etc. The performance of individual Directors and Chairman was also carried out in terms of adherence to code of conduct, participation in board meetings, implementing corporate governance practices etc.

#### **CONFIRMATION OF INDEPENDENT DIRECTORS:**

The Board of Directors of the Company confirms that the Independent Directors fulfil the conditions specified in SEBI (LODR) Regulations, 2015 and are also independent of the management of the Company. Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all Independent Directors have already included their name in the Independent Directors Databank. Requisite disclosures have been received from the Independent Directors in this regard.

Further, Mr. Manish Bagadia, Independent Director of the Company resigned w.e.f. June 9, 2020 due to personal reasons. The Company had already received confirmation from Mr. Manish Bagadia that there were no other material reasons other than those provided.

#### **NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

Non-Executive Directors including Independent Directors are paid sitting fees in accordance with the applicable Laws. The Company is paying sitting fees of Rs. 10,000/- for attending a Board Meeting and Rs. 2500/- for attending Audit Committee Meeting, Nomination and Remuneration Committee Meeting and Stakeholders Relationship Committee Meeting each. During the financial year 2020-21, the Company has paid sitting fees to Non-Executive Director and Independent Directors for attending Board Meetings and Committee Meetings.

#### **CODE OF CONDUCT:**

The Company's Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com). The Code lays down the Standard of conduct which is expected to be followed by the Board Members and the Senior Management of the Company in particular on matters relating to integrity in the work place, in business practices and in dealing with Stakeholders. All Board Members and Senior Management Personnel have affirmed compliance of the Code of Conduct.

#### **PROHIBITION OF INSIDER TRADING:**

The Company has devised a Code of Conduct of Insider Trading Regulations which is applicable to all the Designated Persons of the Company who are expected to have access to the unpublished Price Sensitive information relating to the Company and is available on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com).

The said Code lays down guidelines which advise them on procedures to be followed and disclosures to be made while dealing in the Shares of the Company.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

In compliance with Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, the Company has formulated a Vigil Mechanism/Whistle Blower Policy for its Stakeholders, Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct is available on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com).

This Mechanism also provides for adequate safeguards against victimization of Director (s) / Employee (s) / Stakeholders who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee.

Any Stakeholder, who comes across any instances of unethical matters, can report the same by sending an email to [cs@groupmangalam.com](mailto:cs@groupmangalam.com). The Board hereby affirms that no personnel or stakeholders have been denied access to the Audit Committee.

#### **POLICY ON PREVENTION OF SEXUAL HARASSMENT:**

The Company is committed to create a healthy and conducive working environment that enables women employees to work without fear of prejudice, gender bias and sexual harassment and/or any such orientation in implicit or explicit form. The details of the same have been disclosed in the Boards' Report forming part of the Annual Report. During the year 2020-21, the Company has not received any complaint in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

The Independent Directors are familiarised with their roles, rights and responsibilities in the Company along with necessary documents, reports and internal policies. The Company through presentations at regular intervals, familiarizes and updates the Independent Directors with the strategy, operations and functions of the Company and Agriculture Industry as a Whole and business model. The details of such familiarization programmes imparted to Independent Directors can be accessed on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com).

#### **COMMITTEES OF THE BOARD:**

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following Committees viz:



- ❖ Audit Committee
- ❖ Nomination and Remuneration Committee
- ❖ Stakeholders Relationship Committee
- ❖ Corporate Social Responsibility (CSR) Committee
- ❖ Management Committee

The terms of reference to these Committees are determined by the Board and their relevance reviewed from time to time. Each of these Committees has been mandated to operate within a given framework. Minutes of the meetings of each of these Committees are tabled regularly at the Board Meetings.

## ❖ **AUDIT COMMITTEE:**

The Company has constituted a qualified and Independent Audit Committee on September 23, 2019 which acts as a link between the Statutory and Internal Auditors and the Board of Directors. The very purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for Internal financial controls, governance and reviewing the Company's Statutory and Internal Audit activities. The Committee is in compliance with the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee in conformity with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013 are as under:

### **Brief Description of Terms of Reference:**

- I. Investigating any activity within its terms of reference;
- II. seek information from any employee;
- III. obtain outside legal or other professional advice;
- IV. secure attendance of outsiders with relevant expertise;
- V. Review Statement of significant related party transactions (as defined by the audit committee), submitted by Management;
- VI. Review Management letters / letters of internal control weaknesses issued by the statutory auditors;
- VII. Review Internal Audit Reports relating to internal control weaknesses;
- VIII. Review Appointment, removal and terms of remuneration of the Internal Auditor;
- IX. Review Quarterly / Half yearly statement of deviation(s), if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
- X. Review Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus;
- XI. recommendation for the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, their remuneration and fixation of terms of appointment;
- XII. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- XIII. Examination of financial statement and auditors' report thereon including interim financial results before submission to the Board of Directors for approval, particularly with respect to;
  - Changes, if any, in accounting policies and practices and reasons for the same,
  - Major accounting entries involving estimates based on the exercise of judgment by management,
  - Significant adjustments made in the financial statements arising out of audit findings,
  - Compliance with listing and other legal requirements relating to financial statements,
  - Disclosure of any related party transactions,
  - Modified opinion(s) / Qualifications in the draft audit report.
- XIV. Approval or any subsequent modification of transactions of the Company with related party;
- XV. Reviewing, with the management, and monitoring the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus, and making appropriate recommendations to the Board to take up steps in this matter;

- XVI. Scrutiny of Inter-corporate loans and investments;
- XVII. Reviewing and discussing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- XVIII. Review the functioning of the Whistle Blower Mechanism, in case the same is existing;
- XIX. Valuation of undertakings or assets of the company, where ever it is necessary;
- XX. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems;
- XXI. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- XXII. To monitor the end use of fund invested or given by the Company to Subsidiary Companies;
- XXIII. Carrying out any other function as assigned by the Board of Directors from time to time.

The Audit Committee supervises the Financial Reporting & Internal Control process and ensures the proper and timely disclosures to maintain the transparency, integrity and quality of financial control and reporting. The Company continues to derive benefits from the deliberations of the Audit Committee Meetings.

#### Composition of Audit Committee:

At the beginning of the Financial year 2020-21, the Audit Committee was comprised of Mr. Manish Bagadia, Independent Director (Chairman), Mr. Praveen Gupta, Independent Director (Member) and Mr. Chandragupt Prakash Mangal, Joint Managing Director & CEO (Member). Thereafter, The Board of Directors of the Company, in its meeting held on June 8, 2020, noted the resignation of Mr. Manish Bagadia, Independent Director of the Company with effect from June, 9 2020. As such, in the said Board Meeting, the Board has re-constituted the Audit Committee and appointed Mr. Madhusudan Garg, Independent Director as a Chairman of the Audit Committee in place of Mr. Manish Bagadia.

At present the Audit Committee comprises of following Members:

Sr. No	Name of Members	Designation
1.	Mr. Madhusudan Garg (Non-Executive & Independent Director)	Chairman
2.	Mr. Praveen Kumar Gupta (Non-Executive & Independent Director)	Member
3.	Mr. Chandragupt Prakash Mangal (Joint Managing Director & CEO)	Member

The Company Secretary of the Company acts as the Secretary of the Committee.

#### Details of Meetings and attendance:

During Financial Year 2020-21, eight (8) Audit Committee Meetings were held on May 14, 2020; June 19, 2020; July 20, 2020; September 15, 2020; October 31, 2020; November 1, 2020; February 13, 2021 and February 14, 2021. Necessary quorum was present in all the Audit Committee Meetings. The time gap between any two Audit Committee Meetings was not more than one hundred and twenty days.

The details of attendance of each Member at the Audit Committee Meetings during the Financial Year 2020-21 is given below:

Name of Members	Designation	No. of Audit Committee Meetings held during the F.Y. 2020-21	No. of Audit Committee Meetings eligible to attend during the F.Y. 2020-21	No. of Audit Committee Meetings attended during the F.Y. 2020-21
Mr. Madhusudan Garg (Non-Executive & Independent Director)	Chairman	8	7	7
Mr. Praveen Kumar Gupta (Non-Executive & Independent Director)	Member	8	8	8
Mr. Chandragupt Prakash Mangal (Joint Managing Director & CEO)	Member	8	8	8
Mr. Manish Bagadia (Non-Executive & Independent Director)*	Chairman	8	1	1

\* Mr. Manish Bagadia resigned as an Independent Director of the Company with effect from June 9, 2020 and as such, he ceased to be a Member / Chairman of the Committee.

Chairman of the Audit Committee attended the last Annual General Meeting (AGM) of Shareholders of the Company.

The members of the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

❖ **NOMINATION AND REMUNERATION COMMITTEE:**

The Company has constituted Nomination and Remuneration Committee on September 23, 2019 in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015.

**Brief Description of Terms of Reference:**

The Terms of Reference of the Nomination and Remuneration Committee cover the matters specified in the SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 are as under:

- I. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- II. Formulation of criteria for evaluation of independent directors and the Board;
- III. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- IV. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

**Composition of Nomination and Remuneration Committee:**

At the beginning of the Financial year 2020-21, the Nomination and Remuneration Committee was comprised of Mrs. Sarika Modi, Non-Executive Director (Chairperson), Mr. Manish Bagadia, Independent Director (Member), Mr. Praveen Gupta, Independent Director (Member) in accordance with the provisions of the Companies Act, 2013. Thereafter, The Board of Directors of the Company, in its meeting held on June 8, 2020, noted the resignation of Mr. Manish Bagadia, Independent Director of the Company with effect from June 9, 2020. As such, in the said Board Meeting, the Board has re-constituted the Nomination and Remuneration Committee and appointed Mr. Madhusudan Garg and Mr. Subhang Mittal, Independent Directors as members of the Audit Committee.

Thereafter, considering the migration of the Company from SME Emerge Platform to Main Board of NSE, the Board of Directors of the Company in its meeting held on November 1, 2020, re-constituted the Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI (LODR) Regulations, 2015. Mr. Madhusudan Garg, Independent Director and Member of the Nomination and Remuneration Committee was appointed as a Chairman in place of Mrs. Sarika Modi, Non-Executive Director and she continues to be a Member of Nomination and Remuneration Committee. Also, Mr. Anilkumar Shyamlal Agrawal, Independent Director of the Company was appointed as Member of the Nomination and Remuneration Committee with effect from November 1, 2020.

At present, the Nomination and Remuneration Committee comprises of following Members:

Sr. No	Name of Members	Designation
1.	Mr. Madhusudan Garg (Non-Executive & Independent Director)	Chairman
2.	Mr. Praveen Kumar Gupta (Non-Executive & Independent Director)	Member
3.	Mr. Shubhang Mittal (Non-Executive & Independent Director)	Member
4.	Mr. Anilkumar Shyamlal Agrawal (Non-Executive & Independent Director)	Member
5.	Mrs. Sarika Modi (Non-Executive Director)	Member

The Company Secretary of the Company acts as the Secretary of the Committee.

### Details of Meetings and attendance:

During Financial Year 2020-21, five (5) Nomination and Remuneration Committee Meetings were held on May 14, 2020; June 8, 2020; July 20, 2020; October 31, 2020 and February 13, 2021. Necessary quorum was present in all the meetings.

The details of attendance of Members at the Nomination and Remuneration Committee Meetings during the Financial Year 2020-21 is given below:

Name of Members	Designation	No. of Nomination and Remuneration Committee Meetings held during the F.Y. 2020-21	No. of Nomination and Remuneration Committee Meetings eligible to attend during the F.Y. 2020-21	No. of Nomination and Remuneration Committee Meetings attended during the F.Y. 2020-21
Mr. Madhusudan Garg (Non-Executive & Independent Director)	Chairman	5	3	3
Mr. Praveen Kumar Gupta (Non-Executive & Independent Director)	Member	5	5	4
Mr. Shubhang Mittal (Non-Executive & Independent Director)	Member	5	3	3
Mr. Anilkumar Shyamlal Agrawal (Non-Executive & Independent Director)	Member	5	1	1
Mrs. Sarika Modi (Non-Executive Director)	Member	5	5	5
Mr. Manish Bagadia* (Non-Executive & Independent Director)	Member	5	2	2

\* Mr. Manish Bagadia resigned as an Independent Director of the Company with effect from June 9, 2020 and as such, he ceased to be a Member of the Committee.

Chairman of the Nomination and Remuneration Committee attended the last Annual General Meeting (AGM) of Shareholders of the Company.

### Remuneration Policy:

The details of criteria for making payment, if any, to Executive Director and Non-Executive /Independent Directors are provided under the Nomination and Remuneration Policy of the Company which is available on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com)

The objectives of the Nomination and Remuneration Policy of the Company is to ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and qualify requirement to run the Company successfully. Further, remuneration to the Directors, Key Managerial Personnel and Senior Management involves balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

#### 1) Remuneration to Managing Directors/Whole-time Directors:

- The Remuneration/Commission etc. to be paid to Managing Directors/Whole-time Directors, etc. shall be governed as per the applicable provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the requisite approvals obtained from the Members of the Company and from other concerned authorities, if required as per the applicable provisions.
- The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Directors/Whole-time Directors.

#### 2) Remuneration to Non-Executive/Independent Directors:

- The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or Shareholders, as the case may be.
- All the remuneration to the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or Shareholders, as the case may be.
- An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.

- d) Any remuneration paid to Non-Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
- i) The services are rendered by such Director in his capacity as the professional; and
  - ii) In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.
- e) The Nomination and Remuneration Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share-based payments to be made to Directors (other than Independent Directors).

### 3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive any, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy, to the extent it is applicable to the Company.
- b) The Nomination and Remuneration Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- d) The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

#### Remuneration of Directors:

The Company has not entered into any pecuniary relationship or transactions with Non-Executive Directors of the Company.

#### (i) Executive Directors:

The remuneration of the Executive Directors is decided by the Nomination and Remuneration Committee based on the performance of the Company in accordance with the Nomination and Remuneration Policy within the limit approved by the Board or Members.

During the year under review, the Company has paid remuneration to Executive Directors of the Company in accordance with the provisions Section 196 and 197 of the Companies Act, 2013, details of which are as under:

Name of Directors	Designation	Component of Payment	Remuneration paid (Rs. in Lakhs)
Mr. Vipin Prakash Mangal	Chairman & Director	Salary	16.65
Mr. Chanakya Prakash Mangal	Joint Managing Director & COO	Salary	16.65
Mr. Chandragupt Prakash Mangal	Joint Managing Director & CEO	Salary	16.65

#### (ii) Non-Executive/Independent Directors:

During the year under review, the Company has paid Sitting fees to Independent Directors and Non – Executive Directors of the Company, details of which are as under:

(Rs. in Lakhs)

Name of Directors	Designation	Sitting Fees paid		Total
		Board Meetings	Committee Meetings	
Mr. Madhusudan Garg	Independent Director	1.000	0.3000	1.300
Mr. Praveen Kumar Gupta	Independent Director	1.000	0.250	1.250
Mr. Shubhang Mittal	Independent Director	0.800	0.075	0.875
Mr. Anilkumar Shyamlal Agrawal	Independent Director	0.400	0.025	0.425
Mr. Manish Bagadia*	Independent Director	0.200	0.075	0.275
Mrs. Sarika Modi	Non – Executive Director	1.200	0.225	1.425

\* Mr. Manish Bagadia resigned as an Independent Director of the Company with effect from June 9, 2020.



Further, the Independent Directors are paid fixed sitting fees i.e. Rs. 2500/- for attending each Committee Meeting & Rs. 10,000/- for attending each Board Meeting.

#### **Evaluation criteria for Independent Directors:**

The Independent Directors are evaluated based on their participation and contribution, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

#### **❖ STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Company constituted Stakeholders Relationship Committee on September 23, 2019 mainly to focus on the redressal of Shareholders' / Investors' Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc.

#### **Brief Description of Terms of Reference:**

The terms of reference of the Stakeholders Relationship Committee cover the matters as under:

- I. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
- II. Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non- receipt of declared dividends etc.;
- III. Issue duplicate/split/consolidated share certificates;
- IV. Dematerialization/rematerialization of share;
- V. Review of cases for refusal of transfer / transmission of shares and debentures;
- VI. Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; Provided that inability to resolve or consider any grievance by the Stakeholders Relationship Committee in good faith shall not constitute a contravention of Section 178 of Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof.
- VII. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

#### **Composition of Stakeholders Relationship Committee:**

At the beginning of the Financial Year 2020-21, the Stakeholders Relationship Committee was comprised of Mrs. Sarika Modi, Non-Executive Director (Chairman), Mr. Manish Bagadia, Independent Director (Member) and Mr. Chandragupt Praksh Mangal, Joint Managing Director & CEO (Member). Thereafter, the Board of Directors of the Company, in its meeting held on June 8, 2020, noted the resignation of Mr. Manish Bagadia, Independent Director of the Company with effect from June, 9 2020. As such, in the said Board Meeting, the Board has re-constituted the Stakeholders Relationship Committee and appointed Mr. Madhusudan Garg, Independent Director as a member of the Stakeholders Relationship Committee in place of Mr. Manish Bagadia.

At present the Stakeholders Relationship Committee comprises of following Members:

Sr. No.	Name of Members	Designation
1.	Mrs. Sarika Modi (Non-Executive Director)	Chairperson
2.	Mr. Madhusudan Garg (Non-Executive & Independent Director)	Member
3.	Mr. Chanakya Prakash Mangal (Joint Managing Director & COO)	Member

#### Details of Meetings and attendance:

During Financial Year 2020-21, four (4) Stakeholders Relationship Committee Meetings were held on June 19, 2020; September 2, 2020; October 31, 2020 and February 13, 2021. Necessary quorum was present in all the meetings.

The details of attendance of members at the Stakeholders Relationship Committee Meetings is given below:

Name of Members	Designation	No. of Stakeholders Relationship Committee Meetings held during the F.Y. 2020-21	No. of Stakeholders Relationship Committee Meetings eligible to attend during the F.Y. 2020-21	No. of Stakeholders Relationship Committee Meetings attended during the F.Y. 2020-21
Mrs. Sarika Modi (Non-Executive Director)	Chairperson	4	4	4
Mr. Madhusudan Garg (Non-Executive & Independent Director)	Member	4	4	4
Mr. Chanakya Prakash Mangal (Joint Managing Director & COO)	Member	4	4	4
Mr. Manish Bagadia* (Non-Executive & Independent Director)	Independent Director-Member	4	-	-

\* Mr. Manish Bagadia resigned as an Independent Director of the Company with effect from June 9, 2020 and as such, he ceased to be a Member of the Committee.

#### Complaints:

During the year, the Company had not received any complaints from the Shareholders of the Company. Hence, there were no complaints pending as on March 31, 2021.

#### Compliance Officer:

Ms. Vrunda Patel

Company Secretary & Compliance Officer

101, Mangalam Corporate House, 19/B, Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad -380 006, Gujarat, India.

Email: [cs@groupmangalam.com](mailto:cs@groupmangalam.com)

Phone: +91 79 – 6161 5000

#### ❖ CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

As per the audited financial statements as on March 31, 2021, the net profit of the Company is exceeding Rs. 5.00 Crore. As such, pursuant to the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company, in its meeting held on June 25, 2021 has constituted the Corporate Social Responsibility (CSR) Committee. Further, the Board of Directors, on the recommendation of CSR Committee, has approved the Corporate Social Responsibility Policy on August 13, 2021. The CSR Policy is available on the website of the company at [www.groupmangalam.com](http://www.groupmangalam.com).

#### Brief Description of Terms of Reference:

The terms of reference of the Corporate Social Responsibility Committee cover the matters as under:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of framework of CSR Policy.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

At present the CSR Committee comprises of following Members:

Sr. No	Name of Members	Designation
1.	Mr. Chanakya Prakash Mangal (Joint Managing Director & COO)	Chairman
2.	Mr. Chandragupt Prakash Mangal (Joint Managing Director & CEO)	Member
3.	Mr. Madhusudan Garg (Non-Executive & Independent Director)	Member
4.	Mr. Anilkumar Shyamlal Agrawal (Non-Executive & Independent Director)	Member

#### ❖ **MANAGEMENT COMMITTEE:**

The Company has constituted a Management Committee on July 20, 2020. The terms of reference of Management Committee includes to look into the day to day functioning and exercise of delegated power of the Board for matters relating to:

1. Availing credit facility such as Cash Credit, EPC/PCFC, FBD/FBP/EBR/FBD backed by LC, Letter of Credit, Bank Guarantee, DRUL, PSR/ Forward Contract limit, Short Term Loan against Pledge of Physical Commodities, Invoice/Bill Discounting, Adhoc Cash Credit, FBD backed by LC, Term Loan, Demand Loan or any other loan- Adhoc limit, and/or any other credit facility and limit from any Nationalised Bank, Scheduled Bank, Private Bank, Financial Institutions, Non-Banking Financial Institution, Co - operative Bank, Foreign Bank, or any other statutory authority
2. To open / close the Bank Accounts/Dividend Account or any change in the authorised person using the bank account and to avail various facilities provided by the banks;
3. To give authority to any person for filing/ commencing any suit / legal proceeding for and on behalf of the Company with regards to the financial issues of the Company;
4. To give authority to file and sign e-forms for creation, modification or satisfaction of charge, if any;
5. To sign all necessary Agreements, Returns, Receipts, Undertakings, Affidavits, Correspondence, etc., with the State Government and Central Government Departments, Statutory Authorities, Private Organizations and Persons whether incorporated or not, as may be required;
6. To sign and execute all deeds, applications, documents, indentures, mortgages, memorandum, powers of attorneys, declarations, indemnities, forms, letters and writings that may be required, on behalf of the Company;
7. To give powers to identify & submit Expression of Interest for companies under IBC Act/SARFAESI Act/ARC.
8. To give authority to submit Resolution Plan either independently or in consortium and to give authority to participate in E-auction process.
9. To give authority to sign and execute Lease Agreement, Sub Lease Agreement, License Agreement, Rent Agreements, Tri Partite Agreements to be executed by the Company with other parties, Agreements with Bank;

The Management Committee comprises of following Members:

Sr. No	Name of Members	Designation
1.	Mr. Chandragupt Prakash Mangal (Joint Managing Director & CEO)	Chairman
2.	Mr. Vipin Prakash Mangal (Chairman & Executive Director)	Member
3.	Mr. Chanakya Prakash Mangal (Joint Managing Director & COO)	Member

During the financial year 2020-21, 7 (Seven) Meetings of the Management Committee were held.

#### **RISK MANAGEMENT COMMITTEE:**

The provisions of Regulation 21 of the SEBI (LODR) Regulations, 2015 regarding Risk Management Committee is not applicable to the Company.

## GENERAL MEETINGS:

### a) Annual General Meetings:

The details of last three Annual General Meetings of the Company and Special Resolution(s) passed therein is as under:

AGM	Financial Year	Date	Location of Meeting	Time	No. of Special Resolutions passed
10 <sup>th</sup> AGM	2019-2020	August 13, 2020	Through Video Conferencing / Other Audio Visual Means <u>Deemed Venue:-</u> Registered Office: 101, Mangalam Corporate House, 19/B, Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabd-380006, Gujarat, India	11:00 A.M.	1 (one)
9 <sup>th</sup> AGM	2018-2019	September 11, 2019	Registered Office: 101, Mangalam Corporate House, 19/B, Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabd-380006, Gujarat, India	9:00 A.M.	1 (one)
8 <sup>th</sup> AGM	2017-2018	September 28, 2018	Registered Office: 201, Setu Complex, Girish Cold Drinks Cross Road, Off. C.G. Road, Navrangpura, Ahmedabad-390009, Gujarat, India	9:30 A.M.	-

Following Special Resolutions were passed by the Members of the Compny in the Annual General Meeting through E-voting, as per the procedure prescribed under Section 108 & Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 under the overall supervision of the Scrutinizer, Mr. Anand Lavingia, Practicing Company Secretary.

Resolution	Details of Resolution	Resolution passed on	Total No. of votes in favour	Total No. of votes against	% of votes in favour	% of votes against
Special	Appointment of Statutory Auditors and fix their remuneration	August 13, 2020	10541285	0	100	0
Special	Issue of Equity Shares on Preferential Basis	September 11, 2019	763449	0	100	0

The aforesaid resolutions were passed by the shareholders by overwhelming and requisite majority.

### b) Special Resolution passed through Postal Ballot during FY 2020-21:

- ❖ On June 18, 2020, one special resolution was passed by the members of Compny through postal ballot through e-voting with respect to increase in Authorised Share Capital of the Company from Rs. 17 Crore to Rs. 27 Crore and consequently alteration in Clause V of the Memorandum of Association.

Mr. Anand Lavingia, a Pracising Company Secretary (Membership No. ACS 26458), was appointed as scrutinizer for conducting the postal ballot alongwith e-voting in a fair and transparent manner. Details of voting on above resolution is as under:

Resolution	Details of Resolution	Resolution passed on	Total No. of votes in favour	Total No. of votes against	% of votes in favour	% of votes against
Special	Increase in Authorised Share Capital of the Company from Rs. 17 Crore to Rs. 27 Crore and consequently alteration in Clause V of the Memorandum of Association	June 18, 2020	7935425	0	100	0

### Procedure for postal ballot

In compliance with the requirements of Sections 108 and 110 of the Companies Act, 2013 (the 'Act') read with the Companies Rules and in accordance with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020, issued by Ministry of Corporate Affairs ("MCA Circulars") and in view of extra-ordinary circumstances due to the pandemic caused by Covid-19 prevailing in the country, hard copy of the Notice along with postal ballot forms and prepaid business envelope were not sent to the shareholders for the postal ballot and shareholders were requested to communicate their assent (for) or dissent (against) through remote

e-voting only.

The Postal Ballot notice dated May 14, 2020 was sent to Members of Company whose names appeared in the Register of Members/ Record of Depositories as on May 15, 2020 (Cut-Off Date) through email on May 18, 2020 to those members who had registered their email IDs with the Company / Depository along with the details of Login Id and Password to the members/shareholders who had registered their email ids with depositories or with the Company.

Pursuant to Sections 108 and 110 of the Act read with the MCA Circulars mentioned above, the Company had provided only remote e-voting facility to the members. The Company also published notice in the newspapers for the information of the members. Voting rights of the equity shares held by the members as on the cut-off date were reckoned on June 18, 2020.

Pursuant to the provisions of the Act, the Board had appointed Mr. Anand Lavingia, Practicing Company Secretary (Membership No. ACS 26458), as a scrutiniser for conducting the postal ballot process in a fair and transparent manner. The scrutiniser submitted his report to the Chairman and the voting results were announced by the Company by placing the same alongwith the scrutiniser's report on the Company's website, besides being communicated to the stock exchanges on June 19, 2020.

The resolution, was passed with requisite majority, and the date of passing the same was June 18, 2020 being last day of voting.

- ❖ On November 6, 2020, three special resolutions were passed by the Members of the Company through postal ballot through e-voting.

Mr. Anand Lavingia, Practicing Company Secretary (Membership No. ACS 26458), was appointed as scrutinizer for conducting the postal ballot alongwith e-voting in a fair and transparent manner. Details of voting on the resolutions are as follows:

Resolution	Details of Resolution	Resolution passed on	Total No. of votes in favour	Total No. of votes against	% of votes in favour	% of votes against
Special	Increase in Authorised Share Capital of the Company from Rs. 27 Crore to Rs. 40 Crore and consequently alteration in Clause V of the Memorandum of Association	November 6, 2020	9516750	0	100	0
Special	Issue of 1000000 Equity Shares on Preferential Basis	November 6, 2020	9516750	0	100	0
Special	Migration of the Company from Emerge Platform of National Stock Exchange of India Limited to Main Board of National Stock Exchange of India Limited	November 6, 2020	1138410	0	100	0

The aforesaid resolutions were passed by the shareholders by overwhelming and requisite majority.

#### Procedure for postal ballot

In compliance with the requirements of Sections 108 and 110 of the Act read with the Companies Rules and in accordance with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020 and General Circular No. 33/2020 dated September 28, 2020 issued by Ministry of Corporate Affairs ("MCA Circulars") and in view of extra-ordinary circumstances due to the pandemic caused by Covid-19 prevailing in the country, hard copy of the Notice along with postal ballot forms and prepaid business envelope were not sent to the shareholders for the postal ballot and shareholders were requested to communicate their assent (for) or dissent (against) through remote e-voting only.

The Postal Ballot notice dated October 3, 2020 was sent to Members of Company whose names appeared in the Register of Members/ Record of Depositories as on September 30, 2020 (Cut-Off Date) through email on October 7, 2020 to those members who had registered their email IDs with the Company / Depository along with the details of Login Id and Password to the members/shareholders who had registered their email ids with depositories or with the Company.

Pursuant to Sections 108 and 110 of the Act read with the MCA Circulars mentioned above, the Company had provided remote e-voting facility only. The Company also published notice in the newspapers for the information of the members. Voting rights of the equity shares held by the members as on the cut-off date were reckoned on November 6, 2020.

Pursuant to the provisions of the Act, the Board had appointed Mr. Anand Lavingia, Practicing Company Secretary (Membership No. ACS 26458), scrutiniser for conducting the postal ballot process in a fair and transparent manner. The scrutiniser submitted his report to the Chairman and the voting results were announced by the Company by placing the same alongwith the scrutiniser's report on the Company's website, besides being communicated to the stock exchanges on November 7, 2020.



The resolutions were passed with requisite majority, and the date of passing the same was November 6, 2020 being last day of voting.

**c) As on date of this report, no Special Resolution is proposed to be conducted through Postal Ballot.**

## MEANS OF COMMUNICATION:

### a) Financial Results:

As, the Company was initially listed on SME Emerge Platform of NSE, Regulation 46 of SEBI (LODR) Regulations, 2015 was not applicable to the Company. Thereafter, the Company was migrated to the main board of NSE w.e.f. December 23, 2020.

The quarterly and annual financial results are normally published in widely circulated national and local dailies such as "Indian Express" in English and "Financial Express"/ "Jai Hind" in Gujarati language. Further, the financial results are not sent individually to the shareholders. However, financial results are available on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com) and also on website of NSE at [www.nseindia.com](http://www.nseindia.com).

The Company has not made any presentations to the institutional investors or to the analysts during the financial year ended on March 31, 2021.

### b) Website:

The Company's website [www.groupmangalam.com](http://www.groupmangalam.com) contains a separate dedicated section namely "Investors" where shareholders information including financial results, Annual Report etc., are available. The Annual Report of the Company for the Financial Year ended on March 31, 2021 is also available on the website of the Company.

## GENERAL SHAREHOLDERS INFORMATION:

### a) Company Registration details:

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24224GJ2010PLC062434.

### b) Registered Office:

101, Mangalam Corporate House, 19/B Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad-380006, Gujarat.

### c) Date, time and venue of the 11th Annual General Meeting:

11<sup>th</sup> Annual General Meeting is to be held on Thursday, September 30, 2021 at 2:00 P.M. Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

Deemed Venue : Registered Office:

101, Mangalam Corporate House, 19/B Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad-380006, Gujarat.

### d) Financial Year:

Financial year is April 1, 2021 to March 31, 2022 and financial results will be declared as per the following schedule tentatively.

Particulars	Tentative Schedule
Quarterly Results	
Quarter ending on June 30, 2021	On or before August 14, 2021 (Approved in the Board meeting held on August 13, 2021)
Quarter ending on September 30, 2021	On or before November 14, 2021
Quarter ending on December 31, 2021	On or before February 14, 2021
Quarterly and Year ended on March 31, 2022	On or before May 30, 2022

### e) Dividend Payment:

The Company paid Final Dividend of Rs. 1/- (Rupees One Only) per equity share on 16057410 Equity Shares of Rs. 10/- fully paid up for the F.Y. 2019-20. The same was recommended by Board of Directors in their meeting held on June 19, 2020 which was subsequently approved by members in the 10<sup>th</sup> Annual general meeting held on August 13, 2020.

For the financial year 2020-21, the Board of Directors of your company has recommended a Dividend of Rs. 1 (10%) per equity shares of Rs. 10 each, subject to approval of Members in ensuring Annual General Meeting.

### f) Book Closure Date/Record Date:

There being no physical shareholders in the Company, the Register of Members and Share Transfer Books of the Company will not be closed.

**g) Listing on Stock Exchange:**

After migration from the SME emerge Platform of National Stock Exchange of India Limited (NSE) the Company's Equity Shares are listed main board of NSE w.e.f. December 23, 2020. The address of NSE is as under. The ISIN of the Company is "INE0APB01016".

**National Stock Exchange of India Limited**

Exchange Plaza Plot No. C/1, G Block

Bandra-Kurla Complex, Bandra (East)

Mumbai – 400051

Stock Code / Trading Symbol: MGEL

Annual listing fees for the financial year 2021-22 have been paid by the Company to National Stock Exchange of India Limited.

**h) Market Price Data:**

**Monthly high and low equity share price of Compny at NSE during the financial year 2020-21 is as under:**

Month	Company's Shares	
	High (In ₹)	Low (In ₹)
April, 2020	55	53.50
May, 2020	57.30	55.00
June, 2020	57.55	57.10
July, 2020	58.90	54.00
August, 2020	65.10	44.30
September, 2020	43.00	39.00
October, 2020	42.00	38.00
November, 2020	41.50	39.00
December, 2020	56.95	35.20
January, 2021	55.55	43.25
February, 2021	49.95	38.05
March, 2021	50.00	38.25

The performance of the equity share price of the Company at National Stock Exchange of India Limited is as under:

Month	MGEL Share Price at NSE**	NIFTY**
April, 2020	55.00	9859.90
May, 2020	57.15	9580.30
June, 2020	57.45	10302.10
July, 2020	58.00	11073.45
August, 2020	44.8	11387.50
September, 2020	40.70	11247.55
October, 2020	40.50	11642.40
November, 2020	40.50	12968.95
December, 2020	46.35	13981.75
January, 2021	46.05	13634.60
February, 2021	46.00	14529.15
March, 2021	45.80	14690.70

\*\* Closing Data on the last day of the month.

**i) Registrar & Transfer Agents:**

**Link Intime India Private Limited**

**Registered Office Address:**

C-101, 1st Floor, 247 Park Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai – 400 083  
Tel No.: +91 22 -49186200  
Fax No.: +91 22 -49186195  
Email: ahmedabad@linkintime.co.in  
Web: www.linkintime.co.in

**Branch/Correspondence Address:**

506 To 508, Amarnath Business Centre – 1,  
Beside Gala Business Centre, Nr. St. Xavier's College Corner,  
Chimanlal Girdharlal Rd, Sardar Patel Nagar, Ellisbridge,  
Ahmedabad – 380006  
Tel No.: +91 79 26465179 /86 / 87  
Fax No.: +91 79 26465179

**j) Share Transfer Procedure:**

In terms of requirements of Regulation 40 of the SEBI (LODR) Regulations, 2015 securities can be transferred only in dematerialised form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities.

Further, entire share capital of the Company are held by the members in dematerialised form. Pursuant to Regulation 40(9) of the SEBI (LODR) Regulations, 2015, the Company has obtained Certificates from a Practicing Company Secretary on half yearly basis, for due compliance of share transfer formalities and also submitted to the stock exchange.

Pursuant to the SEBI (Depositories and Participants) Regulations, 1996 and SEBI (Depositories and Participants) Regulations, 2018, certificates have also been obtained from a Practicing Company Secretary for timely dematerialization of the shares of the Company. Also as required by the Securities and Exchange Board of India (SEBI), a Quarterly Reconciliation of Share Capital Audit is being carried out by Practicing Company Secretary with a view to reconcile the Total Share Capital admitted with National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL], with the issued and listed Capital of the Company. The Practicing Company Secretary's Certificates with regard to this is submitted to National Stock Exchange of India Limited and are placed before Stakeholders Relationship Committee and the Board of Directors at every quarter.

**k) Shareholding as on March 31, 2021:**

**❖ Distribution of Shareholding as on March 31, 2021**

Range of No. of Shares		No. of Shareholders		Equity Shares Held	
From – To	Number	%	Number	%	
1 to 500	276	51.40	25884	0.10	
501 to 1000	24	4.47	20388	0.08	
1001 to 2000	8	1.49	13513	0.05	
2001 to 3000	118	21.97	349972	1.40	
3001 to 4000	5	0.93	17112	0.07	
4001 to 5000	2	0.37	8864	0.04	
5001 to 10000	23	4.28	157500	0.63	
10001 and above	81	15.08	24492882	97.64	
<b>Total</b>	<b>537</b>	<b>100</b>	<b>25086115</b>	<b>100</b>	

❖ **Shareholding Pattern as on March 31, 2021**

Category	No. of Shares held		Total No. of Shares	% of Holding
	Physical	Demat		
Promoter & Promoter Group	-	18398215	18398215	73.34
Individuals	-	6289324	6289324	25.07
NBFCs registered with RBI	-	-	-	-
Hindu Undivided Family	-	293974	293974	1.17
Non Resident Indians (Repat)	-	16301	16301	0.06
Clearing Member	-	8801	8801	0.04
Bodies Corporate	-	79500	79500	0.32
<b>Total</b>	-	<b>25086115</b>	<b>25086115</b>	<b>100</b>

**l) Dematerialization of Shares and Liquidity:**

The Company's shares are traded in dematerialized form on 'National Stock Exchange of India Limited'. All the Equity shares of the Company are dematerialized as on March 31, 2021. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE0APB01016.

**m) Outstanding GDRs/ADRs/Warrants or any convertible instrument, conversion and likely impact on equity:**

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments till date. Hence, there is no outstanding GDRs/ADRs/Warrants, or any other convertible instrument likely impact on equity.

**n) Commodity Price Risk / Foreign Exchange Risk and Hedging:**

During the course of business of the Company, there are import and export of goods and materials. In view of the fluctuation of the foreign currency rate, the Company is exposed to the foreign exchange risk.

Further the Company is exposed to the risk associated with fluctuation in the prices of the commodity used for the manufacturing and trading activities.

The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

**o) Plant Locations:**

**Unit: I - Cotton Unit**

Survey No. 124 And 122, Harij-Kukrana Road, Village – Jaska, Taluka- Harij, District-Patan – 384 240, Gujarat, India.

**Unit: II - Castor Oil Unit**

Survey No. 355/P1 and 355P1/P1, Harij-Kukrana Road, Village – Jaska, Taluka -Harij, District-Patan – 384 240, Gujarat, India.

**Unit: Bundi – Soya & Mustard Oil Unit**

Khasra No. 564/155, 565/155, 566/155, 567/155, 845/568 Ramganj Balaji, NH12, District Bundi-323001, Rajasthan.

**Unit: Bavla – Wheat & Rice Processing Unit**

Block/Survey No. 155/paiki of Khata No. 447 of Village Lodariyal, Taluka: Sanand, Sub-District: Sanand, District: Ahmedabad, Gujarat (processing may start by the end of year 2021-22)

**p) Address of Correspondence:**

❖ **Mangalam Global Enterprise Limited**

Ms. Vrunda Manharbhai Patel

Company Secretary & Compliance Officer

101, Mangalam Corporate House, 19/B Kalyan Society,

Near M.G. International School, Mithakhali, Ahmedabad-380006, Gujarat.

Email: [cs@groupmangalam.com](mailto:cs@groupmangalam.com)

Phone: +91-79-61615000

❖ **For transfer/dematerialization of shares, change of address of members and other queries:**

**Link Intime India Private Limited  
Ahmedabad Branch**

5<sup>th</sup> Floor, 506 to 508, Amarnath Business Centre-1(ABC-1),  
Beside Gala Business Centre, Nr. St. Xavier's College Corner,  
Off Chimanlal Girdharlal Road, Ellisbridge, Ahmedabad-380006, Gujarat  
Tel No.: +91 79 26465179 /86 / 87  
Fax No.: +91 79 26465179  
Email: ahmedabad@linkintime.co.in  
Web: [www.linkintime.co.in](http://www.linkintime.co.in)

**q) Credit Ratings or any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of Funds whether in India or abroad:**

During the financial year, the Company has not issued any debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds whether in India or abroad and as such the requirement of obtaining a credit ratings was not applicable to the Company.

**OTHER DISCLOSURES:**

- a) There were no materially significant Related Party Transactions and pecuniary transactions that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in financial section of this Annual Report. The Board has approved a policy on related party transactions which is available on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com).
- b) There was no instance of non-compliance by the Company and no instances of penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to capital markets during the last three years except non-compliances have been observed in following two instances:
  - The Company has made delay by one day in Closure of Trading Window for the purpose of Recommending Issue of Bonus Shares. The Intimation of Board Meeting for Recommendation of Bonus Shares was given by Company on July 13, 2020 and the Company closed and intimated to National Stock Exchange of India Limited about Trading Window Closure from July 14, 2020.
  - Mr. Sonal Madhusudan Garg (PAN AKQPG3585Q), being an immediate relative (daughter) of Mr. Madhusudan Garg (Independent Director of MGEL), being designated person as per SEBI provisions who acquired 58 Equity Shares amounting to Rs. 2662.20/- of MGEL on January 5, 2021 and 606 Equity Shares amounting to Rs. 27,807.10/- on January 6, 2021 during the closure of Trading Window w.r.t. approval/adoption Unaudited Financial Results for the quarter and nine months ended December 31, 2020.
- c) Details of compliance with mandatory requirement and adoption of the non-mandatory requirements:  
The Company has complied with all mandatory requirements laid down by the Regulation 27 of the SEBI (LODR) Regulations, 2015. Further, the details related to compliances with non-mandatory requirements as per the SEBI (LODR) Regulations, 2015 is as under:
  - (i) The Board: Your Company has an Executive Chairman
  - (ii) Shareholders rights: The quarterly, half yearly and yearly financial results published in the newspapers and are also posted on the Company' website at [www.groupmangalam.com](http://www.groupmangalam.com)
  - (iii) Modified opinion(s) in Audit Report: Financial Statements for the year 2020-21, do not contain any modified opinion.
  - (iv) Reporting of Internal Auditor: The internal Auditor regularly updates their review.
- d) At present, the Company has four subsidiaries (including LLP). The Board of Directors of the Company has adopted Policy for determining Material Subsidiary which is available on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com)
- e) Utilisation of Fund:  
The Company has raised funds through preferential allotment and details regarding utilization of funds raised through preferential allotment as specified under Regulation 32(7A) of the SEBI (LODR) Regulations, 2015 is given under:



(Rs. in Lakhs)

Sr. No.	Original Object	Original Allocation	Funds Utilized
1.	To augment Capital base, to meet increased working capital requirements and the general corporate purpose	420	420

f) CEO/CFO Certificate:

The Chief Executive Officer and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on March 31, 2021 in compliance with Regulation 17(8) of Listing Regulations. The certificate is appended as an Annexure "I" to this report. They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of the SEBI (LODR) Regulations, 2015.

g) The Company has obtained a certificate from M/s. SCS and Co. LLP, Practicing Company Secretaries confirming that none of the Directors of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The said certificate is attached to this Annual Report.

h) During the financial year 2020-21, there was no instance where the Board had not accepted any recommendation of any committee of the Board which is mandatory.

i) Total fees paid for the services to the statutory auditors is Rs. 4.70 Lakhs for the financial year 2020-21.

j) The Company has also adopted Policy on Determination of Materiality of Events/Information and its disclosures to Stock Exchange, and Policy on Preservation of Documents which is uploaded on the website of the Company at [www.groupmangalam.com](http://www.groupmangalam.com)

k) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015. It has obtained a certificate affirming the compliances from Practicing Company Secretary, SCS and Co. LLP and the same is attached to this Report.

l) Demat Suspense Account/Unclaimed Suspense Account:

No outstanding shares were lying in the demat suspense account/unclaimed suspense account and therefore, disclosure relating to same is not applicable.

m) There was no non-compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of Schedule V read with Regulation 34(3) of SEBI (LODR) Regulations, 2015.

### LOCK IN SHARES:

Following shares held by the promoters of the company are under lock in as on March 31, 2021:

Sr. No.	Name	Category	No. of shares in lock in	Percentage of total Share Capital.
1	Mr. Vipin Prakash Mangal	Promoter & Director	1835410	7.32
2	Mr. Chanakya Prakash Mangal	Promoter & Director	3286150	13.10
3	Mr. Chandragupt Prakash Mangal	Promoter & Director	3623320	14.44

**COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 OF LISTING REGULATIONS\***

Particulars	Regulation Number	Compliance Status
Board composition	17(1), 17(1A)	Yes
Meeting of Board of directors	17(2), 17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees / compensation	17(6)	Yes
Minimum Information	17(7)	Not Applicable
Compliance Certificate	17(8)	Not Applicable
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of Directorships	17(A)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
Meeting of Nomination and Remuneration Committee	19(3A)	Yes
Composition of Stakeholders Relationship Committee	20(1), (2) & (2A)	Yes
Meeting of Stakeholders Relationship Committee	20(3A)	Yes
Composition and role of Risk Management Committee	21(1), (2), (3), (4)	Not Applicable
Meeting of Risk Management Committee	21(3A)	Not Applicable
Vigil Mechanism	22	Yes
Policy for related party transaction	23(1)	Yes
Prior or omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Not Applicable
Disclosure of related party transactions on consolidated basis	23(9)	Not Applicable
Composition of Board of Directors of unlisted material subsidiary	24(1)	Not Applicable
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2), (3), (4), (5) & (6)	Yes
Annual Secretarial Compliance Report	24(A)	Not Applicable
Maximum directorship & tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Declaration from Independent Director	25(8) & (9)	Yes
D & O Insurance for Independent Directors	25(10)	Not Applicable
Membership in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management	26(3)	Yes
Policy with respect to obligations of directors and senior management	26(2) & 26(5)	Yes
Details of business	46(2)(a)	Yes
Terms and conditions of appointment of independent directors	46(2)(b)	Yes
Composition of various committees of board of directors	46(2)(c)	Yes
Code of conduct of board of directors and senior management personnel	46(2)(d)	Yes
Details of establishment of vigil mechanism/ Whistle Blower Policy	46(2)(e)	Yes
Criteria for making payments to non-executive directors	46(2)(f)	Yes
Policy for dealing with related party transactions	46(2)(g)	Yes
Policy for determining 'material' subsidiaries	46(2)(h)	Yes
Details of familiarization programmes imparted to independent directors	46(2)(i)	Yes
Email address for grievance redressal and other relevant details	46(2)(j)	Yes

Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	46(2)(k)	Yes
Financial results	46(2)(l)	Yes
Shareholding pattern	46(2)(m)	Yes
Details of agreements entered into with the media companies and/or their associates	46(2)(n)	Not Applicable
Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to stock exchange	46(2)(o)	Not Applicable
New name and the old name of the listed entity	46(2)(p)	Not Applicable

**\* Our company got migrated to Main Board of NSE w.e.f. December 23, 2020. Pursuant to Regulation 15 of the SEBI (LODR) Regulations, 2015 the Regulation 17 to 27 were not applicable to our company during April 1, 2020 to December 22, 2020 being SME listed Company and therefore our company has complied with requirements of the SEBI (LODR) Regulations, 2015 to the extent applicable during the FY 2020-21.**

**Registered office:**

101, Mangalam Corporate House,  
19/B, Kalyan Society,  
Near M.G. International School, Mithakhali,  
Ahmedabad-380006, Gujarat, India

For and on behalf of the Board of Directors,  
**Mangalam Global Enterprise Limited**  
(CIN: L24224GJ2010PLC062434)

**Vipin Prakash Mangal**  
Chairman & Director  
(DIN:02825511)

**Chanakya Prakash Mangal**  
Joint Managing Director & COO  
(DIN:06714256)

**Chandragupt Prakash Mangal**  
Joint Managing Director & CEO  
(DIN:07408422)

**Ashutosh Mehta**  
Chief Financial Officer  
(PAN:AAWPM1688A)

**Date:** September 3, 2021

**Place:** Ahmedabad

**Vrunda Patel**  
Company Secretary  
(M. No.: A39707)

**CERTIFICATE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

To,  
**The Board of Directors**  
**Mangalam Global Enterprise Limited**

We, Mr. Chandragupt Prakash Mangal, Joint Managing Director & Chief Executive Officer and Mr. Ashutosh Mehta, Chief Financial Officer of Mangalam Global Enterprise Limited certify that:

We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2021 and to the best of our knowledge and belief:

- I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- II. 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.
- III. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2021 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- IV. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control system of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee that we have not come across any reportable deficiencies in the design or operation of such internal controls.
- V. We further certify that we have indicated to the Auditors and the Audit Committee:
  - a) There have been no significant changes in internal control over financial reporting during the year;
  - b) There are changes in the accounting policies during the year on account of Ind-AS adoption and the same have been disclosed in the notes to the financial statements; and
  - c) There have been no instances of significant fraud, of which we have become aware, involving management or any employee having a significant role in the Company's internal control system over financial reporting.

**Date :** September 3, 2021  
**Place :** Ahmedabad

**Chandragupt Prakash Mangal**  
**Joint Managing Director & CEO**  
**(DIN: 07408422)**

**Ashutosh Mehta**  
**Chief Financial Officer**  
**(PAN:AAWPM1688A)**

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**DECLARATION STATING THE COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT:**

I, Chandragupt Prakash Mangal, Joint Managing Director & Chief Executive Officer of Mangalam Global Enterprise Limited hereby declare that as of March 31, 2021 all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management laid by the Company.

**Date :** September 3, 2021  
**Place :** Ahmedabad

**Chandragupt Prakash Mangal**  
**Joint Managing Director & CEO**  
**(DIN: 07408422)**

**CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE  
REQUIREMENTS UNDER THE SEBI (LISTING OBLIGATION AND DISCLOSURE  
REQUIREMENTS) REGULATIONS, 2015.**

To,  
The Members of  
**MANGALAM GLOBAL ENTERPRISE LIMITED**  
101, Mangalam Corporate House, 19/B Kalyan Society,  
Near M.G. International School, Mithakhali  
Ahmedabad -380006.

The Corporate Governance Report prepared by **Mangalam Global Enterprise Limited ("MGEL")** (CIN L24224GJ2010PLC062434) ("the Company"), contains details as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2021. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

**Management's Responsibility**

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**Auditor's Responsibility**

Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulations.

The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.

The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve me performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

**Opinion**

Based on the procedures performed by me as referred above and according to the information and explanations given to me, I am of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the applicable period i.e. December 23, 2020 to March 31, 2021, referred above.

**Other Matters and Restriction on use**

This report 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.

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose.

Accordingly, I do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. I have no responsibility to update this report for events and circumstances occurring after the date of this report.

**For SCS and Co. LLP Company Secretaries**

**ICSI Unique Code: - L2020GJ008700**

**Anjali Sangtani**  
Partner  
M. No. A41942, COP: - 23630  
UDIN: A041942C000879493

**Date:- September 2, 2021**  
**Place:- Ahmedabad**

Note: SEBI Listing Regulations w.r.t. Corporate Governance applicable to MGEL due to migration from NSE SME/Emerge platform to NSE Main Board w.e.f. December 23, 2020, pursuant to NSE approval letter dated December 21, 2021 bearing no. NSE/LIST/83)

## CERTIFICATE OF NON -DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and clause 10(i) of Part C of Schedule V of SEBI (LODR) Regulations, 2015)

To,  
 The Members of  
**MANGALAM GLOBAL ENTERPRISE LIMITED**  
 101, Mangalam Corporate House, 19/B Kalyan Society,  
 Near M.G. International School, Mithakhali, Ahmedabad -380006.

We have examined the relevant registers, records, forms, returns and disclosures received from all the Directors of **Mangalam Global Enterprise Limited** (CIN: L24224GJ2010PLC062434) having registered office at 101, Mangalam Corporate House, 19/B Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad - 380006 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and the respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Director of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

SN	Name of Directors	DIN	Date of Appointment in the Company*
1	Mr. Praveen Kumar Gupta	00415491	23/09/2019
2	Mr. Anilkumar Shyamlal Agrawal	00528512	01/11/2020
3	Mr. Shubhang Mittal	01243335	08/06/2020
4	Mr. Madhusudan Ghanshyamji Garg	02300800	08/06/2020
5	Mr. Vipin Prakash Mangal	02825511	03/09/2019
6.	Mr. Chanakya Prakash Mangal	06714256	15/11/2013
7.	Mr. Chandragupt Prakash Mangal	07408422	18/01/2016
8.	Ms. Sarika Sachin Modi	08320453	23/09/2019

\* As per website of Ministry of Corporate Affairs.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For SCS and Co. LLP**  
**Company Secretaries**  
**Firm Registration Number: - L2020GJ008700**

**Anjali Sangtani**  
**Partner**  
**M. No. A41942, COP: - 23630**  
**UDIN: - A041942C000879537**

**Date:-September 2, 2021**  
**Place: - Ahmedabad**



## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF MANGALAM GLOBAL ENTERPRISE LIMITED REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### OPINION

1. We have audited the accompanying Standalone Financial Statements of Mangalam Global Enterprise Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and Notes to the Standalone Financial Statements, including a summary of Significant Accounting Policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (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 Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### BASIS FOR OPINION

3. We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

#### KEY AUDIT MATTERS

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the Key Audit Matters
<p><b>First time adoption of Ind AS framework</b></p> <p>As disclosed in Note 44 to the accompanying Standalone Financial Statements, the Company has adopted Indian Accounting Standards notified under section 133 of the Act, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) ("Ind AS") with effect from 1 April 2020 (1 April 2019 being the transition date) and prepared the first set of Standalone Financial Statements under Ind AS framework in the current year.</p> <p>This change in the financial reporting framework required an evaluation of the potential impact on the components of the financial statement. This process also required the management to apply significant judgments to identify and elect appropriate accounting policies suitable for various transactions and balances relating to the operations of the Company including electing of available options for transition of balances as at transition date to the Ind AS framework.</p> <p>Considering the significance of the transition, the complexities and the efforts involved, this matter has been determined as a key audit matter for the year under audit.</p>	<p>We obtained adequate and appropriate audit evidences by performing additional procedure which included , but not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of management's processes and controls around adoption of Ind AS. We sought explanations from the management for areas involving complex judgments or interpretations to assess its appropriateness</li> <li>• Examined the implementation of exemptions availed and options chosen by the Company in accordance with the requirements of Ind AS 101, First Time Adoption of Indian Accounting Standards (Ind AS 101).</li> <li>• Examined the accounting policies adopted by the Company on transition to Ind AS and assessed its appropriateness on basis of our understanding of the entity and its operations and the requirements of relevant accounting standards under the Ind AS framework.</li> <li>• Examined whether the presentation and disclosures in the financial statements are in accordance with the requirements of the applicable standards and regulatory requirements.</li> <li>• Examined the appropriateness and adequacy of disclosures with respect to the reconciliations prepared and presented by the management in the financial statements in accordance with Ind AS 101.</li> </ul>

**INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON**

6. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report (but does not include the Standalone Financial Statements and our auditor's report thereon) and the rest of the Annual Report (the "Other Information"). The Other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS**

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

10. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;

- Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.
  13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
  15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **OTHER MATTER**

16. The comparative financial information for the year ended 31 March 2020 and the transition date opening balance sheet as at 1 April 2019, prepared in accordance with Ind AS and included in these Standalone Financial Statements, are based on the previously issued Standalone Financial Statements for the year ended 31 March 2020 and 31 March 2019, respectively, prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), which were audited by predecessor auditors, whose reports dated 19 June 2020 and 29 June 2019, respectively, expressed unmodified opinion on those Standalone Financial Statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our report is not modified in respect of this matter.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

17. As required by Section 143(3) of the Act, we report to the extent applicable, 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 of the Standalone Financial Statement;
  - 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 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;
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended);
  - e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A';
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us,

the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

18. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**KUNAL KEDIA**

(M. No.: 149403), Partner  
for and on behalf of

**K K A K & CO**

Chartered Accountants  
FRN: 148674W  
UDIN: 21149403AAAABG6997

Place : Ahmedabad  
Date : 25 June, 2021

## **“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE TO THE MEMBERS OF**

### **MANGALAM GLOBAL ENTERPRISE LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

(Referred to in para 17 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

#### **INDEPENDENT AUDITORS’ REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

1. We have audited the internal financial controls over financial reporting with reference to Standalone Financial Statements of **MANGALAM GLOBAL ENTERPRISE LIMITED** (“the Company”) as at 31 March 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS**

2. The Company’s Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal controls 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 (the “Guidance Note”) 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 Company’s 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 Act.

#### **AUDITORS’ RESPONSIBILITY**

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting with reference to Standalone Financial Statements. 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 with reference to the Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls over financial reporting with reference to the Standalone Financial Statements, 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 Standalone Financial Statements, whether due to fraud or error.
5. 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 over financial reporting with reference to the Standalone Financial Statements.

#### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS**

6. A company’s internal financial controls over financial reporting with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls over financial reporting with reference to the Standalone Financial Statements 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and payments of the company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the Standalone Financial Statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS**

7. Because of the inherent limitations of internal financial controls over financial reporting with reference to the Standalone Financial Statements, 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 with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls over financial reporting with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**OPINION**

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to the Standalone Financial Statements and such internal financial controls over financial reporting with reference to the Standalone Financial Statements were operating effectively as at 31 March 2021, based on the internal financial controls over financial reporting with reference to the Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**KUNAL KEDIA**

(M. No.: 149403), Partner  
for and on behalf of

**K K A K & CO**

Chartered Accountants  
FRN: 148674W  
UDIN: 21149403AAAABG6997

Place : Ahmedabad  
Date : 25 June, 2021



## **“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE TO THE MEMBERS OF**

### **MANGALAM GLOBAL ENTERPRISE LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

(Referred to in paragraph 18 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

#### **REPORT ON THE MATTERS SPECIFIED PARAGRAPHS 3 AND 4 OF THE COMPANIES (AUDITOR’S REPORT) ORDER, 2016 (“THE ORDER”) ISSUED BY THE CENTRAL GOVERNMENT IN TERMS OF SECTION 143(11) OF THE COMPANIES ACT, 2013 (“THE ACT”)**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment on the basis of available information.
- (b) The Company has a program of verification to cover all the items of its property, plant and equipment in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. As informed to us, no material discrepancies were noticed on such verification.
- (c) Title deeds/ lease deeds of immovable properties (other than self-constructed) are in the name of the Company, as at the balance sheet date, disclosed as property, plant and equipment/ right of use asset in the Standalone Financial Statements.
- 2 The inventories were physically verified during the year by the Management. In our opinion, the frequency of such verification is reasonable. As explained to us, the discrepancies noticed on physical verification of inventory as compared to the book records were not material in relation to operations of the Company, and have been properly dealt with in the books of account.
- 3 According to the information and explanations given to us, the Company has granted loans, unsecured, to two companies, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
  - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company’s interest.
  - (b) In respect of the aforesaid loans, the parties are repaying the principal amounts as stipulated and are also regular in payment of interest.
  - (c) There is no overdue amount remaining outstanding as at the year-end.
- 4 According to the information and explanations given to us, in our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- 5 The Company has not accepted any deposits within the meaning of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the rules framed there under to the extent notified. Accordingly, we have nothing further to report with regards to matters contained in Para 3(v) of the order.
- 6 We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the same.
- 7 In respect of statutory dues:
  - (a) Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.
  - (b) No undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
  - (c) There are no dues of income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited as on 31 March 2021 on account of any dispute.
- 8 The Company has not defaulted in the repayment of loans or borrowings to any bank during the year. The company has not borrowed from other financial institutions, government and it has not issued any debentures.
- 9 The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and monies raised by way of term loans have been applied by the Company for the purposes for which they were raised.

- 10 No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11 The Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 12 The Company is not a Nidhi Company and accordingly we have nothing further to report with regards to matters contained in Para 3(xii) of the order.
- 13 Transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- 14 During the year, the company has made preferential allotment by way of private placement of equity shares and the amount raised have been used for the purposes for which the funds were raised. In our opinion, the requirement of section 42 of the Act has been complied with. The company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year.
- 15 In our opinion, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, we have nothing further to report with regards to matters contained in Para 3(xv) of the order.
- 16 In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**KUNAL KEDIA**

(M. No.: 149403), Partner  
for and on behalf of

**K K A K & CO**

Chartered Accountants  
FRN: 148674W  
UDIN: 21149403AAAABG6997

Place : Ahmedabad  
Date : 25 June, 2021

## STANDALONE FINANCIAL STATEMENTS

# Standalone Balance Sheet as at 31<sup>st</sup> March, 2021

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>I</b>	<b>ASSETS</b>				
<b>A</b>	<b>Non-Current Assets</b>				
	a) Property Plant & Equipments	2	749.04	861.50	707.75
	b) Right of Use Assets	2	681.50	1,524.80	159.96
	c) Intangible Assets	2	2.92	3.22	0.63
	d) Capital work-in-progress	2	-	-	16.09
	e) Financial Assets				
	- Investments	3	1,616.39	1,202.28	395.57
	- Loans				
	- Other Financial Assets	4	16.47	58.41	12.46
	f) Other Tax Assets (Net)	11	57.30	25.19	1.14
	g) Deferred Tax Assets (Net)	5	7.19	11.94	-
	h) Other Non-Current Assets	6	718.35	0.28	-
	<b>Total Non-Current Assets</b>		<b>3,849.16</b>	<b>3,687.62</b>	<b>1,293.60</b>
<b>B</b>	<b>Current Assets</b>				
	a) Inventories	7	2,223.89	2,239.24	1,477.24
	b) Financial Assets				
	- Trade receivables	8	5,639.45	1,190.34	887.07
	- Cash and cash equivalents	9	46.66	58.20	3.50
	- Bank Balances other than Cash and cash equivalents	9	2,002.40	1,845.29	490.09
	- Loans	10	930.34	455.21	229.03
	- Other Financial Assets	10	331.15	716.41	2,837.57
	c) Other Current Assets	12	1,493.00	840.45	307.05
	<b>Total Current Assets</b>		<b>12,666.89</b>	<b>7,345.14</b>	<b>6,231.55</b>
	<b>TOTAL ASSETS</b>		<b>16,516.05</b>	<b>11,032.76</b>	<b>7,525.15</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>EQUITY</b>				
	a) Equity Share capital	13	2,508.61	1,605.74	232.55
	b) Other Equity	14	4,162.12	4,146.26	2,976.99
	<b>Total Equity</b>		<b>6,670.73</b>	<b>5,752.00</b>	<b>3,209.54</b>
<b>2</b>	<b>LIABILITIES</b>				
<b>A</b>	<b>Non-Current Liabilities</b>				
	a) Financial Liabilities				
	- Long Term Borrowings	15	449.05	12.01	28.80
	- Other Financial Liabilities	16	11.14	10.09	9.13
	b) Long Term Provisions	17	20.53	21.18	5.85
	c) Deferred Tax Liabilities (Net)	5	-	-	9.98
	d) Other Non-Current Liabilities	18	633.58	1,374.63	3.53
	<b>Total Non-Current Liabilities</b>		<b>1,114.30</b>	<b>1,417.91</b>	<b>57.29</b>
<b>B</b>	<b>Current Liabilities</b>				
	a) Financial Liabilities				
	- Short Term Borrowings	19	7,335.08	3,206.64	3,828.52
	- Trade payables	20			
	(i) Total outstanding dues of Micro Enterprise and Small Enterprises		-	-	-
	(ii) Total outstanding dues of Creditors other than Micro Enterprise and Small Enterprises		693.28	130.58	59.36
	- Other Financial Liabilities	21	394.08	304.18	113.87
	b) Short-Term Provisions	22	198.44	78.42	59.74
	c) Other Current Liabilities	23	110.14	141.29	186.42
	d) Current Tax Liabilities (Net)	24	-	1.74	10.41
	<b>Total Current Liabilities</b>		<b>8,731.02</b>	<b>3,862.85</b>	<b>4,258.32</b>
	<b>Total Liabilities</b>		<b>9,845.32</b>	<b>5,280.76</b>	<b>4,315.61</b>
	<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>16,516.05</b>	<b>11,032.76</b>	<b>7,525.15</b>

The accompanying notes are integral part of these standalone financial statements 1-48

This is the Standalone Balance Sheet referred to in our report of even date

For and on behalf of the Board of Directors,  
Mangalam Global Enterprise Limited  
(CIN: L24224GJ2010PLC062434)

**Kunal Kedia**  
(M. No.: 149403), Partner  
For & on behalf of

**Vipin Prakash Mangal**  
Chairman & Executive Director  
(DIN:02825511)

**Chanakya Prakash Mangal**  
Joint Managing Director & COO  
(DIN:06714256)

**K K A K & Co**  
Chartered Accountants  
FRN: 148674W

**Chandragupt Prakash Mangal**  
Joint Managing Director & CEO  
(DIN:07408422)

**Ashutosh Mehta**  
Chief Financial Officer  
(PAN:AAWPM1688A)

**Vrunda Patel**  
Company Secretary  
(M. No.: A39707)

Place: Ahmedabad  
Date: 25th June, 2021

Place: Ahmedabad  
Date: 25th June, 2021

## Standalone Statement of Profit & Loss for the year ended on 31<sup>st</sup> March, 2021

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>I</b>	<b>Income</b>			
	a) Revenue from operations	25	90,778.22	57,305.42
	b) Other income	26	626.82	227.64
	<b>Total Income</b>		<b>91,405.04</b>	<b>57,533.06</b>
<b>II</b>	<b>Expenses</b>			
	a) Cost of materials consumed	27	60,395.94	48,802.99
	b) Purchase of Stock-in-Trade	28	25,862.36	4,969.28
	c) Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	29	(564.37)	(27.23)
	d) Employee Benefit Expenses	30	577.07	573.69
	e) Finance costs	31	525.37	558.61
	f) Depreciation and amortization expense	32	214.71	283.47
	g) Other Expenses	33	3,691.23	1,880.29
	<b>Total Expenses</b>		<b>90,702.31</b>	<b>57,041.10</b>
<b>III</b>	<b>Profit Before Tax (PBT) (I-II)</b>		<b>702.73</b>	<b>491.96</b>
<b>IV</b>	<b>Tax Expense</b>	34		
	a) Current tax		169.29	122.40
	b) Deferred tax		4.76	(21.92)
	c) Income Tax (Prior Period)		-	(4.20)
	<b>Total Tax Expenses</b>		<b>174.05</b>	<b>96.28</b>
<b>V</b>	<b>Profit After Tax (PAT) (III-IV)</b>		<b>528.68</b>	<b>395.68</b>
<b>VI</b>	<b>Other Comprehensive Income</b>			
	a) Items that will not be reclassified to Profit & Loss		-	-
	Income tax in respect of above		-	-
	b) Items that may be reclassified to Profit & Loss		-	-
	Income tax in respect of above		-	-
	<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>VII</b>	<b>Total Comprehensive Income for the Year (V+VI)</b>		<b>528.68</b>	<b>395.68</b>
<b>VIII</b>	<b>Earnings per equity share of Rs. 10/- each (in Rs.)</b>	35		
	a) Basic		2.17	2.00
	b) Diluted		2.17	2.00
	The accompanying notes are integral part of these standalone financial statements	1-48		

This is the Standalone Statement of Profit & Loss referred to in our report of even date

For and on behalf of the Board of Directors,  
Mangalam Global Enterprise Limited  
(CIN: L24224GJ2010PLC062434)

**Kunal Kedia**  
(M. No.: 149403), Partner  
For & on behalf of

**Vipin Prakash Mangal**  
Chairman & Executive Director  
(DIN:02825511)

**Chanakya Prakash Mangal**  
Joint Managing Director & COO  
(DIN:06714256)

**K K A K & Co**  
Chartered Accountants  
FRN: 148674W

**Chandragupt Prakash Mangal**  
Joint Managing Director & CEO  
(DIN:07408422)

**Ashutosh Mehta**  
Chief Financial Officer  
(PAN:AAWPM1688A)

**Vrunda Patel**  
Company Secretary  
(M. No.: A39707)

Place: Ahmedabad  
Date: 25th June, 2021

Place: Ahmedabad  
Date: 25th June, 2021

## Standalone Statement of Changes in Equity for the year ended on 31<sup>st</sup> March, 2021

### A. Equity Share Capital

(Rs. in Lakhs)

Particulars	Amount
<b>As at 1 April 2019</b>	<b>232.55</b>
Changes in Equity Share Capital during the year	1,373.19
<b>As at 31 March 2020</b>	<b>1,605.74</b>
Changes in Equity Share Capital during the year	902.87
<b>As at 31 March 2021</b>	<b>2,508.61</b>

### B. Other Equity

(Rs. in Lakhs)

Particulars	Reserve and Surplus		Other Comprehensive Income	Total
	Securities Premium	Retained Earnings		
<b>Balances as at 1 April, 2019</b>	<b>2,764.60</b>	<b>212.39</b>	-	<b>2,976.99</b>
Net Profit/ (Loss) during the Year	-	395.68	-	395.68
Securities Premium on issue of Equity Share Capital	1,770.30	-	-	1,770.30
Utilized Towards Issue of Bonus Shares	(930.19)	-	-	(930.19)
Expenses on Fresh Issue of Equity Shares	(60.62)	-	-	(60.62)
Dividend	-	(4.65)	-	(4.65)
Income Tax on Dividend	-	(0.96)	-	(0.96)
Other Adjustments	-	(0.29)	-	(0.29)
<b>Balance as at 31 March, 2020</b>	<b>3,544.09</b>	<b>602.17</b>	-	<b>4,146.26</b>
Net Profit/ (Loss) during the Year	-	528.68	-	528.68
Securities Premium on issue of Equity Share Capital	320.00	-	-	320.00
Utilized Towards Issue of Bonus Shares	(802.87)	-	-	(802.87)
Dividend	-	(29.87)	-	(29.87)
Other Adjustments	-	(0.08)	-	(0.08)
<b>Balance as at 31 March, 2021</b>	<b>3,061.22</b>	<b>1,100.90</b>	-	<b>4,162.12</b>

### Nature and Purpose of Reserves

- (a) **Securities Premium:** The amount received in excess of face value of the equity shares is recognised in securities premium reserve.
- (b) **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distributions to shareholders.

The accompanying notes are integral part of these standalone financial statements

This is the Standalone Statement of Changes in Equity referred to in our report of even date

For and on behalf of the Board of Directors,  
Mangalam Global Enterprise Limited  
(CIN: L24224GJ2010PLC062434)

**Kunal Kedia**  
(M. No.: 149403), Partner  
For & on behalf of

**Vipin Prakash Mangal**  
Chairman & Executive Director  
(DIN:02825511)

**Chanakya Prakash Mangal**  
Joint Managing Director & COO  
(DIN:06714256)

**K K A K & Co**  
Chartered Accountants  
FRN: 148674W

**Chandragupt Prakash Mangal**  
Joint Managing Director & CEO  
(DIN:07408422)

**Ashutosh Mehta**  
Chief Financial Officer  
(PAN:AAWPM1688A)

**Vrunda Patel**  
Company Secretary  
(M. No.: A39707)

Place: Ahmedabad  
Date: 25th June, 2021

Place: Ahmedabad  
Date: 25th June, 2021



## Standalone Statement of Cash Flows for the year ended on 31<sup>st</sup> March, 2021

(Rs. in Lakhs)

Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit/ (Loss) Before Tax	702.73	491.96
	<b>Adjustments for:</b>		
	Depreciation on Plant and Equipments, Right of Use Assets and Amortisation on Intangible Assets	214.71	283.47
	Dividend Income	-	(0.12)
	Interest Income	(234.89)	(110.95)
	Finance Cost	525.37	558.61
	Non-Cash Items	-	-
	(Gain)/ Loss on sale of Property, Plant and Equipment (Net)	(9.44)	-
	(Gain)/ Loss on sale of Investments (Net)	(3.96)	(2.92)
	Unrealised foreign exchange (Gain)/ Loss (Net)	(32.07)	(7.21)
	Expenses related to Financial Activity	46.89	28.86
	Loss allowance for Expected Credit Losses	1.14	1.85
	<b>Operating Profit/ (Loss) before working capital changes</b>	<b>1,210.48</b>	<b>1,243.55</b>
	<b>Changes in working capital:</b>		
	<b>Adjustments for (increase)/ decrease in operating assets:</b>		
	(Increase)/ Decrease Trade receivables	(4,419.23)	(304.91)
	(Increase)/ Decrease Inventories	15.36	(762.00)
	(Increase)/ Decrease Other Financial Assets	173.87	2,098.26
	(Increase)/ Decrease Other Non-Current assets	(0.63)	(0.28)
	(Increase)/ Decrease Other Current assets	(652.17)	(519.83)
	Increase/ (Decrease) Trade payables	562.69	71.23
	Increase/ (Decrease) Provisions	119.37	34.01
	Increase/ (Decrease) Other Liabilities	(63.57)	202.57
	<b>Cash generated from operations</b>	<b>(3,053.83)</b>	<b>2,062.60</b>
	Income taxes paid (net of refunds)	(203.13)	(150.92)
	<b>Net cash flow from/ (utilised in) operating activities (A)</b>	<b>(3,256.96)</b>	<b>1,911.68</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Capital expenditure on Property, Plant & Equipments, including capital advances	(799.87)	(176.42)
	Proceeds from sale of Property, Plant & Equipments	167.57	-
	(Increase)/Decrease in Lease Deposits	49.94	(53.45)
	Long-term investments in Subsidiaries / Contribution in LLP	(395.95)	(647.01)
	Long-term investments in Other Securities	-	(121.28)
	Investment in Mutual Funds	(14.20)	(35.50)
	Loans to Subsidiaries	(245.91)	(232.20)
	Interest received	230.19	108.62
	(Increase)/Decrease in Bank Balances not considered as Cash and Cash Equivalents	(157.10)	(1,355.20)
	Dividend received	-	0.12
	<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(1,165.33)</b>	<b>(2,512.32)</b>

**Standalone Statement of Cash Flows for the year ended on 31<sup>st</sup> March, 2021 (Contd...)**

(Rs. in Lakhs)

Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from issue of equity shares & Securities Premium	420.00	2,213.30
	Share issue expenses	-	(60.63)
	Expenses related to Financial Activity	(46.89)	(28.86)
	Increase / (Decrease) in Long Term Borrowings	609.44	(15.64)
	Increase / (Decrease) in Short Term Borrowings	4,128.44	(621.88)
	Payment of Lease Liability	(212.47)	(310.24)
	Payment of Dividend & DDT	(29.87)	(5.89)
	Interest Paid / Finance cost	(456.43)	(514.82)
	<b>Net cash flow from / (used in) financing activities (C)</b>	<b>4,412.22</b>	<b>655.34</b>
<b>D.</b>	Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(10.07)	54.70
<b>E.</b>	Add: Cash and cash equivalents at the beginning of the year	58.20	3.50
<b>F.</b>	Less: Foreign exchange (loss) / gain on restatement of foreign currency		
	Cash and cash equivalents	1.47	-
<b>G.</b>	Cash and cash equivalents at the end of the year	<b>46.66</b>	<b>58.20</b>

**Notes:**
**1 Reconciliation of Cash and cash equivalents with the Balance Sheet:**

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Cash and cash equivalents includes	<b>46.66</b>	<b>58.20</b>
(a) Cash on hand	4.03	5.06
(b) Balances with banks		
(i) In current accounts	42.63	53.14
(ii) In Fixed deposit accounts	-	-
(iii) In Cash Credit/ Bank Overdraft accounts	-	-

- 2** The standalone statement of cash flows has been prepared in accordance with the Indirect method as set out in the Indian Accounting Standard Ind AS - 7 : 'Statement of Cash Flows'.

### Standalone Statement of Cash Flows for the year ended on 31<sup>st</sup> March, 2021 (Contd...)

#### 3 Movement in Financial Liabilities arising from Financing Activities:

(Rs. in Lakhs)

Particulars	Non Current Borrowings	Current Borrowing	Lease Liabilities	Interest	Dividend	Expenses related to Finance Activity
<b>Balance as at 1 April 2019</b>	<b>44.54</b>	<b>3828.52</b>	<b>183.99</b>	<b>0.65</b>	-	-
Payment of Lease Liabilities	-	-	(310.24)	-	-	-
Increase/ (Decrease) in Short Term Borrowings	-	(621.88)	-	-	-	-
Increase/ (Decrease) in Long Term Borrowings	(15.64)	-	-	-	-	-
Interest / Expenses Paid	-	-	-	(514.82)	-	(28.86)
Dividend Paid	-	-	-	-	(5.89)	-
<b>Net Cash Movement during the year</b>	<b>(15.64)</b>	<b>(621.88)</b>	<b>(310.24)</b>	<b>(514.82)</b>	<b>(5.89)</b>	<b>(28.86)</b>
Lease Liabilities recognised during the year	-	-	1,588.36	-	-	-
Finance Cost Accrued	-	-	43.28	-	-	-
Lease Liabilities reversed during the year	-	-	-	-	-	-
Interest Charged to Statement of Profit and Loss	-	-	-	558.61	-	-
Interest on Lease Obligation/Amortisation	-	-	-	(44.26)	-	-
<b>Balance as at 31 March 2020</b>	<b>28.90</b>	<b>3,206.64</b>	<b>1,505.39</b>	<b>0.18</b>	-	-
Payment of Lease Liabilities	-	-	(212.47)	-	-	-
Increase/ (Decrease) in Short Term Borrowings	-	4,128.44	-	-	-	-
Increase/ (Decrease) in Long Term Borrowings	609.44	-	-	-	-	-
Interest / Expenses Paid	-	-	-	(456.43)	-	(46.89)
Dividend Paid	-	-	-	-	(29.87)	-
<b>Net Cash Movement during the year</b>	<b>609.44</b>	<b>4,128.44</b>	<b>(212.47)</b>	<b>(456.43)</b>	<b>(29.87)</b>	<b>(46.89)</b>
Lease Liabilities recognised during the year	-	-	-	-	-	-
Finance Cost Accrued	-	-	65.02	-	-	-
Lease Liabilities reversed during the year	-	-	(641.85)	-	-	-
Interest on fixed loan amortisation	(1.31)	-	-	-	-	-
Interest Charged to Statement of Profit and Loss	-	-	-	525.37	-	-
Interest on Lease Obligation/Amortisation	-	-	-	(67.37)	-	-
<b>Balance as at 31 March 2021</b>	<b>637.03</b>	<b>7,335.08</b>	<b>716.09</b>	<b>1.75</b>	-	-

This is the Statement of Cash Flows referred to in our report of even date

For and on behalf of the Board of Directors,  
Mangalam Global Enterprise Limited  
(CIN: L24224GJ2010PLC062434)

**Kunal Kedia**  
(M. No.: 149403), Partner  
For & on behalf of

**Vipin Prakash Mangal**  
Chairman & Executive Director  
(DIN:02825511)

**Chanakya Prakash Mangal**  
Joint Managing Director & COO  
(DIN:06714256)

**K K A K & Co**  
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**Chandragupt Prakash Mangal**  
Joint Managing Director & CEO  
(DIN:07408422)

**Ashutosh Mehta**  
Chief Financial Officer  
(PAN:AAWPM1688A)

**Vrunda Patel**  
Company Secretary  
(M. No.: A39707)

Place: Ahmedabad  
Date: 25th June, 2021

Place: Ahmedabad  
Date: 25th June, 2021

**NOTE - 1 - Notes to the Standalone Financial Statements for the year ended on March 31, 2021****1.1 Corporate Information:**

Mangalam Global Enterprise Limited ('the Company') is a public listed limited Company domiciled and incorporated in India. The registered office of the Company is located at 101, Mangalam Corporate House, 19/B Kalyan Society, Near M.G International School, Mithakhali, Ahmedabad -380006 Gujarat, India. Its Equity Shares were listed on SME platform of National Stock Exchange of India Limited (NSE) and subsequently wef 23<sup>rd</sup> December, 2020, it was migrated to Main Board of National Stock Exchange of India Limited (NSE).

The Company is engaged in activity of manufacturing/dealing/trading of Castor Seeds, Castor derivative products, cotton, cotton ginning, other agriculture commodities, other merchandise and agency service activity.

**1.2 General Information & Statement of Compliance with Ind AS:**

These financial statements are the separate financial statements of the Company (also called as standalone financial statements) prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended. These financial statements are the Company's first Ind AS Standalone Financial Statements. The Company has adopted all the Indian Accounting Standards and the adoption was carried out in accordance with Ind AS 101, "First Time Adoption of Indian Accounting Standards".

For all period up to and including the financial year ended March 31, 2020, the Company had prepared its financial statements in accordance with the Accounting Standard notified under the Section 133 of the Companies Act, 2013 read with the Rule 7 of Companies (Accounts) Rules 2014, ("Previous GAAP"). Detailed explanations on how the transition from Previous GAAP to Ind AS has affected the Company's Balance Sheet, financial performance and its cash flows are given under "Note No - 44".

**1.3 Significant Accounting Policies:****1.3.1 Basis of Preparation and Presentation**

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- (a) Certain Financial Assets and Liabilities (including derivative instruments), and
- (b) Defined Benefit Plans – Plan Assets

The Company's Financial Statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest Lakhs, except when otherwise indicated.

**1.3.2 Fair Value Measurement**

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

The Company has an established control framework with respect to the measurement of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

### 1.3.3 Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### 1.3.4 Property, Plant and Equipment

#### (a) Tangible Assets

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. In case of land the Company has availed fair value as deemed cost on the date of transition to Ind AS.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

#### Depreciation

Free hold land is not depreciated. Leasehold land and the improvement costs are amortized over the period of the lease. Depreciation on Property, Plant and Equipment is provided using Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II:

Name of Property, Plants and Equipment	Useful Life
Factory Building	30 Years
Building (Other than Factory Building)	60 Years
Plant and Machineries (Including Continuous Process Plant)	25 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Computer and Other Data Processing units	3 Years
Motor Vehicles	8 Years
Electrical Installation and Other Equipment	5 Years

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **Derecognition**

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

#### **(b) Capital Work-in-Progress and Capital Advances**

Cost of Property, Plant and Equipment not ready for intended use, as on the balance sheet date, is shown as a "Capital Work-in-Progress". The Capital Work-in-Progress is stated at cost. Any expenditure in relation to survey and investigation of the properties is carried as Capital Work-in-Progress. Such expenditure is either capitalized as cost of the projects on completion of construction project or the same is expensed in the period in which it is decided to abandon such project. Any advance given towards acquisition of Property, Plants and Equipment outstanding at each balance sheet date is disclosed as "Other Non-Current Assets".

#### **(c) Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Intangible Assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

#### **Amortization**

The amortization expenses on Intangible assets with the finite lives are recognized in the Statement of Profit and Loss. The Company's intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life as tabulated below:

Particulars	Useful Life
Accounting and antivirus software	3 Years
Other firewall and operating software	6 Years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **Derecognition**

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

### **1.3.5 Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets**

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.



### 1.3.6 Lease

#### (a) The Company as a Lessee

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

#### (b) The Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

### 1.3.7 Investment Properties

The property that is held for capital appreciation or for earning rentals or both or whose future use is undetermined is classified as Investment Properties. Items of investment properties are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. Investment properties are depreciated on straight line method on pro-rata basis at the rates specified therein. Subsequent expenditure including cost of major overhaul and inspection is recognized as an increase in the carrying amount of the asset 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.

### 1.3.8 Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of finished goods, work-in-progress, raw materials, chemicals, stores and spares, components, consumables, packing materials, trading and other products are determined on First In First Out (FIFO) / average / weighted average basis.

### 1.3.9 Borrowing Costs

Borrowing costs 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 directly attributable to the acquisition or construction of qualifying assets are capitalised as 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.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

### 1.3.10 Employee Benefits

#### (A) Short-Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**(B) Post-Employment Benefits**

(i) Defined Contribution Plans

The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

(ii) Defined Benefit Plans

(a) Gratuity Scheme: The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

(iii) Other Long - Term Employee Benefits

Entitlement to annual leave is recognized when they accrue to employees.

**1.3.11 Revenue Recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

**Export Incentives**

Export incentive revenues are recognized when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection.

**Interest Income**

Interest Income from Financial Assets is recognised using effective interest rate method.

**Dividend Income**

Dividend Income is recognised when the Company's right to receive the amount has been established.

**Surplus / (Loss) on disposal of Property, Plants and Equipment / Investments**

Surplus or loss on disposal of property, plants and equipment or investment is recorded on transfers of title from the Company, and is determined as the difference between the sales price and carrying value of the property, plants and equipment or investments and other incidental expenses.

**Rental Income**

Rental income arising from operating lease on investments properties is accounted for on a straight - line basis over the lease term except the case where the incremental lease reflects inflationary effect and rental income is accounted in such case by actual rent for the period.

**Insurance Claim**

Claim receivable on account of insurance is accounted for to the extent the Company is reasonably certain of their ultimate collections.

## Other Income

Revenue from other income is recognized when the payment of that related income is received or credited.

### 1.3.12 Foreign Currency Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

### 1.3.13 Government Grants and Subsidies

Grants in the nature of subsidies which are non-refundable are recognized as income where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them. Income from grants is recognized on a systematic basis over periods in which the related costs that are intended to be compensated by such grants are recognized.

Refundable government grants are accounted in accordance with the recognition and measurement principle of Ind AS 109, "Financial Instruments". It is recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to the grants. Income from such benefit is recognized on a systematic basis over the period of the grants during which the Company recognizes interest expense corresponding to such grants.

### 1.3.14 Financial Instruments – Financial Assets

#### (A) Initial Recognition and Measurement

All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

#### (B) Subsequent Measurement

##### a) Financial Assets measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise to cash flows on specified dates that represent solely payments of principal and interest on the principal amount outstanding.

##### b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

Further, the Company, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI. The Company has made such election on an instrument-by-instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI. However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss.

##### c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories is measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 - Financial Instruments.

**(C) Investments**

Investments are classified in to Current or Non-Current Investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as Current Investments. All other Investments are classified as Non - Current Investments. However, that part of Non - Current Investments which are expected to be realized within twelve months from the Balance Sheet date is also presented under "Current Investments" under "Current portion of Non-Current Investments" in consonance with Current/Non-Current classification of Schedule - III of the Act.

All the equity investment which covered under the scope of Ind AS 109, "Financial Instruments" is measured at the fair value. Investment in Mutual Fund is measured at fair value through profit and loss (FVTPL). Trading Instruments are measured at fair value through profit and loss (FVTPL).

**(D) Investment in Subsidiaries, Associates and Joint Ventures**

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any).

**(E) Impairment of Financial Assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

**1.3.15 Financial Instruments – Financial Liabilities**

**(A) Initial Recognition and Measurement**

All Financial Liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**(B) Subsequent Measurement**

Financial Liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**1.3.16 Derivative Financial Instruments and Hedge Accounting**

The Company enters into derivative contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial assets measured at amortised cost.

The Company formally establishes a hedge relationship between such forward currency contracts ('hedging instrument') and recognised financial assets ('hedged item') through a formal documentation at the inception of the hedge relationship in line with the Company's Risk Management objective and strategy.

The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a cash flow hedge under Ind AS 109, 'Financial Instruments'.

Recognition and measurement of cash flow hedge:

The Company strictly uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. As per Ind AS 109 - Financial Instruments, foreign currency forward contracts are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in hedge reserve (under reserves and surplus) through other comprehensive income and the ineffective portion is recognised immediately in the statement of profit and loss.

The accumulated gains / losses on the derivatives accounted in hedge reserve are transferred to the statement of profit and loss in the same period in which gains / losses on the underlying item hedged are recognised in the statement of profit and loss.

Derecognition:

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. When hedge accounting is discontinued for a cash flow hedge, the net gain or loss will remain in hedge reserve and be reclassified to the statement of profit and loss in the same period or periods during which the formerly hedged transaction is reported in the statement of profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gains / losses recognised in hedge reserve is transferred to the statement of profit and loss.

#### Fair Value Hedge:

The Company designates derivative contracts or non-derivative Financial Assets/Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

### 1.3.17 Derecognition of Financial Instruments

The Company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### 1.3.18 Financial Instruments – Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### 1.3.19 Taxes on Income

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

#### (a) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

#### (b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

#### Presentation

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

### 1.3.20 Segment Reporting

Segments are identified having regard to the dominant source and nature of risks and returns and the internal organization and management structure. The Company has considered as Business Segments as Primary Segments.

#### Segments Accounting Policies

The Company prepares its Segment Information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

#### Inter - Segment Transfer

The Company generally accounts the Inter - Segment transfers at an agreed value of the transactions.

#### Allocation of Common Costs

Common allocable costs are allocated to each segment reporting according to the relative contribution of each segment to the total of common costs.

#### Unallocated Items

Unallocated Items include the General Corporate Income and Expense items which are not allocated to any of the Business Segments.

### **1.3.21 Research and Development**

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss as and when incurred.

Development costs are capitalised as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

### **1.3.22 Earnings per Share**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

### **1.3.23 Provisions, Contingent Liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

### **1.3.24 Events after Reporting Date**

Where events occurring after the Balance Sheet date provide evidence of condition that existed at the end of reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

### **1.3.25 Non – Current Assets Held For Sales**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Non-current assets held for sale are neither depreciated nor amortised.

Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of sale and are presented separately in the Balance Sheet.

### **1.3.26 Cash Flows Statement**

Cash Flows Statements are reported using the method set out in the Ind AS – 7, “Cash Flow Statements”, whereby the Net Profit / (Loss) before tax is adjusted for the effects of the transactions of a Non-Cash nature, any deferrals or accrual of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **1.3.27 Cash and Cash Equivalents**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



### 1.3.28 Recent Pronouncement

On 24 March, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

#### Balance Sheet:

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held, etc.

#### Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

## 1.4 Critical Accounting Judgments and Key Sources of Estimation Uncertainty:

The preparation of the Company’s Financial Statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

### 1.4.1 Income Tax

The Company’s tax jurisdiction is in India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the income tax provisions, including the amount expected to be paid / recovered for uncertain.

### 1.4.2 Property Plant and Equipment/ Intangible Assets

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment/Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company’s historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is revised if there are significant changes from previous estimates.

### 1.4.3 Defined Benefits Obligations

The costs of providing Gratuity and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS – 19, “Employee Benefits” over the period during which benefit is derived from the employees’ services. It is determined by using the Actuarial Valuation and assessed on the basis of assumptions selected by the management. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. Due to complexities involved in the valuation and its long term in nature, a defined benefit obligation is highly sensitive to change in these assumptions. All assumptions are reviewed at each balance sheet date.

**1.4.4 Fair value measurements of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions.

**1.4.5 Recoverability of Trade Receivables**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**1.4.6 Provisions**

The timing of recognition and quantification of the liability (including litigations) requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**1.4.7 Impairment of Financial and Non – Financial Assets**

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

In case of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**1.4.8 Recognition of Deferred Tax Assets and Liabilities**

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgment to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

**Note - 2 : Property, Plant & Equipments, Right Of Use, Intangibles, Capital Work-In-Progress**

**A. PROPERTY, PLANT & EQUIPMENTS**

(Rs. in Lakhs)

Particulars	Land	Building	Computer Equipments	Furniture & Fixture	Plant & Machinery	Office Equipments	Vehicle	Total
<b>Gross Block</b>								
<b>As at 1 April 2019</b>	<b>494.62</b>	<b>141.92</b>	<b>10.25</b>	<b>5.74</b>	<b>-</b>	<b>12.25</b>	<b>69.14</b>	<b>733.92</b>
Additions	-	-	10.87	49.79	79.71	42.37	-	182.74
Disposals/Adjustments	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>494.62</b>	<b>141.92</b>	<b>21.12</b>	<b>55.53</b>	<b>79.71</b>	<b>54.62</b>	<b>69.14</b>	<b>916.66</b>
Additions	-	6.42	6.83	2.86	60.93	4.55	-	81.59
Disposals/Adjustments	-	(6.42)	(1.43)	(2.81)	(140.64)	(16.28)	-	(167.58)
<b>As at 31 March 2021</b>	<b>494.62</b>	<b>141.92</b>	<b>26.52</b>	<b>55.58</b>	<b>-</b>	<b>42.89</b>	<b>69.14</b>	<b>830.67</b>
<b>Accumulated Depreciation</b>								
<b>As at 1 April 2019</b>	<b>-</b>	<b>7.50</b>	<b>2.42</b>	<b>1.44</b>	<b>-</b>	<b>3.87</b>	<b>10.94</b>	<b>26.17</b>
Depreciation charge for the year	-	2.56	5.02	3.67	2.06	7.18	8.21	28.70
Reversal on Disposal/Adjustments	-	0.29	-	-	-	-	-	0.29
<b>As at 31 March 2020</b>	<b>-</b>	<b>10.35</b>	<b>7.44</b>	<b>5.11</b>	<b>2.06</b>	<b>11.05</b>	<b>19.15</b>	<b>55.16</b>
Depreciation charge for the year	-	2.55	6.87	5.30	3.91	8.96	8.21	35.80
Reversal on Disposal/Adjustments	-	0.06	(0.37)	(0.24)	(5.97)	(2.81)	-	(9.33)
<b>As at 31 March 2021</b>	<b>-</b>	<b>12.96</b>	<b>13.94</b>	<b>10.17</b>	<b>-</b>	<b>17.20</b>	<b>27.36</b>	<b>81.63</b>
<b>Net Block</b>								
<b>Balance as at 1 April 2019</b>	<b>494.62</b>	<b>134.42</b>	<b>7.83</b>	<b>4.30</b>	<b>-</b>	<b>8.38</b>	<b>58.20</b>	<b>707.75</b>
<b>Balance as at 31 March 2020</b>	<b>494.62</b>	<b>131.57</b>	<b>13.68</b>	<b>50.42</b>	<b>77.65</b>	<b>43.57</b>	<b>49.99</b>	<b>861.50</b>
<b>Balance as at 31 March 2021</b>	<b>494.62</b>	<b>128.96</b>	<b>12.58</b>	<b>45.41</b>	<b>-</b>	<b>25.69</b>	<b>41.78</b>	<b>749.04</b>

Refer Note No - 40

**B. RIGHT OF USE ASSETS**

(Rs. in Lakhs)

Particulars	Land & Building	Plant & Machinery	Total
<b>Gross Block</b>			
<b>As at 1 April 2019</b>	<b>-</b>	<b>249.32</b>	<b>249.32</b>
Additions	127.78	1,203.99	1,331.78
Disposals/ Adjustments	-	-	-
<b>As at 31 March 2020</b>	<b>127.78</b>	<b>1,453.32</b>	<b>1,581.10</b>
Additions	-	-	-
Disposals/ Adjustments	-	(751.55)	(751.55)
<b>As at 31 March 2021</b>	<b>127.78</b>	<b>701.77</b>	<b>829.55</b>
<b>Accumulated Depreciation</b>			
<b>As at 1 April 2019</b>	<b>-</b>	<b>89.36</b>	<b>89.36</b>
Depreciation charge for the year	16.22	237.81	254.03
Reversal on Disposal of Assets	-	(287.09)	(287.09)
<b>As at 31 March 2020</b>	<b>16.22</b>	<b>40.08</b>	<b>56.30</b>
Depreciation charge for the year	21.25	156.56	177.81
Reversal on Disposal of Assets	-	(86.06)	(86.06)
<b>As at 31 March 2021</b>	<b>37.47</b>	<b>110.58</b>	<b>148.05</b>
<b>Net Block</b>			
<b>Balance as at 1 April 2019</b>	<b>-</b>	<b>159.96</b>	<b>159.96</b>
<b>Balance as at 31 March 2020</b>	<b>111.56</b>	<b>1,413.24</b>	<b>1,524.80</b>
<b>Balance as at 31 March 2021</b>	<b>90.31</b>	<b>591.19</b>	<b>681.50</b>

Refer Note No - 42

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## C. INTANGIBLE ASSETS

(Rs. in Lakhs)		
Particulars	Computer Software	Total
<b>Gross Block</b>		
<b>As at 1 April 2019</b>	<b>0.90</b>	<b>0.90</b>
Additions	3.33	3.33
Disposals/ Adjustments	-	-
<b>As at 31 March 2020</b>	<b>4.23</b>	<b>4.23</b>
Additions	0.80	0.80
Disposals/ Adjustments	-	-
<b>As at 31 March 2021</b>	<b>5.03</b>	<b>5.03</b>
<b>Accumulated Depreciation</b>		
<b>As at 1 April 2019</b>	<b>0.27</b>	<b>0.27</b>
Ammortization charge for the year	0.74	0.74
Reversal on Disposal of Assets	-	-
<b>As at 31 March 2020</b>	<b>1.01</b>	<b>1.01</b>
Ammortization charge for the year	1.10	1.10
Reversal on Disposal of Assets	-	-
<b>As at 31 March 2021</b>	<b>2.11</b>	<b>2.11</b>
<b>Net Block</b>		
<b>Balance as at 1 April 2019</b>	<b>0.63</b>	<b>0.63</b>
<b>Balance as at 31 March 2020</b>	<b>3.22</b>	<b>3.22</b>
<b>Balance as at 31 March 2021</b>	<b>2.92</b>	<b>2.92</b>

## D. CAPITAL WORK-IN-PROGRESS

(Rs. in Lakhs)		
Particulars	Furniture & Fixture	Total
<b>Gross Block</b>		
<b>As at 1 April 2019</b>	<b>16.09</b>	<b>16.09</b>
Additions	24.29	24.29
Capitalised During the Year	(40.38)	(40.38)
<b>As at 31 March 2020</b>	<b>-</b>	<b>-</b>
Additions	-	-
Capitalised During the Year	-	-
<b>As at 31 March 2021</b>	<b>-</b>	<b>-</b>

## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 3 - Investments- Non Current

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>UNQUOTED INVESTMENTS</b>			
<b>Investments in Equity Instruments of Wholly Owned Subsidiaries (Measured as cost)</b>			
(i) 10,00,000 (31 March 2020 - 10,00,000 & 1 April 2019 -1,00,000) Ordinary Shares of Mangalam Global(Singapore) Pte Ltd (formerly known as Mangalprakash (Singapore) Pte. Ltd.) - (Fully Paidup)	716.76	716.76	69.74
(ii) Mangalam Global (UK) Limited (100% Ownership) (Shares have being issued but subscription money yet to be remitted)	-	-	-
<b>Investments in Equity Instruments of Other Subsidiaries (Measured at cost)</b>			
(i) 60,109 (31 March 2020 - 60,109 & 1 April 2019 - 60,109) Equity Shares of Hindprakash Castor Derivatives Private Limited - (Fully Paidup) of Rs 10 each	204.50	204.50	204.50
<b>Investment in Limited Liability Partnership Firm (Subsidiary) (Measured at cost)</b>			
(i) Farpoint Enterprise LLP 99% Share in Profit/Loss (31 March 2020 - 51% & 1 April 2019 - 51%)	396.00	0.05	0.05
<b>Investment in Others (Measured at FVTOCI) #</b>			
(i) 8,08,510 (31 March 2020 - 8,08,510 & 1 April 2019 - 4,04,255) Equity Shares of ECS Environment Private Limited - (Fully Paidup) of Rs 10 each. Cost is representing and taken as equivalent to Fair Value.	242.55	242.55	121.28
<b>Investment in Mutual Funds (measured at FVTPL)</b>			
Edelweiss Infrastructure Yield Plus	56.58	38.42	-
<b>Total - Unquoted Investments</b>	<b>1,616.39</b>	<b>1,202.28</b>	<b>395.57</b>
<b>Aggregate book value of quoted investments</b>	-	-	-
<b>Aggregate market value of quoted investments</b>	-	-	-
<b>Aggregate carrying value of unquoted investments</b>	1,616.39	1,202.28	395.57
<b>Aggregate amount of impairment in value of investments</b>	-	-	-

# The Company has considered cost is representing the fair value.

### Note - 4 - Other Financial Assets- Non Current (Unsecured Considered Good)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Security Deposits	16.47	58.41	12.46
Other Receivables	-	-	-
<b>Total</b>	<b>16.47</b>	<b>58.41</b>	<b>12.46</b>
<b>Above includes due from:</b>			
Director (Rent Deposit)	2.00	1.81	-
Other Officers of the Company	-	-	-
Firm in which any director is partner	-	-	-
Farpoint Enterprise LLP (Subsidiary)	0.95	0.86	-
Private Company in which director is director or member	-	-	-
Hindprakash Castor Derivatives Private Limited (Subsidiary)	10.38	9.40	8.51

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## Note - 5 - Deferred Tax Assets (Net)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Deferred Tax Assets (DTA)</b>			
Provision for Employee Benefits	7.71	7.75	2.30
Preliminary Expenditure	13.03	12.85	0.98
IND AS Adjustments	11.87	5.43	9.05
<b>Total DTA</b>	<b>32.61</b>	<b>26.03</b>	<b>12.33</b>
<b>Deferred Tax Liabilities (DTL)</b>			
Property Plant & Equipments & Intangible Assets	25.42	14.09	22.31
<b>Total DTL</b>	<b>25.42</b>	<b>14.09</b>	<b>22.31</b>
<b>Net DTA / (DTL)</b>	<b>7.19</b>	<b>11.94</b>	<b>(9.98)</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>-</b>	<b>-</b>	<b>9.98</b>
<b>Deferred Tax Assets (Net)</b>	<b>7.19</b>	<b>11.94</b>	<b>-</b>

(Rs. in Lakhs)

Particulars	As at 1 <sup>st</sup> April, 2020	Deferred Tax charge/(credit) in Profit & Loss	As at 31 <sup>st</sup> March, 2021
<b>Deferred Tax Assets (DTA)</b>			
<b>on account of Deductible Temporary Difference</b>			
Provision for Employee Benefits	7.75	0.04	7.71
Preliminary Expenditure	12.85	(0.18)	13.03
IND AS Adjustments	5.43	(6.44)	11.87
<b>Deferred Tax Liabilities (DTL)</b>			
<b>on account of Taxable Temporary Difference</b>			
Property Plant & Equipments & Intangible Assets	14.09	(11.33)	25.42
<b>Deferred Tax Assets/ (Liabilities) (Net)</b>	<b>11.94</b>	<b>4.75</b>	<b>7.19</b>

Particulars	As at 1 <sup>st</sup> April, 2019	Deferred Tax charge/(credit) in Profit & Loss	As at 31 <sup>st</sup> March, 2020
<b>Deferred Tax Assets (DTA)</b>			
<b>on account of Deductible Temporary Difference</b>			
Provision for Employee Benefits	2.30	(5.45)	7.75
Preliminary Expenditure	0.98	(11.87)	12.85
IND AS Adjustments	9.05	3.62	5.43
<b>Deferred Tax Liabilities (DTL)</b>			
<b>on account of Taxable Temporary Difference</b>			
Property Plant & Equipments & Intangible Assets	22.31	8.22	14.09
<b>Deferred Tax Assets/ (Liabilities) (Net)</b>	<b>(9.98)</b>	<b>(21.92)</b>	<b>11.94</b>



## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 6 - Other Non Current Assets

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Capital Advances (Unsecured Considered Good)	717.45	-	-
Prepaid Expenses	0.90	0.28	-
Balances with Revenue Authorities	-	-	-
Other Advances / Receivables	-	-	-
<b>Total</b>	<b>718.35</b>	<b>0.28</b>	<b>-</b>

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Above includes due from:</b>			
Director	-	-	-
Other Officers of the Company	-	-	-
Firm in which any director is partner	-	-	-
Private Company in which director is director or member	-	-	-

### Note - 7 - Inventories

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Raw materials	2.48	418.30	4.28
Work-in-progress	826.05	787.39	229.54
Finished goods/ Stock in Trade	1,178.25	652.53	1,183.15
Packing materials	208.08	377.78	60.27
Consumable, Stores and Spares	9.03	3.24	-
<b>Total</b>	<b>2,223.89</b>	<b>2,239.24</b>	<b>1,477.24</b>

Note: Inventories are valued at lower of cost and net realisable value. The mode of valuation of inventories has been stated in Note No - 1.3.8.

Inventories are hypothecated to secured working capital facilities from Banks (Refer Note No - 40)

### Note - 8 - Trade Receivables - Current

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Unsecured - Considered Good	5,642.44	1,192.19	887.07
Less: Allowance for Expected Credit Loss	2.99	1.85	-
<b>Total</b>	<b>5,639.45</b>	<b>1,190.34</b>	<b>887.07</b>

Note: Trade Receivables are hypothecated to secured working capital facilities from Banks (Refer Note No - 40)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Trade Receivable include due from:</b>			
Directors	-	-	-
Other Officers of the Company	-	-	-
Firm in which any director is partner	-	-	-
Farpoint Enterprise LLP (Subsidiary)	40.78	-	-

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 8 - Trade Receivables - Current (Contd...)**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Private Company in which director is director or member			
Mangalam Global (Singapore) Pte Ltd (Subsidiary)	771.09	16.56	-
Mangalam Dura Jet Technologies Private Limited	4.63	-	-
ECS Environment Private Limited	46.60	107.63	116.60

**Note - 9 - Cash & Bank Balances**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Cash and Cash Equivalents</b>			
Cash in Hand	4.03	5.06	2.43
Bank Balance			
In Current Accounts	42.63	53.14	1.07
In Deposit Accounts (maturity within 3 months from reporting date)	-	-	-
<b>Total Cash and Cash Equivalents</b>	<b>46.66</b>	<b>58.20</b>	<b>3.50</b>
<b>Bank Balances other than Cash and Cash Equivalents</b>			
Balances with bank in fixed deposit accounts (see note below)	2,002.40	1,845.29	490.09
<b>Total Other Bank Balances</b>	<b>2,002.40</b>	<b>1,845.29</b>	<b>490.09</b>
<b>Total</b>	<b>2,049.06</b>	<b>1,903.49</b>	<b>493.59</b>

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Other Bank balances in Fixed Deposit Accounts includes deposit with remaining maturity of more than 12 months from the balance sheet date.	-	-	-
Other Bank balances in Fixed Deposit Accounts are Pledged as margin money / as security for bank guarantees/ working capital facilities from Banks (Refer Note No - 40)	2,002.40	1,845.29	490.09

**Note - 10 - Loans & Other Financial Assets - Current (Unsecured Considered Good)**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Loans</b>			
Loans	930.34	454.93	228.80
Loans to Staff	-	0.28	0.23
<b>Total Loans</b>	<b>930.34</b>	<b>455.21</b>	<b>229.03</b>
<b>Other Financial Assets</b>			
Receivable (Discounted with HDFC Bank)	-	-	2,756.90
Commodity Premium Margin Account	-	-	70.86
M2M of Foreign Exchange Forward Contract	2.51	-	-
Export Incentives Receivables	1.98	-	-
Other Receivables	326.66	716.41	9.81
<b>Total Other Financial Assets</b>	<b>331.15</b>	<b>716.41</b>	<b>2,837.57</b>
<b>Total</b>	<b>1,261.49</b>	<b>1,171.62</b>	<b>3,066.60</b>

## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 10 - Loans & Other Financial Assets - Current (Unsecured Considered Good) (Contd...)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Above Includes:</b>			
Directors	-	-	-
Other Officers of the Company	-	-	-
Firm in which any director / Company is partner			
Farpoint Enterprise LLP (Subsidiary) (Loan)	-	-	49.95
Private Company in which director is director or member			
Ecofine Colourchem Private Limited (Loan)	-	9.47	8.55
Mangalam Worldwide Private Limited (Loan)	238.98	-	-
Hindprakash Castor Derivatives Private Limited (Subsidiary) (Loan)	691.37	307.82	170.31
Mangalam Global (Singapore) Pte Ltd (Subsidiary) (Loan)	-	137.64	-

Note: The loan granted to above parties is intended for the purpose of utilizing in the activity of the business. The loan is unsecured and repayable in full on demand and interest is charged thereon. The loan has been utilized for the purpose it was granted.

### Note - 11 - Other Tax Assets

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Prepaid Income Tax/ TDS (Net of Provision, if any)	57.30	25.19	1.14
<b>Total</b>	<b>57.30</b>	<b>25.19</b>	<b>1.14</b>

### Note - 12 - Other Current Assets

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Others</b>			
Advance to Supplier (Other than capital advances)	894.86	725.51	265.84
Balances with Government Authorities	420.88	81.11	-
Prepaid Expenses	34.35	15.16	32.11
Export Incentive - Script/ Licence Receivable	22.89	-	-
Others	120.02	18.67	9.10
<b>Total</b>	<b>1,493.00</b>	<b>840.45</b>	<b>307.05</b>

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Above Includes:</b>			
Directors	-	-	-
Other Officers of the Company	-	-	-
Firm in which any director / Company is partner			
Paradisal Trade LLP	227.32	-	-
Private Company in which director is director or member			
Hindprakash Castor Derivatives Private Limited (Subsidiary)	67.54	5.83	-

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## Note - 13 - Equity Share Capital

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Authorised</b>			
4,00,00,000 (31 March 2020 - 1,70,00,000 & 1 April 2019 -30,00,000) Equity Shares of Rs. 10/- each	4,000.00	1,700.00	300.00
<b>Issued</b>			
2,50,86,115 (31 March 2020 - 1,60,57,410 & 1 April 2019 -23,25,482) Equity Shares of Rs. 10/- each	2,508.61	1,605.74	232.55
<b>Subscribed &amp; Paid up</b>			
2,50,86,115 (31 March 2020 - 1,60,57,410 & 1 April 2019 -23,25,482) Equity Shares of Rs. 10/- each	2,508.61	1,605.74	232.55
<b>Total</b>	<b>2,508.61</b>	<b>1,605.74</b>	<b>232.55</b>

## 13.1 Rights, preferences and restrictions attached to equity shares:

The Company has one class of equity shares having a par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holding.

## 13.2 Company issued and allotted 80,28,705 bonus shares(as fully paid) of face value of Rs 10/- each to the existing shareholders at the rate of one shares for every two share held on 02 September 2020.

Company issued and allotted 93,01,928 bonus shares(as fully paid) of face value of Rs 10/- each to the existing shareholders at the rate of four shares for every one share held on 03 September 2019.

## 13.3 During the year Company have made preferential allotment of 10,00,000 equity shares having face value of Rs 10/- each fully paidup for cash at a price of Rs 42/- per equity shares (including share premium of Rs 32/- per equity share) aggregating to Rs 100.00 Lakhs(Face Value) &amp; Rs. 320.00 Lakhs(Share Premium). The aforementioned equity shares were allotted on 05 December 2020.

## 13.4 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 <sup>st</sup> March, 2021	
	Number	Amount
<b>Equity Shares of Rs. 10/- each:</b>		
Shares outstanding at the beginning of the year	1,60,57,410	1,605.74
Add: Bonus Shares Issued during the year	80,28,705	802.87
Add: Shares Issued during the year	10,00,000	100.00
Less: Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>2,50,86,115</b>	<b>2,508.61</b>

Particulars	As at 31 <sup>st</sup> March, 2020	
	Number	Amount
<b>Equity Shares of Rs. 10/- each:</b>		
Shares outstanding at the beginning of the year	23,25,482	232.55
Add: Bonus Shares Issued during the year	93,01,928	930.19
Add: Shares Issued during the year	44,30,000	443.00
Less: Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>1,60,57,410</b>	<b>1,605.74</b>

## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 13 - Equity Share Capital (Contd...)

#### 13.4 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period (Contd...)

Particulars	As at 31 <sup>st</sup> March, 2019	
	Number	Amount
<b>Equity Shares of Rs. 10/- each:</b>		
Shares outstanding at the beginning of the year (01 April 2018)	5,45,020	54.50
Add: Bonus Shares Issued during the year	-	-
Add: Shares Issued during the year	17,80,462	178.05
Less: Shares bought back during the year	-	-
<b>Shares outstanding at 01 April 2019</b>	<b>23,25,482</b>	<b>232.55</b>

#### 13.5 Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	As at 31 <sup>st</sup> March, 2021	
	No. of Shares held	% of Holding
<b>Equity Shares of Rs. 10/- each:</b>		
Chanakya Prakash Mangal	32,86,150	13.10%
Chandragupt Prakash Mangal	36,23,320	14.44%
Mangalam Worldwide Pvt Ltd	26,25,015	10.46%
Om Prakash Mangal	21,42,870	8.54%
Rashmi Mangal	17,60,335	7.02%
Vipin Prakash Mangal	18,35,410	7.32%
Specific Worldwide LLP (Formerly Zaddoc Nutrition Pvt Ltd)	30,21,540	12.04%

Name of Shareholder	As at 31 <sup>st</sup> March, 2020	
	No. of Shares held	% of Holding
<b>Equity Shares of Rs. 10/- each:</b>		
Chanakya Prakash Mangal	20,74,100	12.92%
Chandragupt Prakash Mangal	21,98,875	13.69%
Mangalam Worldwide Pvt Ltd	17,50,005	10.90%
Om Prakash Mangal	14,28,575	8.90%
Rashmi Mangal	9,06,890	5.65%
Vipin Prakash Mangal	9,56,940	5.96%
Specific Worldwide LLP (Formerly Zaddoc Nutrition Pvt Ltd)	20,14,360	12.54%

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## Note - 13 - Equity Share Capital (Contd...)

## 13.4 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period (Contd...)

Name of Shareholder	As at 31 <sup>st</sup> March, 2019	
	No. of Shares held	% of Holding
<b>Equity Shares of Rs. 10/- each:</b>		
Chanakya Prakash Mangal	4,14,823	17.84%
Chandragupt Prakash Mangal	4,39,776	18.91%
Mangalam Worldwide Pvt Ltd	3,50,001	15.05%
Om Prakash Mangal	2,85,715	12.29%
Rashmi Mangal	1,81,378	7.80%
Vipin Prakash Mangal	1,91,388	8.23%
Specific Worldwide LLP (Formerly Zaddoc Nutrition Pvt Ltd)	4,02,872	17.32%

## Note - 14 - Other Equity

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Securities Premium Reserve</b>		
Balance at the beginning of the year	3,544.09	2,764.60
Add : Securities premium credited on share issue	320.00	1,770.30
Less: Utilised towards issue of bonus shares during the year	(802.87)	(930.19)
Less: Utilised towards expenses on issue of shares	-	(60.62)
<b>Balance at the end of the year</b>	<b>3,061.22</b>	<b>3,544.09</b>
<b>Retained Earning</b>		
Balance at the beginning of the year	602.17	212.39
Add: Net Profit/(Net Loss) For the year	528.68	395.68
Add: Remeasurement of defined benefit plan transferred from OCI	-	-
Other Adjustment	(0.08)	(0.29)
Less: Dividend on Equity Shares #	(29.87)	(4.65)
Less: Tax on Dividend #	-	(0.96)
<b>Balance at the end of the year</b>	<b>1,100.90</b>	<b>602.17</b>
<b>Other Comprehensive Income (OCI)</b>		
Balance at the beginning of the year	-	-
Changes during the year	-	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>
<b>Total Other Equity</b>	<b>4,162.12</b>	<b>4,146.26</b>

# Dividend on equity shares paid during the year.	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Final dividend for the year 2019-20 (Rs 1 (previous year Rs 0.20) per equity shares of Rs 10 each)	29.87	4.65
Dividend distribution tax on final dividend	-	0.96

## Note:

Board of Directors of the Company have proposed final dividend of Rs 1/- per equity share for the financial year 2020-21. Proposed dividend on equity shares are subject to approval at the annual general meeting and hence not recognised as a liability as at 31 March 2021. No interim dividend was declared and paid during the financial year 2020-21.



## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 15 - Long Term Borrowings

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Secured Borrowings</b>			
From Banks	449.05	12.01	28.80
<b>Total</b>	<b>449.05</b>	<b>12.01</b>	<b>28.80</b>
Refer Note below:			

Sr. no.	Name of the lender	Amount Outstanding	Details	Security
		1 31-3-21 2 31-3-20 3 31-3-19		
1	HDFC Bank : GECL-WCTL	1. 234.00 2. Nil 3. Nil	Sanctioned: Rs 234.00 Int: Reference rate + 0.80% (presently 8.25%) Tenure: 48 Months Repayment: 12 months moratorium, 36 months Instalments after moratorium. Interest to be serviced on monthly basis.	<b>Primary Security:-</b> Hypothecation of stock & book debts, The Emergency Credit Line Guarantee Scheme (GECL) is covered by guarantee of NCGTC. <b>Collateral Security:-</b> Company's Fixed Deposit of Rs. 4.90 lakhs Office no. 201, Setu Complex, Ahmedabad (Owned by Company) B No. 19/B, Kalyan Society, Ahmedabad (Owned by Director) B No. 21, Sarthi CHS Ltd, Ahmedabad (Owned by Director) <b>Personal Gaurantee of following Directors:</b> a) Chanakya Prakash Mangal b) Chandragupt Prakash Mangal c) Vipin Prakash Mangal  Further the Loan is secured by way of extension of second Ranking Charge Over existing primary & Collateral Securities including mortgages created in favour of bank.
2	Punjab National Bank Ltd: PNB Covid-19 Emergency Credit Facility (CECF)	1. 248.33 2. Nil 3. Nil	Sanctioned: Rs 250.00 Int: One Year MCLR + 0.50% (presently 7.85%) Tenure: 24 Months Repayment: 6 months moratorium, 18 months Instalments after moratorium. Interest to be served as & when charged.	<b>Primary Security:-</b> 1st pari pasu charge by way of hypothecation of entire current assets(Present & future) of company including stocks of raw materials, stocks in process, finished goods, receivables, store, spares, consumables etc. kept at all leased factory premises of the company or at any other place. <b>Collateral Security:-</b> P no. 17, Orchid green, Ahmedabad in the name of Company P No.C-4-B, Prathana Upavan Co Op. H S Ltd, Ahmedabad jointly owned by company with M/s Specific Worldwide LLP FDR of Rs. 2.23 Cr. in the name of Company Liquid Securities of Rs. 12.50 Cr as FDR. till EM of above properties and lien on aforesaid FDR will be created <b>Personal Gaurantee of following Directors:</b> a) Chanakya Prakash Mangal b) Chandragupt Prakash Mangal c) Vipin Prakash Mangal <b>Corporate Gaurantee:-</b> Specific Worldwide LLP

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## Note - 15 - Long Term Borrowings (Contd...)

(Rs. in Lakhs)

Sr. no.	Name of the lender	Amount Outstanding 1 31-3-21 2 31-3-20 3 31-3-19	Details	Security
3	Punjab National Bank Ltd: Guaranteed Emergency Credit Line (GECL)	1. 144.00 2. Nil 3. Nil	Sanctioned: Rs 144.00 Int: One Year MCLR Subject to maximum 9.25% (presently 7.35%) Tenure: 48 Months Repayment: 12 months moratorium. 36 months Instalments after moratorium. Interest to be served as & when charged.	<b>Primary Security:-</b> 1st pari pasu charge by way of hypothecation of entire current assets(Present & future) of company including stocks of raw materials, stocks in process, finished goods, receivables, store, spares, consumables etc. kept at all leased factory premises of the company or at any other place. The Emergency Credit Line Guarantee Scheme (GECL) is covered by guarantee of NCGTC. <b>Collateral Security:-</b> P no. 17, Orchid green , Ahmedabad in the name of Company P No.C-4-B, Prathana Upavan Co Op. H S Ltd, Ahmedabad jointly owned by company with M/s Specific Worldwide LLP FDR of Rs. 2.23 Cr. in the name of Company Liquid Securities of Rs. 12.50 Cr as FDR. till EM of above properties and lien on aforesaid FDR will be created

## Note - 16 - Other Long Term Financial Liabilities

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Rent Deposit	11.14	10.09	9.13
<b>Total</b>	<b>11.14</b>	<b>10.09</b>	<b>9.13</b>

Refer Note No - 43

## Note - 17 - Long Term Provisions

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Provision for Employee benefits (refer note no - 36)			
Gratuity (Unfunded)	8.21	6.40	1.62
Leave Encashment	12.32	14.78	4.23
<b>Total</b>	<b>20.53</b>	<b>21.18</b>	<b>5.85</b>

## Note - 18 - Other Long Term Liabilities

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Lease Liabilities	631.56	1,372.08	-
Deferred Lease Deposit	2.02	2.55	3.53
<b>Total</b>	<b>633.58</b>	<b>1,374.63</b>	<b>3.53</b>

Refer Note No - 42

## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 19 - Short Term Borrowings

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Secured (Repayable on Demand) (From Bank)</b>			
HDFC Bank (CC/EPC/BD/ etc..)	4,628.42	1,198.30	764.13
Punjab National Bank (CC/EPC/BD/ etc..)	2,359.68	1,421.41	-
IndusInd Bank (WRF)	-	-	-
Axis Bank (WRF)	-	-	307.49
<b>Unsecured (Repayable on demand)</b>			
From Bank - LCBD	-	-	2,756.90
<b>From Others (Repayable on demand)</b>			
Inter Corporate Deposit	200.00	-	-
Directors	146.98	586.93	-
<b>Total</b>	<b>7,335.08</b>	<b>3,206.64</b>	<b>3,828.52</b>

- 19.1** The Company has created a charge in favour of HDFC Bank Ltd, to the extent of Rs.6500 Lakhs (31-3-20 Rs 2500 Lakhs, 01-4-19 Rs 710 Lakhs) by way of hypothecation of stock and book debts (see note 19.4) on entire exposure as a security for various working capital facilities viz CC, EPC, PCFC, FBP, FBD, Invoice Discounting etc granted by the bank. The above facilities are further collaterally secured by way of equitable mortgage of company's property office no 201, Setu Complex, Ahmedabad. The above facilities are guaranteed by three directors of the company in their personal capacity. The company has given Fixed Deposit of Rs 490 Lakhs (principal value) under lien in this regards. In addition to above property, Bungalow on plot no 19/B Kalyan Society Mithakhali Ahmedabad and Bungalow no 21 Sarthi-3 CHS Ltd Thaltej Ahmedabad owned by a director, is given as collateral security by way of mortgage.
- 19.2** The Company has created a charge in favour of HDFC Bank Ltd, to the extent of Rs.1500 Lakhs (31-3-20 Rs 1500 Lakhs, 01-4-19 Rs NIL) by way of pledge of Stock of warehouse receipt/storage receipts as security for Short Term loan against Pledge of physical commodities Facility granted by the bank. The facility is further guaranteed by three directors of the company in their personal capacity.
- 19.3** The Company has created 1st Pari pasu charge in favour of Punjab National Bank (PNB), to the extent of Rs.2750 Lakhs (31-3-20 Rs 2500 Lakhs, 01-4-19 Rs NIL). 1st pari pasu charge by way of hypothecation of entire current assets (see note 19.4) (Present & Future) including stocks of raw materials, stocks in process, finished goods, receivables, store, spares, consumables etc. as a security for various working capital facilities viz CC, PCFC, FOBP, FOUFB, FABC etc granted by the bank. Collateral Securities: PNB has stipulated following collateral securities. (i) company's property at 17 Orchid Green, Gokuldham, Ahmedabad. (EM pending to be executed) (ii) Lien of Fixed Deposit Receipt of Rs 223 Lakhs. (Lien on FD pending to be executed) (iii) property at C-4-B Prarthana Upvan CHS Ltd, Taluka Sanand, jointly owned by company and M/s Specific Worldwide LLP (EM pending to be executed). Till the time equitable mortgage of aforesaid properties are created company has provided liquid securities by way of Lien on Fixed Deposit of Rs 1250 Lakhs. Guarantee/Corporate Guarantee: Three directors in their personal capacity and M/s Specific Worldwide LLP.
- 19.4** Working capital facilities sanctioned by HDFC Bank & PNB is under multiple banking arrangement. Working capital facilities are secured by way of hypothecation of entire current assets on Pari pasu basis (in proportion to the limit sanctioned by each bank).
- 19.5** The company has created charge in favour of IndusInd Bank Ltd, to the extent of Rs 500 Lakhs (31-3-20 Rs 500 Lakhs, 01-4-19 Rs Nil), by way of pledge of stock to secure line of credit for short term loan against agricultural commodities stored in approved warehouse facility. The facility is further guarantee by two directors of the company in their personal capacity.
- 19.6** The company has created charge in favour of Axis Bank Ltd, to the extent of Rs Nil (31-3-20 Rs 400 Lakhs, 01-4-19 Rs 400 Lakhs), by way of Pledge of stock to secure pledge of Warehouse Receipts /Storage Receipts with Lien noted in favour of the Bank Facility granted by the bank. The facility is further guarantee by two directors of the company in their personal capacity.

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 20 - Trade Payables**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Total outstanding dues of Micro Enterprise and small enterprise	-	-	-
Total outstanding dues others	693.28	130.58	59.36
<b>Total</b>	<b>693.28</b>	<b>130.58</b>	<b>59.36</b>

**Disclosure Under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under, to the extent the Company has received intimation from the “Suppliers” regarding their status under the Act:**

- Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)	-	-	-
Principal amount due to micro and small enterprise	-	-	-
Interest due on above	-	-	-
- Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-	-
- Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-	-
- The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
- Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-	-

**Note:** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company. This has been relied upon by the auditors.

**Note - 21 - Other Short Term Financial Liabilities**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Statutory Dues	20.00	23.19	24.45
Capital & Expenses Creditors	184.35	263.92	73.03
Unpaid Dividend	-	-	-
<b>Current Maturities of Non-Current Borrowings</b>			
Current maturities of Long - Term Debt	187.98	16.89	15.74
Accrued Interest but not due on Vehicle Loan	0.08	0.18	0.29
Accrued Interest but not due on EPC	-	-	0.36
Accrued Interest but not due - Others	1.67	-	-
<b>Total</b>	<b>394.08</b>	<b>304.18</b>	<b>113.87</b>

**Note - 22 - Short Term Provisions**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Provision for Expenses	188.32	68.80	56.65
Provision for Employee benefits (Refer note no 36)			
Gratuity (Unfunded)	2.54	1.21	0.20
Leave Encashment	-	-	-
Others	7.58	8.41	2.89
<b>Total</b>	<b>198.44</b>	<b>78.42</b>	<b>59.74</b>

## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 23 - Other Short Term Liabilities (Non Financial)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Lease Liabilities	84.53	133.31	183.99
Deferred Lease Deposit	0.52	0.99	1.00
Advance from Customers	25.09	6.99	1.43
<b>Total</b>	<b>110.14</b>	<b>141.29</b>	<b>186.42</b>

Refer Note No - 42

### Note - 24 - Current Tax Liabilities

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Provision for Income Tax [net of prepaid taxes]	-	1.74	10.41
<b>Total</b>	<b>-</b>	<b>1.74</b>	<b>10.41</b>

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## Note - 25 - Revenue From Operations

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>Sale of Products</b>		
Export Sales	13,477.68	1,214.42
Domestic Sales	77,200.76	55,897.64
<b>Sale of Services</b>		
Agency Service Income	-	193.36
<b>Other Operating Revenue</b>		
Other Income	99.78	-
<b>Total</b>	<b>90,778.22</b>	<b>57,305.42</b>

## Note - 26 - Other Income

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Interest Income	234.88	110.95
Other Non-Operating Income		
Gain on Foreign Exchange Fluctuation (Net)	191.12	30.60
Corporate Guarantee Commission Income	51.59	17.57
Profit on Sale of Asset (Net)	9.44	-
Income from Investment Activities	3.96	3.04
Other Non-Operating Income	135.83	65.48
<b>Total</b>	<b>626.82</b>	<b>227.64</b>
<b>26.1 Interest Income comprises:</b>		
Interest on Loans and Advances	70.57	29.86
Interest from Banks on Deposit	111.38	58.00
Interest from Trade Receivables	14.93	18.77
Interest from Delayed Supply of Goods	32.98	0.04
Interest on Income Others	0.33	1.81
Interest on Income tax Refund	-	0.14
Interest Income - Ind AS	4.69	2.33
<b>Total</b>	<b>234.88</b>	<b>110.95</b>
<b>26.2 Income from Investment Activities Comprises:</b>		
Dividend Income - Subsidiary	-	0.12
Gain on Mutual Fund	3.96	2.92
Profit on Sale of Investment	-	-
<b>Total</b>	<b>3.96</b>	<b>3.04</b>
<b>26.3 Other Non Operating Income Comprises:</b>		
Sale of Scrap	-	0.01
Management Consultancy Income	7.36	6.13
Lease Rental Income	77.44	57.53
Other Income	51.03	1.81
<b>Total</b>	<b>135.83</b>	<b>65.48</b>



## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 27 - Cost of Materials Consumed

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Opening Stock at the beginning of the year	418.30	4.28
Add : Purchases and Incidental Expenses (Net of returns, claims/ discount, if any)	59,980.12	49,217.01
Less : Closing Stock at the end of the year	2.48	418.30
<b>Total</b>	<b>60,395.94</b>	<b>48,802.99</b>

### Note - 28 - Purchase of Stock-In-Trade

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Purchases and Incidental Expenses (Net of returns, claims/discount, if any)	25,862.36	4,969.28
<b>Total</b>	<b>25,862.36</b>	<b>4,969.28</b>

### Note - 29 - Changes In Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>Opening Stock</b>		
Work-in-Progress	787.40	229.54
Finished Goods / Stock-in Trade	652.53	1,183.16
	<b>1,439.93</b>	<b>1,412.70</b>
<b>Closing Stock</b>		
Work-in-Progress	826.05	787.40
Finished Goods / Stock-in Trade	1,178.25	652.53
	<b>2,004.30</b>	<b>1,439.93</b>
<b>Total</b>	<b>(564.37)</b>	<b>(27.23)</b>

### Note - 30 - Employee Benefit Expenses

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Salaries, Wages and Bonus	507.12	512.41
Contributions to Provident and Other Fund	10.76	9.42
Gratuity and Leave Encashment (net of reversals, if any)	13.19	18.88
Staff Welfare Expenses	46.00	32.98
<b>Total</b>	<b>577.07</b>	<b>573.69</b>

Refer Note No - 36

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 31 - Finance Costs**

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Interest expense:		
On Fixed Loans from Banks	8.61	2.80
On CC & Other Borrowing from Banks	376.84	354.56
On Other Borrowing	33.94	143.46
On Lease Liabilities	66.09	44.25
Others	12.90	0.81
Foreign Exchange Adjustments to Borrowing Cost	-	-
Other Finance Cost	26.99	12.73
<b>Total</b>	<b>525.37</b>	<b>558.61</b>

**Note - 32 - Depreciation & Amortisation Expenses**

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Depreciation on Property, Plant and Equipments	35.80	28.70
Depreciation on Right of Use Assets	177.81	254.03
Amortisation of Intangible Assets	1.10	0.74
<b>Total</b>	<b>214.71</b>	<b>283.47</b>

**Note - 33 - Other Expenses**

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>Manufacturing &amp; Service Cost</b>		
Power & Fuel	403.08	383.17
Loading-Unloading Expenses	168.61	156.64
Factory Consumables	192.97	109.76
Other Factory Expenses	36.83	12.05
Repair & Maintenance - Plant & Machinery	121.30	103.96
Repair & Maintenance - Building	8.28	2.73
Repair & Maintenance - Others	5.33	11.69
Raw Material (Commodity) Hedging Cost	0.01	147.63
Packing Expenses	190.21	33.52
<b>Total Manufacturing &amp; Service Cost</b>	<b>1,126.62</b>	<b>961.15</b>
<b>Administration, Selling &amp; Other Expenses</b>		
Business Promotion Expenses	6.56	24.51
Brokerage Expenses	33.28	0.10
Bank Charges	18.73	15.87
Cash Discount	2.45	2.88
Conveyance Expense	5.74	4.24
Donation	2.53	5.80
Electricity Expenses	4.11	4.09
Testing Fees	20.38	13.70

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

**Note - 33 - Other Expenses (Contd...)**

**(Rs. in Lakhs)**

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2021</b>	<b>For the year ended 31<sup>st</sup> March, 2020</b>
Legal Expenses	42.10	39.01
Director Sitting Fees	5.75	1.03
Consultancy Fees	139.38	134.16
Payment to Auditors	4.25	3.79
Outwards Freight / Loading & Unloading	733.60	461.67
Other Expenses	54.59	0.10
Exchange / Listing Expenses	6.47	-
Sales Commission Expenses	86.96	45.39
Office Expense	18.89	14.53
Postage & Courier Expenses	1.54	0.91
Printing & Stationery Expenses	8.08	4.66
Rates & Taxes	3.49	4.64
Lease Rent Expenses	0.17	-
Godown / Storage Tank Rent	16.20	30.01
Repair & Maintenance - Building	2.11	1.25
Repair & Maintenance - Others	5.38	5.56
Insurance Expenses	18.58	8.31
Telecommunication Expenses	3.38	4.33
Travelling Expenses	6.70	45.49
Sundry Balances Written off / (Written Back)	1.59	(0.20)
ECL Provision	1.14	1.85
Misc. Expenses	0.55	-
Export Clearing / Forwarding / Handling Charges	1,309.93	41.46
<b>Total Administration, Selling &amp; Other Expenses</b>	<b>2,564.61</b>	<b>919.14</b>
<b>Total</b>	<b>3,691.23</b>	<b>1,880.29</b>
<b>Payment to Statutory Auditors</b>		
Audit Fees	3.75	3.69
Tax Audit Fees	-	-
Certification and others	0.50	0.10
Certification (IPO)(*)	-	2.00
Reimbursement of expenses	-	-
<b>Total</b>	<b>4.25</b>	<b>5.79</b>

(\*) Expenses on fresh issue of Equity Shares (Retained Earning)

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 34 - Tax Expense**

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Tax Expenses	169.29	122.40
Deferred Tax Expenses/(Reversal)	4.76	(21.92)
Tax in respect of Earlier Years/(Reversal)	-	(4.20)
<b>Total</b>	<b>174.05</b>	<b>96.28</b>

**Note - 35 - Earnings Per Share**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Net profit attributable to the equity shareholders (Rs. in Lakhs)	528.68	395.68
Weighted average number of equity shares outstanding during the period (Nos.)(*)	24,403,923	19,779,681
Nominal value of equity share (Rs.)	10.00	10.00
<b>Basic and Diluted Earning Per Share (Rs.)</b>	<b>2.17</b>	<b>2.00</b>

(\*) Previous Year's weighted average number of equity shares are adjusted for Bonus issued during the year.

**Note - 36 - Employee Benefits**

(Rs. in Lakhs)

**A. Defined Contribution Plan**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>The Company has the following post-employment benefit plans:</b>		
Contribution to defined contribution plan recognised as expense for the year is as under:		
Employer's contribution to provident fund	10.73	9.42

**B. Defined Benefit Plans**
**Gratuity (Unfunded) :**

- (i) The Company administers its employees' gratuity scheme unfunded liability. The present value of the liability for the defined benefit plan of gratuity obligation is determined based on actuarial valuation by an independent actuary at the period end, which is calculated using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.
- (ii) Gratuity benefits in India are governed by the Payment of Gratuity Act, 1972. The key features are as under:
  - Benefits offered : 15 / 26 x salary x duration of service
  - Salary definition : Basic salary including Dearness Allowance (If any)
  - Benefit ceiling : Benefit ceiling of Rs. 20 Lakhs (not applied)
  - Vesting conditions : 5 years of continuous service (not applicable in case of death/ disability)
  - Benefit eligibility : Upon death or resignation or withdrawal or retirement
  - Retirement age : 58, 60, 65 or 62 years
- (ii) Risks associated to the defined benefit plan of gratuity:
  - (a) Investment / Interest Risk: The present value of defined benefit plan liability is calculated using discount rate determined with reference to market yield on government bonds denominated in Indian rupees. A decrease in the bond interest rate will increase the plan liability.
  - (b) Longevity Risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

**Note - 36 - Employee Benefits (Contd...)**

**(Rs. in Lakhs)**

**B. Defined Benefit Plans (Contd...)**

**Gratuity (Unfunded) : (Contd...)**

- (c) Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.
- (d) Legislative Risk: Risks of increase in the plan liabilities or reduction in plan assets due to change in legislation.

Particulars	<b>(Rs. in Lakhs)</b>	
	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
<b>Gratuity (Unfunded) (Contd...)</b>		
<b>Changes in Present Value of Benefit Obligations</b>		
Present value of Benefit Obligations (Opening)	7.60	1.83
Current Service Cost	5.82	6.03
Interest Cost	0.49	0.12
Benefits Paid	-	-
Actuarial losses/ (gains)	(3.16)	(0.37)
<b>Present value of Benefit Obligation (Closing)</b>	<b>10.75</b>	<b>7.60</b>
<b>Bifurcation of Actuarial losses/ (gains)</b>		
Actuarial losses/ (gains) arising from change in financial assumptions	0.36	(0.41)
Actuarial losses/ (gains) arising from change in demographic assumptions	-	-
Actuarial losses/ (gains) arising from experience adjustments	(3.54)	0.03
<b>Actuarial losses/ (gains)</b>	<b>(3.18)</b>	<b>(0.38)</b>
<b>Bifurcation of Present Value of Benefit Obligation</b>		
Current – Amount due within one year	2.54	1.21
Non-Current – Amount due after one year	8.21	6.40
<b>Total</b>	<b>10.75</b>	<b>7.61</b>
<b>Expected Benefit Payments in Future Years</b>		
<b>(Projections are for current members and their currently accumulated benefits)</b>		
Year 1	2.54	1.21
Year 2	0.40	0.21
Year 3	0.83	0.29
Year 4	0.29	0.54
Year 5	0.62	0.17
Year 6 and above	6.07	5.18
<b>Sensitivity Analysis of Defined Benefit Obligation with references to Key Assumptions</b>		
Discount Rate - 1 percent increase	9.62	6.77
Discount Rate - 1 percent decrease	12.15	8.63
Salary Escalation Rate - 1 percent increase	12.13	8.62
Salary Escalation Rate - 1 percent decrease	9.62	6.77
Withdrawal Rate - 1 percent increase	10.68	7.59
Withdrawal Rate - 1 percent decrease	10.82	7.61
<b>Amounts recognized in Balance Sheet</b>		
Present Value of Benefit Obligation as at 31 <sup>st</sup> March 2021	-	10.75
Present Value of Benefit Obligation as at 31 <sup>st</sup> March 2020	-	7.60
Present Value of Benefit Obligation as at 1 <sup>st</sup> April 2019	-	1.83

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 36 - Employee Benefits (Contd...)**

(Rs. in Lakhs)

**B. Defined Benefit Plans (Contd...)**
**Gratuity (Unfunded) : (Contd...)**
**Amounts recognized Statement of Profit and Loss**

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Current Service Cost	5.82	6.03
Interest Cost	0.49	0.12
Expected Return on Plan Assets	-	-
Net actuarial losses/ (gains) recognized in the year	(3.17)	(0.38)
<b>Expenses recognized in Statement of Profit and Loss</b>	<b>3.14</b>	<b>5.77</b>
<b>Actuarial Assumptions</b>		
Discount Rate (%)	6.50%	6.80%
(Discount Rate used for valuing liabilities is based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees)		
Salary Escalation Rate (%)	7.00%	7.00%
(Estimates of future salary increase are based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market)		
Retirement Age	60	60
Attrition Rate	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
<b>C. Other long-term employee benefits</b>		
<b>Leave encashment (Unfunded):</b>		
(i) The value of obligation is determined based on Company's leave policy.		
(ii) The leave obligations cover the Company's liability for earned leaves. Amount of Rs. 10.05 Lakhs (previous year: Rs. 13.11 Lakhs) has been recognised in the statement of profit and loss.		
(iii) <b>Amounts recognized in Balance Sheet</b>		<b>(Rs. in Lakhs)</b>
Benefit Obligation as at 31st March 2021	-	12.32
Benefit Obligation as at 31st March 2020	-	14.78
Benefit Obligation as at 1st April 2019	-	4.23

**Note - 37 - Contingent Liabilities and Capital Commitments**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>(I) Contingent Liabilities</b>			
a) Claims against the Company not acknowledged as debts:	NIL	NIL	NIL
b) Corporate Guarantees given to Banker's of foreign subsidiary company (Mangalam Global (Singapore) Pte. Ltd.)(MGSPL)	USD 60.00 Lakhs	USD 40.00 Lakhs	NIL
c) Counter Guarantee given to Bank for issue of Standby Letter of Credit in favour of foreign subsidiary (MGSPL)	USD 5.00 Lakhs	USD 5.00 Lakhs	NIL



## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 37 - Contingent Liabilities and Capital Commitments (Contd...)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>(II) Capital Commitments:</b>			
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	NIL	NIL	NIL

### Note - 38 - Covid-19

The outbreak of Covid-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and Financial Results for the year ended 31 March, 2021 were impacted due to it. The Company's operations are being carried out with requisite precaution in place. The situation is continuously evolving, and the impact assessed may be different from the estimates made as at the date of approval of these financial results and management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

### Note - 39 - Operating Segment Information

- (a) The Company has identified "Agro based commodities" viz castor seeds, castor derivatives products, cotton, cotton ginning, rice, mustard seeds and other agro commodities, which have similar risks and returns, as its sole primary business segment, accordingly, there are no separate reportable segment.
- (b) Geographical Information  
The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile (i.e., India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers and segment assets have been based on the geographical location of assets.

#### (I) Total Operating Revenue(\*)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
India	77,300.54	56,091.00
Other Countries	13,477.68	1,214.42

(\*) There are no transactions with a single external customer which amounts to 10% or more of the Company's revenue.

#### (II) Non-current assets(\*\*)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
India	2,151.81	2,389.80	884.43
Other Countries	-	-	-

(\*\*) (excluding financial instruments and tax assets). All noncurrent assets of the Company are located in India

### Note - 40 - Property, Plant & Equipment/ Book Debt / Stock / FDR / Liquid Securities Pledged / Hypothecated / Lien as a Security with the Bank as Under

Particulars	in favour of	Description of facility
<b>Immoveable Property</b>		
Office no. 201, Setu Complex, Ahmedabad	HDFC Bank Ltd	Various working capital facilities & Working Capital Term loan GECL (Refer Note 15 and 19)
- P no. 17, Orchid green, Ahmedabad - P No.C-4-B, Prathana Upavan Co. Op. H S Ltd, Ahmedabad jointly owned by company with M/s Specific Worldwide LLP	Punjab National Bank Limited	Various working capital facilities & Working Capital Term Loan GECL & CECF (Refer Note 15 and 19) (EM pending to be executed for aforesaid immoveable property, in lieu of which FDR (liquid securities) of equivalent value given as security)
<b>Moveable Property</b>		
BMW Car	ICICI Bank Limited	Auto Loan (Refer Note 15)

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 40 - Property, Plant & Equipment/ Book Debt / Stock / FDR / Liquid Securities Pledged / Hypothecated / Lien as a Security with the Bank as Under (Contd...)**

(Rs. in Lakhs)

Particulars	in favour of	Description of facility
Stock/Bookdebt/Current Asset	HDFC Bank Ltd	Various working capital facilities & Working Capital Term Loan GECL / CECF (Refer Note 15 and 19)
	Punjab National Bank Limited	
	Indus Ind Bank Limited	Working capital facilities sanctioned by HDFC Bank & PNB is under multiple banking arrangement. Working capital facilities are secured by way of hypothecation of entire current assets on Pari pasu basis (in proportion to the limit sanctioned by each bank).
	Axis Bank Limited	Short term loan against agricultural commodities stored in approved warehouse facility (Refer Note 19)
Bank FDR / Liquid Securities	HDFC Bank Ltd	Pledge of Warehouse Receipts /Storage Receipts with Lien noted in favour of the Bank Facility (Refer Note 19)
	Punjab National Bank Limited	
	The Mehsana Urban Co-operative Bank Limited	Under lien for issue of Standby Letter of Credit in favour of foreign subsidiary (MG SPL).

**Note - 41 - Related Party Disclosures**

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

**A. List of related parties :**

- |  |  |
|--|--|
| (i) Holding Company :  | NIL  |
| (ii) Subsidiaries Companies/ Firms :   | Mangalam Gloabal (Singapore) Pte. Ltd.<br>(Formerly known as Mangalprakash (Singapore) Pte. Ltd.)<br>Mangalam Gloabal (UK) Limited<br>Hindprakash Castor Derivatives Private Limited<br>Farpoint Enterprise LLP  |
| (iii) Fellow Subsidiaries :  | NIL  |
| (iv) Associate Companies :   | NIL  |
| (v) Joint Ventures :   | NIL  |
| (vi) Key Management Personnel (KMP) :  | Mr. Vipin Prakash Mangal, <i>Chairman &amp; Executive Director</i><br>Mr. Chanakya Prakash Mangal, <i>Joint Managing Director &amp; COO</i><br>Mr. Chandragupt Prakash Mangal, <i>Joint Managing Director &amp; CEO</i><br>Mr. Ashutosh Mehta, <i>Chief Financial Officer</i><br>Ms. Vrunda Patel, <i>Company Secretary (w. e. f. 14th May, 2020)</i><br>Ms. Rutu Shah, <i>Company Secretary (upto 14th May, 2020)</i> |
| (vii) Relatives of KMP :   | Mr. Om Prakash Mangal<br>Mrs. Hemlata Mangal<br>Mrs. Rashmi Mangal<br>Mrs. Vasant Mehta  |
| (viii) Enterprise over which Key Management Personnel exercise significant influence | Mangalam Worldwide Private Limited<br>Mangalam Saarloh Private Limited<br>Mangalam Finserv Private Limited<br>Mangalam Dura Jet Technologies Private Limited   |

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

**Note - 41 - Related Party Disclosures (Contd...)**

**A. List of related parties : (Contd...)**

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Mangalam Logistics Private Limited  
Mangalam Multi Businesses Private Limited  
ECS Environment Private Limited  
Ecofine Colourchem Private Limited  
Paradisaal Trade LLP  
Specific Worldwide LLP  
Nitex Enterprise LLP  
Shirshak Exim LLP  
Agrivolt Trade LLP  
Effervescent Tradeworld LLP  
Deluxe Paper Industries  
Omprakash Vipinprakash HUF  
OPVP Mangal HUF  
Vipin Prakash HUF

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

B. Transactions with related parties during the year (Transactions below Rs. 1,000/- denoted as 0.00)											(Rs. in Lakhs)	
Particulars	Subsidiary Companies/ Firms		Key Management Personnel & Relatives		Enterprise over which KMP exercise Significant Influence				Total			
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020		
<b>Sale of Products</b>	<b>4,639.22</b>	-	-	-	<b>246.99</b>	-	<b>4,886.21</b>	-	-	-		
Farpoint Enterprise LLP	241.06	-	-	-	-	-	241.06	-	-	-		
Mangalam Global (Singapore) Pte Ltd	4,398.17	-	-	-	-	-	4,398.17	-	-	-		
Mangalam Dura Jet Technologies Private Limited	-	-	-	-	246.99	-	246.99	-	-	-		
<b>Sale of Services</b>	-	-	-	-	<b>0.70</b>	-	<b>0.70</b>	-	<b>0.70</b>	-		
Mangalam Worldwide Private Limited	-	-	-	-	0.70	-	0.70	-	0.70	-		
<b>Other Income</b>	-	-	-	-	-	-	-	-	-	-		
<b>Sale of Scrap</b>	-	-	-	-	-	-	<b>0.01</b>	<b>0.01</b>	-	<b>0.01</b>		
ECS Environment Private Limited	-	-	-	-	-	-	0.01	0.01	-	0.01		
<b>Management Consultancy Income</b>	-	-	-	-	<b>7.36</b>	<b>6.13</b>	<b>7.36</b>	<b>6.13</b>	<b>7.36</b>	<b>6.13</b>		
ECS Environment Private Limited	-	-	-	-	7.36	6.13	7.36	6.13	7.36	6.13		
<b>Corporate Gurantee Commission Income</b>	<b>51.59</b>	<b>16.56</b>	-	-	-	-	<b>51.59</b>	-	<b>16.56</b>	<b>16.56</b>		
Mangalam Global (Singapore) Pte Ltd	51.59	16.56	-	-	-	-	51.59	-	16.56	16.56		
<b>Interest Income</b>	-	-	-	-	-	-	-	-	-	-		
<b>On Trade Receivables</b>	<b>0.34</b>	-	-	-	<b>15.16</b>	<b>18.77</b>	<b>15.50</b>	<b>18.77</b>	<b>15.50</b>	<b>18.77</b>		
ECS Environment Private Limited	-	-	-	-	14.93	18.77	14.93	18.77	14.93	18.77		
Farpoint Enterprise LLP	0.34	-	-	-	-	-	0.34	-	0.34	-		
Mangalam Dura Jet Technologies Private Limited	-	-	-	-	0.22	-	0.22	-	0.22	-		
<b>On Delayed Supply of Goods</b>	-	-	-	-	<b>14.12</b>	-	<b>14.12</b>	-	<b>14.12</b>	-		
Mangalam Dura Jet Technologies Private Limited	-	-	-	-	3.77	-	3.77	-	3.77	-		
Paradisal Trade LLP	-	-	-	-	10.35	-	10.35	-	10.35	-		
<b>On Loans &amp; Advances</b>	<b>45.78</b>	<b>26.40</b>	-	-	<b>8.93</b>	<b>1.03</b>	<b>54.71</b>	<b>1.03</b>	<b>54.71</b>	<b>27.43</b>		
Ecofine Colourchem Private Limited	-	-	-	-	0.31	1.03	0.31	1.03	0.31	1.03		
Hindprakash Castor Derivatives Private Limited	42.50	24.46	-	-	-	-	42.50	-	42.50	24.46		
Mangalam Global (Singapore) Pte Ltd	3.28	1.94	-	-	-	-	3.28	-	3.28	1.94		
Mangalam Worldwide Private Limited	-	-	-	-	8.62	-	8.62	-	8.62	-		

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

B. Transactions with related parties during the year (Contd...)											(Rs. in Lakhs)	
(Transactions below Rs. 1,000/- denoted as 0.00)												
Particulars	Subsidiary Companies/ Firms		Key Management Personnel & Relatives		Enterprise over which KMP exercise Significant Influence		Total					
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020		
<b>Interest - Ind AS</b>												
Hindprakash Castor Derivatives Private Limited	1.07	0.93	0.19	0.17	-	-	1.26	1.10				
Chanakya Prakash Mangal	0.98	0.89	-	-	-	-	0.98	0.89				
Farpoint Enterprise LLP	-	-	0.19	0.17	-	-	0.19	0.17				
	0.09	0.04	-	-	-	-	0.09	0.04				
<b>Dividend Income</b>												
Hindprakash Castor Derivatives Private Limited	-	0.12	-	-	-	-	-	0.12				
	-	0.12	-	-	-	-	-	0.12				
<b>Purchase of Products</b>												
Hindprakash Castor Derivatives Private Limited	848.32	1,185.08	-	-	655.37	-	1,503.69	1,185.08				
Mangalam Dura Jet Technologies Private Limited	848.32	1,185.08	-	-	-	-	848.32	1,185.08				
Paradisal Trade LLP	-	-	-	-	167.92	-	167.92	-				
Shirshak Exim LLP	-	-	-	-	240.76	-	240.76	-				
	-	-	-	-	246.69	-	246.69	-				
<b>Purchase of Services</b>												
Hindprakash Castor Derivatives Private Limited	115.99	82.45	-	-	-	-	115.99	82.45				
	115.99	82.45	-	-	-	-	115.99	82.45				
<b>Lease Rent Expense</b>												
Hemlata Mangal	14.59	151.64	14.93	14.75	-	-	29.52	166.39				
Chanakya Prakash Mangal	-	-	0.18	-	-	-	0.18	-				
Farpoint Enterprise LLP	-	-	14.75	14.75	-	-	14.75	14.75				
Hindprakash Castor Derivatives Private Limited	8.44	10.09	-	-	-	-	8.44	10.09				
	6.15	141.55	-	-	-	-	6.15	141.55				
<b>Consultancy Fees</b>												
Chandragupt Prakash Mangal	-	-	4.20	8.90	-	-	4.20	8.90				
Vasant A Mehta	-	-	-	6.50	-	-	-	6.50				
	-	-	4.20	2.40	-	-	4.20	2.40				
<b>Interest Expense</b>												
<b>On Delayed Supply of Goods</b>												
Farpoint Enterprise LLP	3.86	-	-	-	-	-	3.86	-				
	3.86	-	-	-	-	-	3.86	-				
<b>On Borrowings</b>												
Chanakya Prakash Mangal	-	-	30.52	79.31	-	-	30.52	79.31				
Chandragupt Prakash Mangal	-	-	5.39	3.16	-	-	5.39	3.16				
Rashmi Mangal	-	-	6.76	4.64	-	-	6.76	4.64				
Vipin Prakash Mangal	-	-	-	1.90	-	-	-	1.90				
	-	-	18.37	69.60	-	-	18.37	69.60				

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

B. Transactions with related parties during the year (Contd...)		(Rs. in Lakhs)									
(Transactions below Rs. 1,000/- denoted as 0.00)											
Particulars	Subsidiary Companies/ Firms		Key Management Personnel & Relatives		Enterprise over which KMP exercise Significant Influence		Total				
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2020
<b>Interest - Ind AS</b>	<b>68.84</b>	<b>24.05</b>	<b>5.65</b>	<b>6.71</b>	-	-	<b>74.49</b>	<b>30.76</b>			
Chanakya Prakash Mangal	-	-	5.65	6.71	-	-	5.65	6.71			
Hindprakash Castor Derivatives Private Limited	62.02	22.22	-	-	-	-	62.02	22.22			
Farpoint Enterprise LLP	6.82	1.83	-	-	-	-	6.82	1.83			
<b>Corporate Gurantee Commission Expense</b>	<b>10.05</b>	<b>0.84</b>	-	-	-	-	<b>10.05</b>	<b>0.84</b>			
Hindprakash Castor Derivatives Private Limited	10.05	0.84	-	-	-	-	10.05	0.84			
<b>Purchase of Property, Plant &amp; Equipment</b>	-	-	-	-	-	-	-	-			
ECS Environment Private Limited	-	-	-	-	-	-	-	-			
<b>Loan Given</b>	<b>1,092.82</b>	<b>462.03</b>	-	-	<b>331.00</b>	-	<b>1,423.82</b>	<b>462.03</b>			
Hindprakash Castor Derivatives Private Limited	1,092.82	333.33	-	-	-	-	1,092.82	333.33			
Mangalam Global (Singapore) Pte Ltd	-	128.70	-	-	-	-	-	128.70			
Mangalam Worldwide Private Limited	-	-	-	-	331.00	-	331.00	-			
<b>Receipts against Loan Given</b>	<b>885.16</b>	<b>190.00</b>	-	-	<b>109.76</b>	-	<b>994.92</b>	<b>190.00</b>			
Hindprakash Castor Derivatives Private Limited	748.59	190.00	-	-	-	-	748.59	190.00			
Ecofine Colourchem Private Limited	-	-	-	-	9.76	-	9.76	-			
Mangalam Global (Singapore) Pte Ltd	136.57	-	-	-	-	-	136.57	-			
Mangalam Worldwide Private Limited	-	-	-	-	100.00	-	100.00	-			
<b>Borrowings</b>	-	<b>500.00</b>	<b>1,305.00</b>	<b>2,858.98</b>	-	<b>300.00</b>	<b>1,305.00</b>	<b>3,658.98</b>			
Hindprakash Castor Derivatives Private Limited	-	500.00	-	-	-	-	-	500.00			
Mangalam Worldwide Private Limited	-	-	-	-	-	300.00	-	300.00			
Chanakya Prakash Mangal	-	-	175.00	172.84	-	-	175.00	172.84			
Chandragupt Prakash Mangal	-	-	175.00	179.84	-	-	175.00	179.84			
Rashmi Mangal	-	-	-	47.50	-	-	-	47.50			
Vipin Prakash Mangal	-	-	955.00	2,458.80	-	-	955.00	2,458.80			
<b>Repayment against Borrowings</b>	-	<b>500.00</b>	<b>1,773.19</b>	<b>2,343.42</b>	-	<b>300.00</b>	<b>1,773.19</b>	<b>3,143.42</b>			
Hindprakash Castor Derivatives Private Limited	-	500.00	-	-	-	-	-	500.00			
Mangalam Worldwide Private Limited	-	-	-	-	-	300.00	-	300.00			



**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

B. Transactions with related parties during the year (Contd...)										(Rs. in Lakhs)	
(Transactions below Rs. 1,000/- denoted as 0.00)											
Particulars	Subsidiary Companies/ Firms		Key Management Personnel & Relatives		Enterprise over which KMP exercise Significant Influence				Total		
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	
Chanakya Prakash Mangal	-	-	187.67	168.00	-	-	-	-	187.67	168.00	
Chandragupt Prakash Mangal	-	-	201.27	164.00	-	-	-	-	201.27	164.00	
Rashmi Mangal	-	-	-	49.21	-	-	-	-	-	49.21	
Vipin Prakash Mangal	-	-	1,384.25	1,962.21	-	-	-	-	1,384.25	1,962.21	
Remuneration Paid	-	-	101.42	118.14	-	-	-	-	101.42	118.14	
Ashutosh K Mehta	-	-	8.52	9.68	-	-	-	-	8.52	9.68	
Chanakya Prakash Mangal	-	-	16.28	33.58	-	-	-	-	16.28	33.58	
Chandragupt Prakash Mangal	-	-	16.28	17.58	-	-	-	-	16.28	17.58	
Hemlata Mangal	-	-	12.00	-	-	-	-	-	12.00	-	
Rashmi Mangal	-	-	16.28	33.58	-	-	-	-	16.28	33.58	
Rutu Shah	-	-	0.33	2.16	-	-	-	-	0.33	2.16	
Vipin Prakash Mangal	-	-	16.28	21.58	-	-	-	-	16.28	21.58	
Vrunda Patei	-	-	3.45	-	-	-	-	-	3.45	-	
Om Prakash Mangal	-	-	12.00	-	-	-	-	-	12.00	-	
Rent Deposit Given	-	-	0.06	-	-	-	-	-	0.06	-	
Hemlata Mangal	-	-	0.06	-	-	-	-	-	0.06	-	
Investment made during the period	395.95	647.01	-	-	-	-	-	121.28	395.95	768.29	
Farpoint Enterprise LLP	395.95	-	-	-	-	-	-	-	395.95	-	
Mangalm Global (Singapore) Pte. Ltd.	-	647.01	-	-	-	-	-	-	-	647.01	
ECS Environment Private Limited	-	-	-	-	-	-	-	121.28	-	121.28	
Dividend Paid	-	-	0.11	3.05	-	-	-	1.51	0.11	4.56	
Chanakya Prakash Mangal	-	-	-	0.83	-	-	-	-	-	0.83	
Chandragupt Prakash Mangal	-	-	-	0.88	-	-	-	-	-	0.88	
Hemlata O Mangal	-	-	-	0.03	-	-	-	-	-	0.03	
Mangalam Worldwide Private Limited	-	-	-	-	-	-	-	0.70	-	0.70	
Om Prakash Mangal	-	-	-	0.57	-	-	-	-	-	0.57	
Rashmi Mangal	-	-	-	0.36	-	-	-	-	-	0.36	
Vipin Prakash Mangal	-	-	-	0.38	-	-	-	-	-	0.38	
Specific Worldwide LLP	-	-	-	-	-	-	-	0.81	-	0.81	
Rutu Shah	-	-	0.02	-	-	-	-	-	0.02	-	
Vasant Mehta	-	-	0.09	-	-	-	-	-	0.09	-	

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

B. Transactions with related parties during the year (Contd...)		(Rs. in Lakhs)									
(Transactions below Rs. 1,000/- denoted as 0.00)											
Particulars	Subsidiary Companies/ Firms		Key Management Personnel & Relatives		Enterprise over which KMP exercise Significant Influence			Total			
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	
<b>Issue of Bonus Shares</b>	-	-	402.42	610.75	188.22	301.15	590.64	911.90			
Chanakya Prakash Mangal	-	-	103.71	165.93	-	-	103.71	165.93			
Chandragupt Prakash Mangal	-	-	114.94	175.91	-	-	114.94	175.91			
Hemlata O Mangal	-	-	3.45	5.52	-	-	3.45	5.52			
Om Prakash Mangal	-	-	71.43	114.29	-	-	71.43	114.29			
Rashmi Mangal	-	-	52.84	72.55	-	-	52.84	72.55			
Vipin Prakash Mangal	-	-	55.35	76.56	-	-	55.35	76.56			
Rutu Shah	-	-	0.10	-	-	-	0.10	-			
Vasant Mehta	-	-	0.60	-	-	-	0.60	-			
Mangalam Worldwide Private Limited	-	-	-	-	87.50	140.00	87.50	140.00			
Specific Worldwide LLP	-	-	-	-	100.72	161.15	100.72	161.15			
<b>Preferential Allotment of Shares (Including securities premium)</b>	-	-	294.00	3.36	-	-	294.00	3.36			
Chanakya Prakash Mangal	-	-	73.50	-	-	-	73.50	-			
Chandragupt Prakash Mangal	-	-	73.50	-	-	-	73.50	-			
Rashmi Mangal	-	-	73.50	-	-	-	73.50	-			
Rutu Shah	-	-	-	0.56	-	-	-	0.56			
Vasant A Mehta	-	-	-	2.80	-	-	-	2.80			
Vipin Prakash Mangal	-	-	73.50	-	-	-	73.50	-			
<b>Guarantee Given by related Party to the Company's Bank</b>	-	-	3,884.00	6,600.00	250.00	2,500.00	4,134.00	9,100.00			
<b>HDFC Bank</b>											
Chanakya Prakash Mangal											
Chandragupt Prakash Mangal											
Vipin Prakash Mangal			3,634.00	3,100.00	-	-	-	-			
Rashmi Mangal (Upto 30 September 2019)											
<b>Punjab National Bank</b>											
Chanakya Prakash Mangal			250.00	2,500.00	-	-	-	-			
Chandragupt Prakash Mangal											
Vipin Prakash Mangal											
Specific Worldwide LLP			-	-	250.00	2,500.00	-	-			

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

B. Transactions with related parties during the year (Contd...)		(Rs. in Lakhs)					
(Transactions below Rs. 1,000/- denoted as 0.00)							
Particulars	Subsidiary Companies/ Firms	31 March 2021	31 March 2020	31 March 2021	31 March 2020	Enterprise over which KMP exercise Significant Influence	Total
<b>IndusInd Bank</b>							
Chanakya Prakash Mangal	}	-	-	-	500.00	-	-
Chandragupt Prakash Mangal		-	-	-	-	-	-
<b>Kotak Mahindra Bank</b>							
Chanakya Prakash Mangal	}	-	-	-	500.00	-	-
Chandragupt Prakash Mangal		-	-	-	-	-	-
Vipin Prakash Mangal		-	-	-	-	-	-
<b>Corporate Guarantee Given to Subsidiary Company's Bank</b>							
Mangalam Global (Singapore) Pte. Ltd.	-	-	-	-	-	-	-
[USD 20 Lakhs (FY 19-20: USD 40 Lakhs)]							
<b>Counter Guarantee Given to Bank for issue of Standby Letter of Credit in favour of Subsidiary</b>							
Mangalam Global (Singapore) Pte. Ltd.	-	-	-	-	-	-	-
[USD NIL (FY 19-20: USD 5 Lakhs)]							

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

C. Year End Balances	Particulars	(Rs. in Lakhs)											
		Subsidiary Companies/ Firms			Key Management Personnel & Relatives			Enterprise over which KMP exercise Significant Influence			Total		
		31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019
	<b>Loan Given Outstanding</b>	<b>691.37</b>	<b>445.46</b>	<b>170.31</b>	-	-	-	<b>238.98</b>	<b>9.47</b>	<b>8.55</b>	<b>930.34</b>	<b>454.93</b>	<b>178.86</b>
	Ecofine Colourchem Private Limited	-	-	-	-	-	-	-	9.47	8.55	-	9.47	8.55
	Hindprakash Castor Derivatives Private Limited	691.37	307.82	170.31	-	-	-	-	-	-	691.37	307.82	170.31
	Mangalam Global (Singapore) Pte Ltd	-	137.64	-	-	-	-	-	-	-	-	137.64	-
	Mangalam Worldwide Private Limited	-	-	-	-	-	-	238.98	-	-	238.98	-	-
	<b>Loan Taken Outstanding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>146.97</b>	<b>586.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>146.97</b>	<b>586.93</b>	<b>-</b>
	Mangalam Global (UK) Limited	-	-	-	-	-	-	-	-	-	-	-	-
	Chanakya Prakash Mangal	-	-	-	-	7.69	-	-	-	-	-	7.69	-
	Chandragupt Prakash Mangal	-	-	-	-	20.02	-	-	-	-	-	20.02	-
	Vipin Prakash Mangal	-	-	-	146.97	559.23	-	-	-	-	146.97	559.23	-
	<b>Trade Receivables</b>	<b>811.88</b>	<b>16.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51.23</b>	<b>107.63</b>	<b>116.60</b>	<b>863.11</b>	<b>124.19</b>	<b>116.60</b>
	ECS Environment Private Limited	-	-	-	-	-	-	46.60	107.63	116.60	46.60	107.63	116.60
	Farpoint Enterprise LLP	40.78	-	-	-	-	-	-	-	-	40.78	-	-
	Mangalam Global (Singapore) Pte Ltd	771.09	16.56	-	-	-	-	-	-	-	771.09	16.56	-
	Mangalam Dura Jet Technologies Private Limited	-	-	-	-	-	-	4.63	-	-	4.63	-	-
	<b>Trade Payables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	NIL	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Advance to Suppliers</b>	<b>67.54</b>	<b>5.83</b>	<b>20.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>227.32</b>	<b>-</b>	<b>-</b>	<b>294.86</b>	<b>5.83</b>	<b>20.50</b>
	Hindprakash Castor Derivatives Private Limited	67.54	5.83	20.50	-	-	-	-	-	-	67.54	5.83	20.50
	Paradisaal Trade LLP	-	-	-	-	-	-	227.32	-	-	227.32	-	-
	<b>Other Current Liabilities/ Payables</b>	<b>0.87</b>	<b>62.72</b>	<b>2.04</b>	<b>15.20</b>	<b>0.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16.08</b>	<b>62.90</b>	<b>2.04</b>
	Hindprakash Castor Derivatives Private Limited	0.87	62.72	2.04	-	-	-	-	-	-	0.87	62.72	2.04
	Chanakya Prakash Mangal	-	-	-	3.26	-	-	-	-	-	3.26	-	-
	Chandragupt Prakash Mangal	-	-	-	3.26	-	-	-	-	-	3.26	-	-
	Hemlata Mangal	-	-	-	0.86	-	-	-	-	-	0.86	-	-
	Om Prakash Mangal	-	-	-	0.86	-	-	-	-	-	0.86	-	-
	Rashmi Mangal	-	-	-	3.26	-	-	-	-	-	3.26	-	-
	Vasant Mehta	-	-	-	0.46	0.18	-	-	-	-	0.46	0.18	-
	Vipin Prakash Mangal	-	-	-	3.26	-	-	-	-	-	3.26	-	-

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

C. Year End Balances (Contd....)	Particulars	(Rs. in Lakhs)											
		Subsidiary Companies/ Firms				Key Management Personnel & Relatives				Enterprise over which KMP exercise Significant Influence			
		31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019
	<b>Investments</b>	<b>1,317.26</b>	<b>921.31</b>	<b>274.30</b>	-	-	-	<b>242.55</b>	<b>242.55</b>	<b>121.28</b>	<b>1,355.31</b>	<b>959.36</b>	<b>191.08</b>
	ECOS Environment Private Limited	-	-	-	-	-	-	242.55	242.55	121.28	242.55	242.55	121.28
	Hindprakash Castor Derivatives Private Limited	204.50	204.50	204.50	-	-	-	-	-	-	204.50	204.50	204.50
	Mangalam Global (Singapore) Pte. Ltd.	716.76	716.76	69.75	-	-	-	-	-	-	716.76	716.76	69.75
	Mangalam Global (UK) Limited	-	-	-	-	-	-	-	-	-	-	-	-
	Farpoint Enterprise LLP	396.00	0.05	0.05	-	-	-	-	-	-	396.00	0.05	0.05
	<b>Rent Security Deposit Held</b>	<b>22.00</b>	<b>22.00</b>	<b>22.00</b>	<b>2.76</b>	<b>2.70</b>	-	-	-	-	<b>24.76</b>	<b>24.70</b>	<b>22.00</b>
	Chanakya Prakash Mangal (*)	-	-	-	2.70	2.70	-	-	-	-	2.70	2.70	-
	Farpoint Enterprise LLP (*)	2.00	2.00	2.00	-	-	-	-	-	-	2.00	2.00	2.00
	Hindprakash Castor Derivatives Private Limited (*)	20.00	20.00	20.00	-	-	-	-	-	-	20.00	20.00	20.00
	Hemlata Mangal	-	-	-	0.06	-	-	-	-	-	0.06	-	-
	<b>Right of Use Asset</b>												
	<b>(Net of Depreciation Fund)</b>	<b>735.88</b>	<b>750.47</b>	<b>150.32</b>	<b>44.26</b>	<b>59.01</b>	-	-	-	-	<b>780.14</b>	<b>809.48</b>	<b>150.32</b>
	Farpoint Enterprise LLP	63.31	71.76	-	-	-	-	-	-	-	63.31	71.76	-
	Hindprakash Castor Derivatives Private Limited	672.57	678.71	150.32	-	-	-	-	-	-	672.57	678.71	150.32
	Chanakya Prakash Mangal	-	-	-	44.26	59.01	-	-	-	-	44.26	59.01	-
	<b>Lease Liability</b>												
	<b>(Against Right of Use Asset)</b>	<b>664.56</b>	<b>727.83</b>	<b>174.16</b>	<b>51.53</b>	<b>63.21</b>	-	-	-	-	<b>716.09</b>	<b>791.04</b>	<b>174.16</b>
	Farpoint Enterprise LLP	66.28	71.50	-	-	-	-	-	-	-	66.28	71.50	-
	Hindprakash Castor Derivatives Private Limited	598.28	656.33	174.16	-	-	-	-	-	-	598.28	656.33	174.16
	Chanakya Prakash Mangal	-	-	-	51.53	63.21	-	-	-	-	51.53	63.21	-
	<b>Guarantee Given by Related Party</b>												
	<b>to Company's Bank</b>	-	-	-	<b>11,884.00</b>	<b>8,000.00</b>	<b>1,900.00</b>	<b>2,750.00</b>	<b>2,500.00</b>	-	<b>14,634.00</b>	<b>10,500.00</b>	<b>1,900.00</b>
	<b>HDFC Bank</b>												
	- Vipin Prakash Mangal												
	- Chanakya Prakash Mangal												
	- Chandragupt Prakash Mangal												
	- Rashmi Mangal (Upto 30th September 2019)												

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

C. Year End Balances (Contd...)											(Rs. in Lakhs)	
Particulars	Subsidiary Companies/ Firms		Key Management Personnel & Relatives			Enterprise over which KMP exercise Significant Influence				Total		
	31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019
<b>Punjab National Bank</b>												
- Vipin Prakash Mangal		-	-	2,750.00	2,500.00	-	-	-	-	2,750.00	2,500.00	-
- Chanakya Prakash Mangal	-											
- Chandragupt Prakash Mangal												
- Specific Worldwide LLP	-	-	-	-	-	-	2,750.00	2,500.00	-	2,750.00	2,500.00	-
<b>Axis Bank</b>												
- Chanakya Prakash Mangal		-	-	400.00	400.00	400.00	-	-	-	400.00	400.00	400.00
- Chandragupt Prakash Mangal	-											
<b>IndusInd Bank</b>												
- Chanakya Prakash Mangal		-	-	500.00	500.00	-	-	-	-	500.00	500.00	-
- Chandragupt Prakash Mangal	-											
<b>Corporate Guarantee Given to Subsidiary Company's Bank</b>												
Mangalam Global (Singapore) Pte. Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
[USD 60 Lakhs (FY 19-20: USD 40 Lakhs; FY 18-19: NIL)]												
<b>Counter Guarantee Given to Bank for issue of Standby Letter of Credit in favour of Subsidiary</b>												
Mangalam Global (Singapore) Pte. Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
[USD 5 Lakhs (FY 19-20: USD 5 Lakhs; FY 18-19: NIL)]												
(*) The above amount of security deposit is the amount given as per agreement. However, the same has been carried at amortised cost.												

(\*) The above amount of security deposit is the amount given as per agreement. However, the same has been carried at amortised cost.

## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### D. Breakup of compensation paid to key managerial personnel

Particulars	(Rs. in Lakhs)	
	31 March 2021	31 March 2020
<b>Shot-term Employee benefits</b>		
Vipin Prakash Mangal	16.28	21.58
Chanakya Prakash Mangal	16.28	33.58
Chandragupt Prakash Mangal	16.28	17.58
Ashutosh K Mehta	8.52	9.68
Rutu Shah	0.33	2.16
Vrunda Patel	3.45	-

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

### NOTE - 42 – LEASES (Right of Use Assets)

The Company's significant leasing arrangements are in respect of Land and buildings, Plant & Machinery and office premises and equipment taken on leave and license basis.

Effective April 1, 2019, the Company adopted Ind AS 116: Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. The weighted average incremental borrowing rate applied to lease liabilities is 10.00 %.

The break-up of current and non-current lease liabilities is as follows:

Particulars	(Rs. in Lakhs)		
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Current lease liabilities	84.53	133.31	183.99
Non- current lease liabilities	631.56	1,372.08	-
<b>Total</b>	<b>716.09</b>	<b>1,505.39</b>	<b>183.99</b>

The movement in lease liabilities during the year ended March 31, 2021 and pervious year is as follows:

Particulars	(Rs. in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Balance at the beginning	1505.39	183.99
Addition during the year	-	1,588.36
Finance cost accrued	65.02	43.28
Payment of lease liabilities	212.47	310.24
Deduction / Reversal During the year	641.85	-
<b>Balance at the end</b>	<b>716.09</b>	<b>1505.39</b>

The details of the contractual maturities of lease liabilities as at March 31, 2021 and previous year on an undiscounted basis are as follows:

Particulars	(Rs. in Lakhs)		
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Not later than one year	84.53	133.30	183.99
1-2 Years	95.22	149.00	-
2-3 Years	107.15	167.51	-
More than 3 Years	429.19	1,055.58	-



## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 43 – Financial Instruments

#### Financial Risk Management – Objectives and Policies

The Company's financial liabilities mainly comprise the loans and borrowings in foreign as well as domestic currency, money related to capital expenditures, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets comprise mainly of investments, security deposits, cash and cash equivalents, other balances with banks, trade and other receivables that derive directly from its business operations.

The Company is exposed to the Market Risk, Credit Risk and Liquidity Risk from its financial instruments.

The Management of the Company has implemented a risk management system which is monitored by the Board of Directors of the Company. The general conditions for compliance with the requirements for proper and future-oriented risk management within the Company are set out in the risk management principles. These principles aim at encouraging all members of staff to responsibly deal with risks as well as supporting a sustained process to improve risk awareness. The guidelines on risk management specify risk management processes, compulsory limitations, and the application of financial instruments. The risk management system aims to identify, assess, mitigate the risks in order to minimize the potential adverse effect on the Company's financial performance.

The following disclosures summarize the Company's exposure to the financial risks and the information regarding use of derivatives employed to manage the exposures to such risks. Quantitative Sensitivity Analysis has been provided to reflect the impact of reasonably possible changes in market rate on financial results, cash flows and financial positions of the Company.

#### A. Financial Assets and Liabilities

(Rs in Lakhs)

Particulars	As at 31st March, 2021			As at 31st March, 2020			As at 1st April, 2019		
	Amortised Cost **	FVTPL ***	FVTOCI	Amortised Cost **	FVTPL ***	FVTOCI	Amortised Cost **	FVTPL ***	FVTOCI
<b>Assets Measured at</b>									
Investments*	-	56.58	242.55	-	38.42	242.55	-	-	121.28
Trade receivables	5639.45	-	-	1190.34	-	-	887.07	-	-
Cash and Cash Equivalent	46.66	-	-	58.20	-	-	3.50	-	-
Other Bank Balances	2002.40	-	-	1845.29	-	-	490.09	-	-
Loans	930.34	-	-	455.21	-	-	229.03	-	-
Other Financial Assets	345.11	2.51	-	774.82	-	-	2850.03	-	-
<b>Total</b>	<b>8963.96</b>	<b>59.09</b>	<b>242.55</b>	<b>4323.86</b>	<b>38.42</b>	<b>242.55</b>	<b>4459.72</b>	-	<b>121.28</b>
<b>Liabilities Measured at</b>									
Borrowings (including current maturities of non-current borrowings)	7972.10	-	-	3235.54	-	-	3873.05	-	-
Trade payables	693.28	-	-	130.58	-	-	59.36	-	-
Other Financial Liabilities	217.24	-	-	297.38	-	-	107.26	-	-
<b>Total</b>	<b>8882.62</b>	-	-	<b>3663.50</b>	-	-	<b>4039.67</b>	-	-

(\*) Investment in subsidiaries are measured at cost as per Ind AS 27, "Separate financial statements", and hence not presented here.

(\*\*) Fair value of financial assets and liabilities measured at amortized cost approximates their respective carrying values as the management has assessed that there is no significant movement in factor such as discount rates, interest rates, credit risk from the date of the transition. The fair values are assessed by the management using Level 3 inputs.

(\*\*\*) The financial instruments measured at FVTPL represents current investments and derivative assets having been valued using level 2 valuation hierarchy.

#### Fair value hierarchy

The fair value of financial instruments as referred to in note below has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

### B. Market Risk

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market Risk comprises three types of Risk: *“Interest Rate Risk, Currency Risk and Other Price Risk”*. Financial instrument affected by the Market Risk includes loans and borrowings in foreign as well as domestic currency, retention money related to capital expenditures, trade and other payables.

#### (a) Interest Rate Risk

Interest Rate Risk is the risk that fair value or future cash outflows of a financial instrument will fluctuate because of changes in market interest rates. An upward movement in the interest rate would adversely affect the borrowing cost of the Company. The Company is exposed to long term and short - term borrowings. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments and taking actions as necessary to maintain an appropriate balance. The Company has not used any interest rate derivatives.

##### ➤ Exposure to Interest Rate Risk

Particulars	(Rs. in Lakhs)		
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Borrowing bearing fixed rate of interest	358.98	603.82	15.74
Borrowing bearing variable rate of interest	7613.12	2631.72	3857.32

##### ➤ Sensitivity Analysis

Profit / (Loss) estimates to higher / lower interest rate expense from borrowings bearing variable rate of interest as a result of changes in interest rate.

Particulars	(Rs. in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Interest Rate – Increase by 50 Basis Points	(38.07)	(13.16)
Interest Rate – Decrease by 50 Basis Points	38.07	13.16

(\*) holding all other variable constant. Tax impact not considered.

#### (b) Foreign Currency Risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. Considering the volume of foreign currency transactions, the Company has taken certain forward contracts to manage its exposure.

##### ➤ Exposure to Foreign Currency Risk

The Carrying amount of Company's unhedged Foreign Currency denominated monetary items are as follows:

(Figures in Lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020		As at 1st April, 2019	
	Amount in USD	Amount in Rs.	Amount in USD	Amount in Rs.	Amount in USD	Amount in Rs.
Net Unhedged Assets (Trade Receivables, Other Receivables, & Loans Given)	(1.53)	(108.95)	2.05	156.25	-	-
Net Unhedged Liabilities	5.84	429.17	-	-	-	-
<b>Net Exposure Assets / (Liabilities)</b>	<b>(7.36)</b>	<b>(538.12)</b>	<b>2.05</b>	<b>156.25</b>	<b>-</b>	<b>-</b>

## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### ➤ Sensitivity Analysis

The sensitivity of profit or (loss) to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(Figures in Lakhs)

Particulars(*)	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Amount in USD	Amount in Rs.	Amount in USD	Amount in Rs.
INR / USD – Increase by 5%	(0.37)	(26.91)	(0.10)	(7.81)
INR / USD – Decrease by 5%	0.37	26.91	0.10	7.81

(\*) holding all other variable constant. Tax impact not considered.

### (c) Other Price Risk

Other Price Risk is the Risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. The Company is exposed to price risk arising mainly from investments in equity/equity oriented instruments recognized at FVTPL/ FVTOCI.

(Rs. in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 1st April, 2019
Investments (FVTPL)	56.58	38.42	Nil
Investments (FVTOCI)	242.55	242.55	121.28

### C. Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and other Financial assets measured at amortized cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets. (i) Low credit risk, (ii) Moderate credit risk, (iii) High credit risk.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Financial assets (other than trade receivables) that expose the entity to credit risk are managed and categorized as follows:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss.
Moderate credit risk	Other financial assets	12 month expected credit loss, unless credit risk has increased significantly since initial recognition, in which case allowance is measured at life time expected credit loss
High credit risk	Other financial assets	Life time expected credit loss (when there is significant deterioration) or specific provision whichever is higher

## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

Financial assets (other than trade receivables) that expose the entity to credit risk (Gross exposure): –

Particulars	(Rs. in Lakhs)		
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Low Credit Risk</b>			
Cash and cash equivalents	46.66	58.20	3.50
Bank Balances other than above	2,002.40	1,845.29	490.09
Loans	930.34	455.21	229.03
Other Financial Assets	347.62	774.82	2850.03
<b>Total</b>	<b>3,327.02</b>	<b>3,133.52</b>	<b>3,572.65</b>

(i) **Cash and cash equivalent and bank balance:**

Credit risk related to cash and cash equivalents and bank balance is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

(ii) **Loans and Other financial assets measured at amortized cost:**

Other financial assets measured at amortized cost includes export benefits receivables, bank deposits with maturity of more than 12 months and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

(iii) **Trade receivables:**

Life time expected credit loss is provided for trade receivables. Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

(a) **Concentration of trade receivables:**

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risk are controlled and managed accordingly. Details of the such identified concentrations of credit risk are disclosed below:

Particulars	(Rs. in Lakhs)		
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Adani Wilmar Limited	1,578.00	54.87	259.39
China Sinopharm Healthcare Industries Company	346.86	-	-
D.R. Commodities Pvt. Ltd.	34.49	88.68	-
Dalian Chem Import and Export Group Co. Limited	369.12	-	-
ECS Environment Private Limited	46.60	107.63	116.60
Gokul Agri International Limited	-	106.86	-
Ihstedu Agro Chem Private Limited	0.74	0.11	114.03
Kandla Agro And Chemicals Pvt Ltd	1.57	80.57	0.07
Mangalam Global (Singapore) Pte Limited	718.54	-	-
Nagraj Trading Co.	-	67.83	-
Rama Cylinders Pvt. Ltd.	-	-	169.15
Shree Mahakali Traders	-	221.41	-
Shree Mahakalikrupa Trading Co.	-	78.57	-

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## (b) Expected credit losses:

Expected credit loss for trade receivables under simplified approach:

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by analyzing historical trend of default based on the criteria defined below and such provision percentage determined have been considered to recognize life time expected credit losses on trade receivables (other than those where default criteria are met in which case the full expected loss against the amount recoverable is provided for). Further, the Company has evaluated recovery of receivables on a case to case basis. No provision on account of expected credit loss model has been considered for related party balances. The Company computes credit loss allowance based on provision matrix. The provision matrix is prepared on historically observed default rate over the expected life of trade receivable and is adjusted for forward - looking estimate. The provision matrix at the end of reporting period is as follows:

Particulars	Expected Loss Rate
< 90 Days	-
90 to 120 days	0.30%
120 to 180 days	0.50%
180 to 365 days	1.00%
1 Year to 2 Years	25.00%
2 Year to 3 Years	50.00%
3 Years >	100.00%

(Rs. in Lakhs)		
Movement in Expected Credit Loss Allowance on Trade Receivables	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Balance at the beginning of the reporting period	1.85	—
Loss Allowance measured at lifetime expected credit losses	1.14	1.85
<b>Balance at the end of reporting period</b>	<b>2.99</b>	<b>1.85</b>

## D. Liquidity Risk

Liquidity Risk is the risk that the Company will encounter difficulty in raising the funds to meet the commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

## ▪ Financing arrangements:

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(Rs. in Lakhs)			
Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Expiring within One Year</b>			
- CC/EPC Facility	6.37	2,380.29	-
- Invoice Discounting Facility	2,255.53	-	-
<b>Expiring beyond One Year</b>	-	-	-

The cash credit and other facilities may be drawn at any time and may be terminated by the bank without notice.

## ▪ Maturities of Financial Liabilities:

The tables below analyze the Company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

The table below analyses financial liabilities of the Company into the relevant maturity grouping based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Maturity Table of Financial Liabilities

As at 31<sup>st</sup> March, 2021

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Borrowings (including current maturities of non-current borrowing and excluding lease liabilities)	7,534.19	159.26	126.90	162.89	7,983.24
Trade payables	693.28	-	-	-	693.28
Other financial liabilities	429.63	0.40	0.83	19.30	450.16
<b>Total</b>	<b>8,657.10</b>	<b>159.66</b>	<b>127.73</b>	<b>182.19</b>	<b>9,126.68</b>

As at 31<sup>st</sup> March, 2020

(Rs. in Lakhs)

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Borrowings (including current maturities of non-current borrowing and excluding lease liabilities)	3,223.53	22.10	-	-	3,245.63
Trade payables	130.58	-	-	-	130.58
Other financial liabilities	374.44	2.54	0.40	18.24	395.62
<b>Total</b>	<b>3,728.55</b>	<b>24.64</b>	<b>0.40</b>	<b>18.24</b>	<b>3,771.83</b>

As at 1<sup>st</sup> April, 2019

(Rs. in Lakhs)

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Borrowings (including current maturities of non-current borrowing and excluding lease liabilities)	3,844.25	16.79	21.14	-	3,882.18
Trade payables	59.36	-	-	-	59.36
Other financial liabilities	169.71	1.21	0.42	4.23	175.57
<b>Total</b>	<b>4,073.32</b>	<b>18.00</b>	<b>21.56</b>	<b>4.23</b>	<b>4,117.11</b>

## E. Capital Management

The Company's capital management objectives are

- To ensure the company's ability to continue as a going concern
- To provide an adequate return to share holders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet. Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. The Company manages its capital on the basis of Net Debt to Equity Ratio which is Net Debt (Total Borrowings net of Cash and Cash Equivalents) divided by total equity plus net debt.

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Total Borrowings	7972.10	3235.54	3873.05
<u>Less:</u> Cash and Cash Equivalents	46.66	58.20	3.50
<b>Net Debt (A)</b>	<b>7925.44</b>	<b>3177.34</b>	<b>3869.55</b>
<b>Total Equity (B)</b>	<b>6670.73</b>	<b>5752.00</b>	<b>3209.54</b>
<b>Capital Gearing Ratio (B/A)</b>	<b>0.84</b>	<b>1.81</b>	<b>0.83</b>

The Company has complied with the covenants as per the terms and conditions of the major borrowing facilities throughout the Reporting Period.

## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### NOTE - 44 - First Time Adoption of Indian Accounting Standards ('Ind AS')

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

For all period up to and including the year March 31, 2020, the Company had prepared its financial statements in accordance with the Accounting Standards notified under Section 133 of The Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP"). For the year ended on March 31, 2021 prepared and presented in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 in accordance with the accounting policies as set out by the Company in Note No. 1.

The Accounting Policies as set out in Note No. 1 have been applied in preparing its financial statements for the year ended March 31, 2021 including the Comparative information for the year ended on March 31, 2020 and the Opening Ind AS Balance Sheet on the date of transition i.e., April 01, 2019.

In preparing its Ind AS Balance Sheet as at April 01, 2019 and in preparing the Comparative information for the period ended March 31, 2020, the Company has adjusted amounts reported previously in financial statements prepared in accordance with Previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP for the followings:

- Balance Sheet as at April 01, 2019 (Transition Date);
- Balance Sheet as at March 31, 2020;
- Statement of Profit and Loss for the year ended on March 31, 2020; and
- Statement of Cash Flows for the year ended March 31, 2020

Ind AS 101 - First Time Adoption of Indian Accounting Standard, allow the first-time adopters, exemptions from the retrospective application and exemption of certain requirements of the Other Ind AS. The Company has availed the following exemptions as per Ind AS 101.

#### A. Ind AS Optional Exemptions:

##### 1) Financial Instruments:

For the financial instruments, where the fair market values are not available (viz. interest free and below market rate security deposits or loans) the Company has elected to adopt fair value recognition prospectively to transactions entered after the date of transition.

##### 2) Deemed cost of property, Plant and equipment and intangible Assets:

The Company has elected to consider the Carrying Value of all its Property, Plants and Equipment's (PPE) and Intangible Assets recognized in the financial statements prepared under Previous GAAP and use the same as Deemed Cost in the Opening Ind AS Financial Statements.

##### 3) Deemed cost for Investments in subsidiaries:

The carrying amount of Company's Investments in its Associate Companies as per the financial statements of the Company prepared under Previous GAAP, are considered as Deemed Cost for measuring such investments in the Opening Ind AS Financial Statements.

##### 4) Leases:

The company has elected to measure the right of use assets at the date of transition as if Ind AS 116 had been applied since the commencement date of the lease, but discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. Further the following expedients were used on transition to Ind AS.:

- the use of single discount rate to portfolio of leases with reasonably similar Characteristics.
- the accounting for operating leases with a remaining lease of less than 12 months as on transition date as short-term leases
- the exclusion of initial direct costs for the measurement of the Right-of-use assets at the date of initial application.

#### B. Ind AS Mandatory Exceptions:

##### 1) Estimates:

An entity estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimate made for the same date in accordance with Previous GAAP (after adjustment to affect any difference in accounting policies) unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 01<sup>st</sup> April, 2019 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as there were not required under previous GAAP.

- The company has applied modified retrospective approach to all leases contract existing as at 01 April 2019 under Ind As 116



## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### 2) Classification and measurement of financial assets and liabilities:

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing as on date of transition. Financial Assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstance existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e., use of effective interest method, fair value of financial assets at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

### C. Reconciliations between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

#### 1) Reconciliation of Other equity as at 31 March 2020 and 01 April 2019:

(Rs. in Lakhs)			
Particulars	Note	Year Ended on 31-3-2020	Upto 31-03-2019
<b>Other Equity as per I-GAAP</b>		<b>4,171.14</b>	<b>3,022.94</b>
IndAs adjustments on account of:			
Depreciation and amortisation expense in respect of right to use assets	1	(254.15)	(89.36)
Interest expense on lease liability	1	(41.92)	(6.74)
Reversal of rent expenses and lease equalization reserve due to IND AS 116	1	299.61	62.00
Measurement of financial assets and liabilities at amortized cost	2	0.15	0.54
Deferred tax impact on above IND AS adjustments	3	18.57	(12.50)
Errors & Omissions rectified as per Ind AS 8	4	0.66	0.11
ECL Provision	5	(1.85)	-
Adjustments in Other Equity as per IND AS (upto 31.03.2019)		(45.95)	-
<b>Total adjustments</b>		<b>(24.88)</b>	<b>(45.95)</b>
<b>Other Equity as per IND AS</b>		<b>4,146.26</b>	<b>2,976.99</b>

#### 2) Reconciliation of Total Comprehensive Income for the year ended on 31<sup>st</sup> March, 2020:

(Rs. in Lakhs)		
Particulars	Note	Year Ended on 31-3-2020
<b>Profit after tax as reported under Indian GAAP</b>		<b>374.61</b>
Depreciation and amortisation expense in respect of right to use assets	1	(254.15)
Interest expense on lease liability	1	(41.92)
Reversal of rent expenses and lease equalization reserve due to IND AS 116	1	299.61
Measurement of financial assets and liabilities at amortized cost	2	0.15
Deferred tax impact on above IND AS adjustments	3	18.57
Errors and Omissions rectified as per Ind AS 8	4	0.66
ECL Provision	5	(1.85)
<b>Total Adjustments</b>		<b>21.07</b>
<b>Profit after tax as reported under Ind AS</b>		<b>395.68</b>
Other comprehensive Income (net of tax)		-
<b>Total comprehensive income for the year under Ind AS</b>		<b>395.68</b>

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

- 3) Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at 31 March 2020 and 01 April 2019 is as follows:

		(Rs. in Lakhs)		
Particulars	Note	31-03-20		
		Ind AS Restated Balance Sheet	Impact of Ind AS	Regrouped IGAAP Balance Sheet
<b>I ASSETS</b>				
<b>A NON-CURRENT ASSETS</b>				
Property Plant & Equipments	4	861.50	0.01	861.51
Right of Use Assets	1	1,524.80	(1,524.80)	-
Intangible Assets		3.22	-	3.22
Investments		1,202.28	-	1,202.28
Loans		-	-	-
Other Financial Assets	2	58.41	39.71	98.12
Current Tax Assets (net)		25.19	-	25.19
Deferred Tax Assets (Net)	3	11.94	(6.07)	5.87
Other Non-Current Assets	1	0.28	1.37	1.65
<b>Total Non-Current Assets</b>		<b>3,687.62</b>	<b>(1,489.78)</b>	<b>2,197.84</b>
<b>B CURRENT ASSETS</b>				
Inventories		2,239.24	-	2,239.24
Financial Assets		-	-	-
Trade receivables	5	1,190.34	1.85	1,192.19
Cash and cash equivalents		58.20	-	58.20
Bank Balances other than above		1,845.29	-	1,845.29
Loans		455.21	-	455.21
Other Financial Assets	2	716.41	-	716.41
Other Current Assets	4	840.45	(7.91)	832.54
<b>Total Current Assets</b>		<b>7,345.14</b>	<b>(6.06)</b>	<b>7,339.08</b>
<b>Total Assets</b>		<b>11,032.76</b>	<b>(1,495.84)</b>	<b>9,536.92</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>1 EQUITY</b>				
Equity Share capital		1,605.74	-	1,605.74
Other Equity		4,146.26	24.88	4,171.14
<b>Total Equity</b>		<b>5,752.00</b>	<b>24.88</b>	<b>5,776.88</b>
<b>2 LIABILITIES</b>				
<b>A NON-CURRENT LIABILITIES</b>				
Financial Liabilities		-	-	-
Borrowings		12.01	-	12.01
Long-term Financial Liabilities	2	10.09	7.43	17.52
Long Term Provisions		21.18	-	21.18
Deferred Tax Liabilities (Net)		-	-	-
Other Non-Current Liabilities	1	1,374.63	(1,374.63)	-
<b>Total Non-Current Liabilities</b>		<b>1,417.91</b>	<b>(1,367.20)</b>	<b>50.71</b>
<b>B CURRENT LIABILITIES</b>				
Financial Liabilities				

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

Borrowings		3,206.64	-	3,206.64
Trade payables		130.58	-	130.58
Other Financial Liabilities		304.18	-	304.18
Short-Term Provisions	6	78.42	(17.47)	60.95
Other Current Liabilities	1	141.29	(134.31)	6.98
Current Tax Liabilities (Net)	4	1.74	(1.74)	-
<b>Total Current Liabilities</b>		<b>3,862.85</b>	<b>(153.52)</b>	<b>3,709.33</b>
<b>Total Equity &amp; Liabilities</b>		<b>11,032.76</b>	<b>(1,495.84)</b>	<b>9,536.92</b>

(Rs. in Lakhs)

Particulars	Note	01-04-19		
		Ind AS Restated Balance Sheet	Impact of Ind AS	Regrouped IGAAP Balance Sheet
<b>I ASSETS</b>				
<b>A NON-CURRENT ASSETS</b>				
Property Plant & Equipments	4	707.75	(0.11)	707.64
Right of Use Assets	1	159.96	(159.96)	-
Intangible Assets		0.63	-	0.63
Capital work-in-progress		16.09	-	16.09
Investments		395.57	-	395.57
Loans		-	-	-
Other Financial Assets	2	12.46	10.29	22.75
Current Tax Assets (net)		1.14	-	1.14
Deferred Tax Assets (Net)	3	-	2.52	2.52
Other Non-Current Assets	1	-	12.48	12.48
<b>Total Non-Current Assets</b>		<b>1,293.60</b>	<b>(134.78)</b>	<b>1,158.82</b>
<b>B CURRENT ASSETS</b>				
Inventories		1,477.24	-	1,477.24
Financial Assets		-	-	-
Trade receivables	5	887.07	-	887.07
Cash and cash equivalents		3.50	-	3.50
Bank Balances other than above		490.09	-	490.09
Loans		229.03	-	229.03
Other Financial Assets	2	2837.57	1.25	2838.82
Other Current Assets		307.05	-	307.05
<b>Total Current Assets</b>		<b>6,231.55</b>	<b>1.25</b>	<b>6,232.80</b>
<b>Total Assets</b>		<b>7,525.15</b>	<b>(133.53)</b>	<b>7,391.62</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>1 EQUITY</b>				
Equity Share capital		232.55	-	232.55
Other Equity		2,976.99	45.95	3,022.94
<b>Total Equity</b>		<b>3,209.54</b>	<b>45.95</b>	<b>3,255.49</b>
<b>2 LIABILITIES</b>				
<b>A NON-CURRENT LIABILITIES</b>				
Financial Liabilities		-	-	-
Borrowings		28.80	-	28.80

Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

Long-term Financial Liabilities	2	9.13	19.03	28.16
Long Term Provisions		5.85	-	5.85
Deferred Tax Liabilities (Net)	3	9.98	(9.98)	-
Other Non-Current Liabilities	1	3.53	(3.53)	-
<b>Total Non-Current Liabilities</b>		<b>57.29</b>	<b>5.52</b>	<b>62.81</b>
<b>B CURRENT LIABILITIES</b>				
Financial Liabilities		-	-	-
Borrowings		3,828.52	-	3,828.52
Trade payables		59.36	-	59.36
Other Financial Liabilities		113.87	-	113.87
Short-Term Provisions		59.74	-	59.74
Other Current Liabilities	1	186.42	(185.00)	1.42
Current Tax Liabilities (Net)		10.41	-	10.41
<b>Total Current Liabilities</b>		<b>4,258.32</b>	<b>(185.00)</b>	<b>4,073.32</b>
<b>Total Equity &amp; Liabilities</b>		<b>7,525.15</b>	<b>(133.53)</b>	<b>7,391.62</b>

- 4) Reconciliation of the income and expenses presented in the statement of profit and loss prepared as per Indian GAAP and as per Ind AS as at March 31, 2020 is as follows:

(Rs. in Lakhs)				
Particulars	Note	Ind AS Restated Balance Sheet	Impact of Ind AS	Regrouped IGAAP Balance Sheet
<b>I INCOME</b>				
Revenue from operations		57,305.42	-	57,305.42
Other income	1, 2 & 4	227.64	(22.35)	205.29
<b>Total Income</b>		<b>57,533.06</b>	<b>(22.35)</b>	<b>57,510.71</b>
<b>II EXPENSES</b>				
Cost of materials consumed	4	48,802.99	(0.75)	48,802.24
Purchase of Stock-in-Trade	4	4,969.28	(1.63)	4,967.65
Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade		(27.23)	-	(27.23)
Employee Benefit Expenses		573.69	-	573.69
Finance costs	1, 2 & 4	558.61	(45.09)	513.52
Depreciation and amortization expense	1 & 4	283.47	(254.15)	29.32
Other expenses	1, 2, 4, 5 & 6	1,880.29	283.51	2,163.80
<b>Total expenses</b>		<b>57,041.10</b>	<b>(18.11)</b>	<b>57,022.99</b>
<b>III Profit Before Tax (PBT) (I-II)</b>		<b>491.96</b>	<b>(4.24)</b>	<b>487.72</b>
<b>IV Tax expense:</b>				
Current tax	4	122.40	(1.74)	120.66
Deferred tax	3	(21.92)	18.57	(3.35)
Income Tax (Prior Period)		(4.20)	-	(4.20)
<b>Total Tax Expenses</b>		<b>96.28</b>	<b>16.83</b>	<b>113.11</b>
<b>V Profit After Tax (PAT) (III- IV)</b>		<b>395.68</b>	<b>(21.07)</b>	<b>374.61</b>
<b>VI Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>VII Total Comprehensive Income for the Year</b>		<b>395.68</b>	<b>(21.07)</b>	<b>374.61</b>

## Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### 5) Impact of Ind AS on the adoption in the statement of cash flow for the year ended 31 March 2020:

Particulars	(Rs. in Lakhs)		
	Ind AS Restated	Impact of Ind AS	Regrouped IGAAP
Net Cash Flows from Operating Activities	1,911.68	(4,721.04)	(2,809.36)
Net Cash Flows from Investing Activities	(2,512.32)	1,625.42	(886.90)
Net Cash Flows from Financing Activities	655.34	3,095.62	3,750.96
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>54.70</b>	<b>-</b>	<b>54.70</b>
<b>Cash and Cash Equivalents at the beginning of the period</b>	<b>3.50</b>	<b>-</b>	<b>3.50</b>
<b>Cash and Cash Equivalents at the end of the period</b>	<b>58.20</b>	<b>-</b>	<b>58.20</b>

#### Foot notes to First time adoption changes:

##### 1. Lease accounting adjustment under Ind AS 116

The Company has leases for Immovable properties, Plant & Machinery and related facilities. Under the previous GAAP, all the of the payments in regard to these leases were expensed off in the statement of profit and loss. However, under Ind AS 116, the accounting is different as each lease is reflected on the balance sheet as a right-of-use asset and a lease liability with the exception of short-term leases and leases of low-value underlying assets which is expensed off in the statement of profit and loss. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

The above adjustment has also impacted cash flow statement of the Company as under the previous GAAP, the rent paid was used to be classified as operating activity; while the payments of lease liability under Ind AS 116 is classified under financing activities as per Ind AS 7.

Under the previous GAAP, the company has created rent equalization on straight line basis for the rent receivable. The same has been reversed as per the Ind AS 116.

##### 2. Measurement of financial assets and financial liabilities at amortized cost

Under Previous GAAP, all financial assets and financial liabilities were carried at cost. Under Ind AS, certain financial assets and financial liabilities are subsequently measured at amortized cost which involves the application of effective interest method. In applying the effective interest method, an entity identifies, fees that are an integral part of the effective interest rate of a financial instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability. For certain financial liabilities, the fair value of the financial liability at the date of transition to Ind AS has been considered as the new amortized cost of that financial liability at the date of transition to Ind AS.

##### 3. Deferred tax impact on above Ind AS

Under Previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments have also led to recognition of deferred taxes on new temporary differences.

##### 4. Other Transition Adjustments

The errors and omissions came across upon the transition to Ind AS were adjusted in the Financial Statements includes Property, Plant & Equipment and Provision for Income under the Other Current Assets.

##### 5. Recognition of loss allowance for expected credit losses on financial assets measured at amortized cost

Under Previous GAAP, provision for doubtful debts was recognized based on the estimates of the outcome and of the financial effect of contingencies determined by the management of the Company. This judgement was based on consideration of information available up to the date on which the financial statements were approved and included a review of events occurring after the balance sheet date.

Under Ind AS, a loss allowance for expected credit losses is recognized on financial assets carried at amortized cost. Expected loss on individually significant receivables is assessed when they are past due and based on company's historical counterparty default rates and forecast of macroeconomic factors. Other receivables have been segmented by reference to the industry of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment.

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021****6. Reclassification / Regrouping upon Transition to Ind AS**

Previous GAAP figures have been reclassified/regrouped wherever necessary to confirm with financial statements prepared under Ind AS.

**Note - 45 - Balance confirmation of Receivables**

Confirmation letters have not been obtained from all the parties in respect of Trade Receivable, Other Non-Current Assets and Other Current Assets. Accordingly, the balances of the accounts are subject to confirmation, reconciliation and consequent adjustments, if any.

**Note - 46 - Balance Confirmation of Payables**

Confirmation letters have not been obtained from all the parties in respect of Trade Payable and other current liabilities. Accordingly, the balances of the accounts are subject to confirmation, reconciliation and consequent adjustments, if any.

**Note - 47 - Disclosure under section 186(4)**

Loans given for the purpose of utilizing in the activity of the business (outstanding balance as on 31.03.2021): Mangalam Worldwide Pvt. Ltd. Rs. 238.98 lakhs (as on 31-03-2020 Rs. Nil as on 01-04-2019 Rs. Nil), Mangalam Global (Singapore) Pte. Ltd. Rs. Nil (as on 31-03-2020 Rs. 137.64 lakhs as on 01-04-2019 Rs. Nil), Hindprakash Castor Derivatives Pvt Ltd Rs. 691.37 lakhs (as on 31-03-2020 Rs. 307.82 lakhs as on 01-04-2019 Rs.170.31 lakhs), Ecofine Colourchem Pvt Ltd Rs. Nil (as on 31-03-2020 Rs. 9.47 lakhs as on 01-04-2019 Rs. 8.55 lakhs).

**Note - 48 - Authorisation of financial statements**

The financial statements for the year ended 31 March 2021 were approved by the Board of Directors on 25 June 2021.

For and on behalf of the Board of Directors,

**Vipin Prakash Mangal**  
Chairman & Executive Director  
(DIN:02825511)

**Chandragupt Prakash Mangal**  
Joint Managing Director & CEO  
(DIN:07408422)

**Vrunda Patel**  
Company Secretary  
(M. No.: A39707)

Place: Ahmedabad  
Date: 25th June, 2021

**Chanakya Prakash Mangal**  
Joint Managing Director & COO  
(DIN:06714256)

**Ashutosh Mehta**  
Chief Financial Officer  
(PAN:AAWPM1688A)

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF **MANGALAM GLOBAL ENTERPRISE LIMITED**

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### OPINION

1. We have audited the accompanying Consolidated Financial Statements of Mangalam Global Enterprise Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of Significant Accounting Policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (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 Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, of the consolidated state of affairs of the Group as at 31 March 2021, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### BASIS FOR OPINION

3. We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in "Other Matter" section below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

#### KEY AUDIT MATTERS

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the Key Audit Matters
<p><b>First time adoption of Ind AS framework</b></p> <p>As disclosed in Note 44 to the accompanying Consolidated Financial Statements, the Group has adopted Indian Accounting Standards notified under section 133 of the Act, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) ("Ind AS") with effect from 1 April 2020 (1 April 2019 being the transition date) and prepared the first set of Consolidated Financial Statements under Ind AS framework in the current year.</p> <p>This change in the financial reporting framework required an evaluation of the potential impact on the components of the financial statement. This process also required the management to apply significant judgments to identify and elect appropriate accounting policies suitable for various transactions and balances relating to the operations of the Group including electing of available options for transition of balances as at transition date to the Ind AS framework.</p>	<p>We obtained adequate and appropriate audit evidences by performing additional procedure which included , but not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of management's processes and controls around adoption of Ind AS. We sought explanations from the management for areas involving complex judgments or interpretations to assess its appropriateness</li> <li>• Examined the implementation of exemptions availed and options chosen by the Group in accordance with the requirements of Ind AS 101, First Time Adoption of Indian Accounting Standards (Ind AS 101).</li> <li>• Examined the accounting policies adopted by the Group on transition to Ind AS and assessed its appropriateness on basis of our understanding of the entity and its operations and the requirements of relevant accounting standards under the Ind AS framework.</li> </ul>



Key Audit Matters	How our audit addressed the Key Audit Matters
Considering the significance of the transition, the complexities and the efforts involved, this matter has been determined as a key audit matter for the year under audit.	<ul style="list-style-type: none"> <li>Examined whether the presentation and disclosures in the financial statements are in accordance with the requirements of the applicable standards and regulatory requirements.</li> <li>Examined the appropriateness and adequacy of disclosures with respect to the reconciliations prepared and presented by the management in the financial statements in accordance with Ind AS 101.</li> </ul>

#### INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

6. The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report (but does not include the Consolidated Financial Statements and our auditor's report thereon) and the rest of the Annual Report (the "Other Information"). The Other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

7. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. Further, in terms of the provisions of the respective applicable laws in India/ other countries, the respective Board of Directors of the companies/ Designated Partners of the LLP, as may be applicable, included in the Group, are responsible for maintenance of adequate accounting records in accordance with the provisions applicable laws, for safeguarding of the assets of the Group 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the Consolidated Financial Statements by the Board of Directors of the Holding Company, as aforesaid.
8. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies/ Designated Partners of the LLP included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/ Designated Partners either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors of the Companies/ Designated Partners of the LLP included in the Group are also responsible for overseeing the financial reporting process of the respective companies/ LLP in the Group.

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Board of Directors;
  - Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities within the Group, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial information/ financial statements of such entities included in the Consolidated Financial Statements, of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.
13. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **OTHER MATTER**

16. The accompanying Consolidated Financial Statements includes the financial statements/ financial information in respect of:
  - a) One subsidiary, located in Singapore, whose annual financial statements reflect total assets of Rs. 5,739.83 Lakhs as at 31 March 2021, total revenue of Rs. 9,519.06 Lakhs, and net cash outflow of Rs. 4.43 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These annual financial statements of the subsidiary have been audited by its respective independent auditor.  
  
The independent auditor's report on the financial statements of the aforesaid subsidiary have been furnished to us by the Management and our opinion on the Consolidated Financial Statements in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiary, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of such auditors.

- b) One subsidiary, located in United Kingdom, whose unaudited annual financial statements and unaudited annual other financial information reflect total assets of Rs. 0.13 Lakhs as at 31 March 2021, total revenue of Rs. NIL and net cash flow of Rs. NIL for the year then, as considered in the Consolidated Financial Statements.

The unaudited annual financial statements and unaudited annual other financial information have been furnished to us by the Management and our opinion on the Consolidated Financial Statements in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiary, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on unaudited annual financial statements and unaudited annual other financial information as provided by the Management. In our opinion, and according to the information and explanations given to us by the management, these financial statement and other financial information are not material to the Group.

Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

17. In case of subsidiaries located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the Consolidated Financial Statements is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

18. The comparative consolidated financial information for the year ended 31 March 2020 and the transition date opening consolidated balance sheet as at 1 April 2019, prepared in accordance with Ind AS and included in these Consolidated Financial Statements, are based on the previously issued Consolidated Financial Statements for the year ended 31 March 2020 and 31 March 2019, respectively, prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), which were audited by predecessor auditors, whose reports dated 19 June 2020 and 29 June 2019, respectively, expressed unmodified opinion on those Consolidated Financial Statements, and have been adjusted for the differences in the accounting principles adopted by the Holding Company on transition to Ind AS, which have been audited by us. Our report is not modified in respect of this matter.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

19. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiaries, as noted in "Other Matter" section, we report to the extent applicable, that:
- 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 of the aforesaid Consolidated Financial Statement;
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of Consolidated Financial Statements;
  - In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended);
  - On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, covered under the Act, none of the directors of the Holding Company and its subsidiary company covered under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - With respect to the adequacy of the internal financial controls over financial reporting with reference to Consolidated Financial Statements of the Holding Company and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A';
  - With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other statutory auditors of the subsidiary company covered under the Act, the remuneration paid by the Holding Company and its subsidiary company covered under the Act, to their directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in "Other Matter" section:
- i. The Group does not have any pending litigations which would impact its financial position.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company.

**KUNAL KEDIA**

(M. No.: 149403), Partner  
for and on behalf of

**K K A K & CO**

Chartered Accountants  
FRN: 148674W  
UDIN: 21149403AAAABH2170

Place : Ahmedabad  
Date : 25 June, 2021

## **“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE TO THE MEMBERS OF**

### **MANGALAM GLOBAL ENTERPRISE LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

(Referred to in para 19 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

### **INDEPENDENT AUDITORS’ REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

1. In conjunction with our audit of the Consolidated Financial Statements of **MANGALAM GLOBAL ENTERPRISE LIMITED** (“the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) as at and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting with reference to the financial statements of the Holding Company, its subsidiary company, which are companies covered under the Act, as at that date.

### **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS**

2. The respective Board of Directors of the Holding Company, its subsidiary company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting established by the Holding Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 Company’s 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 Act.

### **AUDITORS’ RESPONSIBILITY**

3. Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to the Consolidated Financial Statements of the Holding Company, as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting with reference to financial statements. 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 with reference to the Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls over financial reporting with reference to the Consolidated Financial Statements, 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 Consolidated Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to the Consolidated Financial Statements of the Holding Company, its subsidiary company as aforesaid.

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS**

6. A company’s internal financial controls over financial reporting with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls over financial reporting with reference to the Consolidated Financial Statements 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 Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and payments of the company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the Consolidated Financial Statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS**

7. Because of the inherent limitations of internal financial controls over financial reporting with reference to the Consolidated

Financial Statements, 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 with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls over financial reporting with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **OPINION**

8. In our opinion and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting with reference to the Consolidated Financial Statements and such internal financial controls over financial reporting with reference to the Consolidated Financial Statements were operating effectively as at 31 March 2021, based on the internal controls over financial reporting with reference to Consolidated Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

#### **KUNAL KEDIA**

(M. No.: 149403), Partner  
for and on behalf of

#### **K K A K & CO**

Chartered Accountants  
FRN: 148674W  
UDIN: 21149403AAAABH2170

Place : Ahmedabad  
Date : 25 June, 2021

# **CONSOLIDATED FINANCIAL STATEMENTS**



## Consolidated Balance Sheet as at 31<sup>st</sup> March, 2021

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>I</b>	<b>ASSETS</b>				
<b>A</b>	<b>Non-Current Assets</b>				
	a) Property Plant & Equipments	2	3,209.28	3,450.97	2,516.05
	b) Right of Use Assets	2	44.26	794.06	9.65
	c) Intangible Assets	2	2.92	3.22	0.63
	d) Capital work-in-progress	2	-	-	436.25
	e) Goodwill on Consolidation	2	180.18	180.18	180.18
	f) Financial Assets				
	- Investments	3	329.13	310.97	151.28
	- Loans		-	-	-
	- Other Financial Assets	4	34.27	77.78	53.95
	g) Other Tax Assets (Net)	11	103.16	60.89	1.14
	h) Deferred Tax Assets (Net)	5	90.21	23.31	-
	i) Other Non-Current Assets	6	719.85	0.28	-
	<b>Total Non-Current Assets</b>		<b>4,713.26</b>	<b>4,901.66</b>	<b>3,349.13</b>
<b>B</b>	<b>Current Assets</b>				
	a) Inventories	7	2,243.94	2,249.34	1,477.24
	b) Financial Assets				
	- Trade receivables	8	9,829.20	2,081.27	889.58
	- Cash and cash equivalents	9	326.63	114.85	78.49
	- Bank Balances other than Cash and Cash Equivalents	9	2,746.95	2,224.49	490.09
	- Loans	10	238.98	9.75	8.78
	- Other Financial Assets	10	367.71	716.41	2,837.56
	c) Other Current Assets	12	1,656.92	1,078.31	687.30
	<b>Total Current Assets</b>		<b>17,410.33</b>	<b>8,474.42</b>	<b>6,469.04</b>
	<b>TOTAL ASSETS</b>		<b>22,123.59</b>	<b>13,376.08</b>	<b>9,818.17</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>EQUITY</b>				
	a) Equity Share capital	13	2,508.61	1,605.74	232.55
	b) Other Equity - attributable to owners of the company	14	4,373.04	4,325.65	3,201.40
	c) Non-controlling Interest		77.73	142.54	209.36
	<b>Total Equity</b>		<b>6,959.38</b>	<b>6,073.93</b>	<b>3,643.31</b>
<b>2</b>	<b>LIABILITIES</b>				
<b>A</b>	<b>Non-Current Liabilities</b>				
	a) Financial Liabilities				
	- Long Term Borrowings	15	1,368.85	1,385.51	1,102.10
	- Long-term Financial Liabilities	16	12.47	10.09	9.13
	b) Long Term Provisions	17	21.70	21.18	5.85
	c) Deferred Tax Liabilities (Net)	5	-	-	37.99
	d) Other Non-Current Liabilities	18	39.36	710.06	3.53
	<b>Total Non-Current Liabilities</b>		<b>1,442.38</b>	<b>2,126.84</b>	<b>1,158.60</b>
<b>B</b>	<b>Current Liabilities</b>				
	a) Financial Liabilities				
	- Short Term Borrowings	19	10,352.92	4,056.43	4,404.15
	- Trade payables	20	-	-	-
	(i) Total outstanding dues of Micro Enterprise and Small Enterprises		-	-	-
	(ii) Total outstanding dues of Creditors other than Micro Enterprise and Small Enterprises		2,350.17	315.86	59.36
	- Other Financial Liabilities	21	763.19	642.46	455.84
	b) Short-Term Provisions	22	215.75	80.80	79.21
	c) Other Current Liabilities	23	39.80	78.02	12.26
	d) Current Tax Liabilities (Net)	24	-	1.74	5.44
	<b>Total Current Liabilities</b>		<b>13,721.83</b>	<b>5,175.31</b>	<b>5,016.26</b>
	<b>Total Liabilities</b>		<b>15,164.21</b>	<b>7,302.15</b>	<b>6,174.86</b>
	<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>22,123.59</b>	<b>13,376.08</b>	<b>9,818.17</b>

The accompanying notes are integral part of these consolidated financial statements 1-48

This is the Consolidated Balance Sheet referred to in our report of even date

For and on behalf of the Board of Directors,  
Mangalam Global Enterprise Limited  
(CIN: L24224GJ2010PLC062434)

**Kunal Kedia**  
(M. No.: 149403), Partner  
For & on behalf of

**Vipin Prakash Mangal**  
Chairman & Executive Director  
(DIN:02825511)

**Chanakya Prakash Mangal**  
Joint Managing Director & COO  
(DIN:06714256)

**K K A K & Co**  
Chartered Accountants  
FRN: 148674W

**Chandragupt Prakash Mangal**  
Joint Managing Director & CEO  
(DIN:07408422)

**Ashutosh Mehta**  
Chief Financial Officer  
(PAN:AAWPM1688A)

**Vrunda Patel**  
Company Secretary  
(M. No.: A39707)

Place: Ahmedabad  
Date: 25th June, 2021

Place: Ahmedabad  
Date: 25th June, 2021

# Consolidated Statement of Profit & Loss for the year ended on 31<sup>st</sup> March, 2021

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>I</b>	<b>Income</b>			
	a) Revenue from operations	25	95,950.32	58,178.90
	b) Other income	26	518.95	231.67
	<b>Total Income</b>		<b>96,469.27</b>	<b>58,410.57</b>
<b>II</b>	<b>Expenses</b>			
	a) Cost of materials consumed	27	59,546.63	47,617.90
	b) Purchase of Stock-in-Trade	28	31,542.89	7,042.44
	c) Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	29	(574.33)	(37.33)
	d) Employee Benefit Expenses	30	619.38	589.70
	e) Finance costs	31	702.17	750.69
	f) Depreciation and amortization expense	32	293.16	287.70
	g) Other Expenses	33	3,745.29	1,852.56
	<b>Total Expenses</b>		<b>95,875.19</b>	<b>58,103.66</b>
<b>III</b>	<b>Profit Before Tax (PBT) (I-II)</b>		<b>594.08</b>	<b>306.91</b>
<b>IV</b>	<b>Tax Expense</b>	34		
	a) Current tax		187.23	125.27
	b) Deferred tax		(66.90)	(61.30)
	c) Income Tax (Prior Period)		(0.10)	(4.20)
	<b>Total Tax Expenses</b>		<b>120.23</b>	<b>59.77</b>
<b>V</b>	<b>Profit After Tax (PAT) (III-IV)</b>		<b>473.85</b>	<b>247.14</b>
<b>VI</b>	<b>Other Comprehensive Income</b>			
	a) Items that will not be reclassified to Profit & Loss		(19.08)	37.00
	Income tax in respect of above		-	-
	b) Items that may be reclassified to Profit & Loss		-	-
	Income tax in respect of above		-	-
	<b>Total Other Comprehensive Income</b>		<b>(19.08)</b>	<b>37.00</b>
<b>VII</b>	<b>Total Comprehensive Income for the Year (V+VI)</b>		<b>454.77</b>	<b>284.14</b>
<b>VIII</b>	<b>Net Profit/ (Loss) after tax for the period attributable to:</b>			
	- Owners of the Company		579.26	313.82
	- Non-Controlling Interests		(105.41)	(66.68)
<b>IX</b>	<b>Total Other Comprehensive Income/ (Expense) attributable to:</b>			
	- Owners of the Company		(19.08)	37.00
	- Non-Controlling Interests		-	-
<b>X</b>	<b>Total Comprehensive Income/ (Expense) for the period attributable to:</b>			
	- Owners of the Company		560.18	350.82
	- Non-Controlling Interests		(105.41)	(66.68)
<b>XI</b>	<b>Earnings per equity share of Rs. 10/- each (in Rs.)</b>	35		
	a) Basic		1.86	1.44
	b) Diluted		1.86	1.44
The accompanying notes are integral part of these consolidated financial statements		1-48		

This is the Consolidated Statement of Profit &amp; Loss referred to in our report of even date

For and on behalf of the Board of Directors,  
Mangalam Global Enterprise Limited  
(CIN: L24224GJ2010PLC062434)

**Kunal Kedia**  
(M. No.: 149403), Partner  
For & on behalf of

**Vipin Prakash Mangal**  
Chairman & Executive Director  
(DIN:02825511)

**Chanakya Prakash Mangal**  
Joint Managing Director & COO  
(DIN:06714256)

**K K A K & Co**  
Chartered Accountants  
FRN: 148674W

**Chandragupt Prakash Mangal**  
Joint Managing Director & CEO  
(DIN:07408422)

**Ashutosh Mehta**  
Chief Financial Officer  
(PAN:AAWPM1688A)

**Vrunda Patel**  
Company Secretary  
(M. No.: A39707)

Place: Ahmedabad  
Date: 25th June, 2021

Place: Ahmedabad  
Date: 25th June, 2021

## Consolidated Statement of Changes in Equity for the year ended on 31<sup>st</sup> March, 2021

### A. Equity Share Capital

(Rs. in Lakhs)

Particulars	Amount
<b>As at 1 April 2019</b>	<b>232.55</b>
Changes in Equity Share Capital during the year	1,373.19
<b>As at 31 March 2020</b>	<b>1,605.74</b>
Changes in Equity Share Capital during the year	902.87
<b>As at 31 March 2021</b>	<b>2,508.61</b>

### B. Other Equity

(Rs. in Lakhs)

Particulars	Reserve and Surplus		Other Comprehensive Income	Attributable To Non Controlling Interests	Total
	Securities Premium	Retained Earnings			
<b>Balances as at 1 April, 2019</b>	<b>2,962.63</b>	<b>238.96</b>	<b>(0.19)</b>	<b>209.36</b>	<b>3,410.76</b>
Net Profit/ (Loss) during the Year	-	313.82	-	(66.68)	247.14
Other Comprehensive Income/ (Expense)	-	-	37.00	-	37.00
Securities Premium on issue of Equity Share Capital	1,770.30	-	-	-	1,770.30
Utilized Towards Issue of Bonus Shares	(930.19)	-	-	-	(930.19)
Expenses on Fresh Issue of Equity Shares	(60.63)	-	-	-	(60.63)
Dividend	-	(4.77)	-	(0.12)	(4.89)
Income Tax on Dividend	-	(0.98)	-	(0.02)	(1.00)
Other Adjustments	-	(0.30)	-	-	(0.30)
<b>Balance as at 31 March, 2020</b>	<b>3,742.11</b>	<b>546.73</b>	<b>36.81</b>	<b>142.54</b>	<b>4,468.19</b>
Net Profit/ (Loss) during the Year	-	579.26	-	(105.41)	473.85
Adjustment due to change in ownership ratio	-	-	-	40.60	40.60
Other Comprehensive Income/ (Expense)	-	-	(19.08)	-	(19.08)
Securities Premium on issue of Equity Share Capital	320.00	-	-	-	320.00
Utilized Towards Issue of Bonus Shares	(802.87)	-	-	-	(802.87)
Dividend	-	(29.87)	-	-	(29.87)
Other Adjustments	-	(0.05)	-	-	(0.05)
<b>Balance as at 31 March, 2021</b>	<b>3,259.24</b>	<b>1,096.07</b>	<b>17.73</b>	<b>77.73</b>	<b>4,450.77</b>

### Nature and Purpose of Reserves

- (a) **Securities Premium:** The amount received in excess of face value of the equity shares is recognised in securities premium reserve.
- (b) **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distributions to shareholders.

The accompanying notes are integral part of these consolidated financial statements

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

For and on behalf of the Board of Directors,  
Mangalam Global Enterprise Limited  
(CIN: L24224GJ2010PLC062434)

**Kunal Kedia**  
(M. No.: 149403), Partner  
For & on behalf of

**Vipin Prakash Mangal**  
Chairman & Executive Director  
(DIN:02825511)

**Chanakya Prakash Mangal**  
Joint Managing Director & COO  
(DIN:06714256)

**K K A K & Co**  
Chartered Accountants  
FRN: 148674W

**Chandragupt Prakash Mangal**  
Joint Managing Director & CEO  
(DIN:07408422)

**Ashutosh Mehta**  
Chief Financial Officer  
(PAN:AAWPM1688A)

**Vrunda Patel**  
Company Secretary  
(M. No.: A39707)

Place: Ahmedabad  
Date: 25th June, 2021

Place: Ahmedabad  
Date: 25th June, 2021

Consolidated Statement of Cash Flows for the year ended on 31<sup>st</sup> March, 2021

(Rs. in Lakhs)

Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit/ (Loss) Before Tax	594.08	306.91
	<b>Adjustments for:</b>		
	Depreciation on Plant and Equipments, Right of Use Assets and Amortisation of Intangible Assets	293.16	287.70
	Dividend Income	-	(1.25)
	Interest Income	(196.10)	(131.19)
	Finance Cost	702.17	750.69
	Non-Cash Items	-	-
	(Gain)/ Loss on sale of Property, Plant and Equipment (Net)	(5.30)	-
	(Gain)/ Loss on sale of Investments (Net)	(3.96)	(2.92)
	Unrealised foreign exchange (Gain)/ Loss (Net)	(32.07)	(0.21)
	(Increase)/Decrease in Foreign Currency Translation Reserve	(19.08)	37.00
	Expenses related to Financial Activity	46.89	28.86
	Loss allowance for Expected Credit Losses	1.14	2.42
	<b>Operating Profit/ (Loss) before working capital changes</b>	<b>1,380.93</b>	<b>1,278.01</b>
	<b>Changes in working capital:</b>		
	<b>Adjustments for (increase)/ decrease in operating assets:</b>		
	(Increase)/ Decrease Trade receivables	(7,718.05)	(1,195.69)
	(Increase)/ Decrease Inventories	5.39	(772.10)
	(Increase)/ Decrease Other Financial Assets	137.80	2,119.02
	(Increase)/ Decrease Other non-current assets	(2.00)	(0.28)
	(Increase)/ Decrease Other Current assets	(550.71)	(391.97)
	Increase/ (Decrease) Trade payables	2,034.32	256.50
	Increase/ (Decrease) Provisions	135.47	16.92
	Increase/ (Decrease) Other Liabilities	104.20	138.62
	<b>Cash generated from operations</b>	<b>(4,472.65)</b>	<b>1,449.03</b>
	Income taxes paid (net of refunds)	(228.27)	(184.92)
	<b>Net cash flow from/ (utilised in) operating activities (A)</b>	<b>(4,700.92)</b>	<b>1,264.11</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Capital expenditure on Property, Plant & Equipments, including capital advances	(1,078.95)	(676.19)
	Proceeds from sale of Property, Plant & Equipments	171.60	0.65
	(Increase)/Decrease in Lease Deposits	50.02	(51.83)
	Long-term investments in Subsidiaries / Contribution in LLP	-	-
	Long-term investments in other Securities	-	(121.28)
	Investment in Mutual Funds	(14.20)	(35.50)
	Loans to Subsidiaries	-	-
	Interest received	192.48	129.79
	(Increase)/Decrease in Bank Balances not considered as Cash and Cash Equivalents	(522.46)	(1,734.40)
	Dividend received	-	1.25
	<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(1,201.51)</b>	<b>(2,487.51)</b>

### Consolidated Statement of Cash Flows for the year ended on 31<sup>st</sup> March, 2021 (Contd...)

(Rs. in Lakhs)

Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from issue of equity shares & Securities Premium	420.00	2,213.30
	Share issue expenses	-	(60.63)
	Expenses related to Financial Activity	(46.89)	(28.86)
	Increase / (Decrease) in Long Term Borrowings	255.87	305.78
	Increase / (Decrease) in Short Term Borrowings	6,296.49	(347.69)
	Payment of Lease Liability	(80.39)	(89.26)
	Proceeds from other short-term borrowings	-	-
	Repayment of other short-term borrowings	-	-
	Payment of Dividend & DDT	(29.87)	(5.89)
	Interest Paid / Finance cost	(699.53)	(726.99)
	<b>Net cash flow from / (used in) financing activities (C)</b>	<b>6,115.68</b>	<b>1,259.76</b>
<b>D.</b>	Net increase / (decrease) in Cash and cash equivalents (A+B+C)	213.25	36.36
<b>E.</b>	Add: Cash and cash equivalents at the beginning of the year	114.85	78.49
<b>F.</b>	Less: Foreign exchange (loss) / gain on restatement of foreign currency		
	Cash and cash equivalents	1.47	-
<b>G.</b>	Cash and cash equivalents at the end of the year	<b>326.63</b>	<b>114.85</b>

#### Notes:

#### 1 Reconciliation of Cash and cash equivalents with the Balance Sheet:

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Cash and cash equivalents includes	<b>326.63</b>	<b>114.85</b>
(a) Cash on hand	18.99	11.19
(b) Balances with banks		
(i) In current accounts	307.64	103.66
(ii) In Fixed deposit accounts	-	-
(iii) In Cash Credit/ Bank Overdraft accounts	-	-

- 2 The standalone statement of cash flows has been prepared in accordance with the Indirect method as set out in the Indian Accounting Standard Ind AS - 7 : 'Statement of Cash Flows'.

**Consolidated Statement of Cash Flows for the year ended on 31<sup>st</sup> March, 2021 (Contd...)**
**3 Movement in Financial Liabilities arising from Financing Activities:**

(Rs. in Lakhs)

Particulars	Non Current Borrowings	Current Borrowing	Lease Liabilities	Interest	Dividend	Expenses related to Finance Activity
<b>Balance as at 1 April 2019</b>	<b>1223.57</b>	<b>4404.15</b>	<b>9.83</b>	<b>0.65</b>	-	-
Payment of Lease Liabilities	-	-	(89.26)	-	-	-
Increase/ (Decrease) in Short Term Borrowings	-	(347.69)	-	-	-	-
Increase/ (Decrease) in Long Term Borrowings	305.78	-	-	-	-	-
Interest / Expenses Paid	-	-	-	(726.99)	-	(28.86)
Dividend Paid	-	-	-	-	(5.89)	-
<b>Net Cash Movement during the year</b>	<b>305.78</b>	<b>(347.69)</b>	<b>(89.26)</b>	<b>(726.99)</b>	<b>(5.89)</b>	<b>(28.86)</b>
Lease Liabilities recognised during the year	-	-	837.75	-	-	-
Finance Cost Accrued	-	-	19.24	-	-	-
Lease Liabilities reversed during the year	-	-	-	-	-	-
Interest Charged to Statement of Profit and Loss	-	-	-	750.69	-	-
Interest on Lease Obligation/Amortisation	-	-	-	(23.53)	-	-
<b>Balance as at 31 March 2020</b>	<b>1,529.35</b>	<b>4,056.46</b>	<b>777.56</b>	<b>0.82</b>	-	-
Payment of Lease Liabilities	-	-	(80.39)	-	-	-
Increase/ (Decrease) in Short Term Borrowings	-	6,296.49	-	-	-	-
Increase/ (Decrease) in Long Term Borrowings	255.87	-	-	-	-	-
Interest / Expenses Paid	-	-	-	(699.53)	-	(46.89)
Dividend Paid	-	-	-	-	(29.87)	-
<b>Net Cash Movement during the year</b>	<b>255.87</b>	<b>6,296.49</b>	<b>(80.39)</b>	<b>(699.53)</b>	<b>(29.87)</b>	<b>(46.89)</b>
Lease Liabilities recognised during the year	-	-	-	-	-	-
Finance Cost Accrued	-	-	(3.80)	-	-	-
Lease Liabilities reversed during the year	-	-	(641.83)	-	-	-
Interest on fixed loan amortisation	(8.22)	-	-	-	-	-
Interest Charged to Statement of Profit and Loss	-	-	-	702.17	-	-
Interest on Lease Obligation/Amortisation	-	-	-	(1.71)	-	-
<b>Balance as at 31 March 2021</b>	<b>1,777.00</b>	<b>10,352.95</b>	<b>51.54</b>	<b>1.75</b>	-	-

This is the Consolidated Statement of Cash Flows referred to in our report of even date

For and on behalf of the Board of Directors,  
Mangalam Global Enterprise Limited  
(CIN: L24224GJ2010PLC062434)

**Kunal Kedia**  
(M. No.: 149403), Partner  
For & on behalf of

**Vipin Prakash Mangal**  
Chairman & Executive Director  
(DIN:02825511)

**Chanakya Prakash Mangal**  
Joint Managing Director & COO  
(DIN:06714256)

**K K A K & Co**  
Chartered Accountants  
FRN: 148674W

**Chandragupt Prakash Mangal**  
Joint Managing Director & CEO  
(DIN:07408422)

**Ashutosh Mehta**  
Chief Financial Officer  
(PAN:AAWPM1688A)

**Vrunda Patel**  
Company Secretary  
(M. No.: A39707)

Place: Ahmedabad  
Date: 25th June, 2021

Place: Ahmedabad  
Date: 25th June, 2021

## NOTE - 1 - Notes to the Consolidated Financial Statements for the year ended on March 31, 2021

### 1.1 Corporate Information:

Mangalam Global Enterprise Limited ('the Company' / 'the Holding Company') is a public listed limited Company domiciled and incorporated in India. The registered office of the Company is located at 101, Mangalam Corporate House, 19/B Kalyan Society, Near M.G International School, Mithakhali, Ahmedabad -380006 Gujarat, India. Its Equity Shares were listed on SME platform of National Stock Exchange of India Limited (NSE) and subsequently wef 23rd December, 2020, it was migrated to Main Board of National Stock Exchange of India Limited (NSE). These Consolidated financial statements comprise financial statements of the Company and its subsidiaries (collectively referred to as the "Group") (individually referred to as the "Entity") for the year ended 31 March 2021.

The Group is primarily engaged in activity of manufacturing/dealing/trading of Castor Seeds, Castor derivative products, cotton, cotton ginning, other agriculture commodities, other merchandise and agency service activity.

Following are the details of the subsidiaries consolidated in these Financial statements:

Name of the entity	Principal activities	Country of Incorporation	% equity interest		
			31 March 2021	31 March 2020	1 April 2019
Mangalam Global (Singapore) Pte Ltd	Dealing in variety of goods without dominant product	Singapore	100%	100%	100%
Hindprakash Castor Derivatives Private Limited	Manufacturing / Dealing in Agro based commodities etc.	India	51.01%	51.01%	51.01%
Farpoint Enterprise LLP	General Trading	India	99%	51%	51%
Mangalam Global UK Ltd	-	United Kingdom	100%	-	-

### 1.2 General Information & Statement of Compliance with Ind AS:

These financial statements are the separate financial statements of the Group (also called as consolidated financial statements) prepared in accordance with Indian Accounting Standard ("Ind AS") notified under The Companies Act, 2013 ("The Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended. These financial statements are the Group's first Ind AS Consolidated Financial Statements. The Group has adopted all the Indian Accounting Standards and the adoption was carried out in accordance with Ind AS 101, "First Time Adoption of Indian Accounting Standards". The Group has uniformly applied the accounting policies for the periods presented.

For all period up to and including the financial year ended March 31, 2020, the Group had prepared its financial statements in accordance with the Accounting Standard notified under the Section 133 of the Companies Act, 2013 read with the Rule 7 of Companies (Accounts) Rules 2014, ("Previous GAAP"). Detailed explanations on how the transition from Previous GAAP to Ind AS has affected the Group's Balance Sheet, financial performance and its cash flows are given under "Note No - 44".

### 1.3 Significant Accounting Policies:

#### 1.3.1 Basis of Preparation and Presentation

The Consolidated Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- (a) Certain Financial Assets and Liabilities (including derivative instruments), and
- (b) Defined Benefit Plans – Plan Assets

The consolidated financial statements have been prepared and presented in Indian Rupees (INR), which is the Group's functional and presentation currency.

#### Basis of consolidation

The consolidated financial statements have comprised financial statements of the Holding Company and its subsidiaries. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on



transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost.
- Derecognises the cumulative translation differences recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners.
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities.

### **1.3.2 Fair Value Measurement**

Some of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

### **1.3.3 Current and Non-Current Classification**

The Group presents assets and liabilities in the Balance Sheet based on Current/ Non- Current classification.

An asset is treated as Current when it is –

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;

- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### 1.3.4 Property, Plant and Equipment

#### (a) Tangible Assets

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. In case of land the Group has availed fair value as deemed cost on the date of transition to Ind AS.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

#### Depreciation

Free hold land is not depreciated. Leasehold land and the improvement costs are amortized over the period of the lease. Depreciation on Property, Plant and Equipment is provided using Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II / as per technical evaluation as given below:

Name of Property, Plants and Equipment	Useful Life
Factory Building	30 Years
Building (Other than Factory Building)	60 Years
Plant and Machineries (Including Continuous Process Plant)	8 - 30 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Computer and Other Data Processing units	3 Years
Motor Vehicles	8 Years
Electrical Installation and Other Equipment	5-25 Years

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

In case of one subsidiary Farpoint Enterprise LLP, depreciation is calculated using Written Down Value method at the rates prescribed under Income Tax Act, 1961. The Details is given below:

Name of Property, Plants and Equipment	% applied
Factory Building	10%
Plant and Machineries (Including Continuous Process Plant)	15%
Electrical Installation and Other Equipment	15%

#### Derecognition

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

#### (b) Capital Work-in-Progress and Capital Advances

Cost of Property, Plant and Equipment not ready for intended use, as on the balance sheet date, is shown as a "Capital Work-in-Progress". The Capital Work-in-Progress is stated at cost. Any expenditure in relation to survey and investigation of the properties is carried as Capital Work-in-Progress. Such expenditure is either capitalized as cost of the projects

on completion of construction project or the same is expensed in the period in which it is decided to abandon such project. Any advance given towards acquisition of Property, Plants and Equipment outstanding at each balance sheet date is disclosed as "Other Non-Current Assets".

### (c) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Intangible Assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

#### Amortization

The amortization expenses on Intangible assets with the finite lives are recognized in the Statement of Profit and Loss. The intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life as tabulated below:

Particulars	Useful Life
Accounting and antivirus software	3 Years
Other firewall and operating software	6 Years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at each financial year end and adjusted prospectively, if appropriate.

#### Derecognition

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

### 1.3.5 Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets

The Entity assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Entity estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### 1.3.6 Lease

#### (a) As a Lessee

The Entity, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Entity has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Entity measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Entity uses incremental borrowing rate.

**(b) As a Lessor**

Leases for which the Entity is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

**1.3.7 Investment Properties**

The property that is held for capital appreciation or for earning rentals or both or whose future use is undetermined is classified as Investment Properties. Items of investment properties are measured at cost less accumulated depreciation/ amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. Investment properties are depreciated on straight line method on pro-rata basis at the rates specified therein. Subsequent expenditure including cost of major overhaul and inspection is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits associated with the item will flow to the Entity and the cost of the item can be measured reliably.

**1.3.8 Inventories**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of finished goods, work-in-progress, raw materials, chemicals, stores and spares, components, consumables, packing materials, trading and other products are determined on First In First Out (FIFO) / average / weighted average basis.

**1.3.9 Borrowing Costs**

Borrowing costs 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 directly attributable to the acquisition or construction of qualifying assets are capitalised as 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.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

**1.3.10 Employee Benefits**

**(A) Short-Term Employee Benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**(B) Post-Employment Benefits**

**(i) Defined Contribution Plans**

The Entity recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

**(ii) Defined Benefit Plans**

**(a) Gratuity Scheme:** The Entity pays gratuity to the employees who have completed five years of service with the Entity at the time of resignation/superannuation. The gratuity is paid @ 15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

**(iii) Other Long - Term Employee Benefits**

Entitlement to annual leave is recognized when they accrue to employees.

### **1.3.11 Revenue Recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

The Entity is generally the principal as it typically controls the goods or services before transferring them to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Entity has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Entity expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

#### **Export Incentives**

Export incentive revenues are recognized when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection.

#### **Interest Income**

Interest Income from Financial Assets is recognised using effective interest rate method.

#### **Dividend Income**

Dividend Income is recognised when the Entity's right to receive the amount has been established.

#### **Surplus / (Loss) on disposal of Property, Plants and Equipment / Investments**

Surplus or loss on disposal of property, plants and equipment or investment is recorded on transfers of title from the Entity, and is determined as the difference between the sales price and carrying value of the property, plants and equipment or investments and other incidental expenses.

#### **Rental Income**

Rental income arising from operating lease on investments properties is accounted for on a straight - line basis over the lease term except the case where the incremental lease reflects inflationary effect and rental income is accounted in such case by actual rent for the period.

#### **Insurance Claim**

Claim receivable on account of insurance is accounted for to the extent the Entity is reasonably certain of their ultimate collections.

#### **Other Income**

Revenue from other income is recognized when the payment of that related income is received or credited.

### **1.3.12 Foreign Currency Transactions and Translation**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

### **1.3.13 Government Grants and Subsidies**

Grants in the nature of subsidies which are non-refundable are recognized as income where there is reasonable assurance that the Entity will comply with all the necessary conditions attached to them. Income from grants is recognized on a systematic basis over periods in which the related costs that are intended to be compensated by such grants are recognized.

Refundable government grants are accounted in accordance with the recognition and measurement principle of Ind AS 109, “Financial Instruments”. It is recognized as income when there is a reasonable assurance that the Entity will comply with all necessary conditions attached to the grants. Income from such benefit is recognized on a systematic basis over the period of the grants during which the Entity recognizes interest expense corresponding to such grants.

### **1.3.14 Financial Instruments – Financial Assets**

#### **(A) Initial Recognition and Measurement**

All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

#### **(B) Subsequent Measurement**

##### **a) Financial Assets measured at Amortised Cost (AC)**

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise to cash flows on specified dates that represent solely payments of principal and interest on the principal amount outstanding.

##### **b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)**

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

Further, the Entity, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI. The Entity has made such election on an instrument-by-instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI. However, the Entity recognizes dividend income from such instruments in the Statement of Profit and Loss.

##### **c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)**

A Financial Asset which is not classified in any of the above categories is measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Entity changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

#### **(C) Investments**

Investments are classified in to Current or Non-Current Investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as Current Investments. All other Investments are classified as Non - Current Investments. However, that part of Non - Current Investments which are expected to be realized within twelve months from the Balance Sheet date is also presented under “Current Investments” under “Current portion of Non-Current Investments” in consonance with Current/Non-Current classification of Schedule - III of the Act.

All the equity investment which covered under the scope of Ind AS 109, “Financial Instruments” is measured at the fair value. Investment in Mutual Fund is measured at fair value through profit and loss (FVTPL). Trading Instruments are measured at fair value through profit and loss (FVTPL).

#### **(D) Investment in Subsidiaries, Associates and Joint Ventures**

The Entity has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any).

#### **(E) Impairment of Financial Assets**

In accordance with Ind AS 109, the Entity uses ‘Expected Credit Loss’ (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

### **1.3.15 Financial Instruments – Financial Liabilities**

#### **(A) Initial Recognition and Measurement**

All Financial Liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.



**(B) Subsequent Measurement**

Financial Liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**1.3.16 Derivative Financial Instruments and Hedge Accounting**

The Entity enters into derivative contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial assets measured at amortised cost.

The Entity formally establishes a hedge relationship between such forward currency contracts ('hedging instrument') and recognised financial assets ('hedged item') through a formal documentation at the inception of the hedge relationship in line with the Entity's Risk Management objective and strategy.

The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a cash flow hedge under Ind AS 109, 'Financial Instruments'.

Recognition and measurement of cash flow hedge:

The Entity strictly uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. As per Ind AS 109 - Financial Instruments, foreign currency forward contracts are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in hedge reserve (under reserves and surplus) through other comprehensive income and the ineffective portion is recognised immediately in the statement of profit and loss.

The accumulated gains / losses on the derivatives accounted in hedge reserve are transferred to the statement of profit and loss in the same period in which gains / losses on the underlying item hedged are recognised in the statement of profit and loss.

Derecognition:

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. When hedge accounting is discontinued for a cash flow hedge, the net gain or loss will remain in hedge reserve and be reclassified to the statement of profit and loss in the same period or periods during which the formerly hedged transaction is reported in the statement of profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gains / losses recognised in hedge reserve is transferred to the statement of profit and loss.

Fair Value Hedge:

The Entity designates derivative contracts or non-derivative Financial Assets/Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

**1.3.17 Derecognition of Financial Instruments**

The Entity derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a financial liability) is derecognised from the Entity's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**1.3.18 Financial Instruments – Offsetting**

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Entity has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**1.3.19 Taxes on Income**

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

**(a) Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.



(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Presentation

The Entity offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Entity has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Entity.

### 1.3.20 Segment Reporting

Segments are identified having regard to the dominant source and nature of risks and returns and the internal organization and management structure. The Group has considered as Business Segments as Primary Segments.

Segments Accounting Policies

The Group prepares its Segment Information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Inter - Segment Transfer

The Group generally accounts the Inter - Segment transfers at an agreed value of the transactions.

Allocation of Common Costs

Common allocable costs are allocated to each segment reporting according to the relative contribution of each segment to the total of common costs.

Unallocated Items

Unallocated Items include the General Corporate Income and Expense items which are not allocated to any of the Business Segments.

### 1.3.21 Research and Development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss as and when incurred.

Development costs are capitalised as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

### 1.3.22 Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

### 1.3.23 Provisions, Contingent Liabilities

Provisions are recognised when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

### 1.3.24 Events after Reporting Date

Where events occurring after the Balance Sheet date provide evidence of condition that existed at the end of reporting period,

the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

#### **1.3.25 Non – Current Assets Held For Sales**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Non-current assets held for sale are neither depreciated nor amortised.

Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of sale and are presented separately in the Balance Sheet.

#### **1.3.26 Cash Flows Statement**

Cash Flows Statements are reported using the method set out in the Ind AS – 7, “Cash Flow Statements”, whereby the Net Profit / (Loss) before tax is adjusted for the effects of the transactions of a Non-Cash nature, any deferrals or accrual of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

#### **1.3.27 Cash and Cash Equivalents**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **1.3.28 Recent Pronouncement**

On 24 March, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

##### **Balance Sheet:**

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development
- If a Company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held, etc.

##### **Statement of profit and loss:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of standalone financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

#### **1.4 Critical Accounting Judgments and Key Sources of Estimation Uncertainty:**

The preparation of the Group’s Financial Statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

##### **1.4.1 Income Tax**

Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the income tax provisions, including the amount expected to be paid / recovered for uncertain.

#### **1.4.2 Property Plant and Equipment/ Intangible Assets**

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment/Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful life and residual values are based on the Entity's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

#### **1.4.3 Defined Benefits Obligations**

The costs of providing Gratuity and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS – 19, "Employee Benefits" over the period during which benefit is derived from the employees' services. It is determined by using the Actuarial Valuation and assessed on the basis of assumptions selected by the management. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. Due to complexities involved in the valuation and its long term in nature, a defined benefit obligation is highly sensitive to change in these assumptions. All assumptions are reviewed at each balance sheet date.

#### **1.4.4 Fair value measurements of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions.

#### **1.4.5 Recoverability of Trade Receivables**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

#### **1.4.6 Provisions**

The timing of recognition and quantification of the liability (including litigations) requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

#### **1.4.7 Impairment of Financial and Non – Financial Assets**

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Entity uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Entity's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

In case of non-financial assets Entity estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

#### **1.4.8 Recognition of Deferred Tax Assets and Liabilities**

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Entity uses judgment to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 2 : Property, Plant & Equipments, Right Of Use, Intangibles, Capital Work-In-Progress**
**A. PROPERTY, PLANT & EQUIPMENTS**

(Rs. in Lakhs)

Particulars	Land	Building	Computer Equipments	Furniture & Fixture	Plant & Machinery	Office Equipments	Vehicle	Total
<b>Gross Block</b>								
<b>As at 1 April 2019</b>	632.29	630.03	10.25	74.44	1,168.76	12.25	80.65	2,608.67
Additions	33.43	294.75	11.05	51.46	706.34	42.98	1.05	1,141.06
Disposals/ Adjustments	-	-	-	-	(1.61)	-	-	(1.61)
<b>As at 31 March 2020</b>	665.72	924.78	21.30	125.90	1,873.49	55.23	81.70	3,748.12
Additions	-	6.42	6.83	2.86	111.82	4.55	-	132.48
Disposals/ Adjustments	-	(6.42)	(1.43)	(2.81)	(149.37)	(16.28)	-	(176.31)
<b>As at 31 March 2021</b>	665.72	924.78	26.70	125.95	1,835.94	43.50	81.70	3,704.29
<b>Accumulated Depreciation</b>								
<b>As at 1 April 2019</b>	-	17.56	2.42	3.62	54.09	3.87	11.06	92.62
Depreciation charge for the year	-	44.12	5.06	6.99	131.08	7.41	9.65	204.31
Reversal on Disposal/ Adjustments	-	0.27	-	-	-	(0.05)	-	0.22
<b>As at 31 March 2020</b>	-	61.95	7.48	10.61	185.17	11.23	20.71	297.15
Depreciation charge for the year	-	41.67	6.93	8.67	131.63	9.15	9.70	207.75
Reversal on Disposal/ Adjustments	-	0.06	(0.37)	(0.24)	(6.53)	(2.81)	-	(9.89)
<b>As at 31 March 2021</b>	-	103.68	14.04	19.04	310.27	17.57	30.41	495.01
<b>Net Block</b>								
<b>Balance as at 1 April 2019</b>	632.29	612.47	7.83	70.82	1,114.67	8.38	69.59	2,516.05
<b>Balance as at 31 March 2020</b>	665.72	862.83	13.82	115.29	1,688.32	44.00	60.99	3,450.97
<b>Balance as at 31 March 2021</b>	665.72	821.10	12.66	106.91	1,525.67	25.93	51.29	3,209.28

Refer Note No - 40

**B. RIGHT OF USE ASSETS**

(Rs. in Lakhs)

Particulars	Land & Building	Plant & Machinery	Total
<b>Gross Block</b>			
<b>As at 1 April 2019</b>	-	21.22	21.22
Additions	72.70	731.49	804.19
Disposals/ Adjustments	-	-	-
<b>As at 31 March 2020</b>	72.70	752.71	825.41
Additions	-	-	-
Disposals/ Adjustments	-	(751.54)	(751.54)
<b>As at 31 March 2021</b>	72.70	1.17	73.87
<b>Accumulated Depreciation</b>			
<b>As at 1 April 2019</b>	-	11.58	11.58
Depreciation charge for the year	14.54	68.11	82.65
Reversal on Disposal of Assets	-	(62.87)	(62.87)
<b>As at 31 March 2020</b>	14.54	16.82	31.36
Depreciation charge for the year	14.54	69.77	84.31
Reversal on Disposal of Assets	-	(86.06)	(86.06)
<b>As at 31 March 2021</b>	29.08	0.53	29.61
<b>Net Block</b>			
<b>Balance as at 1 April 2019</b>	-	9.65	9.65
<b>Balance as at 31 March 2020</b>	58.16	735.89	794.06
<b>Balance as at 31 March 2021</b>	43.62	0.64	44.26

Refer Note No - 42

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### C. INTANGIBLE ASSETS

(Rs. in Lakhs)		
Particulars	Computer Software	Total
<b>Gross Block</b>		
<b>As at 1 April 2019</b>	<b>0.90</b>	<b>0.90</b>
Additions	3.33	3.33
Disposals/ Adjustments	-	-
<b>As at 31 March 2020</b>	<b>4.23</b>	<b>4.23</b>
Additions	0.80	0.80
Disposals/ Adjustments	-	-
<b>As at 31 March 2021</b>	<b>5.03</b>	<b>5.03</b>
<b>Accumulated Depreciation</b>		
<b>As at 1 April 2019</b>	<b>0.27</b>	<b>0.27</b>
Ammortization charge for the year	0.74	0.74
Reversal on Disposal of Assets	-	-
<b>As at 31 March 2020</b>	<b>1.01</b>	<b>1.01</b>
Ammortization charge for the year	1.10	1.10
Reversal on Disposal of Assets	-	-
<b>As at 31 March 2021</b>	<b>2.11</b>	<b>2.11</b>
<b>Net Block</b>		
<b>Balance as at 1 April 2019</b>	<b>0.63</b>	<b>0.63</b>
<b>Balance as at 31 March 2020</b>	<b>3.22</b>	<b>3.22</b>
<b>Balance as at 31 March 2021</b>	<b>2.92</b>	<b>2.92</b>

### D. CAPITAL WORK-IN-PROGRESS

(Rs. in Lakhs)		
Particulars	Furniture & Fixture	Total
<b>Gross Block</b>		
<b>As at 1 April 2019</b>	<b>436.25</b>	<b>436.25</b>
Additions	24.29	24.29
Capitalised During the Year	(460.54)	(460.54)
<b>As at 31 March 2020</b>	<b>-</b>	<b>-</b>
Additions	-	-
Capitalised During the Year	-	-
<b>As at 31 March 2021</b>	<b>-</b>	<b>-</b>

### E. GOODWILL ON CONSOLIDATION

(Rs. in Lakhs)		
Particulars	Goodwill	Total
<b>Gross Block</b>		
<b>As at 1 April 2019</b>	<b>180.18</b>	<b>180.18</b>
Additions	-	-
Capitalised During the Year	-	-
<b>As at 31 March 2020</b>	<b>180.18</b>	<b>180.18</b>
Additions	-	-
Capitalised During the Year	-	-
<b>As at 31 March 2021</b>	<b>180.18</b>	<b>180.18</b>

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 3 - Investments- Non Current**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>UNQUOTED INVESTMENTS</b>			
<b>Investment in Others (Measured at FVTOCI)</b>			
(i) 8,08,510 (31 March 2020 - 8,08,510 & 1 April 2019 - 4,04,255) Equity Shares of ECS Environment Private Limited - (Fully Paidup) of Rs 10 each. Cost is representing and taken as equivalent to Fair Value.	242.55	242.55	121.28
(ii) 1,20,000 (31 March 2020 - 1,20,000 & 1 April 2019 - 1,20,000) Equity Shares of Mehsana Urban Co-operative Bank Limited - (Fully Paidup) of Rs. 25 each. Cost is representing and taken as equivalent to Fair Value.	30.00	30.00	30.00
<b>Investment in Mutual Funds (measured at FVTPL)</b>			
Edelweiss Infrastructure Yield Plus	56.58	38.42	-
<b>Total - Unquoted Investments</b>	<b>329.13</b>	<b>310.97</b>	<b>151.28</b>
Aggregate book value of quoted investments	-	-	-
Aggregate market value of quoted investments	-	-	-
Aggregate carrying value of unquoted investments	329.13	310.97	151.28
Aggregate amount of impairment in value of investments	-	-	-

**Note - 4 - Other Financial Assets- Non Current (Unsecured Considered Good)**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Security Deposits	25.37	68.88	3.95
Other Receivables	8.90	8.90	50.00
<b>Total</b>	<b>34.27</b>	<b>77.78</b>	<b>53.95</b>
<b>Above includes due from:</b>			
Director (Rent Deposit)	2.38	2.19	-
Other Officers of the Company	-	-	-
Firm in which any director is partner	-	-	-
Private Company in which director is director or member	-	-	-

**Note - 5 - Deferred Tax Assets (Net)**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Deferred Tax Assets (DTA)</b>			
Provision for Employee Benefits	8.13	7.75	2.30
Preliminary Expenditure	13.05	12.88	1.02
IND AS Adjustments	8.90	1.74	4.44
Unabsorbed Loss/ Business Loss	194.89	101.87	29.82
<b>Total DTA</b>	<b>224.97</b>	<b>124.24</b>	<b>37.58</b>
<b>Deferred Tax Liabilities (DTL)</b>			
Property Plant & Equipments & Intangible Assets	134.76	100.93	75.57
<b>Total DTL</b>	<b>134.76</b>	<b>100.93</b>	<b>75.57</b>
<b>Net DTA / (DTL)</b>	<b>90.21</b>	<b>23.31</b>	<b>(37.99)</b>
<b>Deffered Tax Liabilities (Net)</b>	<b>-</b>	<b>-</b>	<b>37.99</b>
<b>Deffered Tax Assets (Net)</b>	<b>90.21</b>	<b>23.31</b>	<b>-</b>

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

(Rs. in Lakhs)

Particulars	As at 1st April, 2020	Deferred Tax charge/(credit) in Profit & Loss	As at 31 <sup>st</sup> March, 2021
<b>Deferred Tax Assets (DTA)</b> <b>on account of Deductible Temporary Difference</b>			
Provision for Employee Benefits	7.75	(0.38)	8.13
Preliminary Expenditure	12.88	(0.17)	13.05
IND AS Adjustments	1.74	(7.16)	8.90
Unabsorbed Loss/ Business Loss	101.87	(93.02)	194.89
<b>Deferred Tax Liabilities (DTL)</b> <b>on account of Taxable Temporary Difference</b>			
Property Plant & Equipments & Intangible Assets	100.93	(33.83)	134.76
<b>Deferred Tax Assets/ (Liabilities) (Net)</b>	<b>23.31</b>	<b>(66.90)</b>	<b>90.21</b>

Particulars	As at 1st April, 2019	Deferred Tax charge/(credit) in Profit & Loss	As at 31 <sup>st</sup> March, 2020
<b>Deferred Tax Assets (DTA)</b> <b>on account of Deductible Temporary Difference</b>			
Provision for Employee Benefits	2.30	(5.45)	7.75
Preliminary Expenditure	1.02	(11.86)	12.88
IND AS Adjustments	4.44	2.70	1.74
Unabsorbed Loss/ Business Loss	29.82	(72.05)	101.87
<b>Deferred Tax Liabilities (DTL)</b> <b>on account of Taxable Temporary Difference</b>			
Property Plant & Equipments & Intangible Assets	75.57	(25.36)	100.93
<b>Deferred Tax Assets/ (Liabilities) (Net)</b>	<b>(37.99)</b>	<b>(61.30)</b>	<b>23.31</b>

### Note - 6 - Other Non Current Assets

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Capital Advances (Unsecured Considered Good)	717.45	-	-
Prepaid Expenses	0.90	0.28	-
Balances with Revenue Authorities	-	-	-
Other Advances / Receivables	1.50	-	-
<b>Total</b>	<b>719.85</b>	<b>0.28</b>	<b>-</b>

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Above includes due from:</b>			
Director	-	-	-
Other Officers of the Company	-	-	-
Firm in which any director is partner	-	-	-
Private Company in which director is director or member	-	-	-



**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 7 - Inventories**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Raw materials	2.48	418.30	4.28
Work-in-progress	826.05	787.39	229.54
Finished goods/ Stock in Trade	1,198.30	662.63	1,183.15
Packing materials	208.08	377.78	60.27
Consumable, Stores and Spares	9.03	3.24	-
<b>Total</b>	<b>2,243.94</b>	<b>2,249.34</b>	<b>1,477.24</b>

Note: Inventories are valued at lower of cost and net realisable value. The mode of valuation of inventories has been stated in Note No -1.3.8.

(Refer Note No - 40)

**Note - 8 - Trade Receivables - Current**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Unsecured - Considered Good	9,832.76	2,083.69	889.58
Less: Allowance for Expected Credit Loss	3.56	2.42	-
<b>Total</b>	<b>9,829.20</b>	<b>2,081.27</b>	<b>889.58</b>

(Refer Note No - 40)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Trade Receivable include due from:</b>			
Directors	-	-	-
Other Officers of the Company	-	-	-
Firm in which any director is partner	-	-	-
Private Company in which director is director or member			
Mangalam Dura Jet Technologies Private Limited	45.51	-	-
Mangalam Worldwide Pvt. Ltd	142.92	-	-
ECS Environment Private Limited	46.60	107.63	116.60

**Note - 9 - Cash & Bank Balances**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Cash and Cash Equivalents</b>			
Cash in Hand	18.99	11.19	2.69
Bank Balance			
In Current Accounts	307.64	103.66	75.80
In Deposit Accounts (maturity within 3 months from reporting date)	-	-	-
<b>Total Cash and Cash Equivalents</b>	<b>326.63</b>	<b>114.85</b>	<b>78.49</b>
<b>Bank Balances other than Cash and Cash Equivalents</b>			
Balances with bank in fixed deposit accounts (Refer Note below)	2,746.95	2,224.49	490.09
<b>Total Other Bank Balances</b>	<b>2,746.95</b>	<b>2,224.49</b>	<b>490.09</b>
<b>Total</b>	<b>3,073.58</b>	<b>2,339.34</b>	<b>568.58</b>

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 9 - Cash & Bank Balances (Contd...)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Other Bank balances in Fixed Deposit Accounts includes deposit with remaining maturity of more than 12 months from the balance sheet date.	-	-	-
Other Bank balances in Fixed Deposit Accounts are Pledged as margin money / as security for bank guarantees/ working capital facilities from Banks (Refer Note No - 40)	2,746.95	2,224.49	490.09

### Note - 10 - Loans & Other Financial Assets - Current (Unsecured Considered Good)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Loans</b>			
Loans	238.98	9.47	8.55
Loans to Staff	-	0.28	0.23
<b>Total Loans</b>	<b>238.98</b>	<b>9.75</b>	<b>8.78</b>
<b>Other Financial Assets</b>			
Receivable (Discounted with HDFC Bank)	-	-	2,756.90
Commodity Premium Margin Account	-	-	70.86
M2M of Foreign Exchange Forward Contract	2.51	-	-
Export Incentives Receivables	1.98	-	-
Other Receivables	363.22	716.41	9.80
<b>Total Other Financial Assets</b>	<b>367.71</b>	<b>716.41</b>	<b>2,837.56</b>
<b>Total</b>	<b>606.69</b>	<b>726.16</b>	<b>2,846.34</b>

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Above Includes:</b>			
Directors	-	-	-
Other Officers of the Company	-	-	-
Firm in which any director / Company is partner			
Private Company in which director is director or member			
Ecofine Colourchem Pvt. Ltd. (Loan)	-	9.47	8.55
Mangalam Worldwide Private Limited (Loan)	238.98	-	-

### Note - 11 - Other Tax Assets

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Prepaid Income Tax/ TDS (Net of Prov, if any)	103.16	60.89	1.14
<b>Total</b>	<b>103.16</b>	<b>60.89</b>	<b>1.14</b>

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 12 - Other Current Assets**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Others</b>			
Advance to Supplier (Other than capital advances)	837.09	728.50	376.07
Balances with Government Authorities	590.18	304.28	266.57
Prepaid Expenses	46.39	25.19	33.41
Export Incentive - Script/ Licence Receivable	22.89	-	-
Others	160.37	20.34	11.25
<b>Total</b>	<b>1,656.92</b>	<b>1,078.31</b>	<b>687.30</b>

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Above Includes:</b>			
Directors	-	-	-
Other Officers of the Company	-	-	-
Firm in which any director / Company is partner Paradisaal Trade LLP	227.32	-	-
Private Company in which director is director or member			

**Note - 13 - Equity Share Capital**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Authorised</b>			
4,00,00,000 (31 March 2020 - 1,70,00,000 & 1 April 2019 -30,00,000) Equity Shares of Rs. 10/- each	4,000.00	1,700.00	300.00
<b>Issued</b>			
2,50,86,115 (31 March 2020 - 1,60,57,410 & 1 April 2019 -23,25,482) Equity Shares of Rs. 10/- each	2,508.61	1,605.74	232.55
<b>Subscribed &amp; Paid up</b>			
2,50,86,115 (31 March 2020 - 1,60,57,410 & 1 April 2019 -23,25,482) Equity Shares of Rs. 10/- each	2,508.61	1,605.74	232.55
<b>Total</b>	<b>2,508.61</b>	<b>1,605.74</b>	<b>232.55</b>

**13.1 Rights, preferences and restrictions attached to equity shares:**

The Company has one class of equity shares having a par value of Rs 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holding.

**13.2** Company issued and allotted 80,28,705 bonus shares(as fully paid) of face value of Rs 10/- each to the existing shareholders at the rate of one shares for every two share held on 02 September 2020.

Company issued and allotted 93,01,928 bonus shares(as fully paid) of face value of Rs 10/- each to the existing shareholders at the rate of four shares for every one share held on 03 September 2019.

**13.3** During the year Company have made preferential allotment of 10,00,000 equity shares having face value of Rs 10/- each fully paidup for cash at a price of Rs 42/- per equity shares (including share premium of Rs 32/- per equity share) aggregating to Rs 100.00 Lakhs(Face Value) & Rs 320.00 Lakhs (Share Premium). The aforementioned equity shares were allotted on 05 December 2020.

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### 13.4 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 <sup>st</sup> March, 2021	
	Number	Amount
<b>Equity Shares of Rs. 10/- each:</b>		
Shares outstanding at the beginning of the year	16,057,410	1,605.74
Add: Bonus Shares Issued during the year	8,028,705	802.87
Add: Shares Issued during the year	1,000,000	100.00
Less: Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>25,086,115</b>	<b>2,508.61</b>

Particulars	As at 31 <sup>st</sup> March, 2020	
	Number	Amount
<b>Equity Shares of Rs. 10/- each:</b>		
Shares outstanding at the beginning of the year	2,325,482	232.55
Add: Bonus Shares Issued during the year	9,301,928	930.19
Add: Shares Issued during the year	4,430,000	443.00
Less: Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>16,057,410</b>	<b>1,605.74</b>

Particulars	As at 31 <sup>st</sup> March, 2019	
	Number	Amount
<b>Equity Shares of Rs. 10/- each:</b>		
Shares outstanding at the beginning of the year (01 April 2018)	545,020	54.50
Add: Bonus Shares Issued during the year	-	-
Add: Shares Issued during the year	1,780,462	178.05
Less: Shares bought back during the year	-	-
<b>Shares outstanding at 01 April 2019</b>	<b>2,325,482</b>	<b>232.55</b>

### 13.5 Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	As at 31 <sup>st</sup> March, 2021	
	No. of Shares held	% of Holding
<b>Equity Shares of Rs. 10/- each:</b>		
Chanakaya Prakash V Mangal	3,286,150	13.10%
Chandragupt Prakash V Mangal	3,623,320	14.44%
Mangalam Worldwide Pvt Ltd	2,625,015	10.46%
Om Prakash Mangal	2,142,870	8.54%
Rashmi Mangal	1,760,335	7.02%
Vipin Prakash Mangal	1,835,410	7.32%
Specific Worldwide LLP (Formerly Zaddoc Nutrition Pvt Ltd)	3,021,540	12.04%

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**13.5 Shares in the company held by each shareholder holding more than 5 percent shares (Contd...)**

Name of Shareholder	As at 31 <sup>st</sup> March, 2020	
	No. of Shares held	% of Holding
<b>Equity Shares of Rs. 10/- each:</b>		
Chanakya Prakash Mangal	20,74,100	12.92%
Chandragupt Prakash Mangal	21,98,875	13.69%
Mangalam Worldwide Pvt Ltd	17,50,005	10.90%
Om Prakash Mangal	14,28,575	8.90%
Rashmi Mangal	9,06,890	5.65%
Vipin Prakash Mangal	9,56,940	5.96%
Specific Worldwide LLP (Formerly Zaddoc Nutrition Pvt Ltd)	20,14,360	12.54%

Name of Shareholder	As at 31 <sup>st</sup> March, 2019	
	No. of Shares held	% of Holding
<b>Equity Shares of Rs. 10/- each:</b>		
Chanakya Prakash V Mangal	414,823	17.84%
Chandragupt Prakash V Mangal	439,776	18.91%
Mangalam Worldwide Pvt Ltd	350,001	15.05%
Om Prakash Mangal	285,715	12.29%
Rashmi Mangal	181,378	7.80%
Vipin Prakash Mangal	191,388	8.23%
Specific Worldwide LLP (Formerly Zaddoc Nutrition Pvt Ltd)	402,872	17.32%

**Note - 14 - Other Equity**

Particulars	(Rs. in Lakhs)	
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Securities Premium Reserve</b>		
Balance at the beginning of the year	3,742.11	2,962.63
Add : Securities premium credited on share issue	320.00	1,770.30
Less: Utilised towards issue of bonus shares during the year	(802.87)	(930.19)
Less: Utilised towards expenses on issue of shares	-	(60.63)
<b>Balance at the end of the year</b>	<b>3,259.24</b>	<b>3,742.11</b>
<b>Retained Earning</b>		
Balance at the beginning of the year	546.73	238.96
Add: Net Profit/(Net Loss) For the year	579.26	313.82
Add: Remeasurement of defined benefit plan transferred from OCI	-	-
Other Adjustment	(0.05)	(0.30)
Less: Dividend on Equity Shares #	(29.87)	(4.77)
Less: Tax on Dividend #	-	(0.98)
<b>Balance at the end of the year</b>	<b>1,096.07</b>	<b>546.73</b>
<b>Other Comprehensive Income (OCI)</b>		
Gain and losses on account of translating the financial statements of foreign operations		
Balance at the beginning of the year	36.81	(0.19)
Changes during the year	(19.08)	37.00
<b>Balance at the end of the year</b>	<b>17.73</b>	<b>36.81</b>
<b>Total Other Equity</b>	<b>4,373.04</b>	<b>4,325.65</b>

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 14 - Other Equity (Contd...)

(Rs. in Lakhs)

# Dividend on equity shares paid during the year.	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Final dividend for the year 2019-20 (Rs 1 (previous year Rs 0.20) per equity shares of Rs 10 each)	29.87	4.77
Dividend distribution tax on final dividend	-	0.98

#### Note:

Board of Directors of the Company have proposed final dividend of Rs 1/- per equity share for the financial year 2020-21. Proposed dividend on equity shares are subject to approval at the annual general meeting and hence not recognised as a liability as at 31 March 2021. No interim dividend was declared and paid during the financial year 2020-21.

### Note - 15 - Long Term Borrowings

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Secured Borrowings</b>			
From Banks	1,341.63	955.67	1,100.08
<b>Unsecured Borrowings</b>			
Loan from Directors	27.22	259.74	1.92
Loan from Directors Relatives	-	170.10	0.10
<b>Total</b>	<b>1,368.85</b>	<b>1,385.51</b>	<b>1,102.10</b>

Refer Note below:

Sr. no.	Name of the Borrower Company and lender	Amount Outstanding 1 31-3-21 2 31-3-20 3 31-3-19	Details	Security
1	Mangalam Global Enterprise Limited (MGEL) HDFC Bank : GECL-WCTL	1. 234.00 2. Nil 3. Nil	Sanctioned: Rs 234.00 Int: Reference rate + 0.80% presently 8.25%) Tenure: 48 Months Repayment: 12 months moratorium, 36 months Instalments after moratorium. Interest to be serviced on monthly basis.	<b>Primary Security:-</b> Hypothecation of stock & book debts, The Emergency Credit Line Guarantee Scheme (GECL) is covered by guarantee of NCGTC. <b>Collateral Security:-</b> Company's Fixed Deposit of Rs. 4.90 lakhs Office no. 201, Setu Complex, Ahmedabad (Owned by Company) B No. 19/B, Kalyan Society, Ahmedabad (Owned by Director) B No. 21, Sarthi CHS Ltd, Ahmedabad (Owned by Director) <b>Personal Gaurantee of following Directors:</b> a) Chanakya Prakash Mangal b) Chandragupt Prakash Mangal c) Vipin Prakash Mangal  Further the Loan is secured by way of extension of second Ranking Charge Over existing primary & Collateral Securities including mortgages created in favour of bank.

Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## Note - 15 - Long Term Borrowings (Contd...)

(Rs. in Lakhs)

Sr. no.	Name of the Borrower Company and lender	Amount Outstanding 1 31-3-21 2 31-3-20 3 31-3-19	Details	Security
2	Mangalam Limited (MGEL) Punjab National Bank Ltd : PNB Covid-19 Emergency Credit Facility (CECF)	1. 248.33 2. Nil 3. Nil	Sanctioned: Rs 250.00 Int: One Year MCLR + 0.50% (presently 7.85%) Tenure: 24 Months Repayment: 6 months moratorium. 18 months Instalments after moratorium. Interest to be served as & when charged.	<b>Primary Security:-</b> 1st pari pasu charge by way of hypothecation of entire current assets(Present & future) of company including stocks of raw materials, stocks in process, finished goods, receivables, store, spares, consumables etc. kept at all leased factory premises of the company or at any other place. <b>Collateral Security:-</b> P no. 17, Orchid green, Ahmedabad in the name of Company P No.C-4-B, Prathana Upavan Co Op. H S Ltd, Ahmedabad jointly owned by company with M/s Specific Worldwide LLP FDR of Rs. 2.23 Cr. in the name of Company Liquid Securities of Rs. 12.50 Cr as FDR. till EM of above properties and lien on aforesaid FDR will be created <b>Personal Gaurantee of following Directors:</b> a) Chanakya Prakash Mangal b) Chandragupt Prakash Mangal c) Vipin Prakash Mangal <b>Corporate Gaurantee:-</b> Specific Worldwide LLP
3	Mangalam Global Enterprise Limited (MGEL) Punjab National Bank Ltd: Guaranteed Emergency Credit Line (GECL)	1. 144.00 2. Nil 3. Nil	Sanctioned: Rs 144.00 Int: One Year MCLR Subject to maximum 9.25% (presently 7.35%) Tenure: 48 Months Repayment: 36 months moratorium. 12 months Instalments after moratorium. Interest to be served as & when charged.	<b>Primary Security:-</b> 1st pari pasu charge by way of hypothecation of entire current assets(Present & future) of company including stocks of raw materials, stocks in process, finished goods, receivables, store, spares, consumables etc. kept at all leased factory premises of the company or at any other place. The Emergency Credit Line Guarantee Scheme (GECL) is covered by guarantee of NCGTC. <b>Collateral Security:-</b> P no. 17, Orchid green , Ahmedabad in the name of Company P No.C-4-B, Prathana Upavan Co Op. H S Ltd, Ahmedabad jointly owned by company with M/s Specific Worldwide LLP FDR of Rs. 2.23 Cr. in the name of Company Liquid Securities of Rs. 12.50 Cr as FDR. till EM of above properties and lien on aforesaid FDR will be created
4	Mangalam Global Enterprise Limited (MGEL) ICICI Bank Limited: Auto Loan Account	1. 12.01 2. 32.04 3. 49.44	Sanctioned: Rs 64.00 Int: presently 7.74% Tenure: 48 Months	Hypothication of BMW car



**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

**Note - 15 - Long Term Borrowings (Contd...)**

**(Rs. in Lakhs)**

Sr. no.	Name of the Borrower Company and lender	Amount Outstanding 1 31-3-21 2 31-3-20 3 31-3-19	Details	Security
5	Hindprakash Castor Derivatives Private Limited THE MEHSANA URBAN CO OP BANK LIMITED - Industrial Term Loan	1. 674.97 2. 756.07 3. 827.85	Sanctioned: Rs 850.00 Int:Rate of Interest 12.00% (including 0.50% interest rebate) Tenure: 96 Months Repayment Schedule : 96 EMI starting from 01-01-2019	<b>Primary Securities:-</b> 1. D P NOTE 2. Letter of Installment with acceleration Clause (MUDOC-42) 3. Security PDC of Loan Amount along with Letter (MUDOC-39) 4. Board Resolution (MUDOC-55) Noting of Bank Loan charge with CERSAI and ROC. 5. Undertaking for extension of existing mortgage - (MUDOC-58) <b>Equitable Mortgage of :-</b> a) Plot No. - 355 P1 & 355P1/P1 , Kukrana Road, Dist. Harij b) Plot no 37 & 38, Shyam Bungalows, Padmanath Chokdi, Patan c) Plot no 47 & 48, Chamunda Nagar Society, Harij d) Plot no 45 & 46, Chamunda Nagar Society, Harij e) Plot no 371, Plot no 443 to 451, Greenpark Society, Harij f) Plot no 534, Plot no. 459 to 467 Greenpark Society, Harij g) Plot no 1,2,3,31,504,506,507,508,516,553 Greenpark Society, Harij h) Plot no 559 to 563 Greenpark Society, Haarij i) Plot no 4,5,6,9 Greenpark Society, Haarij j) Plot no 546 Greenpark Society, Haarij k) Plot no 15,16,63,129,138,139 Tribhuvan Park Society, Haarij <b>Personal Gaurantee of following Directors/ Relatives:</b> a) Chanakya Prakash Mangal b) Brijesh Vasantlal Rajgor
6	Hindprakash Castor Derivatives Private Limited THE MEHSANA URBAN CO OP BANK LIMITED - Machinery Term Loan	1. 267.84 2. 314.53 3. 349.16	Sanctioned: Rs 350.00 Int: Rate of Interest 11.50% Tenure: 72 Months Repayment Schedule : 72 EMI starting from 01-06-2019	<b>Primary Securities:-</b> 1. D P NOTE 2. Letter of Installment with acceleration Clause (MUDOC-42) 3. Security PDC of Loan Amount along with Letter (MUDOC-39) 4. Board Resolution (MUDOC-55) Noting of Bank Loan charge with CERSAI and ROC. 5. Undertaking for extension of existing mortgage - (MUDOC-58) 6. Agreement of Machinery Loan" <b>Equitable Mortgage of :-</b> a) Plot No. - 355 P1 & 355P1/P1, Kukrana Road, Dist. Harij b) Plot no 37 & 38, Shyam Bungalows, Padmanath Chokdi, Patan c) Plot no 47 & 48, Chamunda Nagar Society, Harij d) Plot no 45 & 46, Chamunda Nagar Society, Harij e) Plot no 371, Plot no 443 to 451, Greenpark Society, Harij f) Plot no 534, Plot no. 459 to 467 Greenpark Society, Harij

Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## Note - 15 - Long Term Borrowings (Contd...)

(Rs. in Lakhs)

Sr. no.	Name of the Borrower Company and lender	Amount Outstanding 1 31-3-21 2 31-3-20 3 31-3-19	Details	Security
				g) Plot no 1,2,3,31,504,506,507,508,516,553 Greenpark Society, Harij h) Plot no 559 to 563 Greenpark Society, Harij i) Plot no 4,5,6,9 Greenpark Society, Harij j) Plot no 546 Greenpark Society, Harij k) Plot no 15,16,63,129,138,139 Tribhuvan Park Society, Harij <b>Personal Gaurantee of following Directors/ Relatives:</b> a) Chanakya Prakash Mangal b) Brijesh Vasantlal Rajgor
7	Hindprakash Castor Derivatives Private Limited THE MEHSANA URBAN CO OP BANK LIMITED - Term Loan Top Up Under Covid-19	1. 156.93 2. Nil 3. Nil	Sanctioned: Rs 200.00 Rate of Interest 10.00% Tenure: 30 Months Repayment Schedule : 30 EMI starting from 01-08-2020	<b>Primary Security:-</b> 1. D P NOTE 2. Letter of Installment with acceleration Clause (MUDOC-42) 3. Security PDC of Loan Amount along with Letter (MUDOC-39) 4. Board Resolution (MUDOC-55) Noting of Bank Loan charge with CERSAI and ROC. 5. Undertaking for extension of existing mortgage - (MUDOC-58) 6. Loan Agreement <b>Personal Gaurantee of following Directors/ Relatives:</b> a) Chanakya Prakash Mangal b) Chandragupt Prakash Mangal c) Zenishben Anilkumar Rajgor d) Brijesh Vasantlal Rajgor
8	THE MEHSANA URBAN CO OP BANK LIMITED - Standby Letter of Credit	1. 360.50 2. 360.50 3. Nil	Sanctioned: Rs 360.50	<b>Primary Security:-</b> 1. D P NOTE 2. Letter of Counter Guarantee 3. Equitable Mortgage of :- a) Plot No. - 355 P1 & 355P1/P1 , Kukrana Road, Dist. Harij b) Plot no 37 & 38, Shyam Bungalows, Padmanath Chokdi, Patan c) Plot no 47 & 48, Chamunda Nagar Society, Harij d) Plot no 45 & 46, Chamunda Nagar Society, Harij e) Plot no 371, Plot no 443 to 451, Greenpark Society, Harij f) Plot no 534, Plot no. 459 to 467 Greenpark Society, Harij g) Plot no 1,2,3,31,504,506,507,508,516,553 Greenpark Society, Harij h) Plot no 559 to 563 Greenpark Society, Harij i) Plot no 4,5,6,9 Greenpark Society, Harij j) Plot no 546 Greenpark Society, Harij k) Plot no 15,16,63,129,138,139 Tribhuvan Park Society, Harij Margin : FDR of Rs. 110.86 of Mangalam Global Enterprise Limited <b>Corporate Gaurantee:-</b> Mangalam Global Enterprise Limited

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 16 - Other Long Term Financial Liabilities

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Rent Deposit	12.47	10.09	9.13
<b>Total</b>	<b>12.47</b>	<b>10.09</b>	<b>9.13</b>

### Note - 17 - Long Term Provisions

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Provision for Employee benefits (Refer note no - 36)			
Gratuity (Unfunded)	8.47	6.40	1.62
Leave Encashment	13.23	14.78	4.23
<b>Total</b>	<b>21.70</b>	<b>21.18</b>	<b>5.85</b>

### Note - 18 - Other Long Term Liabilities

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Lease Liabilities	37.34	707.51	0.00
Deferred Lease Deposit	2.02	2.55	3.53
<b>Total</b>	<b>39.36</b>	<b>710.06</b>	<b>3.53</b>

Refer Note No - 42

### Note - 19 - Short Term Borrowings

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>Secured (Repayable on Demand) (From Bank)</b>			
HDFC Bank (CC/EPC/BD/ etc..)	4,628.42	1,198.29	764.13
Punjab National Bank (CC/EPC/BD/ etc..)	2,359.68	1,421.41	-
IndusInd Bank (WRF)	-	-	-
Axis Bank (WRF)	-	-	307.49
<b>Unsecured (Repayable on Demand)</b>			
From Bank - LCBD	-	-	2,756.90
From Bank - Bill/Invoice Discounting - Trust Receipts (Refer Note 19.7)	2,535.68	211.86	-
<b>From Others (Repayable on Demand)</b>			
Inter Corporate Deposit	243.19	-	-
Directors	350.43	951.22	308.52
Directors Relative	235.52	273.65	267.11
<b>Total</b>	<b>10,352.92</b>	<b>4,056.43</b>	<b>4,404.15</b>

**19.1** Mangalam Global Enterprise Ltd-MGEL (company) has created a charge in favour of HDFC Bank Ltd, to the extent of Rs.6500 Lakhs (31-3-20 Rs 2500 Lakhs, 01-4-19 Rs 710 Lakhs) by way of hypothecation of stock and book debts (see note 19.4) on entire exposure as a security for various working capital facilities viz CC, EPC, PCFC, FBP, FBD, Invoice Discounting etc granted by the bank. The above facilities are further collaterally secured by way of equitable mortgage of company's property office no 201, Setu Complex, Ahmedabad. The above facilities are guaranteed by three directors of the company in their personal capacity. The company has given Fixed Deposit of Rs 490 Lakhs (principal value) under lien in this regards. In addition to above property, Bungalow on plot no 19/B Kalyan Society Mithakhali Ahmedabad and Bungalow no 21 Sarthi-3 CHS Ltd Thaltej Ahmedabad owned by a director, is given as collateral security by way of mortgage.

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

- 19.2** Mangalam Global Enterprise Ltd-MGEL (company) has created a charge in favour of HDFC Bank Ltd, to the extent of Rs.1500 Lakhs (31-3-20 Rs 1500 Lakhs, 01-4-19 Rs NIL) by way of pledge of Stock of warehouse receipt/storage receipts as security for Short Term loan against Pledge of physical commodities Facility granted by the bank. The facility is further guaranteed by three directors of the company in their personal capacity.
- 19.3** Mangalam Global Enterprise Ltd-MGEL(company) has created 1st Pari pasu charge in favour of Punjab National Bank (PNB), to the extent of Rs.2750 Lakhs (31-3-20 Rs 2500 Lakhs, 01-4-19 Rs NIL). 1st pari pasu charge by way of hypothecation of entire current assets (see note 19.4) (Present & Future) including stocks of raw materials, stocks in process, finished goods, receivables, store, spares, consumables etc. as a security for various working capital facilities viz CC, PCFC, FOBP, FOUPB, FABC etc granted by the bank. Collateral Securities: PNB has stipulated following collateral securities. (i) company's property at 17 Orchid Green, Gokuldham, Ahmedabad. (EM pending to be executed) (ii) Lien of Fixed Deposit Receipt of Rs 223 Lakhs. (Lien on FD pending to be executed) (iii) property at C-4-B Prarthan Upvan CHS Ltd, Taluka Sanand, jointly owned by company and M/s Specific Worldwide LLP (EM pending to be executed). Till the time equitable mortgage of aforesaid properties are created company has provided liquid securities by way of Lien on Fixed Deposit of Rs 1250 Lakhs. Guarantee/Corporate Guarantee: Three directors in their personal capacity and M/s Specific Worldwide LLP.
- 19.4** Working capital facilities sanctioned by HDFC Bank & PNB is under multiple banking arrangement. Working capital facilities are secured by way of hypothecation of entire current assets on Pari pasu basis (in proportion to the limit sanctioned by each bank). (Mangalam Global Enterprise Ltd-MGEL)
- 19.5** Mangalam Global Enterprise Ltd-MGEL(company) has created charge in favour of IndusInd Bank Ltd, to the extent of Rs 500 Lakhs (31-3-20 Rs 500 Lakhs, 01-4-19 Rs Nil), by way of pledge of stock to secure line of credit for short term loan against agricultural commodities stored in approved warehouse facility. The facility is further guarantee by two directors of the company in their personal capacity.
- 19.6** Mangalam Global Enterprise Ltd-MGEL (company) has created charge in favour of Axis Bank Ltd, to the extent of Rs Nil (31-3-20 Rs 400 Lakhs, 01-4-19 Rs 400 Lakhs), by way of Pledge of stock to secure pledge of Warehouse Receipts /Storage Receipts with Lien noted in favour of the Bank Facility granted by the bank. The facility is further guarantee by two directors of the company in their personal capacity.
- 19.7** The Mangalam Global (Singapore) Pte Ltd-MGSPL(subsidiary company) - Trust Receipts , Nominal Int rate 3.11-3.972% (Maturity 2021).

**Note - 20 - Trade Payables**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Total outstanding dues of Micro Enterprise and small enterprise	-	-	-
Total outstanding dues others	2,350.17	315.86	59.36
<b>Total</b>	<b>2,350.17</b>	<b>315.86</b>	<b>59.36</b>

**Note - 21 - Other Short Term Financial Liabilities**

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Statutory Dues	22.61	26.17	22.21
Capital & Expenses Creditors	330.69	471.64	311.51
Unpaid Dividend	-	-	-
<b>Current Maturities of Non-Current Borrowings</b>			
Current maturities of Long - Term Debt	408.14	143.83	121.47
Accrued Interest but not due on Vehicle Loan	0.08	0.19	0.29
Accrued Interest but not due on EPC	-	-	0.36
Accrued Interest but not due - others	1.67	0.63	-
<b>Total</b>	<b>763.19</b>	<b>642.46</b>	<b>455.84</b>

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 22 - Short Term Provisions

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Provision for Expenses	204.29	71.18	76.12
Provision for Employee benefits (Refer note no 36)			
Gratuity (Unfunded)	2.54	1.21	0.20
Leave Encashment	-	-	-
Others	8.92	8.41	2.89
<b>Total</b>	<b>215.75</b>	<b>80.80</b>	<b>79.21</b>

### Note - 23 - Other Short Term Liabilities (Non Financial)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Lease Liabilities	14.20	70.05	9.83
Deferred Lease Deposit	0.52	0.99	1.00
Advance from Customers	25.08	6.98	1.43
<b>Total</b>	<b>39.80</b>	<b>78.02</b>	<b>12.26</b>

Refer Note No - 42

### Note - 24 - Current Tax Liabilities

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Provision for Income Tax [net of prepaid taxes]	-	1.74	5.44
<b>Total</b>	<b>-</b>	<b>1.74</b>	<b>5.44</b>

Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## Note - 25 - Revenue From Operations

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>Sale of Products</b>		
Export Sales	18,607.54	2,051.54
Domestic Sales	77,201.04	55,931.84
<b>Sale of Services</b>		
Agency Service Income	-	193.36
<b>Other Operating Revenue</b>		
Lease Rental Income	3.24	2.16
Other Income	138.50	-
<b>Total</b>	<b>95,950.32</b>	<b>58,178.90</b>

## Note - 26 - Other Income

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Interest Income	196.10	131.18
Other Non-Operating Income		
Gain on Foreign Exchange Fluctuation (net)	162.62	30.60
Corporate Guarantee Commission Income	-	-
Profit on Sale of Asset (net)	9.44	-
Income from Investment Activities	3.96	4.17
Other Non-Operating Income	146.83	65.72
<b>Total</b>	<b>518.95</b>	<b>231.67</b>
<b>26.1 Interest Income comprises:</b>		
Interest on Loans and Advances	24.79	34.37
Interest from Banks on Deposit	118.72	60.27
Interest from Trade Receivables	15.63	34.96
Interest from Delayed Supply of Goods	32.98	0.04
Interest on Income Others	0.33	-
Interest on Income tax Refund	0.03	0.14
Interest Income - Ind AS	3.62	1.40
<b>Total</b>	<b>196.10</b>	<b>131.18</b>
<b>26.2 Income from Investment Activities Comprises:</b>		
Dividend Income	-	1.25
Gain on Mutual Fund	3.96	2.92
Profit on Sale of Investment	-	-
<b>Total</b>	<b>3.96</b>	<b>4.17</b>
<b>26.3 Other Non Operating Income Comprises:</b>		
Sale of Scrap	-	0.01
Management Consultancy Income	7.36	6.38
Lease Rental Income	77.44	57.53
Other Income	62.03	1.80
<b>Total</b>	<b>146.83</b>	<b>65.72</b>

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 27 - Cost of Materials Consumed

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Opening Stock at the beginning of the year	418.30	4.28
Add : Purchases and Incidental Expenses (Net of returns, claims/ discount, if any)	59,130.81	48,031.92
Less : Closing Stock at the end of the year	2.48	418.30
<b>Total</b>	<b>59,546.63</b>	<b>47,617.90</b>

### Note - 28 - Purchase of Stock-In-Trade

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Purchases and Incidental Expenses (Net of returns, claims/discount, if any)	31,542.89	7,042.44
<b>Total</b>	<b>31,542.89</b>	<b>7,042.44</b>

### Note - 29 - Changes In Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>Opening Stock</b>		
Work-in-Progress	787.39	229.54
Finished Goods / Stock-in Trade	662.63	1,183.15
	<b>1,450.02</b>	<b>1,412.69</b>
<b>Closing Stock</b>		
Work-in-Progress	826.05	787.39
Finished Goods / Stock-in Trade	1,198.30	662.63
	<b>2,024.35</b>	<b>1,450.02</b>
<b>Total</b>	<b>(574.33)</b>	<b>(37.33)</b>

### Note - 30 - Employee Benefit Expenses

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Salaries, Wages and Bonus	545.87	527.04
Contributions to Provident and Other Fund	13.16	10.77
Gratuity and Leave Encashment (net of reversals, if any)	14.35	18.88
Staff Welfare Expenses	46.00	33.01
<b>Total</b>	<b>619.38</b>	<b>589.70</b>

Refer Note No - 36



**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 31 - Finance Costs**

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Interest expense:		
On Fixed Loans from Banks	140.65	167.37
On CC & Other Borrowing from Banks	434.40	354.56
On Other Borrowing	90.79	194.67
On Lease Liabilities	(2.75)	20.19
Others	8.22	1.21
Foreign Exchange Adjustments to Borrowing Cost	-	-
Other Finance Cost	30.86	12.69
<b>Total</b>	<b>702.17</b>	<b>750.69</b>

**Note - 32 - Depreciation & Amortisation Expenses**

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Depreciation on Property, Plant and Equipments	207.75	204.31
Depreciation on Right of Use Assets	84.31	82.65
Amortisation of Intangible Assets	1.10	0.74
<b>Total</b>	<b>293.16</b>	<b>287.70</b>

**Note - 33 - Other Expenses**

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>Manufacturing &amp; Service Cost</b>		
Power & Fuel	403.08	383.17
Loading-Unloading Expenses	168.61	156.64
Factory Consumables	76.98	44.16
Other Factory Expenses	36.70	12.05
Repair & Maintenance - Plant & Machinery	121.30	103.96
Repair & Maintenance - Building	8.28	2.73
Repair & Maintenance - Others	5.33	11.69
Raw Material (Commodity) Hedging Cost	0.01	147.63
Packing Expenses	190.21	33.52
<b>Total Manufacturing &amp; Service Cost</b>	<b>1,010.50</b>	<b>895.55</b>
<b>Administration, Selling &amp; Other Expenses</b>		
Business Promotion Expenses	6.63	25.53
Brokerage Expenses	33.28	0.10
Bank Charges	48.53	19.19
Cash Discount	2.45	2.88
Conveyance Expense	5.78	4.31
Donation	2.53	5.80
Electricity Expenses	4.32	4.29
Testing Fees	20.38	13.70

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

**Note - 33 - Other Expenses (Contd...)**

**(Rs. in Lakhs)**

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2021</b>	<b>For the year ended 31<sup>st</sup> March, 2020</b>
Legal Expenses	45.84	45.46
Director Sitting Fees	7.37	1.81
Consultancy Fees	143.89	135.79
Payment to Auditors	9.04	7.09
Outwards Freight / Loading & Unloading	733.60	461.67
Other Expenses	54.68	0.90
Exchange / Listing Expenses	6.57	0.33
Sales Commission Expenses	186.07	45.39
Office Expense	19.11	14.65
Postage & Courier Expenses	1.76	0.97
Printing & Stationery Expenses	8.20	4.95
Rates & Taxes	3.51	4.64
Lease Rent Expenses	19.32	16.36
Godown / Storage Tank Rent	16.20	30.01
Repair & Maintenance - Building	2.11	1.25
Repair & Maintenance - Others	5.38	5.60
Insurance Expenses	20.12	9.99
Telecommunication Expenses	4.10	4.55
Travelling Expenses	6.70	45.50
Sundry Balances written off / (written back)	1.62	(0.20)
ECL Provision	1.14	2.42
Misc. Expenses	4.63	0.62
Export Clearing / Forwarding / Handling Charges	1,309.93	41.46
<b>Total Administration, Selling &amp; Other Expenses</b>	<b>2,734.79</b>	<b>957.01</b>
<b>Total</b>	<b>3,745.29</b>	<b>1,852.56</b>

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2021</b>	<b>For the year ended 31<sup>st</sup> March, 2020</b>
<b>Payment to Statutory Auditors</b>		
Audit Fees	8.54	6.99
Tax Audit Fees	-	-
Certification and others	0.50	0.10
Certification (IPO) #	-	2.00
Reimbursement of expenses	-	-
<b>Total</b>	<b>9.04</b>	<b>9.09</b>

# Expenses on fresh issue of Equity Shares (Retained Earning)

Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## Note - 34 - Tax Expense

(Rs. in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Tax Expenses	187.23	125.27
Deffered Tax Expenses/(Reversal)	(66.90)	(61.30)
Tax in respect of Earlier Years/(Reversal)	(0.10)	(4.20)
<b>Total</b>	<b>120.23</b>	<b>59.77</b>

## Note - 35 - Earnings Per Share

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Net profit attributable to the equity shareholders (Rs. in Lakhs)	454.77	284.14
Weighted average number of equity shares outstanding during the period (Nos.)(*)	2,44,03,923	1,97,79,681
Nominal value of equity share (Rs.)	10.00	10.00
<b>Basic and Diluted Earning Per Share (Rs)</b>	<b>1.86</b>	<b>1.44</b>

(\*) Previous Year's weighted average number of equity shares are adjusted for Bonus issued during the year.

## Note - 36 - Employee Benefits

(Rs. in Lakhs)

The Company has the following post-employment benefit plans:

## A. Defined Contribution Plan

Contribution to defined contribution plan recognised as expense for the year is as under:

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Employer's contribution to provident fund	13.12	10.77

## B. Defined Benefit Plans

## Gratuity (Unfunded) :

- (i) In India, the Entities administers its employees' gratuity scheme unfunded liability as per Payment of Gratuity Act. The present value of the liability for the defined benefit plan of gratuity obligation is calculated using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.
- (ii) Gratuity benefits in India are governed by the Payment of Gratuity Act, 1972. The key features are as under:
 

Benefits offered	: 15 / 26 x salary x duration of service
Salary definition	: Basic salary including Dearness Allowance (If any)
Benefit ceiling	: Benefit ceiling of Rs. 20 Lakhs (not applied)
Vesting conditions	: 5 years of continuous service (not applicable in case of death/ disability)
Benefit eligibility	: Upon death or resignation or withdrawal or retirement
Retirement age	: 58, 60, 65 or 62 years
- (ii) Risks associated to the defined benefit plan of gratuity:
  - (a) Investment / Interest Risk: The present value of defined benefit plan liability is calculated using discount rate determined with reference to market yield on government bonds denominated in Indian rupees. A decrease in the bond interest rate will increase the plan liability.
  - (b) Longevity Risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 36 - Employee Benefits (Contd...)

#### B. Defined Benefit Plans (Contd...)

##### Gratuity (Unfunded) : (Contd...)

(Rs. in Lakhs)

- (c) Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.
- (d) Legislative Risk: Risks of increase in the plan liabilities or reduction in plan assets due to change in legislation.

Particulars	(Rs. in Lakhs)	
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Gratuity (Unfunded) (Contd...)</b>		
Present value of Benefit Obligations (Opening)	7.60	1.83
Current Service Cost	6.08	6.03
Interest Cost	0.49	0.12
Benefits Paid	-	-
Actuarial losses/ (gains)	(3.17)	(0.38)
<b>Present value of Benefit Obligation (Closing)</b>	<b>11.01</b>	<b>7.60</b>
<b>Bifurcation of Actuarial losses/ (gains)</b>		
Actuarial losses/ (gains) arising from change in financial assumptions	0.36	(0.41)
Actuarial losses/ (gains) arising from change in demographic assumptions	-	-
Actuarial losses/ (gains) arising from experience adjustments	(3.54)	0.03
<b>Actuarial losses/ (gains)</b>	<b>(3.17)</b>	<b>(0.38)</b>
<b>Bifurcation of Present Value of Benefit Obligation</b>		
Current – Amount due within one year	2.54	1.21
Non-Current – Amount due after one year	8.47	6.40
<b>Total</b>	<b>11.01</b>	<b>7.60</b>
<b>Expected Benefit Payments in Future Years</b>		
<b>(Projections are for current members and their currently accumulated benefits)</b>		
Year 1	2.54	1.21
Year 2	0.40	0.21
Year 3	0.83	0.29
Year 4	0.29	0.54
Year 5	0.62	0.17
Year 6 and above	6.33	5.18
<b>Sensitivity Analysis of Defined Benefit Obligation with references to Key Assumptions</b>		
Discount Rate - 1 percent increase	9.62	6.77
Discount Rate - 1 percent decrease	12.15	8.63
Salary Escalation Rate - 1 percent increase	12.13	8.62
Salary Escalation Rate - 1 percent decrease	9.62	6.77
Withdrawal Rate - 1 percent increase	10.68	7.59
Withdrawal Rate - 1 percent decrease	10.82	7.61
<b>Amounts recognized in Balance Sheet</b>		
Present Value of Benefit Obligation as at 31 <sup>st</sup> March 2021	-	11.01
Present Value of Benefit Obligation as at 31 <sup>st</sup> March 2020	-	7.60
Present Value of Benefit Obligation as at 1 <sup>st</sup> April 2019	-	1.83

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 36 - Employee Benefits (Contd...)**
**B. Defined Benefit Plans (Contd...)**
**Gratuity (Unfunded) : (Contd...)**
**Amounts recognized Statement of Profit and Loss**
**(Rs. in Lakhs)**

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Current Service Cost	6.08	6.03
Interest Cost	0.49	0.12
Expected Return on Plan Assets	-	-
Net actuarial losses/ (gains) recognized in the year	(3.17)	(0.38)
<b>Expenses recognized in Statement of Profit and Loss</b>	<b>3.40</b>	<b>5.78</b>
<b>Actuarial Assumptions</b>		
Discount Rate (%)	6.50%	6.80%
(Discount Rate used for valuing liabilities is based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees)		
Salary Escalation Rate (%)	7.00%	7.00%
(Estimates of future salary increase are based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market)		
Retirement Age	60	60
Attrition Rate	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
<b>C. Other long-term employee benefits</b>		
<b>Leave encashment (Unfunded):</b>		
(i) The value of obligation is determined based on Group's leave policy.		
(ii) The leave obligations cover the Group's liability for earned leaves. Amount of Rs. 10.95 Lakhs (previous year: Rs. 13.11 Lakhs) has been recognised in the statement of profit and loss.		
(iii) <b>Amounts recognized in Balance Sheet</b>		<b>(Rs. in Lakhs)</b>
Benefit Obligation as at 31st March 2021	-	13.23
Benefit Obligation as at 31st March 2020	-	14.78
Benefit Obligation as at 1st April 2019	-	4.23

**Note - 37 - Contingent Liabilities and Capital Commitments**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>(I) Contingent Liabilities</b>			
a) Claims against the Company not acknowledged as debts:	NIL	NIL	NIL
b) Corporate Guarantees/Counter Guarantee given to Banker's of foreign subsidiary company (Mangalam Global (Singapore) Pte. Ltd.)(MGSPPL)	USD 60.00 Lakhs	USD 40.00 Lakhs	NIL
c) Counter Guarantee given to Bank for issue of Standby Letter of Credit in favour of foreign subsidiary (MGSPPL)	USD 5.00 Lakhs	USD 5.00 Lakhs	NIL

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 37 - Contingent Liabilities and Capital Commitments (Contd...)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
<b>(II) Capital Commitments:</b>			
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	NIL	NIL	NIL

### Note - 38 - Covid-19

The outbreak of Covid-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Group's operations and Financial Results for the year ended 31 March, 2021 were impacted due to it. The Group's operations are being carried out with requisite precaution in place. The situation is continuously evolving, and the impact assessed may be different from the estimates made as at the date of approval of these financial results and management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Group and take necessary measures to address the situation.

### Note - 39 - Operating Segment Information

- (a) The Group has identified "Agro based commodities" viz castor seeds, castor derivatives products, cotton, cotton ginning, rice, mustard seeds and other agro commodities, which have similar risks and returns, as its main primary business segment, accordingly, there are no separate reportable segment.
- (b) The geographical information analyses the Group's revenues and non-current assets by the Holding Company's country of domicile (i.e., India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers and segment assets have been based on the geographical location of assets.

### (I) Revenue from external customers(\*)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
India	77,861.72	56,359.02
Other Countries	18,607.55	2,051.55

(\*) There are no transactions with a single external customer which amounts to 10% or more of the Group's revenue.

### (II) Non-current assets(\*\*)

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
India	4,258.79	4,488.73	3,143.90
Other Countries	0.86	0.87	-

(\*\*) (excluding financial instruments and tax assets).

### Note - 40 - Property, Plant & Equipment/ Book Debt / Stock / FDR / Liquid Securities Pledged / Hypothecated / Lien as a Security with the Bank as Under

Particulars	Borrower	in favour of	Description of facility
<b>Immoveable Property</b>			
Office no. 201, Setu Complex, Ahmedabad	Mangalam Gloabal Enterprise Limited (MGEL)	HDFC Bank Ltd	Various working capital facilities & Working Capital Term loan GECL (Refer Note 15 and 19)
- P no. 17, Orchid green, Ahmedabad - P No.C-4-B, Prathana Upavan Co. Op. H S Ltd, Ahmedabad jointly owned by company with M/s Specific Worldwide LLP	Mangalam Gloabal Enterprise Limited (MGEL)	Punjab National Bank Limited	Various working capital facilities & Working Capital Term Loan GECL & CECF (Refer Note 15 and 19)  (EM pending to be executed for aforesaid immoveable property, in lieu of which FDR (liquid securities) of equivalent value given as security)
<b>Moveable Property</b>			
BMW Car	Mangalam Gloabal Enterprise Limited (MGEL)	ICICI Bank Limited	Auto Loan (Refer Note 15)

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**
**Note - 40 - Property, Plant & Equipment/ Book Debt / Stock / FDR / Liquid Securities Pledged / Hypothecated / Lien as a Security with the Bank as Under (Contd...)**

(Rs. in Lakhs)

Particulars	Borrower	in favour of	Description of facility
<b>Stock/Bookdebt/Current Asset</b>	Mangalam Gloabal Enterprise Limited (MGEL)	HDFC Bank Ltd	Various working capital facilities & Working Capital Term Loan GECL / CECF (Refer Note 15 and 19)
		Punjab National Bank Limited	Working capital facilities sanctioned by HDFC Bank & PNB is under multiple banking arrangement. Working capital facilities are secured by way of hypothecation of entire current assets on Pari pasu basis (in proportion to the limit sanctioned by each bank).
		Indus Ind Bank Limited	Short term loan against agricultural commodities stored in approved warehouse facility (Refer Note 19)
		Axis Bank Limited	Pledge of Warehouse Receipts /Storage Receipts with Lien noted in favour of the Bank Facility (Refer Note 19)
<b>Bank FDR / Liquid Securities</b>	Mangalam Gloabal Enterprise Limited (MGEL)/	HDFC Bank Ltd Punjab National Bank Limited	Various working capital facilities & Working Capital Term Loan GECL / CECF (Refer Note 15 and 19)
	Hindprakash Castor Derivatives Privarte Limited	The Mehsana Urban Co-operative Bank Limited	Under lien for issue of Standby Letter of Credit in Co-operative Bankfavour of foreign subsidiary (MGSPL).
Equitable Mortgage of :- a) Plot No. - 355 P1 & 355P1/P1 , Kukrana Road, Dist. Harij b) Plot no 37 & 38, Shyam Bungalows, Padmanath Chokdi, Patan c) Plot no 47 & 48, Chamunda Nagar Society, Harij d) Plot no 45 & 46, Chamunda Nagar Society, Harij e) Plot no 371, Plot no 443 to 451, Greenpark Society, Harij f) Plot no 534, Plot no. 459 to 467 Greenpark Society, Harij g) Plot no 1,2,3,31,504,506,507,508, 516,553 Greenpark Society, Harij h) Plot no 559 to 563 Greenpark Society, Harij i) Plot no 4,5,6,9 Greenpark Society, Harij j) Plot no 546 Greenpark Society, Harij k) Plot no 15,16,63,129,138,139 Tribhuvan Park Society, Harij	Hindprakash Castor Derivatives Privarte Limited (HCDPL)	The Mehsana Urban Co-operative Bank Limited	Industrial Term Loan, Machinery Term Loan, Mach Term Loan Topup (Covid) Standby letter of credit (see Note 15)
Hypothecation of Plant and Machinery etc of HCDPL	Hindprakash Castor Derivatives Privarte Limited (HCDPL)	The Mehsana Urban Co-operative Bank Limited	Industrial Term Loan, Machinery Term Loan, Mach Term Loan Topup (Covid) Standby letter of credit (see Note 15)
Trade Receivable/Advances (Trust Receipts)/Fixed Deposit Receipts	Mangalam Global (Singapore) Pte Ltd	Banks at Singapore	Invoice Discounting etc.



## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 41 - Related Party Disclosures

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

#### A. List of related parties :

(i) Associates : NIL

(ii) Joint Ventures : NIL

(iii) Key Management Personnel (KMP) :

Holding Company

Mr. Vipin Prakash Mangal, *Chairman & Executive Director*  
Mr. Chanakya Prakash Mangal, *Joint Managing Director & COO*  
Mr. Chandragupt Prakash Mangal, *Joint Managing Director & CEO*  
Mr. Ashutosh Mehta, *Chief Financial Officer*  
Ms. Vrunda Patel, *Company Secretary (w. e. f. 14th May, 2020)*  
Ms. Rutu Shah, *Company Secretary (upto 14th May, 2020)*

#### Subsidiary Company / LLP

- Hindprakash Castor Derivatives Private Limited

Mr. Chanakya Prakash Mangal, *Director*  
Mr. Chandragupt Prakash Mangal, *Director (w. e. f. 5th February, 2020)*  
Mr. Brijeshkumar Vasantlal Rajgor, *Director*

- Mangalam Global (Singapore) Pte. Ltd.

Mr. Vipin Prakash Mangal, *Director*  
Mr. Chanakya Prakash Mangal, *Director*  
Mr. Chandragupt Prakash Mangal, *Director (w. e. f. 3rd September, 2019)*

- Mangalam Global (UK) Limited

Mr. Vipin Prakash Mangal, *Director (w. e. f. 17th July, 2020)*  
Mr. Chandragupt Prakash Mangal, *Director (w. e. f. 17th July, 2020)*

- Farpoint Enterprise LLP

Mr. Vipin Prakash Mangal, *Designated Partner*  
Mr. Chandragupt Prakash Mangal, *Designated Partner (w. e. f. 13th February, 2021)*  
Mr. Chanakya Prakash Mangal, *Designated Partner (representing Mangalam Global Enterprise Limited)*

(iv) Relatives of KMP :

Mr. Om Prakash Mangal  
Mrs. Hemlata Mangal  
Mrs. Rashmi Mangal  
Mrs. Vasant Mehta  
Mr. Anilkumar Vasudev Rajgor  
Mrs. Induben Vasantkumar Rajgor  
Mrs. Jagrutiben Pareshkumar Rajgor  
Mrs. Kiranben Maheskumar Rajgor  
Mr. Maheshkumar Shankarlal Rajgor  
Mr. Pareshkumar Vasudev Rajgor  
Mr. Rahul Vasudev Rajgor  
Mr. Shankarlal Rajgor  
Mr. Vasantkumar Shankarlal Rajgor  
Mrs. Zenishaben Anilkumar Rajgor  
Mr. Vasudev Rajgor

**Notes to the Standalone Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

<b>(v) Enterprise over which Key Management : Personnel exercise significant influence</b>	Mangalam Worldwide Private Limited
	Mangalam Saarloh Private Limited
	Mangalam Finserv Private Limited
	Mangalam Dura Jet Technologies Private Limited
	Mangalam Logistics Private Limited
	Mangalam Multi Businesses Private Limited
	ECS Environment Private Limited
	Ecofine Colourchem Private Limited
	Paradisal Trade LLP
	Specific Worldwide LLP
	Nitex Enterprise LLP
	Shirshak Exim LLP
	Agrivolt Trade LLP
	Effervescent Tradeworld LLP
	Deluxe Paper Industries
	Omprakash Vipinprakash HUF
	OPVP Mangal HUF
	Vipin Prakash HUF
	Dev Cotton Industries
	Om Oil Industries
	Rajgor Castor Private Limited

Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

B. Transactions with related parties during the year (Transactions below Rs. 1,000/- denoted as 0.00)		(Rs. in Lakhs)			
Particulars	Key Management Personnel & Relatives		Enterprise over which KMP exercise Significant Influence		Total
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	
<b>Sale of Products</b>					
Mangalam Dura Jet Technologies Private Limited	-	-	933.47	-	933.47
Mangalam Worldwide Private Limited	-	-	488.32	-	488.32
			445.15	-	445.15
<b>Sale of Services</b>					
Mangalam Worldwide Private Limited	-	-	0.70	-	0.70
	-	-	0.70	-	0.70
<b>Other Income</b>					
<b>Sale of Scrap</b>					
ECS Environment Private Limited	-	-	-	0.01	0.01
	-	-	-	0.01	0.01
<b>Management Consultancy Income</b>					
ECS Environment Private Limited	-	-	7.36	6.13	7.36
	-	-	7.36	6.13	7.36
<b>Commission Income</b>					
Mangalam Worldwide Private Limited	-	-	38.72	-	38.72
	-	-	38.72	-	38.72
<b>Interest Income</b>					
<b>On Trade Receivables</b>					
ECS Environment Private Limited	-	-	15.49	18.77	15.49
	-	-	14.93	18.77	14.93
Mangalam Dura Jet Technologies Private Limited	-	-	0.56	-	0.56
<b>On Delayed Supply of Goods</b>					
Mangalam Dura Jet Technologies Private Limited	-	-	14.12	-	14.12
Paradisaal Trade LLP	-	-	3.77	-	3.77
	-	-	10.35	-	10.35
<b>On Loans &amp; Advances</b>					
Ecofine Colourchem Private Limited	-	-	8.93	1.03	8.93
	-	-	0.31	1.03	0.31
Mangalam Worldwide Private Limited	-	-	8.62	-	8.62
<b>Interest - Ind AS</b>					
Chanakya Prakash Mangal	0.19	0.17	-	-	0.19
	0.19	0.17	-	-	0.17
<b>Purchase of Products</b>					
Mangalam Dura Jet Technologies Private Limited	-	-	655.37	-	655.37
Paradisaal Trade LLP	-	-	167.92	-	167.92
Shirshak Exim LLP	-	-	240.76	-	240.76
	-	-	246.69	-	246.69
<b>Lease Rent Expense</b>					
Hemlata Mangal	17.34	16.73	-	-	17.34
	0.18	-	-	-	0.18
Chanakya Prakash Mangal	17.16	16.73	-	-	17.16
<b>Lease Rent Income</b>					
Maheshkumar S Raigor	3.06	2.16	0.18	-	3.24
Pareesh V Raigor	0.96	0.72	-	-	0.96
Vasant Raigor	0.96	0.72	-	-	0.96
Brijesh Vasantlal Raigor	0.96	0.72	-	-	0.96
Raigor Castor Private Limited	0.18	-	-	-	0.18
	-	-	0.18	-	0.18

Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

B. Transactions with related parties during the year (Contd....)		(Rs. in Lakhs)				
(Transactions below Rs. 1,000/- denoted as 0.00)						
Particulars	Key Management Personnel & Relatives		Enterprise over which KMP exercise Significant Influence		Total	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Consultancy Fees</b>						
Chandragupt Prakash Mangal	4.20	8.90	-	-	4.20	8.90
Vasant A Mehta	-	6.50	-	-	-	6.50
	4.20	2.40	-	-	4.20	2.40
<b>Interest Expense</b>						
<b>On Borrowings</b>						
Chanakya Prakash Mangal	80.93	111.96	-	-	80.93	111.96
Chandragupt Prakash Mangal	9.54	6.79	-	-	9.54	6.79
Brijesh Vasantlal Raigor	10.91	8.27	-	-	10.91	8.27
Rashmi Mangal	24.41	18.13	-	-	24.41	18.13
Vipin Prakash Mangal	4.15	5.53	-	-	4.15	5.53
	31.92	73.24	-	-	31.92	73.24
<b>On Delayed Supply of Goods.</b>						
Mangalam Dura Jet Technologies Private Limited	-	-	3.86	-	3.86	-
	-	-	3.86	-	3.86	-
<b>Interest - Ind AS.</b>						
Chanakya Prakash Mangal	5.65	6.71	-	-	5.65	6.71
	5.65	6.71	-	-	5.65	6.71
<b>Purchase of Property, Plant &amp; Equipment</b>						
ECS Environment Private Limited	-	-	-	1.95	-	1.95
	-	-	-	1.95	-	1.95
<b>Loan Given</b>						
Mangalam Worldwide Private Limited	-	-	331.00	-	331.00	-
	-	-	331.00	-	331.00	-
<b>Receipts against Loan Given</b>						
Ecofine Colourchem Private Limited	-	-	109.76	-	109.76	-
Mangalam Worldwide Private Limited	-	-	9.76	-	9.76	-
	-	-	100.00	-	100.00	-
<b>Borrowings</b>						
Mangalam Worldwide Private Limited	1,566.09	3,719.22	-	300.00	1,566.09	4,019.22
Chanakya Prakash Mangal	-	-	-	300.00	-	300.00
Chandragupt Prakash Mangal	175.00	246.29	-	-	175.00	246.29
Rashmi Mangal	175.00	253.29	-	-	175.00	253.29
Brijesh Vasantlal Raigor	-	47.50	-	-	-	47.50
Vipin Prakash Mangal	261.09	461.03	-	-	261.09	461.03
	955.00	2,711.11	-	-	955.00	2,711.11
<b>Repayment against Borrowings</b>						
Brijesh Vasantlal Raigor	2,679.78	2,748.42	-	300.00	2,679.78	3,048.42
Chanakya Prakash Mangal	472.69	405.00	-	-	472.69	405.00
Chandragupt Prakash Mangal	261.12	168.00	-	-	261.12	168.00
Mangalam Worldwide Private Limited	274.72	164.00	-	-	274.72	164.00
Rashmi Mangal	-	-	-	300.00	-	300.00
Vipin Prakash Mangal	-	49.21	-	-	-	49.21
	1,671.25	1,962.21	-	-	1,671.25	1,962.21

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

<b>B. Transactions with related parties during the year (Contd...)</b> (Transactions below Rs. 1,000/- denoted as 0.00)		<b>(Rs. in Lakhs)</b>			
<b>Particulars</b>	<b>Key Management Personnel &amp; Relatives</b>		<b>Enterprise over which KMP exercise Significant Influence</b>		<b>Total</b>
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	
<b>Remuneration Paid</b>	<b>101.42</b>	<b>118.14</b>	-	-	<b>118.14</b>
Ashutosh K Mehta	8.52	9.68	-	-	9.68
Chanakya Prakash Mangal	16.28	33.58	-	-	33.58
Chandragupt Prakash Mangal	16.28	17.58	-	-	17.58
Hemlata Mangal	12.00	-	-	-	-
Om Prakash Mangal	12.00	-	-	-	-
Rashmi Mangal	16.28	33.58	-	-	33.58
Rutu Shah	0.33	2.16	-	-	2.16
Vipin Prakash Mangal	16.28	21.58	-	-	21.58
Vrunda Patel	3.45	-	-	-	-
<b>Rent Deposit Given</b>	<b>0.06</b>	<b>0.18</b>	-	-	<b>0.18</b>
Chanakya Prakash Mangal	-	0.18	-	-	0.18
Hemlata Mangal	0.06	-	-	-	-
<b>Rent Deposit Received</b>	<b>0.04</b>	-	<b>0.04</b>	-	<b>0.08</b>
Brijesh Vasantlal Rajgor	0.04	-	-	-	0.04
Rajgor Castor Private Limited	-	-	0.04	-	0.04
<b>Investment made during the period</b>	-	-	-	<b>121.28</b>	<b>121.28</b>
ECS Environment Private Limited	-	-	-	121.28	121.28
<b>Dividend Paid</b>	<b>0.11</b>	<b>3.13</b>	-	<b>1.55</b>	<b>4.68</b>
Anil Vasudev Rajgor	-	0.01	-	-	0.01
Brijesh Vasantlal Rajgor	-	0.01	-	-	0.01
Chanakya Prakash Mangal	-	0.83	-	-	0.83
Chandragupt Prakash Mangal	-	0.88	-	-	0.88
Hemlata O Mangal	-	0.03	-	-	0.03
Induben Vasantkumar Rajgor	-	0.01	-	-	0.01
Jagrutiben Pareshkumar Rajgor	-	0.01	-	-	0.01
Kiranben Maheshkumar Rajgor	-	0.01	-	-	0.01
Maheshkumar S Rajgor	-	0.01	-	-	0.01
Mangalam Worldwide Private Limited	-	-	-	0.70	0.70
Om Prakash Mangal	-	0.57	-	-	0.57
Pareesh V Rajgor	-	0.01	-	-	0.01
Rashmi Mangal	-	0.36	-	-	0.36
Rutu Shah	0.02	-	-	-	0.02
Shirshak Exim LLP	-	-	-	0.04	0.04
Specific Worldwide LLP	-	-	-	0.81	0.81
Vasant Mehta	0.09	-	-	-	0.09
Vasant Rajgor	-	0.01	-	-	0.01
Vipin Prakash Mangal	-	0.38	-	-	0.38
Zenishben Anilkuamr Rajgor	-	0.01	-	-	0.01

Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

B. Transactions with related parties during the year (Contd....)		(Rs. in Lakhs)					
(Transactions below Rs. 1,000/- denoted as 0.00)							
Particulars	Key Management Personnel & Relatives		Enterprise over which KMP exercise Significant Influence			Total	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2020
<b>Share Capital Received in LLP</b>							
Chandragupt Prakash Mangal	4.00	-	-	-	4.00	-	-
Vipin Prakash Mangal	2.00	-	-	-	2.00	-	-
	2.00	-	-	-	2.00	-	-
<b>Issue of Bonus Shares</b>							
Chanakya Prakash Mangal	402.42	610.75	188.22	301.15	590.64	911.90	911.90
Chandragupt Prakash Mangal	103.71	165.93	-	-	103.71	165.93	165.93
Chandragupt Prakash Mangal	114.94	175.91	-	-	114.94	175.91	175.91
Hemlata Mangal	3.45	5.52	-	-	3.45	5.52	5.52
Mangalam Worldwide Private Limited	-	-	87.50	140.00	87.50	140.00	140.00
Om Prakash Mangal	71.43	114.29	-	-	71.43	114.29	114.29
Rashmi Mangal	52.84	72.55	-	-	52.84	72.55	72.55
Rutu Shah	0.10	-	-	-	0.10	-	-
Specific Worldwide LLP	-	-	100.72	161.15	100.72	161.15	161.15
Vasant Mehta	0.60	-	-	-	0.60	-	-
Vipin Prakash Mangal	55.35	76.56	-	-	55.35	76.56	76.56
<b>Preferential Allotment of Shares (including securities premium)</b>							
Chanakya Prakash Mangal	294.00	3.36	-	-	294.00	3.36	3.36
Chandragupt Prakash Mangal	73.50	-	-	-	73.50	-	-
Chandragupt Prakash Mangal	73.50	-	-	-	73.50	-	-
Rashmi Mangal	73.50	-	-	-	73.50	-	-
Rutu Shah	-	0.56	-	-	-	0.56	0.56
Vasant A Mehta	-	2.80	-	-	-	2.80	2.80
Vipin Prakash Mangal	73.50	-	-	-	73.50	-	-
<b>Guarantee Given by related Party to the Company's Bank</b>							
<b>HDFC Bank</b>	3,884.00	6,600.00	250.00	2,500.00	-	-	-
Chanakya Prakash Mangal							
Chandragupt Prakash Mangal							
Vipin Prakash Mangal	3,634.00	3,100.00	-	-	-	-	-
Rashmi Mangal (Upto 30 September 2019)							
<b>Punjab National Bank</b>	250.00	2,500.00	-	-	-	-	-
Chanakya Prakash Mangal							
Chandragupt Prakash Mangal							
Vipin Prakash Mangal							
Specific Worldwide LLP			250.00	2,500.00	-	-	-
<b>IndusInd Bank</b>							
Chanakya Prakash Mangal	-	500.00	-	-	-	-	-
Chandragupt Prakash Mangal							
Kotak Mahindra Bank							
Chanakya Prakash Mangal	-	500.00	-	-	-	-	-
Chandragupt Prakash Mangal							
Vipin Prakash Mangal							

Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

Particulars	(Rs. in Lakhs)							
	Key Management Personnel & Relatives				Enterprise over which KMP exercise Significant Influence			
	31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020
<b>C. Year End Balances</b> (Balances below Rs. 1,000/- denoted as 0.00)								
<b>Loan Given Outstanding</b>								
Ecofine Colourchem Private Limited	-	-	-	238.98	9.47	8.55	238.98	9.47
Mangalam Worldwide Private Limited	-	-	-	238.98	-	-	238.98	-
<b>Loan Taken Outstanding</b>								
Brijesh Vasantlal Rajgor	613.16	1,654.72	576.33	-	-	-	613.16	1,654.72
Chanakya Prakash Mangal	113.25	304.87	232.52	-	-	-	113.25	304.87
Chandragupt Prakash Mangal	60.10	137.40	53.00	-	-	-	60.10	137.40
Induben Vasantkumar Rajgor	30.10	119.73	23.00	-	-	-	30.10	119.73
Jagrutiben Parashkumar Rajgor	35.00	35.00	35.00	-	-	-	35.00	35.00
Kiranben Maheshkumar Rajgor	35.00	35.00	35.00	-	-	-	35.00	35.00
Rahul Rajgor	40.61	40.61	40.61	-	-	-	40.61	40.61
Rashmi Mangal	30.10	26.37	23.10	-	-	-	30.10	26.37
Shankarlal Rajgor	15.50	15.50	15.50	-	-	-	15.50	15.50
Vipin Prakash Mangal	183.50	870.24	48.60	-	-	-	183.50	870.24
Zenishben Anilkumar Rajgor	35.00	35.00	35.00	-	-	-	35.00	35.00
<b>Trade Receivables</b>								
Brijesh Vasantlal Rajgor	3.44	2.55	0.25	235.09	107.63	116.60	238.53	110.18
ECS Environment Private Limited	0.05	-	0.25	-	-	-	0.05	-
Mahesh Rajgor	-	-	-	46.60	107.63	116.60	46.60	107.63
Mangalam Dura Jet Technologies Private Limited	1.13	0.85	-	-	-	-	1.13	0.85
Parash Rajgor	-	-	-	45.52	-	-	45.52	-
Rajgor Castor Private Limited	1.13	0.85	-	-	-	-	1.13	0.85
Mangalam Worldwide Private Limited	-	-	-	0.05	-	-	0.05	-
Vasant Rajgor	-	-	-	142.92	-	-	142.92	-
<b>Trade Payables</b>								
Om Oil Industries (Capital Goods)	-	-	-	12.49	229.49	229.49	12.49	229.49
<b>Advance to Suppliers</b>								
Brijesh Vasantlal Rajgor	-	-	8.44	241.63	5.41	22.93	241.63	5.41
Paradisaal Trade LLP	-	-	8.44	-	-	-	-	-
Dev Cotton Industries (Capital Goods)	-	-	-	227.32	-	-	227.32	-
Om Oil Industries	-	-	-	8.90	-	-	8.90	-
	-	-	-	5.41	5.41	22.93	5.41	5.41



Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

C. Year End Balances (Contd...)	Particulars	(Rs. in Lakhs)					
		Key Management Personnel & Relatives			Enterprise over which KMP exercise Significant Influence		
		31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019
	<b>Other Current Liabilities/ Payables</b>	<b>15.20</b>	<b>0.18</b>	-	-	-	-
	Chanakya Prakash Mangal	3.25	-	-	-	-	-
	Chandragupt Prakash Mangal	3.26	-	-	-	-	-
	Hemlata Mangal	0.86	-	-	-	-	-
	Om Prakash Mangal	0.86	-	-	-	-	-
	Rashmi Mangal	3.26	-	-	-	-	-
	Vasant Mehta	0.46	0.18	-	-	0.18	-
	Vipin Prakash Mangal	3.26	-	-	-	-	-
	<b>Other Current Assets/ Receivable</b>	<b>36.56</b>	-	-	-	-	-
	Anilkumar V Rajgor	4.49	-	-	-	-	-
	Induben Vasantkumar Rajgor	4.49	-	-	-	-	-
	Jagrutiben Pareshkumar Rajgor	4.49	-	-	-	-	-
	Kiranben Maheshkumar Rajgor	4.49	-	-	-	-	-
	Mahesh Rajgor	4.49	-	-	-	-	-
	Paresh Rajgor	4.49	-	-	-	-	-
	Rashmi Mangal	0.27	-	-	-	-	-
	Vasant Rajgor	4.49	-	-	-	-	-
	Vipin Prakash Mangal	0.37	-	-	-	-	-
	Zenishben Anilkuamr Rajgor	4.49	-	-	-	-	-
	<b>Investments</b>	-	-	-	<b>242.55</b>	<b>242.55</b>	<b>121.28</b>
	ECS Environment Private Limited	-	-	-	242.55	242.55	121.28
	<b>Rent Security Deposit Held</b>	<b>3.24</b>	<b>3.08</b>	-	-	-	-
	Chanakya Prakash Mangal (*)	3.08	3.08	-	-	-	-
	Brijesh Vasantlal Rajgor	0.05	-	-	-	-	-
	Rajgor Castor Private Limited	0.05	-	-	-	-	-
	Hemlata Mangal	0.06	-	-	-	-	-
	<b>Right of Use Asset (Net of Depreciation Fund)</b>	<b>44.26</b>	<b>59.01</b>	-	-	-	-
	Chanakya Prakash Mangal	44.26	59.01	-	-	-	-
	<b>Lease Liability (Against Right of Use Asset)</b>	<b>51.53</b>	<b>63.21</b>	-	-	-	-
	Chanakya Prakash Mangal	51.53	63.21	-	-	-	-

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

C. Year End Balances (Contd...)	Particulars	Key Management Personnel & Relatives				Enterprise over which KMP exercise Significant Influence				(Rs. in Lakhs)	
		Personnel & Relatives				KMP exercise Significant Influence				Total	
		31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019	31 March 2021	31 March 2020	1 April 2019	31 March 2020
	<b>Guarantee Given by Related Party to Bank</b>	<b>13,084.00</b>	<b>9,200.00</b>	<b>3,100.00</b>	<b>2,750.00</b>	<b>2,500.00</b>	-	-	-	-	-
	<b>HDFC Bank</b>										
	- Vipin Prakash Mangal	8,234.00	4,600.00	1,500.00	-	-	-	-	-	-	-
	- Chanakya Prakash Mangal										
	- Chandragupt Prakash Mangal										
	- Rashmi Mangal (Upto 30th September 2019)										
	<b>Punjab National Bank</b>										
	- Vipin Prakash Mangal	2,750.00	2,500.00	-	-	-	-	-	-	-	-
	- Chanakya Prakash Mangal										
	- Chandragupt Prakash Mangal										
	- Specific Worldwide LLP	-	-	-	2,750.00	2,500.00	-	-	-	-	-
	<b>Axis Bank</b>										
	- Chanakya Prakash Mangal	400.00	400.00	400.00	-	-	-	-	-	-	-
	- Chandragupt Prakash Mangal										
	<b>IndusInd Bank - 1</b>										
	- Chanakya Prakash Mangal	500.00	500.00	-	-	-	-	-	-	-	-
	- Chandragupt Prakash Mangal										
	<b>IndusInd Bank - 2</b>										
	- Chanakya Prakash Mangal	1,200.00	1,200.00	1,200.00	-	-	-	-	-	-	-
	- Chandragupt Prakash Mangal										

(\*) The above amount of security deposit is the amount given as per agreement. However, the same has been carried at amortised cost.

Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## D. Breakup of compensation paid to key managerial personnel

Particulars	(Rs. in Lakhs)	
	31 March 2021	31 March 2020
<b>Shot-term Employee benefits</b>		
Vipin Prakash Mangal	16.28	21.58
Chanakya Prakash Mangal	16.28	33.58
Chandragupt Prakash Mangal	16.28	17.58
Ashutosh K Mehta	8.52	9.68
Rutu Shah	0.33	2.16
Vrunda Patel	3.45	-

Key Managerial Personnel who are under the employment of the Company and entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the Consolidated Financial Statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

**NOTE - 42 – LEASES (Right of Use Assets)**

The Group's significant leasing arrangements are in respect of Land and buildings, Plant & Machinery and office premises and equipment taken on leave and license basis.

Effective April 1, 2019, the Group adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Group's incremental borrowing rate at the date of initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10.00 %

The break-up of current and non-current lease liabilities is as follows:

Particulars	(Rs. in Lakhs)		
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Current lease liabilities	14.20	70.05	9.83
Non-current lease liabilities	37.34	707.51	-
<b>Total</b>	<b>51.54</b>	<b>777.56</b>	<b>9.83</b>

The movement in lease liabilities during the year ended March 31, 2021 and previous year is as follows:

Particulars	(Rs. in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Balance at the beginning	777.56	9.83
Addition during the year	—	837.75
Finance cost accrued	(3.80)	19.24
Payment of lease liabilities	80.39	89.26
Deduction / Reversal During the year	641.83	—
<b>Balance at the end</b>	<b>51.54</b>	<b>777.56</b>

The details of the contractual maturities of lease liabilities as at March 31, 2021 and previous year on an undiscounted basis are as follows:

Particulars	(Rs. in Lakhs)		
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Not later than one year	14.20	70.05	9.83
1-2 Years	17.04	78.66	-
2-3 Years	20.30	89.33	-
More than 3 Years	-	539.52	-

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### Note - 43 – Financial Instruments

#### Financial Risk Management – Objectives and Policies

The Group's financial liabilities mainly comprise the loans and borrowings in foreign as well as domestic currency, money related to capital expenditures, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets comprise mainly of investments, security deposits, cash and cash equivalents, other balances with banks, trade and other receivables that derive directly from its business operations.

The Group is exposed to the Market Risk, Credit Risk and Liquidity Risk from its financial instruments.

The Management has implemented a risk management system which is monitored by the respective Board of Directors of the Entity. The general conditions for compliance with the requirements for proper and future-oriented risk management within the Group are set out in the risk management principles. These principles aim at encouraging all members of staff to responsibly deal with risks as well as supporting a sustained process to improve risk awareness. The guidelines on risk management specify risk management processes, compulsory limitations, and the application of financial instruments. The risk management system aims to identify, assess, mitigate the risks in order to minimize the potential adverse effect on the financial performance.

The following disclosures summarize the Group's exposure to the financial risks and the information regarding use of derivatives employed to manage the exposures to such risks. Quantitative Sensitivity Analysis has been provided to reflect the impact of reasonably possible changes in market rate on financial results, cash flows and financial positions of the Group.

#### A. Financial Assets and Liabilities

(Rs in Lakhs)

Particulars	As at 31st March, 2021			As at 31st March, 2020			As at 1st April, 2019		
	Amortised Cost *	FVTPL **	FVTOCI	Amortised Cost *	FVTPL **	FVTOCI	Amortised Cost *	FVTPL **	FVTOCI
<b>Assets Measured at</b>									
Investments	-	56.58	272.55	-	38.42	272.55	-	-	151.28
Trade receivables	9,829.20	-	-	2,081.27	-	-	889.58	-	-
Cash and Cash Equivalent	326.63	-	-	114.85	-	-	78.49	-	-
Other Bank Balances	2,746.95	-	-	2,224.49	-	-	490.09	-	-
Loans	238.98	-	-	9.75	-	-	8.78	-	-
Other Financial Assets	399.47	2.51	-	794.19	-	-	2,891.51	-	-
<b>Total</b>	<b>13,541.23</b>	<b>56.58</b>	<b>272.55</b>	<b>5,224.55</b>	<b>38.42</b>	<b>272.55</b>	<b>4358.45</b>	<b>-</b>	<b>151.28</b>
<b>Liabilities Measured at</b>									
Borrowings (including current maturities of non-current borrowings)	12142.38	-	-	5595.86	-	-	5636.85	-	-
Trade payables	2,350.17	-	-	315.86	-	-	59.36	-	-
Other Financial Liabilities	355.05	-	-	498.63	-	-	334.37	-	-
<b>Total</b>	<b>14847.6</b>	<b>-</b>	<b>-</b>	<b>6410.35</b>	<b>-</b>	<b>-</b>	<b>6030.58</b>	<b>-</b>	<b>-</b>

(\*) Fair value of financial assets and liabilities measured at amortized cost approximates their respective carrying values as the management has assessed that there is no significant movement in factor such as discount rates, interest rates, credit risk from the date of the transition. The fair values are assessed by the management using Level 3 inputs.

(\*\*) The financial instruments measured at FVTPL represents current investments and derivative assets having been valued using level 2 valuation hierarchy.

#### Fair value hierarchy

The fair value of financial instruments as referred to in note below has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

**B. Market Risk**

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market Risk comprises three types of Risk: *Interest Rate Risk, Currency Risk and Other Price Risk*. Financial instrument affected by the Market Risk includes loans and borrowings in foreign as well as domestic currency, retention money related to capital expenditures, trade and other payables.

**(a) Interest Rate Risk**

Interest Rate Risk is the risk that fair value or future cash outflows of a financial instrument will fluctuate because of changes in market interest rates. An upward movement in the interest rate would adversely affect the borrowing cost of the Group. The Group is exposed to long term and short - term borrowings. The Entities manages interest rate risk by monitoring its mix of fixed and floating rate instruments and taking actions as necessary to maintain an appropriate balance. The Entities have not used any interest rate derivatives.

➤ **Exposure to Interest Rate Risk**

Particulars	(Rs. in Lakhs)		
	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Borrowing bearing fixed rate of interest	1632.08	2050.05	1417.14
Borrowing bearing variable rate of interest	10148.80	2831.58	3828.52

➤ **Sensitivity Analysis**

Profit / (Loss) estimates to higher / lower interest rate expense from borrowings bearing variable rate of interest as a result of changes in interest rate.

Particulars	(Rs. in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Interest Rate – Increase by 50 Basis Points	(50.74)	(14.16)
Interest Rate – Decrease by 50 Basis Points	50.74	14.16

(\*) holding all other variable constant. Tax impact not considered.

**(b) Foreign Currency Risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. Considering the volume of foreign currency transactions, the Company has taken certain forward contracts to manage its exposure.

➤ **Exposure to Foreign Currency Risk**

The Carrying amount of Company's unhedged Foreign Currency denominated monetary items are as follows:

Particulars	(INR/USD in Lakhs)					
	As at 31st March, 2021		As at 31st March, 2020		As at 1st April, 2019	
	SGD / USD	USD / INR	SGD / USD	USD / INR	SGD / USD	USD / INR
Net Unhedged Assets (Trade Receivables, Other Receivables, & Loans Given)	0.28	(108.95)	0.21	156.25	0.01	-
Net Unhedged Liabilities	0.06	429.17	0.03	-	0.08	-
<b>Net Exposure Assets / (Liabilities)</b>	<b>0.22</b>	<b>(538.12)</b>	<b>0.18</b>	<b>156.25</b>	<b>(0.07)</b>	<b>-</b>

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### ➤ Sensitivity Analysis

The sensitivity of profit or (loss) to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(Figures in Lakhs)

Particulars(*)	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Amount in USD	Amount in Rs.	Amount in USD	Amount in Rs.
INR / USD – Increase by 5%		(26.91)		7.81
INR / USD – Decrease by 5%		26.91		(7.81)
USD / SGD – Increase by 5%	0.01	-	0.01	-
USD / SGD – Decrease by 5%	(0.01)	-	(0.01)	-

(\*) holding all other variable constant. Tax impact not considered.

### (c) Other Price Risk

Other Price Risk is the Risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. The Group is exposed to price risk arising mainly from investments in equity/equity-oriented instruments recognized at FVTPL/ FVTOCI.

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Investments (FVTPL)	56.58	38.42	Nil
Investments (FVTOCI)	272.55	272.55	151.28

### C. Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and other Financial assets measured at amortized cost. The Entities continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

The Entities assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Entities assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets. (i) Low credit risk, (ii) Moderate credit risk, (iii) High credit risk.

Based on business environment in which the Entities operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

#### (i) Cash and cash equivalent and bank balance:

Credit risk related to cash and cash equivalents and bank balance is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

#### (ii) Loans and Other financial assets measured at amortized cost:

Other financial assets measured at amortized cost includes export benefits receivables, bank deposits with maturity of more than 12 months and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

#### (iii) Trade receivables:

Life time expected credit loss is provided for trade receivables. Based on business environment in which the Entities operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Entities. The Entities continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

# Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

## (a) Concentration of trade receivables:

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risk are controlled and managed accordingly. Details of the such identified concentrations of credit risk are disclosed below: (Rs. in Lakhs)

Particulars	Balance as per Books of	As at 31st March, 2021	As at 31st March, 2020	As at 1st April, 2019
Adani Wilmar Limited	MGEL	1,578.00	54.87	259.39
China Sinopharm Healthcare Industries Company	MGEL	346.86	-	-
D.R. Commodities Pvt. Ltd.	MGEL	34.49	88.68	-
Dalian Chem Import and Export Group Co. Limited	MGEL	369.12	-	-
ECS Environment Private Limited	MGEL	46.60	107.63	116.60
Gokul Agri International Limited	MGEL	-	106.86	-
Ihsedu Agro Chem Private Limited	MGEL	0.74	0.11	114.03
Kandla Agro And Chemicals Pvt Ltd	MGEL	1.57	80.57	0.07
Nagraj Trading Co.	MGEL	-	67.83	-
Rama Cylinders Pvt. Ltd.	MGEL	-	-	169.15
Shree Mahakali Traders	MGEL	-	221.41	-
Shree Mahakalikrupa Trading Co.	MGEL	-	78.57	-
Agarwal Mittal Concast Private Limited	MG SPL	-	443.50	-
Asiatic Colour-Chem Industries Private Limited	MG SPL	2,618.95	-	-
Mangalam Alloys Limited	MG SPL	772.51	-	-
Hindprakash Tradelink Private Limited	MG SPL	-	104.88	-
Raj Chem	MG SPL	-	265.95	-
Sarf Commodities DMCC	MG SPL	1,041.34	-	-

## (b) Expected credit losses:

Expected credit loss for trade receivables under simplified approach:

The Entities recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Entities has defined percentage of provision by analyzing historical trend of default based on the criteria defined and such provision percentage determined have been considered to recognize life time expected credit losses on trade receivables (other than those where default criteria are met in which case the full expected loss against the amount recoverable is provided for). Further, the Entities has evaluated recovery of receivables on a case to case basis. No provision on account of expected credit loss model has been considered for related party balances. The Entities computes credit loss allowance based on provision matrix. The provision matrix is prepared on historically observed default rate over the expected life of trade receivable and is adjusted for forward - looking estimate.

(Rs. in Lakhs)		
Movement in Expected Credit Loss Allowance on Trade Receivables	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Balance at the beginning of the reporting period	2.42	-
Loss Allowance measured at lifetime expected credit losses	1.14	2.42
<b>Balance at the end of reporting period</b>	<b>3.56</b>	<b>2.42</b>

## D. Liquidity Risk

Liquidity Risk is the risk that the Group will encounter difficulty in raising the funds to meet the commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. Management monitors rolling forecasts of the Entity's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Entities takes into account the liquidity of the market in which the entity operates.



## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### ▪ Maturities of Financial Liabilities:

The table below analyses financial liabilities of the Group into the relevant maturity grouping based on the remaining period from the reporting date to the contractual maturity date. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. The amounts disclosed in the table are the contractual undiscounted cash flows:

Maturity Table of Financial Liabilities

As at 31<sup>st</sup> March, 2021

(Rs. in Lakhs)

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Borrowings (including current maturities of non-current borrowing and excluding lease liabilities)	10,800.77	405.56	308.09	627.97	12,142.39
Trade payables	2,350.17	-	-	-	2,350.17
Other financial liabilities	570.80	0.40	0.83	20.46	592.49
<b>Total</b>	<b>13,721.74</b>	<b>405.96</b>	<b>308.92</b>	<b>648.43</b>	<b>15,085.05</b>

As at 31<sup>st</sup> March, 2020

(Rs. in Lakhs)

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Borrowings (including current maturities of non-current borrowing and excluding lease liabilities)	4,629.50	165.06	161.02	639.68	5,595.26
Trade payables	315.86	-	-	-	315.86
Other financial liabilities	579.43	2.54	0.40	18.24	600.61
<b>Total</b>	<b>5,524.79</b>	<b>167.60</b>	<b>161.42</b>	<b>657.92</b>	<b>6,511.73</b>

As at 1<sup>st</sup> April, 2019

(Rs. in Lakhs)

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Borrowings (including current maturities of non-current borrowing and excluding lease liabilities)	4,527.63	143.73	164.10	801.38	5,636.84
Trade payables	59.36	-	-	-	59.36
Other financial liabilities	413.58	1.21	0.42	4.23	419.44
<b>Total</b>	<b>5,000.57</b>	<b>144.94</b>	<b>164.52</b>	<b>805.61</b>	<b>6,115.64</b>

### E. Capital Management

The Group's capital management objectives are

- To ensure the Group's ability to continue as a going concern
- To provide an adequate return to share holders

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet. Management assesses the Entity's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of various classes of debt. The Management manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Management may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Management of Entities manages its capital on the basis of Net Debt to Equity Ratio which is Net Debt (Total Borrowings net of Cash and Cash Equivalents) divided by total equity plus net debt. The Group's position is given as below:

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020	As at 1 <sup>st</sup> April, 2019
Total Borrowings	12,142.39	5,595.26	5,636.84
<u>Less:</u> Cash and Cash Equivalents	326.63	114.85	78.49
<b>Net Debt (A)</b>	<b>11,815.76</b>	<b>5,480.41</b>	<b>5,558.35</b>
<b>Total Equity (B)</b>	<b>6,959.39</b>	<b>6,073.94</b>	<b>3,643.31</b>
<b>Capital Gearing Ratio (B/A)</b>	<b>0.59</b>	<b>1.11</b>	<b>0.66</b>

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### NOTE - 44 - First Time Adoption of Indian Accounting Standards ('Ind AS')

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

For all period up to and including the year March 31, 2020, the Group had prepared its financial statements in accordance with the Accounting Standards notified under Section 133 of The Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP"). For the year ended on March 31, 2021 prepared and presented in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 in accordance with the accounting policies as set out by the Group in Note No. 1.

The Accounting Policies as set out in Note No. 1 have been applied in preparing its financial statements for the year ended March 31, 2021 including the Comparative information for the year ended on March 31, 2020 and the Opening Ind AS Balance Sheet on the date of transition i.e., April 01, 2019.

In preparing its Ind AS Balance Sheet as at April 01, 2019 and in preparing the Comparative information for the period ended March 31, 2020, the Group has adjusted amounts reported previously in financial statements prepared in accordance with Previous GAAP. This note explains the principal adjustments made by the Group in restating its financial statements prepared under Previous GAAP for the followings:

- Balance Sheet as at April 01, 2019 (Transition Date);
- Balance Sheet as at March 31, 2020;
- Statement of Profit and Loss for the year ended on March 31, 2020; and
- Statement of Cash Flows for the year ended March 31, 2020

Ind AS 101 - First Time Adoption of Indian Accounting Standard, allow the first-time adopters, exemptions from the retrospective application and exemption of certain requirements of the Other Ind AS. The Group has availed the following exemptions as per Ind AS 101.

#### A. Ind AS Optional Exemptions:

##### 1) Financial Instruments:

For the financial instruments, where the fair market values are not available (viz. interest free and below market rate security deposits or loans) the Group has elected to adopt fair value recognition prospectively to transactions entered after the date of transition.

##### 2) Deemed cost of property, Plant and equipment and intangible Assets:

The Group has elected to consider the Carrying Value of all its Property, Plants and Equipment's (PPE) and Intangible Assets recognized in the financial statements prepared under Previous GAAP and use the same as Deemed Cost in the Opening Ind AS Financial Statements.

##### 3) Leases:

The group has elected to measure the right of use assets at the date of transition as if Ind AS 116 had been applied since the commencement date of the lease, but discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. Further the following expedients were used on transition to Ind AS:

- the use of single discount rate to portfolio of leases with reasonably similar Characteristics.
- the accounting for operating leases with a remaining lease of less than 12 months as on transition date as short-term leases
- the exclusion of initial direct costs for the measurement of the Right-of-use assets at the date of initial application.

#### B. Ind AS Mandatory Exceptions:

##### 1) Estimates:

An entity estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimate made for the same date in accordance with Previous GAAP (after adjustment to affect any difference in accounting policies) unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 01<sup>st</sup> April, 2019 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as there were not required under previous GAAP.

- The group has applied modified retrospective approach to all leases contract existing as at 01 April 2019 under Ind AS 116

##### 2) Classification and measurement of financial assets and liabilities:

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing as on date of transition. Financial Assets can be measured using effective

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstance existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e., use of effective interest method, fair value of financial assets at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

### C. Reconciliations between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

#### 1) Reconciliation of Other equity as at 31 March 2020 and 01 April 2019:

(Rs. in Lakhs)			
Particulars	Note	Year Ended on 31-3-2020	Upto 31-03-2019
<b>Other Equity as per I-GAAP</b>		<b>4,342.68</b>	<b>3,216.85</b>
IndAs adjustments on account of:			
Depreciation and amortisation expense in respect of right to use assets	1	(83.26)	(11.58)
Interest expense on lease liability	1	(18.79)	(10.45)
Reversal of rent expenses and lease equalization reserve due to IND AS 116	1	89.75	12.00
Measurement of financial assets and liabilities at amortized cost	2	15.00	16.90
Deferred tax impact on above IND AS adjustments	3	22.24	(26.53)
Errors & Omissions rectified as per Ind AS 8	4	(18.46)	(0.76)
ECL Provision	5	(2.42)	-
Minority		(5.64)	4.97
Adjustments in Other Equity as per IND AS (upto 31.03.2019)		(15.45)	-
<b>Total adjustments</b>		<b>(17.03)</b>	<b>(15.45)</b>
<b>Other Equity as per IND AS</b>		<b>4,325.65</b>	<b>3,201.40</b>

#### 2) Reconciliation of Total Comprehensive Income for the year ended on 31<sup>st</sup> March, 2020:

			(Rs. in Lakhs)
			Year Ended on 31-3-2020
Particulars	Note		
<b>Profit after tax as reported under Indian GAAP</b>			<b>279.92</b>
Depreciation and amortisation expense in respect of right to use assets	1	(83.26)	
Interest expense on lease liability	1	(18.79)	
Reversal of rent expenses and lease equalization reserve due to IND AS 116	1	89.75	
Measurement of financial assets and liabilities at amortized cost	2	15.00	
Deferred tax impact on above IND AS adjustments	3	22.24	
Errors and Omissions rectified as per Ind AS 8	4	(18.30)	
ECL Provision	5	(2.42)	
<b>Total Adjustments</b>			<b>4.22</b>
<b>Total comprehensive income for the year under Ind AS</b>			<b>284.14</b>

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

- 3) Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at 31 March 2020 and 01 April 2019 is as follows:

(Rs. in Lakhs)				
Particulars	Note	31-03-20		
		Ind AS Restated Balance Sheet	Impact of Ind AS	Regrouped IGAAP Balance Sheet
<b>I ASSETS</b>				
<b>A NON-CURRENT ASSETS</b>				
Property Plant & Equipments	4	3,450.97	0.82	3,451.79
Right of Use Assets	1	794.06	(794.06)	-
Intangible Assets		3.22		3.22
Capital Work in Progress		-	-	-
Goodwill on Consolidation		180.18	-	180.18
Investments		310.97	-	310.97
Loans		-	-	-
Other Financial Assets	2	77.78	27.97	105.75
Current Tax Assets (net)		60.89	-	60.89
Deferred Tax Assets (Net)	3	23.31	4.28	27.59
Other Non-Current Assets	1	0.28	1.38	1.66
<b>Total Non-Current Assets</b>		<b>4,901.66</b>	<b>(759.61)</b>	<b>4,142.05</b>
<b>B CURRENT ASSETS</b>				
Inventories		2,249.34	-	2,249.34
Financial Assets		-	-	-
Trade receivables	5	2,081.27	2.42	2,083.69
Cash and cash equivalents		114.85	-	114.85
Bank Balances other than above		2,224.49	-	2,224.49
Loans		9.75	-	9.75
Other Financial Assets		716.41	-	716.41
Other Current Assets	4	1,078.31	(6.90)	1,071.41
<b>Total Current Assets</b>		<b>8,474.42</b>	<b>(4.48)</b>	<b>8,469.94</b>
<b>Total Assets</b>		<b>13,376.08</b>	<b>(764.09)</b>	<b>12,611.99</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>1 EQUITY</b>				
Equity Share capital		1,605.74	-	1,605.74
Minority Interest		142.54	(0.67)	141.87
Other Equity		4,325.65	17.03	4,342.68
<b>Total Equity</b>		<b>6,073.93</b>	<b>16.36</b>	<b>6,090.29</b>
<b>2 LIABILITIES</b>				
<b>A NON-CURRENT LIABILITIES</b>				
Financial Liabilities				
Borrowings	2	1,385.51	9.84	1,395.35
Long-term Financial Liabilities	2	10.09	7.30	17.39
Long Term Provisions		21.18	-	21.18
Deferred Tax Liabilities (Net)		-	-	-
Other Non-Current Liabilities	1	710.06	(710.06)	-
<b>Total Non-Current Liabilities</b>		<b>2,126.84</b>	<b>(692.92)</b>	<b>1,433.92</b>

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

**B CURRENT LIABILITIES**

Financial Liabilities				
Borrowings		4,056.43	-	4,056.43
Trade payables		315.86	-	315.86
Other Financial Liabilities	2	642.46	2.54	645.00
Short-Term Provisions	6	80.80	(17.29)	63.51
Other Current Liabilities	1	78.02	(71.04)	6.98
Current Tax Liabilities (Net)	4	1.74	(1.74)	-
<b>Total Current Liabilities</b>		<b>5,175.31</b>	<b>(87.53)</b>	<b>5,087.78</b>
<b>Total Equity &amp; Liabilities</b>		<b>13,376.08</b>	<b>(764.09)</b>	<b>12,611.99</b>

(Rs. in Lakhs)

Particulars	Note	01-04-19		
		Ind AS Restated Balance Sheet	Impact of Ind AS	Regrouped IGAAP Balance Sheet
<b>I ASSETS</b>				
<b>A NON-CURRENT ASSETS</b>				
Property Plant & Equipments	4	2,516.05	(0.11)	2,515.94
Right of Use Assets	1	9.65	(9.65)	-
Intangible Assets		0.63	-	0.63
Capital Work in Progress		436.25	-	436.25
Goodwill on Consolidation		180.18	-	180.18
Investments		151.28	-	151.28
Loans		-	-	-
Other Financial Assets	2	53.95	(1.20)	52.75
Current Tax Assets (net)		1.14	-	1.14
Deferred Tax Assets (Net)		-	-	-
Other Non-Current Assets	1	-	12.49	12.49
<b>Total Non-Current Assets</b>		<b>3,349.13</b>	<b>1.53</b>	<b>3,350.66</b>
<b>B CURRENT ASSETS</b>				
Inventories		1,477.24	-	1,477.24
Financial Assets		-	-	-
Trade receivables		889.58	-	889.58
Cash and cash equivalents		78.49	-	78.49
Bank Balances other than above		490.09	-	490.09
Loans		8.78	-	8.78
Other Financial Assets	2	2,837.56	1.25	2,838.81
Other Current Assets		687.30	-	687.30
<b>Total Current Assets</b>		<b>6,469.04</b>	<b>1.25</b>	<b>6,470.29</b>
<b>Total Assets</b>		<b>9,818.17</b>	<b>2.78</b>	<b>9,820.95</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>1 EQUITY</b>				
Equity Share capital		232.55	-	232.55
Minority Interest		209.36	4.97	214.33
Other Equity		3,201.40	15.45	3,216.85
<b>Total Equity</b>		<b>3,643.31</b>	<b>20.42</b>	<b>3,663.73</b>

Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

**2 LIABILITIES**
**A NON-CURRENT LIABILITIES**

Financial Liabilities				
Borrowings	2	1,102.10	13.02	1,115.12
Long-term Financial Liabilities	2	9.13	7.77	16.90
Long Term Provisions		5.85	-	5.85
Deferred Tax Liabilities (Net)	3	37.99	(26.53)	11.46
Other Non-Current Liabilities	1	3.53	(3.53)	-
<b>Total Non-Current Liabilities</b>		<b>1,158.60</b>	<b>(9.27)</b>	<b>1,149.33</b>

**B CURRENT LIABILITIES**

Financial Liabilities				
Borrowings		4,404.15	-	4,404.15
Trade payables		59.36	-	59.36
Other Financial Liabilities	2	455.84	2.46	458.30
Short-Term Provisions		79.21	-	79.21
Other Current Liabilities	1	12.26	(10.83)	1.43
Current Tax Liabilities (Net)		5.44	-	5.44
<b>Total Current Liabilities</b>		<b>5,016.26</b>	<b>(8.37)</b>	<b>5,007.89</b>
<b>Total Equity &amp; Liabilities</b>		<b>9,818.17</b>	<b>2.78</b>	<b>9,820.95</b>

- 4) Reconciliation of the income and expenses presented in the statement of profit and loss prepared as per Indian GAAP and as per Ind AS as at March 31, 2020 is as follows:

(Rs. in Lakhs)				
Particulars	Note	Ind AS Restated Balance Sheet	Impact of Ind AS	Regrouped IGAAP Balance Sheet
<b>I INCOME</b>				
Revenue from operations		58,178.90	-	58,178.90
Other income	1, 2 & 4	231.67	(20.40)	211.27
<b>Total Income</b>		<b>58,410.57</b>	<b>(20.40)</b>	<b>58,390.17</b>
<b>II EXPENSES</b>				
Cost of materials consumed	4	47,617.90	(0.75)	47,617.15
Purchase of Stock-in-Trade	4	7,042.44	(1.63)	7,040.81
Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade		(37.33)	-	(37.33)
Employee Benefit Expenses		589.70	-	589.70
Finance costs	1, 2 & 4	750.69	(24.19)	726.50
Depreciation and amortization expense	1 & 4	287.70	(83.26)	204.44
Other expenses	1, 2, 4, 5 & 6	1,852.56	36.15	1,888.71
<b>Total expenses</b>		<b>58,103.66</b>	<b>(73.68)</b>	<b>58,029.98</b>
<b>III Profit Before Tax (PBT) (I-II)</b>		<b>306.91</b>	<b>53.28</b>	<b>360.19</b>
<b>IV Tax expense:</b>				
Current tax	4	125.27	(1.74)	123.53
Deferred tax	3	(61.30)	22.24	(39.06)
Income Tax (Prior Period)		(4.20)	-	(4.20)
<b>Total Tax Expenses</b>		<b>59.77</b>	<b>20.50</b>	<b>80.27</b>
<b>V Profit After Tax (PAT) (III- IV)</b>		<b>247.14</b>	<b>32.78</b>	<b>279.92</b>
<b>VI Total Other Comprehensive Income</b>	<b>6</b>	<b>37.00</b>	<b>(37.00)</b>	<b>-</b>
<b>VII Total Comprehensive Income for the Year</b>		<b>284.14</b>	<b>(4.22)</b>	<b>279.92</b>

## Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021

### 5) Impact of Ind AS on the adoption in the statement of cash flow for the year ended 31 March 2020:

Particulars	(Rs. in Lakhs)		
	Ind AS Restated	Impact of Ind AS	Regrouped IGAAP
Net Cash Flows from Operating Activities	1,264.11	(4,054.94)	(2,790.83)
Net Cash Flows from Investing Activities	(2,487.51)	1,369.30	(1,118.21)
Net Cash Flows from Financing Activities	1,259.76	2,685.64	3,945.40
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>36.36</b>	<b>-</b>	<b>36.36</b>
<b>Cash and Cash Equivalents at the beginning of the period</b>	<b>78.49</b>	<b>-</b>	<b>78.49</b>
<b>Cash and Cash Equivalents at the end of the period</b>	<b>114.85</b>	<b>-</b>	<b>114.85</b>

#### Foot notes to First time adoption changes:

##### 1. Lease accounting adjustment under Ind AS 116

The Group has leases for Immovable properties, Plant & Machinery and related facilities. Under the previous GAAP, all the of the payments in regard to these leases were expensed off in the statement of profit and loss. However, under Ind AS 116, the accounting is different as each lease is reflected on the balance sheet as a right-of-use asset and a lease liability with the exception of short-term leases and leases of low-value underlying assets which is expensed off in the statement of profit and loss. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

The above adjustment has also impacted cash flow statement of the Group as under the previous GAAP, the rent paid was used to be classified as operating activity; while the payments of lease liability under Ind AS 116 is classified under financing activities as per Ind AS 7.

Under the previous GAAP, the group has created rent equalization on straight line basis for the rent receivable. The same has been reversed as per the Ind AS 116.

##### 2. Measurement of financial assets and financial liabilities at amortized cost

Under Previous GAAP, all financial assets and financial liabilities were carried at cost. Under Ind AS, certain financial assets and financial liabilities are subsequently measured at amortized cost which involves the application of effective interest method. In applying the effective interest method, an entity identifies, fees that are an integral part of the effective interest rate of a financial instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability. For certain financial liabilities, the fair value of the financial liability at the date of transition to Ind AS has been considered as the new amortized cost of that financial liability at the date of transition to Ind AS.

##### 3. Deferred tax impact on above Ind AS

Under Previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments have also led to recognition of deferred taxes on new temporary differences.

##### 4. Other Transition Adjustments

The errors and omissions came across upon the transition to Ind AS were adjusted in the Financial Statements includes Property, Plant & Equipment and Provision for Income under the Other Current Assets.

##### 5. Recognition of loss allowance for expected credit losses on financial assets measured at amortized cost

Under Previous GAAP, provision for doubtful debts was recognized based on the estimates of the outcome and of the financial effect of contingencies determined by the management of the Group. This judgement was based on consideration of information available up to the date on which the financial statements were approved and included a review of events occurring after the balance sheet date.

Under Ind AS, a loss allowance for expected credit losses is recognized on financial assets carried at amortized cost. Expected loss on individually significant receivables is assessed when they are past due and based on group's historical counterparty default rates and forecast of macroeconomic factors. Other receivables have been segmented by reference to the industry of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment.

##### 6. Reclassification / Regrouping upon Transition to Ind AS



**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

Previous GAAP figures have been reclassified/regrouped wherever necessary to confirm with financial statements prepared under Ind AS.

**Note – 45 - Balance confirmation of Receivables**

Confirmation letters have not been obtained from all the parties in respect of Trade Receivable, Other Non-Current Assets and Other Current Assets. Accordingly, the balances of the accounts are subject to confirmation, reconciliation and consequent adjustments, if any.

**Note – 46 - Balance Confirmation of Payables**

Confirmation letters have not been obtained from all the parties in respect of Trade Payable and other current liabilities. Accordingly, the balances of the accounts are subject to confirmation, reconciliation and consequent adjustments, if any.

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021**

**Note - 47 - Disclosure of Additional Information Pertaining to the Holding Company and its Subsidiaries as per Schedule III of Companies Act, 2013:**

Name of Company	Country → Year ↓	Holding Company	Subsidiaries				Add/(Less)			Total
			Mangalam Global Enterprise (Singapore) Pte. Ltd.	Mangalam Global (UK) Ltd.	Hindprakash Castor Derivatives Private Limited	Farpoint Enterprise LLP	Adjustment arising out of consolidation	Exchange differences on consolidation	Non-controlling interest translation of foreign operations	
		India	Singapore	United Kingdom	India	India				
<b>Net Assets (Total Asset Minus Total Liabilities)</b>										
Net Assets	31 March, 21	6,670.73	841.58	-	149.71	400.35	(1,102.98)	-	(77.73)	6,881.66
As % Of Consolidated Net Assets		96.93	12.23	-	2.18	5.82	(16.03)	-	(1.13)	100.00
	31 March, 20	5,752.00	765.31	-	329.90	(38.92)	(734.35)	-	(142.54)	5,931.40
		96.98	12.90	-	5.56	(0.66)	(12.38)	-	(2.40)	100.00
	1 April, 19	3,209.54	65.38	-	427.21	0.16	(58.98)	-	(209.36)	3,433.95
		93.46	1.90	-	12.44	0.00	(1.72)	-	(6.10)	100.00
<b>Share In Profit Or Loss</b>										
Profit / Loss	31 March, 21	528.68	95.35	-	(180.18)	2.65	132.76	-	(105.41)	473.85
As % Of Consolidated Profit Or Loss		111.57	20.12	-	(38.02)	0.56	28.02	-	(22.25)	100.00
	31 March, 20	395.68	15.92	-	(97.02)	(39.08)	38.32	-	(66.68)	247.14
		160.10	6.44	-	(39.26)	(15.81)	15.51	-	(26.98)	100.00
<b>Share In Other Comprehensive Income</b>										
Other Comprehensive Income	31 March, 21	-	-	-	-	-	-	(19.08)	-	(19.08)
As % Of Consolidated OCI		-	-	-	-	-	-	100.00	-	100.00
	31 March, 20	-	-	-	-	-	-	37.00	-	37.00
		-	-	-	-	-	-	100.00	-	100.00
<b>Share In Total Comprehensive Income</b>										
Total Comprehensive Income	31 March, 21	528.68	95.35	-	(180.18)	2.65	132.76	(19.08)	(105.41)	454.77
As % of consolidated TCI		116.25	20.97	-	(39.62)	0.58	29.19	(4.20)	(23.18)	100.00
	31 March, 20	395.68	15.92	-	(97.02)	(39.08)	38.32	37.00	(66.68)	284.14
		139.26	5.60	-	(34.15)	(13.75)	13.49	13.02	(23.47)	100.00

**Notes to the Consolidated Financial Statements for the year ended on 31<sup>st</sup> March, 2021****Note - 48 - Authorisation of financial statements**

The financial statements for the year ended 31 March 2021 were approved by the Board of Directors on 25 June 2021.

For and on behalf of the Board of Directors,

**Vipin Prakash Mangal**  
Chairman & Executive Director  
(DIN:02825511)

**Chanakya Prakash Mangal**  
Joint Managing Director & COO  
(DIN:06714256)

**Chandragupt Prakash Mangal**  
Joint Managing Director & CEO  
(DIN:07408422)

**Ashutosh Mehta**  
Chief Financial Officer  
(PAN:AAWPM1688A)

**Vrunda Patel**  
Company Secretary  
(M. No.: A39707)

Place: Ahmedabad  
Date: 25th June, 2021