

46th Annual Report 2018 - 2019



MANGALAM DRUGS & ORGANICS LIMITED
(WHO - GMP COMPANY)



BOARD OF DIRECTORS

GOVARDHAN M. DHOOT	- CHAIRMAN & MANAGING DIRECTOR
BRIJMOHAN M. DHOOT	- EXECUTIVE DIRECTOR
AJAY R. DHOOT	- NON- EXECUTIVE DIRECTOR
ADITYA R. DHOOT	- NON- EXECUTIVE DIRECTOR
SUBHASH C. KHATTAR	- INDEPENDENT DIRECTOR
AJAY B. SAWHNEY	- INDEPENDENT DIRECTOR (Resigned w.e.f. April 16, 2019)
RUKMESH P. DHANDHANIA	- INDEPENDENT DIRECTOR
NIDHI S. MUNDADA	- INDEPENDENT DIRECTOR
PRASHANT J. PANDIT	- ADDITIONAL INDEPENDENT DIRECTOR (w.e.f. July 8, 2019)

CHIEF FINANCIAL OFFICER

Mr. Ajay A. Samant

BANKERS

State Bank of India

Indian Bank

Punjab and Maharashtra Co-Op. Bank Ltd

Central Bank of India

COMPANY SECRETARY

Ms. Nikita B. Bavishi (up to July 8, 2019)

Ms. Geeta G. Karira (w.e.f. July 9, 2019)

REGISTERED OFFICE

Rupam Building, 3rd Floor,

239, P.D'Mello Road,

Near G.P.O., Mumbai – 400 001

Tel No. +91-22-22616200/6300/8787

Fax No. +91-22-2619090

E-Mail: contactus@mangalamdrugs.com

Investors E-mail Id: investor@mangalamdrugs.com

Website: <http://www.mangalamdrugs.com>

CIN: L24230MH1972PLC116413

WORKS

VAPI – UNIT 1

Plot No. 187, GIDC

Vapi, Dist. Valsad

Gujarat – 396 195

VAPI – UNIT 2

Plot No. 1203, GIDC

Vapi, Dist. Valsad,

Gujarat – 396 195

AUDITORS

Batliboi & Purohit, Chartered Accountants

National Insurance Building, 204,

Dadabhoy Naoroji Road, Fort, Mumbai - 400 001.

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited

C-101, 247 Park, L.B.S. Marg,

Vikhroli (West), Mumbai – 400083

Tel No. 022-49186000

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NOTICE

NOTICE is hereby given that the Forty-Sixth (46th) Annual General Meeting of the Members of **Mangalam Drugs & Organics Limited** will be held on Wednesday, September 25, 2019 at 3.30 P.M. at the Kilachand Conference Room, 2nd Floor, Indian Merchants Chamber Building, IMC Marg, Churchgate, Mumbai- 400 020, Maharashtra, India to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements for the Financial Year ended March 31, 2019:

To consider and adopt the Standalone Audited Financial Statements for the Financial Year ended March 31, 2019 together with the Reports of the Board of Directors and Auditors thereon.

2. Appointment of Director in place of Shri Brijmohan M. Dhoot, liable to retire by rotation, who being eligible has offered himself for re-appointment:

To appoint a Director in place of Shri Brijmohan M. Dhoot (DIN: 01046420) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Ratification of Remuneration payable to Mr. Ankit Kishor Chande, Cost Auditors of the Company for the Financial Year 2019-20:

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read together with the Companies (Cost Records and Audit) Rules, 2014 / Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force], based on the recommendations of the Audit Committee, remuneration of Mr. Ankit Kishor Chande, Cost Accountant as a “Cost Auditors” appointed by the Board of Directors of the Company, for the Financial Year ending 2019-20 for conducting audit of the cost records of the “bulk drugs” business of the Company, of Rs. 1,10,000/- (Rupees One Lakh Ten Thousand Only) per annum, plus Goods and Service Tax (GST), as applicable and reimbursement of out-of-pocket expenses, be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board of Directors and / or the Chief Financial Officer and / or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. Appointment of Shri Prashant J. Pandit (DIN: 03079878) as an Independent Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder read together with Schedule IV to the Act [including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force] and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“the Listing Regulations”) as amended from time to time, Shri Prashant J. Pandit (DIN: 03079878), who has submitted the declaration that he meets the criteria of independence as specified in Section 149(6) of the Act and was appointed as an Additional Independent Director by the Board of Directors with effect from July 8, 2019 and who holds office upto the date of this Annual General Meeting and who is eligible for appointment under the relevant provisions of the Act and in respect of whom the Company has received a Notice under Section 160 of the Act in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold the office for a term of 5 years with effect from July 8, 2019 till July 7, 2024.”

5. Re-appointment of Shri Govardhan M. Dhoot (DIN: 01240086) as the Chairman & Managing 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 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force], read together with Schedule V to the Act (as may be amended from time to time) and pursuant to resolution(s) passed by the Nomination and Remuneration Committee and the Board of Directors at their respective Meetings held on July 26, 2019, Shri Govardhan M. Dhoot (DIN: 01240086) be and is hereby re-appointed as the Chairman & Managing Director of the Company for a term of 5 (five) years with effect from November 1, 2019 till October 31, 2024, liable to retire by rotation on the terms and conditions as set out in the Explanatory Statement annexed to the Notice of the 46th Annual General Meeting.

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where in any financial year, during the currency of term of Shri Govardhan M. Dhoot as the Chairman & Managing Director, the Company has no profits or profits are inadequate, he shall be paid the remuneration stated in the Explanatory Statement annexed hereto as “Minimum Remuneration” in the respective financial year(s) not withstanding that the same may exceed the ceiling limit laid down in Section 197 and Schedule V to the Act, subject to such other approvals, if required.



RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter, vary and modify the terms and conditions of the said re-appointment and remuneration of Shri Govardhan M. Dhoot at its discretion as it may deem fit from time to time, so as to not exceed the limit specified under Schedule V to the Act and/or any other provisions of the Act and the Rules framed thereunder [including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force].

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and to execute all such documents, instruments, agreements and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) as may be consider necessary or expedient to give effect to the aforesaid resolution *inter-alia* to file necessary forms /returns with Registrar of Companies/ Ministry of Corporate Affairs, if any.”

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

Geeta Karira
Company Secretary

Registered Office:

3rd Floor, Rupam Building,
239, P. D'Mello Road, Near G.P.O.,
Mumbai – 400001

CIN: L24230MH1972PLC116413

Place: Mumbai

Dated: July 26, 2019

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.
The instrument of proxy in order to be effective, should however, be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies / authorizations submitted on behalf of the companies, body corporate, societies etc. must be supported by an appropriate resolution / authority, as applicable.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) in respect of business under item nos. 3, 4 & 5 of the Notice to be transacted at ensuing Annual General Meeting (AGM) is annexed hereto.
3. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company on any working day between 11.00 A.M. to 1.00 P.M. (excluding Saturdays, Sundays and Public Holidays) upto the date of ensuing Annual General Meeting.
4. The Annual Report of the Company for the year 2018-19 is also uploaded on the Company’s website www.mangalamdrugs.com.
5. As a measure of economy, copies of the Annual Report shall not be distributed at the meeting and therefore the Members are requested to bring their copy of Annual Report to the Meeting.
6. Members are requested to intimate to the Company, queries, if any, on the Financial Statements at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
7. The Company has appointed **M/s. Link Intime India Private Limited**, C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400083 as Registrar and Share Transfer Agents and the members are requested to send/address all their shares related matters/ correspondence directly to them.
8. **Change of Address / Bank details:** Members are requested to inform **M/s. Link Intime India Private Limited**, immediately of any change in their address / bank details. Members holding shares in dematerialized form are requested to intimate all changes with respect to their Email Id, signature, address, bank details etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company’s records. Members holding shares in physical form are requested to intimate such changes to the Registrar and Share Transfer Agents of the Company viz. M/s. Link Intime India Private Limited.
9. As per Circular No. MRD/Dop/Cir-05/2009 dated May 20, 2009 issued by Securities and Exchange Board of India (SEBI), it is mandatory to quote Permanent Account Number (PAN) for participating in the securities market. Therefore, Members holding shares in dematerialised form are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Registrar and Share Transfer Agents of the Company viz. Link Intime India Private Limited.
10. Members/Proxies should bring the attendance / admission slip duly filled in for attending the meeting.



11. The Company has transferred unclaimed application money due for refund of public issue made in the year 2005 and unclaimed dividend for the financial year 2005-06 declared on 30th September 2006 to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claim.
12. Electronic (soft) copy of the Notice of the 46th AGM *inter-alia* indicating the process and manner of remote e-Voting along with the Attendance Slip & Proxy Form and the Annual Report for FY 2018-2019 is being sent to all the Members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copies of these documents are being sent in the permitted mode or requested mode. The Notice is being sent to all Members whose names would appear in the Register of Members as on Friday, August 23, 2019, the Directors and Auditors of the Company.
13. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), the Company is pleased to provide members facility to exercise their right to vote at the 46th AGM by electronic means (remote e-voting) and all the items of the business may be transacted through remote e-voting services provided by Central Depository Services (India) Limited (CDSL). Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 18, 2019, may cast their vote by electronic means or in the AGM.
The information with respect to Voting process and other instructions regarding e-voting are detailed in Note No. 20.
14. The facility for voting, either through electronic voting system or ballot paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM. The Members who have already cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
15. The Company has appointed Mr. Ankit Sethi, Practicing Company Secretary, as the scrutinizer for conducting the remote e-voting and voting at the venue in a fair and transparent manner.
16. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer’s Report of the total votes cast in favour of or against, if any, not later than three days after the conclusion of the AGM to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same. The results of the voting shall be declared on or after the AGM of the Company, but within forty eight (48) hours after the conclusion of the meeting and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the Resolutions. The results declared along with the Scrutinizer’s Report will be hosted on the Company’s website at www.mangalamdrugs.com and on CDSL’s website at www.evotingindia.com for information of the Members, besides being communicated to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.
17. Pursuant to Section 72 of the Act, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination earlier filed in the prescribed Form SH-14 with the Company’s RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
18. Trading in the shares of the Company can be done in dematerialized form only. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate etc. and will not attract any stamp duty. It also substantially reduces the risk of fraud. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.
19. Information (including profile and expertise in specific areas) pertaining to Directors recommended for seeking appointment / re-appointment / regularization at 46th AGM:

Sr. No.	Particulars	Name & Other details of Director(s)		
		Shri Govardhan M. Dhoot (DIN: 01240086)	Shri Brijmohan M. Dhoot (DIN: 01046420)	Shri Prashant J. Pandit (DIN: 03079878)
1.	Name	Shri Govardhan M. Dhoot (DIN: 01240086)	Shri Brijmohan M. Dhoot (DIN: 01046420)	Shri Prashant J. Pandit (DIN: 03079878)
2.	Date of Birth	October 21, 1953	July 10, 1951	February 10, 1955
3.	Educational Qualification	Commerce Background	Commerce Background	B.Com, L.L.B.
4.	Date of appointment on the Board	April 16, 1996	May 2, 2015	July 8, 2019
5.	Category of Directorship	Chairman & Managing Director	Executive Director	Non-Executive Independent Director
6.	Experience	Shri Govardhan M. Dhoot has over three decades of experience in the Chemical Industry, handling marketing in both domestic and export market. He has traveled to many countries and visited important Industrial & Commercial Capitals all over the world.	Shri Brijmohan M. Dhoot has more than 40 years experience in the Chemical and Pharma Industry. He has vast knowledge and varied experience which is of great value to the Company.	Shri Prashant J. Pandit has done L.L.B. and is practicing law in Mumbai DRT/ DRAT, High Court and City Civil Courts for last more than 20 years.



Sr. No.	Particulars	Name & Other details of Director(s)		
7.	List of other Directorships held	Beanstalk Retail Private Limited	a. Raga Organics Private Limited b. Elarci (Estates & Construction) Development Services Private Limited c. Beanstalk Retail Private Limited	IMP Powers Limited
8.	Name of Committees in which Chairman	Nil	Nil	Nil
9.	Name of Committees in which Member in the Company	1. Audit Committee 2. Stakeholders Relationship Committee 3. CSR Committee	Nil	Nil
10.	No. of shares held in the Company	6,67,122 equity shares	5,64,469 equity shares	Nil
11.	Disclosure of Relationship	Shri Govardhan M. Dhoot is brother of Shri Brijmohan M. Dhoot	Shri Brijmohan M. Dhoot is brother of Shri Govardhan M. Dhoot	Shri Prashant J. Pandit is not related to any director.
12	No. of Board meeting attended During the year	5	5	N.A.

20. INSTRUCTIONS FOR ELECTRONIC VOTING (REMOTE E-VOTING)

In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, applicable Secretarial Standard and the Listing Regulations, the Company is pleased to offer remote e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 46th Annual General Meeting of the Company. The Company has appointed Mr. Ankit Sethi, Practicing Company Secretary to act as scrutinizer for conducting remote e-voting and voting at the venue.

The instructions for remote e-voting are as under:

- (i) The voting period begins on Sunday, September 22, 2019, 9.00 A.M. and ends on Tuesday, September 24, 2019, 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, September 18, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders/ Members.
- (iv) Now Enter your User ID
 - a. For account holders in CDSL: 16 digits beneficiary ID,
 - b. For account holders in NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).



- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the MANGALAM DRUGS & ORGANICS LIMITED.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians:**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call on Tollfree No. 1800-200-5533.

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

Geeta Karira
Company Secretary

Registered Office:

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

Place: Mumbai
Dated: July 26, 2019



ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3

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

The Board of Directors at their meeting held on May 9, 2019, on recommendation of the Audit Committee, approved the appointment of Mr. Ankit Kishor Chande, Cost Accountant, as the Cost Auditor of the Company for the financial year 2019-20 at fees of Rs. 1,10,000/- (Rupees One Lakh Ten Thousand Only) plus out of pocket expenses and GST, as applicable for conducting the audit of the cost accounting records of the Company.

The resolution contained in Item no. 3 of the accompanying Notice, accordingly, seek members' approval for ratification of remuneration of Cost Auditors of the Company for the financial year 2019-20.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 3 of the Notice.

The Board commends passing of the resolution set out in Item no. 3 of accompanying Notice.

Item No. 4

The Board on the recommendation of Nomination & Remuneration Committee appointed Shri Prashant J. Pandit (DIN: 03079878) as an Additional Independent Director of the Company with effect from July 8, 2019 as per the provisions of Section 161 of the Companies Act, 2013 ("the Act") and Rules framed thereunder to hold office upto the date of this Annual General Meeting.

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

The Company has received from Shri Prashant J. Pandit (i) consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

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

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

The Board commends passing of the resolution set out in Item no. 4 of accompanying Notice.

Item No. 5

Subject to the approval of the Shareholders of the Company being obtained in this Annual General Meeting and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, at its Meeting held on July 26, 2019, has approved re-appointment of Shri Govardhan M. Dhoot as the "Chairman & Managing Director" of the Company for a period of 5 (five) years with effect from November 1, 2019 upto October 31, 2024 liable to retire by rotation and for the remuneration payable to him in such capacity. Therefore, in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Act, the proposed remuneration of Shri Govardhan M. Dhoot as the "Chairman & Managing Director" of the Company and the terms and conditions of his re-appointment require approval of the Shareholders by way of a Special Resolution. A brief profile of Shri Govardhan M. Dhoot in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), is provided elsewhere in this Notice. The proposed remuneration and terms and conditions of appointment of Shri Govardhan M. Dhoot are given below:



Sr. No.	Terms & Conditions – Shri Govardhan M. Dhoot
1.	Period / Term of Appointment The appointment is effective from November 1, 2019 for a term of 5 years i.e. till October 31, 2024.
2.	Remuneration for a period of 3 years A. Salary: Rs. 20,00,000/- p.a. B. Perquisites / Allowance: In addition to salary, Shri Govardhan M. Dhoot will be entitled to the following: i) Housing: The Company shall defray the maintenance expenditure of the residence of the Managing Director. ii) Medical Expenses: Reimbursement of expenses incurred for the Managing Director and his family subject to a ceiling of Rs. 10,000/- p.a. or actual whichever is lower. iii) Leave Travel Concession: The Company shall provide to and fro airfare to the Managing Director and his family for 3,000 KMs in India. iv) Annual Privilege Leave: One full salary for a period of thirty days and shall be entitled to accumulate such leave. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites. v) Car: A chauffer driven car for official business purposes will be provided. vi) Telephone: A telephone at the residence will also be provided at Company's expenses. The Company will bill personal long distance calls from the house telephone. vii) Personal Accident Insurance: Premium not exceeding Rs. 8,000/- p.a. payable by the Company on behalf of the Managing Director. C. The Managing Director shall also be entitled to following perquisites, which shall not be included in the computation of the ceiling on remuneration specified herein: i) Contribution to provident fund, super annuation fund or annuity fund as per the rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. ii) Gratuity payable at rate not exceeding half a month's salary for each completed year of service. iii) Encashment of leave at the end of the tenure.
3.	Minimum Remuneration Where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the appointee shall be paid the aforesaid remuneration as "Minimum Remuneration" in the respective financial year(s) notwithstanding that the same may exceed the ceiling limit laid down under Section 197 and Schedule V to the Act, subject to the approval of any statutory authority, if required.
4.	Termination The agreement may be terminated by either party by giving three months' notice or the Company paying three months' remuneration in lieu of the notice.

Statement as per Part (B) of Part II of Schedule V to the Act, Secretarial Standard and Regulation 36(3) of the Listing Regulations:

Sr. No.	Particulars	Information																												
I.	General Information																													
	1. Nature of Industry	Mangalam Drugs & Organics Limited is one of the leading API manufacturing company in India with a WHO-Geneva GMP, EDQM approval for its facilities. The Company is engaged in the manufacturing of APIs and Intermediates since over 3 decades and also in an agreement with the prestigious Clinton Health Access Initiatives (CHAI) under its Fight Malaria Program for supply of anti-malarial APIs worldwide. Mangalam stand as a strong source of supply to Ajanta Pharma, Cipla, Mylan, Macleods and Dr. Reddys to name a few Indian MNCs. The Company also enjoys a global presence for its products in many countries <i>inter-alia</i> Italy, Russia, China, Turkey, Nigeria, Uganda, Kenya and Pakistan.																												
	2. Date or expected date of commencement of commercial production	The Company is an existing Company and carrying on business for more than 45 years.																												
	3. In case of a new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable																												
	4. Financial Performance based on given indicators	(Amt. Rs. in Lakhs) <table border="1"> <thead> <tr> <th>Particulars</th> <th>March 31, 2019</th> <th>March 31, 2018</th> <th>March 31, 2017</th> </tr> </thead> <tbody> <tr> <td>Share Capital - Equity</td> <td>1582.82</td> <td>1582.82</td> <td>1582.82</td> </tr> <tr> <td>Reserves & Surplus</td> <td>7992.80</td> <td>8935.43</td> <td>6,988.89</td> </tr> <tr> <td>Total Income</td> <td>22,789.65</td> <td>28,020.66</td> <td>30,319.35</td> </tr> <tr> <td>Total Expenses</td> <td>23,363.35</td> <td>25,085.94</td> <td>27,201.28</td> </tr> <tr> <td>Profit Before Tax</td> <td>(573.71)</td> <td>2,934.72</td> <td>3,118.06</td> </tr> <tr> <td>Profit After Tax</td> <td>(803.09)</td> <td>1,988.96</td> <td>2,227.50</td> </tr> </tbody> </table>	Particulars	March 31, 2019	March 31, 2018	March 31, 2017	Share Capital - Equity	1582.82	1582.82	1582.82	Reserves & Surplus	7992.80	8935.43	6,988.89	Total Income	22,789.65	28,020.66	30,319.35	Total Expenses	23,363.35	25,085.94	27,201.28	Profit Before Tax	(573.71)	2,934.72	3,118.06	Profit After Tax	(803.09)	1,988.96	2,227.50
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	5. Foreign investments or collaborators, if any	Not Applicable																												



II. Information about the Appointee	
1. Background details	Shri Govardhan M. Dhoot has over four decades of experience in the Chemical & Pharma Industry, handling marketing in both domestic and export markets. He has traveled to many countries and visited important industrial & commercial capitals all over the world. He has been the Whole-time Director of the Company effective November 1, 2004, currently he is Chairman & Managing Director of the Company.
2. Past Remuneration	Shri Govardhan M. Dhoot was re-appointed as a Managing Director w.e.f. November 1, 2014 till October 31, 2019 at a remuneration of Rs. 20,00,000/- plus perquisites.
3. Job profile & his suitability	Shri Govardhan M. Dhoot as the Managing Director of the Company, functions under the overall superintendence and guidance of the Board. In view of his qualifications and varied experience, the Board has bestowed the above responsibilities on Shri Govardhan M. Dhoot.
4. Remuneration for a period of 3 years	<p>A. Salary: Rs. 20,00,000/- p.a.</p> <p>B. Perquisites / Allowance: In addition to salary, Shri Govardhan M. Dhoot will be entitled to the following:</p> <ul style="list-style-type: none"> i) Housing: The Company shall defray the maintenance expenditure of the residence of the Managing Director. ii) Medical Expenses: Reimbursement of expenses incurred for the Managing Director and his family subject to a ceiling of Rs. 10,000/- p.a. or actual whichever is lower. iii) Leave Travel Concession: The Company shall provide to and fro airfare to the Managing Director and his family for 3,000 KMs in India. iv) Annual Privilege Leave: One full salary for a period of thirty days and shall be entitled to accumulate such leave. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites. v) Car: A chauffeur driven car for official business purposes will be provided. vi) Telephone: A telephone at the residence will also be provided at Company's expenses. The Company will bill personal long distance calls from the house telephone. vii) Personal Accident Insurance: Premium not exceeding Rs. 8,000/- p.a. payable by the Company on behalf of the Managing Director. <p>C. The Managing Director shall also be entitled to following perquisites, which shall not be included in the computation of the ceiling on remuneration specified herein:</p> <ul style="list-style-type: none"> i) Contribution to provident fund, super annuation fund or annuity fund as per the rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. ii) Gratuity payable at rate not exceeding half a month's salary for each completed year of service. iii) Encashment of leave at the end of the tenure.
5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	Considering the general industry trend, the specific Company profile, skills, knowledge, vast business experience and responsibilities shouldered by Shri Govardhan M. Dhoot, the remuneration decided by the Board / Nomination and Remuneration Committee is in line with industry standards.
6. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Shri Govardhan M. Dhoot does not have any pecuniary relationship, directly or indirectly with the Company or with any key managerial personnel besides the remuneration set out above. Shri Govardhan M. Dhoot holds 6,67,122 Equity Shares of the Company.

None of the Director or Key Managerial Personnel of the Company/ their relatives except Shri Brijmohan M. Dhoot, in any way, are concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of the Notice.

The Board commends passing of the resolution set out in Item no. 5 of accompanying Notice.

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

Geeta Karira
Company Secretary

Registered Office:

3rd Floor, Rupam Building,
239, P. D'Mello Road, Near G.P.O.,
Mumbai – 400001

CIN: L24230MH1972PLC116413

Place: Mumbai

Dated: July 26, 2019



Board of Directors

1.	Name	Shri Govardhan M. Dhoot (DIN: 01240086)	Shri Brijmohan M. Dhoot (DIN: 01046420)	Shri Subhash C. Khat-tar (DIN: 01122941)	Shri Ajay R. Dhoot (DIN: 00210424)	Shri Aditya R. Dhoot (DIN: 00057224)	Shri Rukmesh P. Dhanchania (DIN: 02493968)	Shri Prashant J. Pandit (DIN: 03079878)	Mrs. Nidhi S. Mundada (DIN: 07543091)
2.	Date of Birth	October 21, 1953	July 10, 1951	July 3, 1939	March 9, 1964	May 3, 1968	December 28, 1979	February 10, 1955	September 20, 1988
3.	Educational Qualification	Commerce Background	Commerce Background	Chartered Accountant	B.Com	B.Com	Masters in Marketing Management	B.Com, L.L.B.	B.E. (I.T.), & MBA in Marketing
4.	Date of appointment on the Board	April 16, 1996	May 02, 2015	April 01, 2014	November 20, 2017	November 20, 2017	November 20, 2017	July 8, 2019	May 28, 2018
5.	Category of Director	Chairman & Managing Director	Executive Director	Independent Director	Non-Executive Director	Non-Executive Director	Independent Director	Additional Independent Director	Independent Director
6.	Experience	He has been the Whole-time Director of the Company effective 1st November 2004. He has over three decades of experience in the Chemical Industry, handling marketing in both domestic and export market. He has traveled to many countries and visited important Industrial & Commercial Capitals all over the world.	He has more than 40 years experience in the Chemical and Pharma Industry. He has vast knowledge and varied experience which is of great value to the company.	He is a Chartered Accountant having about 45 years of experience. He specializes in taxation and auditing. He is on the statutory panel of Bank Audits and other public sector under takings (PSUs) and private company.	Shri Ajay R Dhoot, designated as Vice-Chairman of IMP Powers Limited, has an experience of more than 36 years in the field of Marketing, Finance and Administration. He is a prudent Businessman. He has also played a leading role in administering IMP Powers Limited's entry into domestic and international markets. He is also the promoter of Mangalam Drugs & Organics Ltd, a reputed bulk drug company manufacturing anti malarial drugs.	Shri Aditya R Dhoot is Managing Director of IMP Powers Limited, has about 3 decades of experience, in the transformer industry. He oversees Finance, Accounts, Project expansion plans and Material Managements of IMP Powers Limited. Shri Aditya R Dhoot, is also the Promoter and Managing Director of the subsidiary, IMP Energy Ltd., engaged in the business of setting-up small and mini Hydro Power Projects and the promoter of Mangalam Drugs & Organics Ltd, a reputed bulk drug company manufacturing animalials drugs.	Rukmesh Dhanchania has a 10 years experience in Agency Business.	Shri Prashant J. Pandit has done L.L.B. and is practicing law in Mumbai DRT/DRAT, High Court and City Civil Courts for last more than 20 years.	Mrs. Nidhi S. Mundada has 5+ years of experience in diverse sectors - Financial Services, FMCG and I.T. contributed in setting up strategies and executing them end-to-end at companies like Infosys, HUL, Cit and Drishaw's.



7. List of other Directorships held	Beanstalk Retail Private Limited	1. Raga Organics Private Limited 2. Elarci (Estates & Constructional) Development Services Private Limited 3. Beanstalk Retail Private Limited	NIL	1. IMP Powers Limited, 2. Imp Energy Limited, 3. Advance Trans-formers & Equip-ments Private Limited, 4. Shree Kishoriju Trading & Invest-ment Private Limited 5. Shree Rasbihari Trading & Invest-ment Private Limited 6. Shree Rasbihari Electricals Private Limited 7. Universal Trans-formers Private Limited 8. Raga Organics Private Limited 9. Shree JB Pharma LLP	1. IMP Powers Limited, 2. Imp Energy Limited, 3. Advance Trans-formers & Equip-ments Private Limited, 4. Shree Kishoriju Trading & Invest-ment Private Limited 5. Shree Rasbihari Trading & Invest-ment Private Limited 6. Indian Electrical & Electronics Manufacturers as-sociation 7. Universal Trans-formers Private Limited 8. Raga Organics Private Limited 9. Shri JB Pharma LLP	NIL	IMP Powers Limited	NIL
8. Name of Committees in which Chairman	NIL	NIL	Audit Committee, stakeholder relation-ship committee, CSR Committee, Nomina-tion & Remuneration committee.-MDOL	CSR Committee-IMP Powers Limited	NIL	NIL	NIL	NIL
10. Number of shares held in the Company	6,67,122 equity shares	5,64,469 equity shares	NIL	1,38,687 equity shares	89,225 equity shares	NIL	NIL	NIL

**DIRECTORS' REPORT**

To,
**The Members of
Mangalam Drugs & Organics Ltd**

The Directors, have pleasure in presenting to you their Forty-Sixth Annual Report together with Company's Audited Financial Statements For the Accounting year ended March 31, 2019.

FINANCIAL RESULTS

(Rs. In Lacs)

Particulars	2018-2019	2017-2018
Revenue from operations	22757.97	27937.96
Other Income	31.68	82.70
Profit before Finance Expenses, Depreciation & Amortizations	999.79	4769.54
Less: Depreciation & Amortizations	708.85	656.82
Finance Expenses	864.65	1178
Profit / (Loss) before tax	(573.71)	2934.72
Profit / (Loss) after tax	(803.09)	1988.96
Total Comprehensive Income	1.69	36.32
Earnings Per Share (in Rs.) (Basic)	(5.07)	12.57

TRANSFER TO RESERVES AND DIVIDEND

In view of the loss incurred in the financial year ended March 31, 2019, no amount is transferred to General Reserve and the Directors do not recommend any dividend on equity shares for the year ended March 31, 2019 (Interim dividend at the rate of 5% was declared for FY 2017-18).

STATE OF COMPANY AFFAIRS

During the year under review the production of Tenofovir Disoproxil Fumarate an anti retroviral is 36.02 MTs as compared to 14.60 MTs in the previous year. On similar line the total production volume of all the products during the year is 552.89 MTs as against 770.37 MTs in the previous year.

The Company's revenue from operations during the year decreased to Rs. 22757.97 Lacs (previous year Rs. 27937.96 Lacs). The Company has achieved export turnover of Rs. 4232.75 Lacs (previous year Rs. 5881.92 Lacs). The main reason for decrease in revenue from operations is delay in tenders by WHO for anti malarial segments, relentless increase in the cost of raw material, energy cost and substantial increase in the fixed cost like salary and wages and the rupee depreciated more than 10% vis-a-vis the dollar making our imports costlier which hit our bottom line.

FUTURE OUTLOOK

The Company got approval from Korean Drug Authority and has added 4 new generics in last 12 months alongside the preparedness to register their Drugs Master Files (DMF). Over the same period the market forces have also added multiple challenges for us to conquer. Catastrophic recent accidents in chemical factories in china and their cascading effects have created pricing pressures. Few disturbances at the apex in the global supply chain which facilitates antimalarials and antivirals to reach the patients have affected the Company last year to a large extent. Nevertheless it is expected the scenario to brighten up.

Currently the Company have four Active Pharmaceutical Ingredient (API) - DMFs namely Tafenoquine, Tenofovir alafenamide, Dolutegravir, TDO and Bictegravir which strengthens Company's API portfolio. Tafenoquine is recent generic antimalarials approved in the year 2018 in USA, where only one dose is adequate to avoid having relapse of malaria. Dolutegravir is anticipated to replace Efavirez in the frontline cocktail therapy (TEE) for HIV. There is no doubt that with the existing strong API portfolio and a with the DMF- registration pipeline, where it is expected to introduce atleast one API every 5th year over next 15 years, the Company will be able to maintain a significant presence globally.

CORPORATE GOVERNANCE

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

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



DEPOSIT

The Company has neither accepted nor renewed any deposits from the public falling within the purview of Section 73 of the Companies Act (hereafter referred to as "the Act") read with the Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of principal or interest on public deposits was outstanding as on date of the balance sheet.

LOAN FROM MANAGING DIRECTOR

The Company has borrowed a sum of Rs. 50,00,000/- (Rupees Fifty Lacs only) at the 14% p.a. interest rate from Shri Govardhan M. Dhoot – Chairman & Managing Director of the Company towards unsecured loan. Further, Shri Govardhan M. Dhoot – Chairman & Managing Director have furnished the declaration to the effect that the amount extended by him to the Company has been given out of his own funds and is not being given out of the funds acquired by him by borrowing or accepting loans & deposits from others.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the Financial Statements.

RISK MANAGEMENT

A separate section on probable risks and their management is provided in Management and Discussion Analysis (MD&A) Report. The Company has in place a Policy on Risk Management for systematic approach to control risks.

Risks are classified in different categories such as Financial, Operational, Legal and Strategic risks. These risks are reviewed from time to time and controls are put in place with specific responsibility of the concerned officers of the Company.

INTERNAL FINANCIAL CONTROL SYSTEMS AND ADEQUACY

As mandated by the Companies Act, 2013, the Company has implemented an Internal Financial Controls (IFC) framework and has also laid down specific responsibilities on the Board, Audit Committee, Independent Directors and Statutory / Internal Auditors to review and strengthen the internal controls. The Board reviews the effectiveness of internal controls documented as part of IFC framework and take necessary corrective actions where weaknesses are identified as a result of such reviews.

No significant events had come to notice during the year under review that have materially affected or are reasonably likely to materially affect IFC. Considering the business operations of the Company, the Management believes that the IFC and other financial reporting were effective and adequate during the year under review.

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

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

A statement containing the necessary information for conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Act read with rule 8 of Companies (Accounts) Rules, 2014 is annexed to this report as Annexure B.

PARTICULARS OF EMPLOYEES & REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In terms of the provisions of Section 197(12) of the Act read with sub-rules 2 & 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, names and other particulars of the top ten employees in terms of remuneration drawn and the name of every employee who is in receipt of such remuneration stipulated in said Rules are required to be set out in a statement to this report. Further, the Report and the Financial Statement are being sent to the shareholders excluding the aforesaid statement. In term of Section 136 of the Act, the said statement 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 at the Registered Office. Further, there are no employees drawing remuneration of Rs. 8,50,000/- (Rupees Eight lacs fifty thousand) per month or Rs. 1,02,00,000/- (Rupees One crore two lacs) and above per annum during the year under review.

The details of the remuneration drawn by the Managing Director, Whole Time Director and sitting fees paid to Independent Directors / Non-Executive Directors are stated in the Corporate Governance Report. The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year 2018-19:**

Name of the Director/KMP	Designation	Ratio to Median Remuneration	% increase in remuneration in the financial year
Shri Govardhan M. Dhoot	Chairman & Managing Director	7.01	Nil
Shri Brijmohan M. Dhoot*	Executive Director	2.10	Not Applicable
Shri Subhash C. Khattar	Independent Director	Not Applicable	Not Applicable
Ms. Anuradha Sukhani@	Independent Director	Not Applicable	Not Applicable
Shri Ajay R. Dhoot	Non - Executive Director	Not Applicable	Not Applicable



Name of the Director/KMP	Designation	Ratio to Median Remuneration	% increase in remuneration in the financial year
Shri Aditya R. Dhoot	Independent Director	Not Applicable	Not Applicable
Shri Ajay B. Sawhney	Independent Director	Not Applicable	Not Applicable
Shri Rukmesh P. Dhandhanian	Independent Director	Not Applicable	Not Applicable
Mrs. Nidhi S. Mundada @	Independent Director	Not Applicable	Not Applicable
Mr. Ajay Samant	Chief Financial Officer	Not Applicable	12%
Ms. Nikita Bavishi	Company Secretary	Not Applicable	12%

The Non-executive & Independent Directors of the Company are paid only 'Sitting fees' for attending the Meetings of the Board & the Committee meeting, hence the required details are not applicable.

* Shri Brijmohan M. Dhoot - Non-Executive Director was designated as an Executive Director w.e.f. August 14, 2018.

@ Ms. Anuradha Sukhani resigned w.e.f. May 21, 2018 and Mrs. Nidhi S. Mundada appointed w.e.f. May 28, 2018.

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

Median remuneration is increased by 6.39%.

c. The number of permanent employees on the rolls of Company: 379

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

Average annual increase in salaries of employees was around 15.80% in the financial year.

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

There is no change / increase in managerial remuneration in financial year 2018-19.

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

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

The Board of Directors of the Company is led by the Executive Chairman and comprises of seven other Directors as on March 31, 2019, including four Independent Directors which includes one Woman Director as required under Section 149 (1) of the Companies Act, 2013, one Executive Director and two Non-Executive Directors (other than Independent Directors). The composition of the Board is in conformity with the provisions of the Act and Regulation 17 of the Listing Regulations.

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

At the 45th Annual General Meeting of the Company held on September 25, 2018, the members approved the appointment / re-appointment / regularization of following Directors-

1. Re-appointment of Shri Govardhan M. Dhoot (DIN 01240086) who had retired by rotation.
2. Change in designation of Shri. Brijmohan M. Dhoot (DIN: 01046420) from Non-Executive Director to Executive Director of the Company.
3. Re-appointment of Shri Subhash C. Khattar (DIN: 01122941) as Independent Director of the Company for second term of 5 years, who has attained the age of 75 years.
4. Regularization of Shri Ajay R. Dhoot (DIN: 00210424), Shri Aditya R. Dhoot (DIN: 00057224), Shri Ajay B. Sawhney (DIN: 05132739), and Shri Rukmesh P. Dhandhanian (DIN: 02493968) who were appointed as an additional Directors of Company on November 20, 2017.
5. Regularization of Mrs. Nidhi S. Mundada (DIN: 08134952) who was appointed as an additional Independent Director of the Company on May 28, 2018.

Appointment

Shri Brijmohan M. Dhoot - Executive Director (DIN: 01046420) retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment in accordance with provisions of the Companies Act, 2013.

The term of Shri Govardhan M. Dhoot (DIN: 01240086) as the Chairman & Managing Director expires on October 31, 2019. The Board of Directors, subject to the approval of members being obtained in this (46th) Annual General Meeting, re-appointed Shri Govardhan M. Dhoot as the Chairman & Managing Director for a term of 5 years in the Board Meeting held on July 26, 2019.



The Board of Directors in their meeting held on July 8, 2019, subject to the approval of members, being, obtained in this Annual General Meeting appointed Shri Prashant J. Pandit (DIN 03079878) as an Additional Non – Executive Independent Director.

The Company has incorporated appropriate resolution(s) for re-appointment of Shri Brijmohan M. Dhoot as a Executive Director who retires by rotation at ensuing Annual General Meeting and being eligible offered himself for re-appointment, regularize appointment of Shri Prashant J. Pandit as an Non – Executive Independent Director from July 8, 2019 till July 7, 2024 and re-appointment of Shri Govardhan M. Dhoot as the Chairman & Managing Director from November 1, 2019 to October 31, 2024 as detailed in the Notice convening ensuing Annual General Meeting and Explanatory Statement annexed thereto for consideration of members.

Cessation

Shri Ajay B. Sawhney - Independent Director of the Company, has resigned as a Director of the Company w.e.f. the closure of business hours on April 16, 2019 due to personal reasons.

The Board placed on record its deep appreciation for the guidance & support provided by him for the overall growth of the Company during his association with the Company.

Meetings of Board of Directors

During the year, 5 meetings of the Board of Directors were convened and held on April 26, 2018, May 28, 2018, August 14, 2018, November 14, 2018 and February 11, 2019. The intervening gap between two consecutive meetings was not more than one hundred and twenty days. Detailed information on the meetings of the Board of Directors is included in the Corporate Governance Report.

Committees of the Board

In Compliance with the requirements of applicable laws and as a part of best governance practices, the Company has following 4 (Four) Committees of the Board as on March 31, 2019:

- (i) Audit Committee (AC);
- (ii) Nomination and Remuneration Committee (NRC);
- (iii) Stakeholders' Relationship Committee (SRC);
- (iv) Corporate Social Responsibility Committee (CSRC).

During the year under review the Board re-constituted the NRC, SRC and CSRC in accordance with the Act and the Listing Regulations. Details with respect to the Committees are included in the Corporate Governance Report.

Board Evaluation

The Board had carried out the annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Act read with rules framed thereunder and corporate governance requirements as prescribed under the Listing Regulations. Further Independent Directors at their separate meeting evaluated the performance of the Non-Independent Directors, Board as a whole and of the Chairman of the Board. The result of the evaluation is satisfactory and meets the requirement of the Company.

Familiarization Programme

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

The details of familiarization programme imparted to independent directors are available on the Company's website link <http://www.mangalamdrugs.com/images/pdf/familiarization-program-details.pdf>.

Key Managerial Personnel

Currently, Shri Govardhan M. Dhoot – Chairman & Managing Director, Mr. Ajay Samant – Chief Financial Officer and Ms. Geeta G. Karira – Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company. There was no change in the Key Managerial Personnel during the year under review.

Subsequent to closing of financial year, Ms. Nikita Bavishi resigned as Company Secretary and Compliance Officer of the Company w.e.f. closure of business hours of July 8, 2019 and Ms. Geeta G. Karira was appointed as Company Secretary and Compliance Officer of the Company w.e.f. July 9, 2019.

REMUNERATION POLICY

The remuneration policy, takes into account the circumstance of business so as to attract and retain quality talent and leverage performance significantly. Remuneration of Executive Directors is determined by the Board, on the recommendation of the Nomination & Remuneration Committee which is subject to the approval of the Shareholders.

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



VIGIL MECHANISM

The Company has formulated a Whistle Blower Policy, thereby establishing a vigil mechanism to report genuine concerns and grievances, if any. The Policy provides for adequate safeguarding to the person who avail the mechanism and no personnel were denied access to the Audit Committee.

The said Policy has been placed on the website of the Company <http://www.mangalamdrugs.com/images/pdf/whistle-blower-policy.pdf> and the details of the Policy are given in the Corporate Governance Report.

AUDIT COMMITTEE

The details in respect with composition of Audit Committee are included in the Corporate Governance Report, which forms part of the Annual Report.

PREVENTION OF SEXUAL HARASSMENT POLICY

At MANGALAM, all employees are treated equally. There is no discrimination between individuals at any point on the basis of race, cast, color, gender, religion, political opinion, national extraction, social origin, sexual orientation or age etc.

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

The Company has not received any complaints / cases during the year 2018-19 in terms of the said Act and Rules made thereunder.

CORPORATE SOCIAL RESPONSIBILITY

The Company believes in the well being of the society at large. As a part of Corporate Social Responsibility (CSR), the Company made focused efforts in the fields of Healthcare, Promoting Education and Eradicating Hunger & Malnutrition. The Company has in place a CSR Committee and also framed a CSR Policy in line with the provisions of the Act.

The Composition of the CSR Committee is as under:

Name of the Director	Designation
Shri Ajay R. Dhoot - Non Executive Director	Chairman
Shri Govardhan M. Dhoot - Managing Director	Member
Shri Subhash C. Khattar - Independent Director	Member

The core objective under CSR Policy is to actively contribute to the social and economic development of the communities in which we operate. As per the Policy CSR activities are focused not just around the plants and offices of the Company but also in other geographies based on the needs of the communities. The CSR Policy of the Company is available on the website of the Company <http://www.mangalamdrugs.com/investors.html>.

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

The Company's CSR initiatives are on the focus areas approved by the Board benefitting the community. However, the Company has just embarked on the journey of ascertained CSR programs. For this reason, during the financial year 2018-19, the Company's spend on the CSR activities has been less than the limits prescribed under the Act. The CSR activities are scalable with few new initiatives that may be considered in future and moving forward the Company will endeavor to spend the complete amount on CSR activities in accordance with the statutory requirements. Due to lack of good opportunities the Company has not spent two percent of the average net profit of the last 3 years for CSR activities as required under the Act.

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

During the year under review the Company has received show cause notice on August 13, 2018 regarding violation of provisions of Regulation 13(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & Section 21 of Securities Contracts (Regulation) Act, 1956 ("SCRA") read with Clause 35 of the Listing Agreement. The Company duly replied to the said notice on August 30, 2018 giving clarification on the matter along with required proofs. The Company also requested to Adjudicating Officer & Deputy General Manager to give an opportunity for submission of all necessary documents along with clarification through representative of the Company present in person. The Company had made all necessary submissions and disclosures required before the Adjudicating Officer. After necessary submissions and disclosures, the Company received order from SEBI dated September 28, 2018 thereby directing the Company to pay sum of Rs. 1,50,000/- as penalty imposed by the SEBI. The Company had made payment as directed by the SEBI October 9, 2018.

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

Save and except as discussed in the Annual Report, no material changes have occurred and no commitments were given by the Company which affects the financial position between the end of financial year to which the financial statements relate and the date of this report.

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

There is no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in their report, therefore no explanations or comments are required to given. The report of the Statutory Auditors forms part of the financial statements.



DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;
- b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the Annual Accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that, such systems were adequate and operating effectively.

CHANGE IN THE CAPITAL STRUCTURE AND LISTING OF SHARES

There is no change in Equity Capital due to allotment of shares or otherwise during the year under review. As such, Equity Capital of the Company at the beginning of the year and at the year end stood at 1,58,28,248 Equity shares. The Company has only one class of equity shares. Thus, the details required to be furnished for equity shares with differential rights and / or sweat equity shares and / or ESOS under the Companies (Share Capital and Debentures) Rules, 2014 are not furnished. The Company's Equity shares are listed on the National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE).

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Management Discussion and Analysis forms a part of the Annual Report, which is given as Annexure D.

EXTRACT OF ANNUAL RETURN

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

AUDITORS AND AUDITORS' REPORT

i. Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s Batliboi & Purohit, Chartered Accountants (Firm Registration No. 101048W), were appointed as Statutory Auditors of the Company for a term of five consecutive years i.e. to hold office from the conclusion 44th Annual General Meeting held on 26th September, 2017 until the conclusion of 49th Annual General Meeting of the Company to be held in the calendar year 2022. The Company has received the necessary certificate from the Auditors pursuant to Sections 139 and 141 of the Act regarding their eligibility. In pursuance of the provisions of Section 139 of the Act, as amended, since the requirement for ratification of appointment of an Auditor at every annual general meeting has been dispensed with vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, New Delhi, the Company has not incorporated such resolution in the matter in the Notice convening the 46th AGM.

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

ii. Cost Auditors

As per Section 148 of the Act read with rules framed thereunder, Ankit Kishor Chande, Cost Accountants, (Membership No. 34051) have been re-appointed as Cost Auditors for the financial year 2019-20 to conduct cost audit of the accounts maintained by the Company in respect of the Bulk Drugs as prescribed under the applicable Cost Audit Rules. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. The requisite resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice convening 46th Annual General Meeting. The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from being re-appointed, within the meaning of the said Act.

The Cost Audit Report for the financial year 2017-18, issued by Ankit Kishor Chande, Cost Auditors, in respect of the various products prescribed under the Cost Audit Rules was filed with the Ministry of Corporate Affairs on September 24, 2018.

iii. Secretarial Auditors

As per Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s), amendment(s) or re-enactment thereof the Company appointed Ankit Sethi & Associates - Practising Company Secretaries, to conduct secretarial audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is attached herewith as Annexure F to this report.



The Secretarial Auditor in his Secretarial Audit Report (MR-3) for the financial year 2018-19, gave qualification with regards to not spending of two percent of average net profit of previous three years. The Board has given proper explanation with regards to same in above mentioned paragraphs.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year 2018-19 with related parties were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and Listing Regulations. There are no materially significant Related Party Transactions entered into by the Company with the Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, there are no transactions that are required to be reported in form AOC-2.

The details of the transactions with related parties are provided in the accompanying financial statements.

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

ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Place: Mumbai
Dated: July 26, 2019

Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086



ANNEXURE A TO DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

Corporate Governance is, essentially, a philosophy. It encompasses not only the regulatory and legal requirements, but also the voluntary practices developed by the Company to protect the best interests of all stakeholders. Fundamentals of Corporate Governance include transparency, accountability and independence etc. Governance practices may vary but the principles are generic and universal, viz. constant improvement and sustainable value creation for all stakeholders. For ensuring sound Corporate Governance practices, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. As the Company is listed at BSE Limited and National Stock Exchange of India Limited, in terms of Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the Compliance Report on Corporate Governance (in the prescribed format) is given as under:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

2. BOARD OF DIRECTORS

Composition of Directors:

The Board of Directors of the Company had a balanced mix of Executive and Non-Executive Directors and also met the stipulated requirements under the Companies Act, 2013 (the Act) and Listing Regulations. As on March 31, 2019, MANGALAM'S Board consists of 8 Directors. The Board comprises of two Executive Directors (including Chairman), two Non-Executive Directors and Four Non-Executive Independent Directors (including one Woman Director). The Board provides strategic guidance to the Company and ensures effective monitoring of the corporate governance practices. The composition of the Board is in conformity with the Act and Listing Regulations.

Details of Board Meetings held during the year:

Board meeting dates are finalized in consultation with all the directors. During the financial year 2018-19 the Board met five times on April 26, 2018, May 28, 2018, August 14, 2018, November 14, 2018 and February 11, 2019. The intervening gap between two consecutive meetings was not more than one hundred and twenty days.

The following table gives details of directorship, category, details of board meeting and other related matters during the financial year ended March 31, 2019:

Name of Director	Category [#]	Attendance Particulars			No. of other Directorships & Committee Memberships / Chairmanships held [#]			Name of other Listed Entity & category of Directorship
		No. of Board Meetings		Attendance at the last AGM	Other Directorships	Committee Memberships	Committee Chairmanships	
		Held	Attended					
Shri Govardhan M. Dhoot (01240086)	Chairman & Executive Director	5	5	Yes	0	2	0	None
Shri Brijmohan M. Dhoot (01046420)	PD/ED	5	5	No	0	0	0	None
Shri Ajay R. Dhoot (00210424)	PD/NED	5	4	Yes	2	1	0	IMP Powers Limited – Vice Chairman
Shri Aditya R. Dhoot (00057224)	PD/NED	5	5	Yes	2	3	0	IMP Powers Limited – Managing Director
Shri Subhash C. Khattar (01122941)	ID	5	5	Yes	0	2	2	None
Mrs. Nidhi S. Mundada* (08134952)	ID	3	2	Yes	0	0	0	None
Shri Ajay B. Sawhney (05132739)	ID	5	1	No	1	0	0	None
Shri Rukmesh P. Dhandhanian (02493968)	ID	5	5	No	0	1	0	None

PD – Promoter Director, ED – Executive Director, NED – Non-Executive Director, ID – Non-Executive Independent Director.



@ exclude the Directorship held in the Company and in private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013. Further, it includes only the Chairmanship / Membership of the Audit Committee and Stakeholders' Relationship Committee. All Directors have informed the Company about the Committee Positions they occupy in other companies as per Regulation 26 of Listing Regulations, which were placed before the Board.

* Mrs. Nidhi S. Mundada was appointed as an Independent Director on the Board of the Company w.e.f. May 28, 2018.

Shri Govardhan M. Dhoot and Shri Brijmohan M. Dhoot are related to each other as brothers and Shri Ajay R. Dhoot and Shri Aditya R. Dhoot are related to each others as brothers.

Except as stated above, none of the Directors are related to other Directors on the Board in terms of definition of 'relative' as per the Act.

Shri Ajay R. Dhoot and Shri Aditya R. Dhoot - Non-Executive Directors of the Company are holding 1,38,687 and 89,225 Equity Shares of the Company respectively.

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

Shri Ajay B. Sawhney resigned w.e.f. April 16, 2019 due to personal reason and there was no other material reason other than those provided.

Independent Directors:

All Independent Directors (IDs) of the Company have furnished declarations that they qualify the conditions of being independent as per Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

During the financial year 2018-19, the separate meeting of Independent Directors of the Company was held on February 11, 2019 without the presence of Non-Independent Directors or Management personnel to review the performance of Non-Independent Directors, the Board as a whole and it's Chairperson. The meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board.

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

Code of Conduct:

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

3. AUDIT COMMITTEE

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

Four Audit Committee meetings were held during the financial year 2018-19 on May 28, 2018, August 14, 2018, November 14, 2018 and February 11, 2019. The intervening gap between two consecutive meetings was not more than one hundred and twenty days.

The composition of the Audit Committee and attendance of Members:

Name of Director	Status	Meetings & Attendance			
		May 28, 2018	August 14, 2018	November 14, 2018	February 11, 2019
Shri Subhash C. Khattar - Independent Director	Chairman	P	P	P	P
Shri Govardhan M. Dhoot - Executive Director	Member	P	P	P	P
Shri Rukmesh P. Dhandhanian - Independent Director	Member	P	P	P	P

P – Present

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

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

The role and terms of reference of the Audit Committee include review of Internal Audit Reports and the Statutory Auditors' Report on the financial statements, general interaction with the internal Auditors and Statutory Auditors, review of quarterly / half yearly / yearly financial statements before submission to the Board, review of management discussion and analysis of financial conditions, evaluation of internal financial controls, reviewing functioning of whistle blower mechanism and other matters specified in the Listing Regulations, Section 177 of the Act, and other applicable laws, if any. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.



4. STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee (SRC) performs various functions conferred under the Listing Regulations and Section 178 of the Act, which mainly includes resolution of grievances of security holders and investors of the Company.

During the financial year 2018-19, SRC met two times on April 26, 2018 and November 14, 2018.

The composition of the SRC and attendance of Members:

Name of Director	Status	Meetings & Attendance	
		April 26, 2018	November 14, 2018
Shri Subhash C. Khattar - Independent Director	Chairman	P	P
Shri Govardhan M. Dhoot - Executive Director	Member	P	P
Shri Aditya R. Dhoot* - Non- Executive Director	Member	N.A.	P

P – Present, N.A. – Not Applicable

* Shri Aditya R. Dhoot- Non-Executive Director, appointed as member of the SRC w.e.f. August 14, 2018.

The Company Secretary of the Company acts as the Secretary to the Committee and also designated as a Compliance Officer of the Company.

The Equity shares of the Company to the extent of 99.99% are held in dematerialized form & only 10 shares are held in physical form. No transfer of equity shares was pending as on March 31, 2019.

Investor grievances / complaints for the financial year 2018-19:

Number of shareholders complaints received: NIL

Number not solved to the satisfaction of shareholders: N.A.

Number of pending complaints: NIL

Brief terms of reference of the SRC are as follows:

Role of SRC *inter-alia* includes to approve share transfers / transmissions, issue of duplicate share certificates, to review and advise the Company on any grievance in relation to (a) Non-transfer of shares (b) Non-receipt of Annual Report, Dividend (c) any other grievance raised by any stakeholder. During the Financial Year 2018-19, the Company has not received any complaints from the shareholders.

5. NOMINATION AND REMUNERATION COMMITTEE

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

During the financial year 2018-19, the Committee met two times on May 28, 2018 and August 14, 2018.

The Composition of the NRC and attendance of Members:

Name of Director	Status	Meetings & Attendance	
		May 28, 2018	August 14, 2018
Shri Subhash C. Khattar - Independent Director	Chairman	P	P
Shri Brijmohan M. Dhoot* - Non-Executive Director	Member	P	P
Shri Ajay R. Dhoot** - Non-Executive Director	Member	N.A.	N.A.
Shri Rukmesh P. Dhandhanian - Independent Director	Member	P	P

P – Present, N.A. – Not Applicable

* Shri Brijmohan M. Dhoot - Non - Executive Director was designated as an Executive Director w.e.f. August 14, 2018 and simultaneously he ceased to be a member of the NRC w.e.f. August 14, 2018.

** Shri Ajay R. Dhoot - Non - Executive & Non - Independent Director was appointed as a Member of the NRC w.e.f. August 14, 2018.

The Company Secretary of the Company provides Secretarial support to the Committee.

The terms of reference of the NRC are as follows:

1. To formulate and recommend to the Board a Nomination and Remuneration Policy on:
 - a. Determining qualifications, positive attributes and independence of a director.
 - b. Guiding remuneration of Directors, Key Managerial Personnel ("KMP") and other employees and Board diversity.



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

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

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

Performance Evaluation criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the NRC. Indicative lists of factors that may be evaluated include attendance, participation, proactive & positive approach, maintenance of confidentiality and contribution by a director, adequacy of the size and composition of the Board and its Committees to ensure diversity and adequate skills in the best interest of the Company as a whole. Pursuant to the provisions of the Act and the Listing Regulations the Board has carried out the annual performance evaluation. The Board has evaluated performance of all Directors including Independent Directors and expressed its satisfaction.

Remuneration Policy:

The Nomination and Remuneration Committee recommends to the Board the remuneration to be paid to the Key Managerial Personnel. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate senior management of the quality required to run the Company successfully as the same is linked to the Company's performance. The remuneration policy is required to be reviewed periodically to make any adjustment based on the market. The Nomination & Remuneration Policy as approved by the Board has been posted on the website of the Company <http://www.mangalamdrugs.com/images/pdf/nomination-remuneration-policy.pdf>.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

Based on the recommendations of the CSR Committee, the Company has laid down the CSR Policy, which is posted on the website of the Company <http://www.mangalamdrugs.com/images/pdf/corporate-social-responsibility-policy.pdf>.

During the financial year 2018-19, the Committee met two times on May 28, 2018 and February 11, 2019.

The Composition of the CSR Committee and attendance of Members:

Name of Director	Status	Meetings & Attendance	
		May 28, 2018	February 11, 2019
Shri Subhash C. Khattar* - Independent Director	Member	P	P
Shri Govardhan M. Dhoot - Executive Director	Member	P	P
Shri Ajay R. Dhoot** - Non-Executive Director	Chairman	N.A.	P
Shri Brijmohan M. Dhoot*** - Non-Executive Director	Member	P	N.A.

P – Present, N.A. – Not Applicable

* Shri Subhash C. Khattar – Independent Director was a Chairman of the Committee up to August 14, 2018 and upon reconstitution of the Committee he was designated as a member of the Committee.

** Shri Ajay R. Dhoot - Non - Executive & Non- Independent Director was appointed as a Chairman of the Committee w.e.f. August 14, 2018.

*** Shri Brijmohan M. Dhoot - Non - Executive Director had ceased to be a member of the Committee w.e.f. August 14, 2018.



7. DETAILS OF REMUNERATION TO ALL DIRECTORS

Executive Directors

Shri Govardhan M. Dhoot and Shri Brijmohan M. Dhoot are Executive Directors of the Company. The details of remuneration of the Executive Directors of the Company are as follows:

Name of Director	Salary (Rs.)(p.a.)	Service Contracts	Notice Period
Shri Govardhan M. Dhoot – Chairman & Managing Director	20,00,004	November 1, 2014 to October 31, 2019	Shri Govardhan M. Dhoot is liable to retire by rotation. The contract may be terminated by giving the other party 3 months notice.
Shri Brijmohan M. Dhoot* – Executive Director	3,78,329	August 14, 2018 to September 3, 2020	Shri Brijmohan M. Dhoot is liable to retire by rotation. The contract may be terminated by giving the other party 3 months notice.

* Shri Brijmohan M. Dhoot - Non - Executive Director was designated as an Executive Director w.e.f. August 14, 2018.

The Board of Directors of the Company in the Board Meeting held on July 26, 2019 approved re-appointment of Shri Govardhan M. Dhoot as Chairman & Managing Director of the Company for next term of 5 years w.e.f. November 1, 2019 till October 31, 2024 and fixed remuneration payable to Shri Govardhan M. Dhoot. The appointment and remuneration payable is subject to the approval of members. The Company has incorporated appropriate agenda in the Notice convening 46th AGM of the Company for the approval of members.

The Board of Directors in the Board Meeting held on August 14, 2018 designated / appointed Shri Brijmohan M. Dhoot as an Executive Director of the Company w.e.f. August 14, 2018 on remuneration of Rs. 50,000/- per month and the same was approved by the members in the 45th Annual General Meeting of the Company held on September 25, 2018.

Non-Executive Directors

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

No payments other than sitting fees as stated below were made to the Non-Executive / Independent Directors during the Financial Year 2018-19. The details of sitting fees paid to Non-Executive / Independent Directors during the financial year under review are as follows:

Name of Director	Sitting fees paid (Rs.)	No. of shares held
Shri Subhash C. Khattar	Rs. 32,000	Nil
Shri Ajay R. Dhoot	Rs. 10,000	1,38,687
Shri Aditya R. Dhoot	Rs. 12,000	89,225
Shri Ajay B. Sawhney@	Rs. 2,000	Nil
Shri Rukmesh P. Dhandhanania	Rs. 24,000	Nil
Shri Brijmohan M. Dhoot*	Rs. 8,000	5,64,469**
Mrs. Nidhi S. Mundada	Rs. 6,000	Nil

@ Shri Ajay B. Sawhney resigned w.e.f. April 16, 2019

* Shri Brijmohan M. Dhoot was a Non - Executive Director up to August 13, 2018 and was designated as an Executive Director w.e.f. August 14, 2018.

** Including Shares held as Karta of HUF.

8. FAMILIARISATION PROGRAMME FOR DIRECTORS

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

9. DETAILS OF GENERAL BODY MEETINGS

Location and time of the Company's last three Annual General Meetings along with details of special resolutions passed:

General Meeting	43 rd AGM	44 th AGM	45 th AGM
Day, Date & Time	Friday, September 30, 2016, 4:00 P.M.	Tuesday, September 26, 2017, 3:30 P.M.	Tuesday, September 25, 2018, 3:30 P.M.
Venue	Kilachand Conference Room, 2 nd Floor, Indian Merchants Chamber Building, IMC Marg, Churchgate, Mumbai-400020		
Details of Special Resolution(s) passed	Increase in Managerial Remuneration of Shri Govardhan M. Dhoot – Managing Director	Nil	a. Re-appointment of Shri Subhash C. Khattar as an Independent Director for second term of 5 years, who has attained the age of seventy five years. b. Change in designation of Shri Brijmohan M. Dhoot from Non-Executive Director to Executive Director.



No resolution was put through postal ballot last year. Further, no special resolution is proposed to be conducted through postal ballot at the time of ensuing Annual General Meeting.

10. MEANS OF COMMUNICATION

During the financial year 2018-19, the quarterly, half yearly and yearly un-audited / audited financial results of the Company on standalone basis were submitted to the Stock Exchanges immediately after the same were approved by the Board and were published in Newspapers Free Press Journal (English Newspaper) and Navashakti (Marathi Newspaper). The Company's financial results and official news releases are also displayed on the Company's Website www.mangalamdrugs.com. The Company sends the soft copies of Annual Report to those shareholders whose e-mail IDs are registered with the Depository Participants and/or with the Company's Registrar and Share Transfer Agents, unless opted by them to get the physical copy, to support the "Green Initiative in Corporate Governance," of the Ministry of Corporate Affairs. The Company has designated email id investors@mangalamdrugs.com exclusively for investor servicing and the same is prominently displayed on the Company's website. During the year under review, the Company has not made any presentations to institutional investors or to the analysts.

11. GENERAL SHAREHOLDER INFORMATION:

a. 46th Annual General Meeting: Day, Date, Time and Venue:

Day	Date	Time	Venue
Wednesday	September 25, 2019	3.30 P.M.	KILACHAND CONFERENCE ROOM 2 nd Floor, Indian Merchants Chamber Building, IMC Marg, Churchgate, Mumbai - 400020

b. Financial Year: April 1 - March 31

c. Dividend Payment Date: Not Applicable as the Board has not recommended any dividend for FY 2018-19

d. Listing on Stock Exchanges:

BSE Limited (BSE) - 532637 Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	National Stock Exchange of India Ltd. (NSE) – MANGALAM Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra East, Mumbai – 400051
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The Company has paid the annual listing fees for the year 2019-20 to both stock exchanges.

e. Stock Market Price Data:

The closing market Price of equity share on March 29, 2019 (last trading day of the year) was Rs. 55.15 on BSE and Rs. 54.60 on NSE.

The monthly high and low of closing quotations and volume of shares traded on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) are given below:

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume (Nos.)	High (Rs.)	Low (Rs.)	Volume (Nos.)
Apr-18	182.00	165.60	1,84,653	182.00	163.00	7,93,829
May-18	175.00	105.00	2,83,379	174.50	106.00	14,91,002
June-18	115.50	83.90	3,62,271	115.75	83.10	16,82,658
July-18	97.50	68.55	2,16,397	98.85	68.05	7,53,923
Aug-18	113.75	79.25	4,02,053	113.95	78.35	15,49,490
Sep-18	87.90	72.30	1,54,899	87.90	72.25	6,16,368
Oct-18	90.50	64.20	1,80,677	87.25	64.85	5,89,852
Nov-18	86.00	70.70	1,09,119	85.00	70.00	3,77,936
Dec-18	85.00	69.65	2,08,971	84.95	70.15	8,20,908
Jan-19	77.00	61.00	94,366	80.80	62.00	3,93,054
Feb-19	66.00	40.15	1,08,900	68.70	40.00	6,68,952
Mar-19	71.80	46.70	1,66,421	71.70	46.00	5,85,705

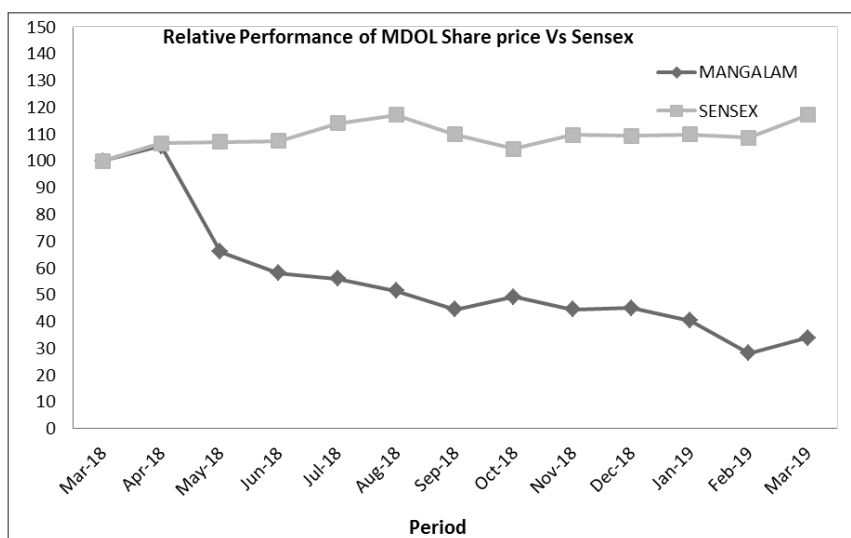
The Performance of the Equity Share Price of the Company and Sensex at BSE:

Month	MDOL Share Price at BSE	BSE Index	Relative Index for Comparison purpose	
			MDOL Share Price Index	Sensex
Mar-18	162.15	32,968.68	100	100
Apr-18	171.05	35,160.36	105.49	106.65
May-18	107.15	35,322.38	66.08	107.14
June-18	94.20	35,423.48	58.09	107.45
July-18	90.85	37,606.58	56.03	114.07



Month	MDOL Share Price at BSE	BSE Index	Relative Index for Comparison purpose	
			MDOL Share Price Index	Sensex
Aug-18	83.65	38,645.07	51.59	117.22
Sep-18	72.30	36,227.14	44.59	109.88
Oct-18	79.95	34,442.05	49.31	104.47
Nov-18	72.30	36,194.30	44.59	109.78
Dec-18	73.20	36,068.33	45.14	109.40
Jan-19	65.40	36,256.69	40.33	109.97
Feb-19	45.80	35,867.44	28.25	108.79
Mar-19	55.15	38,672.91	34.01	117.30

Relative Performance of MDOL Share price Vs Sensex

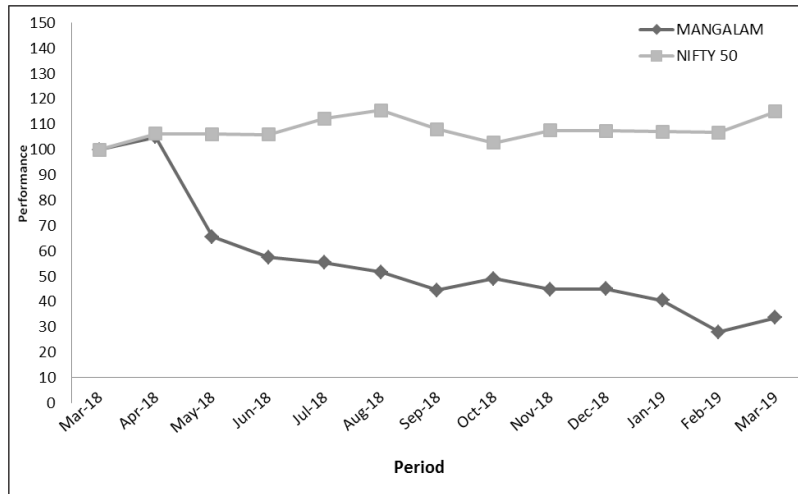


The Performance of the Equity Share Price of the Company and Nifty at NSE:

Month	MDOL Share Price at NSE	NSE Index	Relative Index for Comparison purpose	
			MDOL Share Price Index	Nifty
Mar-18	162.45	10,113.70	100.00	100.00
Apr-18	170.45	10,739.35	104.92	106.19
May-18	106.55	10,736.15	65.59	106.15
June-18	93.35	10,714.30	57.46	105.94
July-18	90.05	11,356.50	55.43	112.29
Aug-18	83.85	11,680.50	51.62	115.49
Sep-18	72.25	10,930.45	44.48	108.08
Oct-18	79.70	10,386.60	49.06	102.70
Nov-18	72.90	10,876.75	44.87	107.54
Dec-18	73.20	10,862.55	45.06	107.40
Jan-19	65.85	10,830.95	40.54	107.09
Feb-19	45.60	10,792.50	28.07	106.71
Mar-19	54.60	11,623.90	33.61	114.93



Relative Performance of MDOL Share price Vs Nifty at NSE



f. Registrar & Transfer Agents:

M/s. Link Intime India Private Limited
C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai – 400 083
Telephone No. 022 – 49186000 Fax No.022 – 49186060

g. Share Transfer System:

Shares in physical form should be lodged for transfer at the office of the Company’s Registrar & Transfer Agent - Link Intime India Private Limited, Mumbai at the above mentioned address. The transfers are processed, if technically found to be in order and complete in all respects. As per directives issued by SEBI, it is compulsory to trade in the Company’s equity shares in dematerialized form. Effective April 1, 2019, transfer of shares in physical form has ceased. Shareholders who had lodged their request for transfer prior to March 31, 2019 and, have received the same under objection can re-lodge the transfer request after rectification of the documents. Request for transmission of shares and dematerialization of shares will continue to be accepted.

Transfer of shares in depository mode need not be approved by the Company. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

h. Distribution of Shareholding as on March 31, 2019:

i) Distribution of shares by categories of shareholders:

Sr. No.	Category	No. of shares held	% of holding
A	Promoter and Promoter Group		
1	Individual/Hindu Undivided Family	30,46,348	19.25
2	Bodies Corporate	47,52,034	30.02
	Total	77,98,382	49.27
B	Non Promoter Holding		
1	Financial Institutions/Banks	2,04,947	1.29
2	Others		
a)	Individuals	67,40,423	42.59
b)	NBFCs registered with RBI	195	0.00
c)	Hindu Undivided Family	2,64,610	1.67
d)	Bodies Corporate	3,09,635	1.96
e)	NRIs/NRNs	4,18,601	2.64
f)	Clearing Members	91,455	0.58
g)	Foreign nationals	0	0
	Total	80,29,866	50.73
	GRAND TOTAL	1,58,28,248	100



ii) **Distribution of shares according to size of holding:**

From	-	To	Number of Shareholders	%	Number of Shares	% to total capital
1	-	500	17,377	86.87	22,73,340	14.36
501	-	1000	1,422	7.11	11,38,298	7.19
1001	-	2000	634	3.17	9,35,313	5.91
2001	-	3000	212	1.05	5,31,037	3.36
3001	-	4000	95	0.48	3,35,976	2.12
4001	-	5000	75	0.38	3,52,254	2.23
5001	-	10000	107	0.53	7,44,087	4.70
10001 and above			82	0.41	95,17,943	60.13
TOTAL			20,004	100.00	1,58,28,248	100.00

i. **Dematerialization of Securities:**

The equity shares of the Company are permitted for trading in dematerialization form only as per notification issued by SEBI. The Company's shares are available for trading under both the Depository Systems (NSDL and CDSL). The ISIN is INE584F01014. As on March 31, 2019, 99.99% of the shares are held in dematerialized form. All the promoters' Shares are in the dematerialized form.

j. **Outstanding GDRs/ ADRs/ Warrants / any convertible instruments, conversion date and likely impact on equity:**

The Company does not have any outstanding instruments of the captioned type as on March 31, 2019, and resultantly, there is no impact on equity.

k. **Commodity price risk or foreign exchange risk and hedging activities:**

The Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The aim of the Company's approach to manage currency risk is to leave the Company with no material residual risk. Based on materiality, foreign exchange transactions are fully covered with limits placed on the amount of uncovered exposure, if any, at any point in time. There are no materially uncovered exchange rate risks in the context of the Company's imports. The Company does not enter into any derivative instruments for trading or speculative purposes.

l. **Registered Office:**

Mangalam Drugs & Organics Limited

Rupam Building, 3rd Floor,
239, P.D'Mello Road,
Near G.P.O., Mumbai- 400 001
Maharashtra.
Tel No.: 022 22616200/6300/8787
Fax: 022-2619090

m. **Plant locations :**

Unit No. 1

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

Unit No. 2

Plot No. 1203, Phase III GIDC, Vapi,
Dist. Valsad, Gujarat 396 195
Tel: 0260-2424970
Fax: 0260-2432669

n. **Investor Services:**

Email ID: investor@mangalamdrugs.com

o. **Address for Correspondence:**

The shareholders are requested to address their communications/ suggestions/ grievances/ queries to our Share Transfer Agents: M/s. Link Intime India Private Limited C-101,247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400083 Tel No: +91 22 49186000 Fax: +91 22 49186060

**12. OTHER DISCLOSURES****a. Disclosures on materially significant related party transactions that may have potential conflict with interests of the listed entity at large:**

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

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

During the Financial Year 2018-19, there were no such Related Party Transactions, either as per the Act or Listing Regulations which were required to be approved by the shareholders of the Company. The necessary disclosures regarding the transactions with related parties are given in the notes to the Accounts. Further, there were no materially significant related party transactions that may have potential conflict with the interests of Company at large.

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority, on any matter related to Capital Markets during the last three years:

During the year under review the Company has received show cause notice on August 13, 2018 regarding violation of provisions of Regulation 13(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & Section 21 of Securities Contracts (Regulation) Act, 1956 ("SCRA") read with Clause 35 of the Listing Agreement. The Company duly replied to the said notice on August 30, 2018 giving clarification on the matter along with required proofs. The Company also requested to Adjudicating Officer & Deputy General Manager to give an opportunity for submission of all necessary documents along with clarification through representative of the Company present in person. The Company had made all necessary submissions and disclosures required before the Adjudicating Officer. After necessary submissions and disclosures, the Company received order from SEBI dated September 28, 2018 thereby directing the Company to pay sum of Rs. 1,50,000/- as penalty imposed by the SEBI. The Company had made payment as directed by the SEBI on October 09, 2018.

c. Details of establishment of vigil mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has formulated the Whistle Blower Policy providing vigil mechanism for receiving and redressing directors / permanent employees' complaints and that no personnel of the Company were denied access to the Audit Committee. The said Policy has been placed on the Company's website <http://www.mangalamdrugs.com/images/pdf/whistle-blower-policy.pdf>.

d. Details of Compliance with mandatory requirements and adoption of the non- mandatory requirements:

The Company confirms that it has complied with all mandatory requirements prescribed in the Listing Regulations for the financial year 2018-19. The Company has obtained a certificate from Auditors Certifying compliance with the paragraph E of Schedule V to the Listing Regulations. This certificate is annexed to the Directors' Report for the FY 2018-19.

Pursuant to the provisions of Regulation 34(3) of the Listing Regulations read with Part B of Schedule II to the Listing Regulations, the Chairman & Managing Director (CEO) and the Chief Financial Officer (CFO) have issued a compliance certificate to the Board, for the year ended March 31, 2019.

e. Web link where policies for (i) determining 'material' subsidiaries and (ii) dealing with related party transactions are disclosed:

The required information can be accessed from the Company's website link: <http://www.mangalamdrugs.com/investors.html>

f. Certificate from Company Secretary in Practice:

Ankit Sethi & Associates, Company Secretary in Practice, has issued a certificate as required under the SEBI Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a director of companies by the SEBI/ Ministry of Corporate Affairs or any other statutory authority. The said certificate is annexed and forms part of the Annual Report.

g. Recommendations of Committees of the Board:

There were no instances during the financial year 2018-19, wherein the Board had not accepted recommendations made by any Committee of the Board.

h. Total fees paid to the Statutory Auditors of the Company during financial year 2018-19:

Total fees of Rs.4,75,000/- for financial year 2018-19 was paid by the Company to the Statutory Auditors for all the services rendered by them.

i. Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company believes in providing a safe and harassment free work place to all its employees. The Endeavour of the Company is to create and provide a safe environment for the women employees, so that they can pursue their career without any fear of prejudice, gender bias and sexual harassment and / or any such orientation in implicit or explicit form. For this, the Company has in place 'Policy of Protection of Women against Sexual Harassment at Work place' and a "Complaints Committee". During the financial year 2018-19, the Company received no such complaint of sexual harassment.



- number of complaints filed during the financial year - NIL
- number of complaints disposed of during the financial year – NIL
- number of complaints pending at the end of the financial year - NIL

j. Non compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof:

The Company has complied with requirement of sub-paras (2) to (10) above. Generally, there were no instances of non-Compliance.

k. Discretionary Requirements:

The Company confirms that it has complied with all mandatory requirements prescribed under the Listing Regulations for the Financial Year 2018-19. Further, the Board had an Executive Chairman. Financial Results for the quarter / half year were published in the Free Press Journal and Navshakti newspapers and were also displayed on the Company's website and disseminated to the Stock Exchanges (i.e. BSE & NSE) wherein its equity shares are listed, hence separately not circulated to the shareholders.

l. Compliance with Corporate Governance Requirements:

The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

m. Managing Director (MD) and Chief Financial Officer (CFO) Compliance Certificate:

MD & CFO have issued compliance certificate pursuant to the Regulation 17(8) of SEBI Listing Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

n. Disclosure by Senior Management Personnel:

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

o. Prevention of Insider Trading:

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

p. Reconciliation of Share Capital Audit:

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

13. DETAILS OF UNCLAIMED SHARES AS PER LISTING REGULATIONS:

In terms of Regulation 39(4) read together with part F of Schedule V to the Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account / transferred from the suspense account during the year:

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding Shares in the suspense account lying at the beginning of the year i.e. as on April 1, 2018	13	3337
Number of shareholders who approached to the Company for transfer of shares from suspense account during the year	-	-
Number of shareholders to whom shares were transferred from suspense account during the year	-	-
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year i.e. as on March 31, 2019.	13	3337

The voting rights on the shares outstanding in suspense account shall remain frozen till the rightful owner claims the shares.

For and on behalf of the Board of Directors

Place: Mumbai
Dated: July 26, 2019

Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086



ANNEXURE B TO DIRECTORS' REPORT

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 for the year ended March 31, 2019

1. CONSERVATION OF ENERGY

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

- I. The Company has entered into agreement with Vapi Eco Energy Limited for supply of steam required in process. Presently the Company is using natural gas for generation of steam. This will provide saving of Rs. 1.44 Cr. per year due to difference in steam cost and fuel cost.
- II. The Company has installed VFD to jet mill compressor to optimum energy consumption during routine operation. This has given energy saving of 27367 KWH i.e. Rs 2,00,000/- per year.
- III. The Company has installed cooling water fan temperature in all cooling towers resulting into energy saving of 46944 KWH i.e. Rs. 3,41,090/- year.

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

The Company has finalized agreement with M/s Prozeal Infra Engineering Private Limited for supply of solar power through open access route at discounted rate of Rs. 6.20KW/Unit. This will provide additional benefit of Rs. 14 lacs per year.

c) Capital investment on energy conservation equipment:

- I. Community Boiler - 28 Lacs
- II. VFD for air compressor - 3.70 Lacs
- III. Total capital Investment - 37 Lacs

2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

a) Major efforts made towards technology absorption

- i. Optimization of processing parameters in the manufacture of anti-malarial and antiviral APIs.
- ii. Quality upgradation of anti malarial APIs which are on priority list of World Health Organization(WHO).
- iii. Analytical method innovations to meet international quality demands.

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

- i. Optimal utilization of resources for the global market.
- ii. We are the first company to feature on WHO's API prequalification programme.
- iii. We shall be a preferred source of future drug candidates and hence shall enjoy a competitive advantage.

c) Details of imported Technology

No technology has been imported.

d) Future plan of action

- i. Development of frontline antiretroviral API and their intermediates for the exports.
- ii. Introduction of 4 fresh generic API candidates to our product portfolio to boost sales in Indian market.
- iii. Augment the investment in sophisticated analytical instrumentation and plant machinery to boost the quality and cost efficiencies.

e) Expenditure on Research & Development (R&D)

The Research and Development continues to harbor 30 skilled scientists committed to contribute toward management's objectives. It also continues to reduce product processing time cycles and an effluent load for existing as well as newer molecules. Last year was most challenging for the R & D team when exploratory work was carried out alongside fairly involved regulatory-intensive scaling up operations. As targeted last year, R & D concluded the activities to introduce 4 new generics. The efforts have also resulted in contributing toward four API-DMFs for APIs namely Tenofovir alafenamide, Dolutegravir and TDO. New API-Tafenoquine has been developed which is a recent generic antimalarial approved in year 2018 in USA, where only one dose is adequate to avoid the relapse of malaria. The continued CSIR recognition to the R&D and presentation of unique/ specialty chemicals on its website have already placed our research activity on the international map. We continue to deliver impurity standards to several companies, the compounds which had not been synthesized elsewhere globally.



(Rs. In Lacs)

Particulars	Current Year	Previous Year
Capital	54.04	1.69
Recurring	371.56	320.42
Total	425.60	322.11

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

(Rs. In Lacs)

Particulars	Current year	Previous year
Foreign Exchange Earned		
Export of goods on CIF basis (including deemed exports)	4232.75	5881.92
Foreign Exchange Outgo		
(i) Raw material	13661.52	16995.84
(ii) Commission	12.34	12.73
(iii) Travelling Expenses	46.26	52.83
Total Foreign Exchange Outflow	13720.12	17061.40

For and on behalf of the Board of Directors

Place: Mumbai
Dated: July 26, 2019

Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086



ANNEXURE C TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR FY 2018-19

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

1.	<p>A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs</p>	<p>OUR VISION</p> <p>Vision of Mangalam Drugs and Organics Limited ("the Company") is to run our business to produce an overall positive impact on the society on a continuous basis by contributing for the Economic Development and betterment of quality of life for all our stakeholders.</p> <p>As a Corporate entity, we are thoroughly aware of our social responsibilities and are committed towards sustainability. The Company endeavors to make Corporate Social Responsibility ("CSR") a key business process for attaining its CSR objectives.</p> <p>OUR MISSION</p> <p>To actively contribute to the social and economic development of the communities and build a better sustainable way of life for the weaker sections of society, through our meaningful engagement in the areas of Education, Health Care, Sustainable Livelihood, Infrastructure Development and Social Change. The Company's CSR policy is placed on the Company's website: http://www.mangalamdrugs.com/images/pdf/corporate-social-responsibility-policy.pdf</p> <p>OUR APPROACH</p> <ul style="list-style-type: none"> • The Company is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Companies Act, 2013 ("the Act") read together with Schedule VII to the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time ("the Rules"). • To pursue CSR programmes primarily in areas that falls within the economic vicinity of our operations to enable close supervision and ensure maximum development impact. Community around the Company expects employment, development of infrastructure, care for the environment, educational institutions and other developmental activities from the Company operating around them. • As per the Policy the CSR activities are focused not just around the plants and offices of the Company, but also in other geographies based on the needs of the communities. • Volunteering for projects that address the felt need of those areas in which we operate while adhering to the core CSR objectives and plans. • Partnering with non-government and social welfare organizations for achieving our CSR objectives. 								
2.	<p>The composition of CSR Committee</p> <table border="1"> <thead> <tr> <th data-bbox="161 1245 962 1272">Name of Directors</th> <th data-bbox="967 1245 1498 1272">Position in Committee</th> </tr> </thead> <tbody> <tr> <td data-bbox="161 1278 962 1304">Shri Ajay R. Dhoot - Non Executive Non Independent Director</td> <td data-bbox="967 1278 1498 1304">Chairman</td> </tr> <tr> <td data-bbox="161 1310 962 1336">Shri Govardhan M. Dhoot - Executive Director</td> <td data-bbox="967 1310 1498 1336">Member</td> </tr> <tr> <td data-bbox="161 1342 962 1366">Shri Subhash C. Khattar - Non Executive Independent Director</td> <td data-bbox="967 1342 1498 1366">Member</td> </tr> </tbody> </table>		Name of Directors	Position in Committee	Shri Ajay R. Dhoot - Non Executive Non Independent Director	Chairman	Shri Govardhan M. Dhoot - Executive Director	Member	Shri Subhash C. Khattar - Non Executive Independent Director	Member
Name of Directors	Position in Committee									
Shri Ajay R. Dhoot - Non Executive Non Independent Director	Chairman									
Shri Govardhan M. Dhoot - Executive Director	Member									
Shri Subhash C. Khattar - Non Executive Independent Director	Member									
3.	<p>Average net profit of the Company for last three financial years</p>	<p>Rs. 28,18,13,000/-</p>								
4.	<p>Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)</p>	<p>Rs. 56,36,000/-</p>								
5.	<p>Details of CSR Spent during the FY 2018-19</p>	<p>(a) Total amount to be spent during the Financial year 2018-19 as per the Companies Act 2013:- 56.36 Lacs.</p> <p>Total amount spent during the Financial year 2018-19:- 14.07 Lacs</p> <p>(b) Amount unspent if any :- 42.29 Lacs</p> <p>(c) Manner in which amount has been spent on CSR activities in the Financial Year 2018-19 Given below :-</p>								



Sr. No.	CSR Project or Activity Identified	Sector in which Project is covered	Projects or Programs 1. Local area or other 2. Specify the state and district where project or programs were undertaken	Amount Outlay (Budget)	Amount spent on the projects or programs	Cumulative expenditure upto to the reporting period	Amount spent Directly or through implementing agency
1	Healthcare project	Healthcare under Item No.(i)	Maharashtra	4,00,000	4,00,000	4,00,000	Through implementing agency. Shri Venkatesh Seva Trust
2.	Eradicating Hunger & malnutrition	Hunger under Item No.(i)	Maharashtra	2,00,000	2,00,000	2,00,000	Through implementing agency. Shri Jugalbihari Nikunjbihari Trust
3.	Healthcare project	Healthcare under Item No.(i)	Maharashtra	11,000	11,000	11,000	Through implementing agency. The Leprosy Mission Trust India
4.	Education & Eradication Hunger & Malnutrition	Education & eradication of Hunger & Malnutrition under item (i)	Uttarakhand	75,000	75,000	75,000	Through implementing agency. Ramana's Seva Samiti, Tehri Garhwal
5.	Education & Eradication Hunger & Malnutrition	Education & eradication of Hunger & Malnutrition under item (i)	Maharashtra	4,00,000	4,00,000	4,00,000	Through implementing agency. Shree Radhakrishna Charitable Trust
6	Education	Education	Gujarat	2,21,000	2,21,000	2,21,000	Through implementing agency. Manav Kalyan Trust
7	Agricultural & related	Agricultural related Guidebook for farmers	Gujarat	50,000	50,000	50,000	Directly to National Council for Climate change Sustainable Development and Public Leadership (NCCSD)
8	Agricultural & related	Agricultural related Guidebook for farmers	Gujarat	50,000	50,000	50,000	Directly to National Council for Climate change Sustainable Development and Public Leadership (NCCSD)
Total				14,07,000	14,07,000	14,07,000	

* Prescribed CSR Expenditure includes 2% of the Average Net Profits of last 3 Financial Years + Unspent Amount of Last Year, if any: Rs. 56,36,000/- for FY 2018-19. There was no unspent amount in financial year 2017-18.

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

Mangalam Drugs & Organics Limited considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of society. Company's CSR initiatives are on the focus areas approved by the Board benefitting the community. However, the Company has just embarked on the journey of ascertained CSR programs. For this reason, during the year, the Company's spend on the CSR activities has been less than the limits prescribed under the Act. The CSR activities are scalable with few new initiatives that may be considered in future and moving forward the Company will endeavor to spend the complete amount on CSR activities in accordance with the statutory requirements. Due to lack of good opportunities the Company has not spent two percent of the average net profit of the last 3 years for CSR activities as required under the Companies Act, 2013.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:

We hereby declare that implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Govardhan M. Dhoot
Chairman & Managing Director

Ajay R. Dhoot
Chairman - Corporate Social Responsibility Committee

Dated: July 26, 2019
Place: Mumbai



ANNEXURE D TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE

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

OUTLOOK

The Company got approval from Korean Drug Authority and has added 4 new generics in last 12 months alongside the preparedness to register their Drugs Master Files (DMF). Over the same period the market forces have also added multiple challenges for the Company to conquer. Catastrophic recent accidents in chemical factories in china and their cascading effects have created pricing pressures. Few disturbances at the apex in the global supply chain which facilitates antimalarials and antivirals to reach the patients have affected the Company last year to a large extent. Nevertheless it is expected the scenario to brighten up.

Currently the Company have four Active Pharmaceutical Ingredient (API) - DMFs namely Tafenoquine, Tenofovir alafenamide, Dolutegravir, TDO and Bictegravir which strengthens Company's API portfolio. Tafenoquine is recent generic antimalarials approved in the year 2018 in USA, where only one dose is adequate to avoid having relapse of malaria. Dolutegravir is anticipated to replace Efavirez in the frontline cocktail therapy (TEE) for HIV. There is no doubt that with the existing strong API portfolio and a with the DMF- registration pipeline, where it is expected to introduce atleast one API every 5th year over next 15 years, the Company will be able to maintain a significant presence globally.

INDUSTRIAL STRUCTURE & DEVELOPMENT

The global pharmaceutical industry is growing at a very rapid pace. India is recognized as one of the leading global player in the pharmaceutical industry. At present Indian companies are presenting opportunities for clinical trials, R&D and technical services. However apart from being responsive to the market conditions, companies also find the need to concentrate on the changing dynamics of the market. India's strength lies in the availability of skilled manpower, technology and relatively low cost of production.

OPPORTUNITIES

The Company's continuous investment in R&D is expected to bear fruits over the upcoming and medium term. Our R&D team comprises of skilled scientists who harbor a unique and synergistic blend of scholarship with bench skills. It has developed several synthesis options to reduce product processing time cycle and effluent load for existing as well as newer molecules.

THREATS, RISKS & CONCERNS

Relentless increase in raw materials and energy cost, cheaper imports could distort markets and margins. These factors can potentially impact the overall profitability of the Company. In order to reduce the pricing pressure Mangalam is focusing on optimization of product mix and improving the product yield.

STATE OF THE AFFAIRS OF THE COMPANY

During the year under review the production of Tenofovir Disoproxil Fumarate an anti retroviral is 36.02 MTs as compared to 14.60 MTs in the previous year. On similar line the total production volume of all the products during the year is 552.89 MTs as against 770.37 MTs in the previous year.

Your Company's revenue from operations during the year decreased to Rs.22757.97 Lacs (previous year Rs.27937.96 Lacs). The Company has achieved export turnover of Rs.4232.75 Lacs (previous year Rs.5881.92 Lacs). The main reason for decrease in revenue from operations is delay in tenders by WHO for anti malarial segments, relentless increase in the cost of raw material, energy cost and substantial increase in the fixed cost like salary and wages and the rupee depreciated more than 10% vis-a-vis the dollar making our imports costlier which hit our bottom line.

FINANCIAL RATIO

Sr. No	Particulars	Ratios	
		2018-19	2017-18
1.	Debtors Turnover Ratio	12.51	5.97
2.	Inventory Turnover Ratio	4.13	7.19
3.	Interest Coverage Ratio	0.34	3.49
4.	Operating Margin Ratio	0.01	0.13
5.	Net Profit Margin	-0.04	0.07
6.	Return on net worth	-0.08	0.19



SEGMENT OR PRODUCT WISE PERFORMANCE

The Company is engaged in the manufacturing of bulk drugs only. The performance of the Company from the said business is given in the Directors' Report / Financial Results forming part of the Annual Report.

INTERNAL CONTROL SYSTEM ADEQUACY

The internal controls are stringently followed at all levels in your Company. Regular internal audits, review by management and standard policies & guidelines are effective methods used to ensure financial and related records reliability. Important issues raised by the internal and statutory auditors are looked upon by the Audit Committee and necessary steps are taken by the management.

HUMAN RESOURCES DEVELOPMENT & RESEARCH ACTIVITIES

Human capital is an essential part of our Company. The Company has 379 permanent employees at its manufacturing plant and head office. To enhance the capabilities of our most important assets our HRD Centre has conducted many training programme during the year. Apart from inhouse training programme, our team regularly attends many training sessions and seminars.

HEALTH AND SAFETY MEASURES

The Company is fully committed to the safety, health and well being of its employees and to minimize the environmental impact of its business operations. A safe and healthy environment is maintained, and appropriate steps are taken with the object of minimizing the environmental impact on all processes and practices. The Company has range of policies, including policy on quality, safety and health aspects to guide the employees, work practices, actions and decisions.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, estimates, expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include input availabilities and prices, demand and pricing of finished goods in the principal markets, changes in government regulations, tax laws, economic developments within the country and other incidental factors. Since the Company's operations are influenced by many external and internal factors beyond the control of the Company, the Company assumes no responsibility but reserves the right to amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

For and on behalf of the Board of Directors

Place: Mumbai
Dated: July 26, 2019

Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086



ANNEXURE E TO DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on March 31, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any Holding, Subsidiaries or Associate Companies.

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year April 01, 2018				No. of Shares held at the end of the year March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (Equity)									
(1) Indian									
(a) Individual / HUF	3046348	-	3046348	19.25	3046348	-	3046348	19.25	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	4988389	-	4988389	31.51	4752034	-	4752034	30.02	(1.49)
(e) Banks /Financial Institution	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	8034737		8034737	50.76	7798382		7798382	49.27	(1.49)
(2) Foreign									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=A(1)+A(2)	8034737		8034737	50.76	7798382		7798382	49.27	(1.49)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-



Category of Shareholders	No. of Shares held at the beginning of the year April 01, 2018				No. of Shares held at the end of the year March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Banks / FI	39650	-	39650	0.25	204947	-	204947	1.29	1.04
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	39650	-	39650	0.25	204947	-	204947	1.29	1.04
2. Non-Institutions									
<i>a) Bodies Corporate</i>									
i) Indian	591927	0	591927	3.74	309635	0	309635	1.96	(1.78)
ii) Overseas	-	-	-	-	-	-	-	-	-
<i>b) Individuals</i>									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	5118695	10	5118705	32.33	5507586	10	5507596	34.80	2.46
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1271085	0	1271085	8.03	1232827	-	1232827	7.79	(0.24)
<i>c) Others</i>									
Non Resident Indians (Repat)	253357	0	253357	1.60	295653	0	295653	1.87	0.27
Non Resident Indians (Non Repat)	128034	0	128034	0.81	122948	0	122948	0.78	(0.03)
NBFC registered with RBI	-	-	-	-	195	-	195	0.00	0.00
Clearing Member	110651	-	110651	0.70	91455	-	91455	0.58	(0.12)
Hindu Undivided Family	280102	-	280102	1.77	264610	0	264610	1.67	(0.09)
Sub-total (B)(2)	7753851	10	7753861	48.99	7824909	10	7824919	49.44	0.45
Total Public Shareholding (B)=(B)(1)+(B)(2)	7793501	10	7793511	49.24	8029856	10	8029866	50.73	1.49
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	15828238	10	15828248	100	15828238	10	15828248	100	-



(ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year April 01, 2018			Shareholding at the end of the year March 31, 2019			% change in the shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged or encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged or encumbered to total shares	
1.	Shri JB Pharma LLP	2650000	16.74	0	2650000	16.74	0	0
2	Shree Kishoriju Trading & Investment Pvt Ltd	1098851	6.94	4.81	898851	5.68	4.25	(1.26)
3	Shree Rasbihari Trading & Investment Pvt Ltd	1048018	6.62	1.11	1011663	6.39	4.18	(0.23)
4	Dhoot Govardhan Murlidhar	511792	3.23	0	511792	3.23	0	0
5	Dhoot Brijmohan Murlidhar	486996	3.08	0	486996	3.08	0	0
6	Chandrakanta Murlidhar Dhoot	430067	2.72	0	430067	2.72	0	0
7	Radhika A Dhoot	292500	1.85	0	292500	1.85	1.06	0
8	Smita A. Dhoot	292500	1.85	0	292500	1.85	1.84	0
9	Rajkumari R. Dhoot	275948	1.74	0	275948	1.74	0	0
10	Raj Exports Pvt Ltd	191520	1.21	0	191520	1.21	1.21	0
11	Govardhan Murlidhar Dhoot	155330	0.98	0	155330	0.98	0	0
12	Dhoot Rekha Govardhan	148760	0.94	0	148760	0.94	0	0
13	Ajay R. Dhoot	138687	0.88	0	138687	0.88	0	0
14	Dhoot Jyoti Brijmohan	104550	0.66	0	104550	0.66	0	0
15	Aditya R. Dhoot	89225	0.56	0	89225	0.56	0.56	0
16	Brijmohan Murlidhar Dhoot	77473	0.49	0	77473	0.49	0	0
17	Rajkamal Sukhani	23520	0.15	0	23520	0.15	0	0
18	Shweta Govardhan Dhoot	19000	0.12	0	19000	0.12	0	0
	TOTAL	8034737	50.76	5.92	7798382	49.27	13.1	(1.49)

(iii) Change in Promoters' Shareholding

Sr. No.	Shareholders Name	Shareholding at the beginning of the year April 1, 2018		Increase/Decrease in Shareholding during the year			Cumulative Shareholding during at the end of the year March 31, 2019	
		No. of Shares	% of total shares of the company	Date	Reason	No. of Shares	No. of Shares	% of total shares of the company
1.	Shree Kishoriju Trading & Investment Pvt Ltd	1098851	6.94	08/06/2018	Decrease	(100000)	898851	5.68
				17/08/2018	Increase	100000		
				15/02/2019	Decrease	(200000)		
2.	Shree Rasbihari Trading & Investment Pvt Ltd	1048018	6.62	20/08/2018	Decrease	(25000)	1011663	6.39
				09/10/2018	Decrease	(11355)		



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

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year as on April 1, 2018		Changes in the shareholding (No. of Shares)		Shareholding at the end of the year as on March 31, 2019	
		No. of shares	% of total shares of the company	Increase (No. of shares)	Decrease (No. of shares)	No. of shares	% of total shares of the company
1	SICOM Limited	0	0	200000	-	200000	1.2636
2	Thakkalapalli Sampath Rao	159071	1.0050	-	13641	145430	0.9188
3	Shyamsunder Gupta	106492	0.6728	-	-	106492	0.6728
4	Daksha Vishanji Kotak	87100	0.5503	-	-	87100	0.5503
5	Bhupesh Kumar Lodha	73000	0.4612	-	-	73000	0.4612
6	Hari Kishen Malani	72000	0.4549	-	-	72000	0.4549
7	Rajakumari Thammineni	58116	0.3672	-	-	58116	0.3672
8	S.R.Gupta	47338	0.2991	-	-	47338	0.2991
9	Karvy Stock Broking Ltd	48588	0.307	-	1611	46977	0.2968
10	Jasbir Kaur	30614	0.1934	10000	-	40614	0.2566

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 01/04/2018		Increase/Decrease in Shareholding during the year		Cumulative during/at the end of the year 31/03/2019	
		No. of Shares	% of total shares of the Company	Date	No. of Shares	No. of Shares	% of total shares of the Company
1.	Shri Govardhan M. Dhoot*	667122	4.2147	-	0	667122	4.2147
2.	Shri Brijmohan M. Dhoot*	564469	3.5662	-	0	564469	3.5662
3.	Shri Ajay R. Dhoot	138687	0.8762	-	0	138687	0.8762
4.	Shri Aditya R. Dhoot	89225	0.5637	-	0	89225	0.5637

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

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

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6465.41	427.50	-	6892.91
ii) Interest due but not paid	51.11	-	-	51.11
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	6516.52	427.50	-	6944.02
Change in Indebtedness during the financial year				
Addition	268.20	-	-	268.20
Reduction	(871.42)	-	-	(871.42)
Net change	(603.22)	-	-	(603.22)
Indebtedness at the end of the financial year				
i) Principal Amount	5862.19	427.50	-	6289.69
ii) Interest due but not paid	9.76	-	-	9.76
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	5871.95	427.50	-	6299.45



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No	Particulars of Remuneration	Name of MD / WTD		Total Amount
		G. M. Dhoot	B.M. Dhoot*	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	20,00,004	3,78,329	23,78,333
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - Others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	20,00,004	3,78,329	23,78,333
	Ceiling as per the Act	5% of the net profits		

* Shri Brijmohan M. Dhoot (B. M. Dhoot), Non - Executive Director was designated as an Executive Director w.e.f. August 14, 2018.

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Shri Brijmohan M. Dhoot	Shri Subhash C. Khattar	Mrs. Nidhi S. Mundada	Shri Ajay R. Dhoot	Shri Aditya R. Dhoot	Shri Rukmesh P. Dhandhanania	Shri Ajay B. Sawhney	
1	Independent Directors Fee for attending board committee meetings	-	32,000	6,000	-	-	24,000	2,000	
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	-	32,000	6,000	-	-	24,000	2,000	64,000
2	Other Non-Executive Directors Fee for attending board committee meetings	8,000	-	-	10,000	12,000	-	-	30,000
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-	30,000
	Total (B) = (1+2)	8,000*	32,000	6,000	10,000	12,000	24,000	2,000	94,000
	Overall Ceiling as per the Act	NA.							

* Shri Brijmohan M. Dhoot, Non - Executive Director was designated as an Executive Director w.e.f. August 14, 2018 and was receiving sitting fees till August 14, 2018.


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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	8,92,206	22,79,704	31,71,910
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	8,92,206	22,79,704	31,71,910

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for the year ending March 31, 2019.

For and on behalf of the Board of Directors

Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086

Place: Mumbai
Dated: July 26, 2019



ANNEXURE F TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON March 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

MANGALAM DRUGS AND ORGANICS LIMITED

CIN:L24230MH1972PLC116413

3RD FLOOR, RUPAM BUILDING 239,

P. D'MELLO ROAD, NEAR G.P.O.,

MUMBAI – 400001 IN

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit; we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 (Audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not applicable as the Company has not issued any shares / securities during the year under review;
 - (d) The Securities and Exchange Board of India (Share Based Employees Benefits), Regulations, 2014 - Not Applicable as the Company has not issued any Shares / options to the Directors / Employees under the said Regulations during the year under review ;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable as the Company has not issued any debt securities during the year under review;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 -Not Applicable as the Company has not delisted its Equity Shares from any Stock Exchanges during the year under review;
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 -Not Applicable as the Company has not bought – back any of its securities during the year under review;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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



Further, as stated by the Management, due to lack of good opportunities the Company has not spent two percent of the average net profit of the last 3 years for CSR activities as required under the Companies Act, 2013.

Further, as per the undertaking and declaration given by the Management an concerned person, apart from the below mentioned action, no other action has been taken against the Company / its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.: -

Sr. No.	Action taken by	Details of violation	Details of action taken e.g. fines warning letter debarment etc.	Observations / remarks of the Practicing Company Secretary, if any.
1.	SEBI for the period 1 st March, 2015 to December, 2015	Notice under Rule 4 of the SEBI (Procedure for holding Inquiry and Imposing penalties by adjudicating officer), with reference to following violations : - 1) Regulation 13 (6) of SEBI (PIT) Regulations. 2) Section 21 of SCRA read with clause 35 of listing agreement.	Company had effectively replied and attended the the personal hearing w.r.t show cause notice served to the company vide No. SEBI/HO/A&E/EAD/SR/SJ/2534/1/2018 and has on receipt of the Adjudication order thereafter, the company had paid fine of Rs. 1,50,000/- vide Demand Draft bearing 183249 dated 9 th October, 2018 and company has received order dated 28 th September, 2018.	The company had received the Adjudication order dated 28 th September, 2018 and has made the payment of fine amounting to Rs. 1,50,000/- vide Demand Draft bearing 183249 dated 9 th October, 2018.

We further report that:

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

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members' on any of the matters during the year that were required to be captured and recorded as part of the minutes.

We further report that:

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit and compliance certificate(s) placed before the Board Meeting, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines such as Labour Laws, The Trade Marks Act, 1999, The Indian Copyright Act, 1957, The Patents Act, 1970.

We further report that:

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

We further report that:

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

- a) Public/Right issue of shares/ debentures/sweat equity, etc.;
- b) Redemption / buy-back of securities;
- c) Obtaining the approval from Shareholders under Section 180 of the Companies Act, 2013;
- d) Merger / amalgamation / reconstruction, etc.;
- e) Foreign technical collaborations.

**FOR ANKIT SETHI & ASSOCIATES
COMPANY SECRETARIES**

Place: Mumbai
Date: July 22, 2019

ANKIT SETHI
PROPRIETOR
ACS No. 25415 C. P. No.: 11089

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



ANNEXURE - A

To,

The Members,

MANGALAM DRUGS AND ORGANICS LIMITED

CIN: L24230MH1972PLC116413

3RD FLOOR, RUPAM BUILDING 239,

P. D'MELLO ROAD, NEAR G.P.O.,

MUMBAI – 400001 IN

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR ANKIT SETHI & ASSOCIATES
COMPANY SECRETARIES**

**Place: Mumbai
Date: July 22, 2019**

**ANKIT SETHI
PROPRIETOR
ACS No. 25415 C. P. No.: 11089**



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

To,

The Members of

MANGALAM DRUGS & ORGANICS LIMITED

I, Govardhan M. Dhoot - Chairman & Managing Director, hereby declare that in accordance with Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of Board of Directors and Senior Management Personnel for the period from April 1, 2018 or the date of their joining the Company, whichever is later, to March 31, 2019 have affirmed compliance with the Company's Code of Conduct.

FOR Mangalam Drugs & Organics Limited

Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086

Place: Mumbai

Dated: July 26, 2019



Independent Auditors' Certificate on Corporate Governance to the members of Mangalam Drugs and Organics Limited

To the Members of Mangalam Drugs and Organics Limited

1. We, Batliboi & Purohit, Chartered Accountants, the Statutory Auditors of Mangalam Drugs and Organics Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2019.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Batliboi & Purohit
Chartered Accountants
Firm's Registration No: 101048W

Raman Hangekar
Partner
Membership No: 030615

Date: 26th July, 2019
Place: Mumbai



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

Mangalam Drugs & Organics Limited,

239, Rupam Building, 3rd Floor, P. D'Mello Road,

Near G.P.O., Mumbai - 400001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mangalam Drugs & Organics Limited having CIN L24230MH1972PLC116413 and having registered office at 239, Rupam Building, 3rd Floor, P. D'Mello Road, Near G.P.O., Mumbai - 400001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with 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 status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 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 other Statutory Authority:

Sr. No.	Name of Director	DIN
1.	Govardhan M. Dhoot	01240086
2.	Brijmohan M. Dhoot	01046420
3.	Ajay R. Dhoot	00210424
4.	Aditya R. Dhoot	00057224
5.	Subhash C. Khattar	01122941
6.	Rukmesh P. Dhandhanania	02493968
7.	Nidhi S. Mundada	08134952
8.	Ajay B. Sawhney	05132739

Ensuring the eligibility of 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 ANKIT SETHI & ASSOCIATES
COMPANY SECRETARIES

Place: Mumbai
Date : 26th July, 2019

PRACTISING COMPANY SECRETARY
PROPRIETOR
ACS No. 25415 C.P. 11089



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

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

- (A) We have reviewed the financial statements for the year ended 31st March, 2019 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed and the steps that have been taken to rectify these deficiencies.
- (D) We have indicated to the Auditors and the Audit Committee
1. that there has not been any significant change in internal control over financial reporting during the year under reference;
 2. significant change in accounting policies (if any) during the year and that the same have been disclosed in the notes to the financial statements; and
 3. that we are not aware of any instance during the year of significant fraud with involvement therein of control the management or any employee having a significant role in the Company's internal system over financial reporting.

(Govardhan M Dhoot)
Chairman & Managing Director

Date: 9th May, 2019
Place: Mumbai

(Ajay Samant)
Chief Financial Officer



INDEPENDENT AUDITOR'S REPORT

To the Members of Mangalam Drugs & Organics Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Mangalam Drugs & Organics Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss, including the statement of other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, of the State of Affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in the equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have nothing to report in this regard.

Information Other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have not received other formation before the date of auditors report so we cannot conclude if the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we receive the other information and if we identify that there is material misstatement therein, we will communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS 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 accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.



As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 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 control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters were of most significance in the audit of the standalone Ind AS statements for the financial year end March 31, 2019 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 matter should not be communicated in or report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

1. 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.
2. 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.
3. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
4. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
6. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". to this report
7. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

**Raman Hangekar
Partner
Membership No. 030615**

**Place: Mumbai
Date: May 9, 2019**



The Annexure A referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2019 we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
 (b) As explained to us, the fixed assets have been physically verified by management at reasonable intervals under a phased programme of verification. In accordance with this program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of company and nature of its assets.
 (c) The title deeds of the immovable properties as disclosed in schedule of fixed assets to the financial statements, are held in the name of the Company.
- (ii) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. In respect of inventory lying with the third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. No material discrepancies have been noticed on such verification.
- (iii) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under Section 185 of the Act. The Company has made no investments which are covered under provision of Section 186 of the Act. Hence the clause is not applicable.
- (v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and Rules framed there under to extent notified.
- (vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the order made by the Central Government for maintenance of cost records prescribed under sub-section 1 of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- (vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employee state insurance, income tax, sales tax, service tax, GST, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable, with the appropriate authorities.

According to the information and explanations given to us and the records of the company examined by us, no undisputed amounts payable in respect of provident fund, employee state insurance, income tax, sales tax, service tax, GST, duty of customs, duty of excise, value added tax, cess and any other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

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

Sr.No	Excise Duty & Service Tax	Amount (Rs.in Lacs)	Forum where dispute is pending
a)	2011-2012	208.37	CESTAT, AHMEDABAD
b)	2015-2016	171.77	CESTAT, BARODA
c)	2016-2017	10.55	CESTAT, VALSAD
d)	2018-19	4.08	CERA , SURAT
	Total Amt (In Lacs) (A)	394.77	
Sr.No	INCOME TAX	Amount (Rs.in Lacs)	Forum where dispute is pending
a)	AY-2002-2003	0.86	Income Tax appellant Tribubal Mumbai
b)	AY-2003-2004	0.88	Income Tax appellant Tribubal Mumbai
c)	AY-2005-2006	1.36	Income Tax appellant Tribubal Mumbai
d)	AY-2006-2007	21.42	Commissioner of Income tax Appeals-IV Mumbai
e)	AY-2011-12	56.14	Income Tax appellant Tribunal Mumbai has referred the matter to assessing officer
	Total Amt.(In Lacs) (B)	80.66	
	Sub Total Amt	475.43	



- (viii) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution, bank or Government as at the Balance sheet date.
- (ix) The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) nor has obtained any term loans during the year, hence paragraph 3 (ix) of the order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of material fraud by the Company or on the Company by its officers or employees noticed or reported during the year nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required under Ind AS and Companies Act, 2013.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, paragraph 3(xiv) of the order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi) of the order are not applicable to the Company.

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

**Place: Mumbai
Date: May 9, 2019**

**Raman Hangekar
Partner
Membership No. 030615**



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Mangalam Drugs & Organics Limited** ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information & according to the explanations give to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Raman Hangekar
Partner
Membership No. 030615**

**Place: Mumbai
Date: May 9, 2019**



BALANCE SHEET AS AT MARCH 31, 2019

(₹ in lacs)

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
	Assets :-			
1	Non-currents assets			
	(a) Property, Plant and Equipment	2	10,077.78	10,115.60
	(b) Capital work in progress	2	19.95	7.13
	(c) Intangible Assets	2	48.52	75.31
	(d) Financial Assets			
	(i) Investments	3	24.01	24.01
	(ii) Others financial assets	4	178.37	172.53
	(e) Other Non Current Asset (Capital Advances)	5	60.01	-
2	Current assets			
	(a) Inventories	6	7,345.32	6,013.42
	(b) Financial Assets			
	(i) Trade Receivables	7	1,763.07	4,520.77
	(ii) Cash and cash equivalents	8	143.34	43.03
	(iii) Loans	9	0.88	1.25
	(c) Other current assets (Non Financials)	10	1,251.36	1,705.69
	Total Assets		20,912.61	22,678.74
	EQUITY AND LIABILITIES :-			
	Equity			
	(a) Equity share capital	11	1,582.82	1,582.82
	(b) Other Equity	12	7,992.80	8,793.83
	LIABILITIES			
1	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	13	859.56	1,114.64
	(b) Deferred tax liabilities (Net)	14	1,433.26	1,202.98
2	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	5,051.20	5,075.19
	(ii) Trade Payables	16		
	Payable to MSME		191.82	192.90
	Others		3,049.53	3,569.61
	(iii) Other financial liabilities (other than those specified in item (c))	17	378.93	703.08
	(b) Other current liabilities	18	313.59	372.82
	(c) Provisions	19	59.10	70.87
	Total Equity and Liabilities		20,912.61	22,678.74
	Significant accounting policies	1		
	The accompanying notes are an integral part of these financial statement			

In terms of our report attached

For and on behalf of the Board of Directors

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

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

(Shri Ajay R. Dhoot)
Director
DIN: 00210424

(Ms Nikita Bavishi)
Company Secretary

(Mr. Ajay Samant)
Chief Financial Officer

Place : Mumbai
Dated: May 09, 2019



STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2019

(₹ in lacs)

	Particulars	Note No	Year ended March 31, 2019	Year ended March 31, 2018
I	Revenue from operations	20	25,881.29	30,767.74
	Less:- Excise duty / GST		3,123.32	2,829.78
	Revenue from operations		22,757.97	27,937.96
II	Other Incomes	21	31.68	82.70
III	Total Income (I+II)		22,789.65	28,020.66
IV	Expenses			
	Cost of materials consumed	22	16,870.28	18,044.51
	Purchases of Stock in Trade			
	Changes in inventories of finished goods, Stock in Trade and work in progress	23	(1,538.93)	(1,385.50)
	Employee benefits expense	24	2,581.65	2,298.38
	Finance costs	25	864.65	1,178.00
	Depreciation and amortization expense		708.85	656.82
	Other Expenses	26	3,876.85	4,293.72
	Total Expenses(IV)		23,363.35	25,085.93
V	Profit/(loss) before exceptional items and tax (I-IV)		(573.71)	2,934.73
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		(573.71)	2,934.73
VIII	Tax expense:		229.38	945.76
	(1) Current Tax	27	-	659.64
	(2) Deferred tax	27	229.38	286.13
IX	Profit/(loss) for the period (VII-VIII)		(803.09)	1,988.96
	(A) Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans		2.60	55.54
	(ii) Income tax relating to above		(0.91)	(19.22)
	Total Other Comprehensive Income (A)		1.69	36.32
XI	Total Comprehensive Income for the period (IX+A)		(801.40)	2,025.29
XII	Earnings per equity share (Face value per equity share Rs. 10)	36		
	(1) Basic (In Rs.)		(5.07)	12.57
	(2) Diluted (In Rs.)		(5.07)	12.57
	Significant accounting policies	1		
	The accompanying notes are an integral part of these financial statement			

In terms of our report attached

For and on behalf of the Board of Directors

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

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

(Shri Ajay R. Dhoot)
Director
DIN: 00210424

(Ms Nikita Bavishi)
Company Secretary

(Mr. Ajay Samant)
Chief Financial Officer

Place : Mumbai
Dated: May 09, 2019



CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2019

(₹ In Lacs)

Particulars	For the Period ended March 31, 2019	For the Period ended March 31, 2018
A. Cash flow from operating activities		
Net profit before tax and extra ordinary items.	(573.71)	2,934.73
Add / (Less) :		
Depreciation & amortisation	708.85	656.82
Interest expenses	864.65	1,178.00
Dividend Income	(2.00)	(2.16)
(Gain)/loss on sale of fixed assets	5.25	(0.95)
(Gain)/loss on sale of investments	-	(0.63)
Net gain arising on financial assets measured at fair value through profit or loss	-	(1.56)
Remeasurements of the defined benefit plans	2.60	-
Operating profit before working capital changes	1,005.64	4,764.25
Adjustment for :		
(Increase)/decrease in short term loans and advances	0.38	(0.47)
(Increase)/decrease in other current assets	454.33	238.22
(Increase)/decrease in trade receivables	2,757.70	(839.10)
(Increase)/decrease in inventory	(1,331.90)	(3,069.52)
(Increase)/decrease in other non-current assets	(65.85)	(56.26)
Increase/(decrease) in trade payables	(521.16)	1,684.96
Increase/(decrease) in other current liabilities	(383.38)	360.19
Increase/(decrease) in provisions	(11.76)	1.22
Cash generated from operations	898.34	-1,680.76
Add / (Less) :	1,903.98	3,083.49
Income Tax (Paid)/ Refund		(625.86)
Net cash from operating activities	1,903.98	2,457.63
B. Cash flow from investing activities :		
Purchase of fixed assets including Capital WIP	(668.59)	(1,599.46)
Sale of fixed assets	6.28	1.15
Sale/(Purchase) of investments	-	0.66
Divided Income	2.00	2.16
Net cash from investing activities	(660.30)	(1,595.49)
C. Cash flow from financing activities :		
Proceeds/(repayment) of short term borrowing	(23.99)	943.19
Proceeds/(repayment) of long term borrowing	(255.08)	(570.47)
Interest Paid	(864.65)	(1,175.81)
Dividend paid	0.35	(78.74)
Issue of Share	-	-
Net cash used in financing activities	(1,143.37)	(881.83)
Net increase / (decrease) in cash and cash equivalents	100.31	(19.69)
Cash and cash equivalents - opening balance	43.03	62.73
Cash and cash equivalents - closing balance	143.34	43.04
Details of cash and cash equivalent at the end of the Period / Year		
- Cash in hand	4.54	1.43
- Balance in current & fixed deposit accounts	138.79	41.61
	143.34	43.03

In terms of our report attached

For and on behalf of the Board of Directors

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

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

(Shri Ajay R. Dhoot)
Director
DIN: 00210424

(Ms Nikita Bavishi)
Company Secretary

(Mr. Ajay Samant)
Chief Financial Officer

Place : Mumbai
Dated: May 09, 2019



MANGALAM DRUGS AND ORGANICS LIMITED

Statement of Changes in Equity for the period ended March 31, 2019.

(₹ in lacs)

Particulars	Share capital	Reserves and Surplus			money received against share warrants	Total
		Securities premium reserve	General Reserve	Retained Earnings		
Balance as at March 31, 2018	1,582.82	2,237.53	1,079.05	5,477.24	-	8,793.82
Profit for the Year	-	-	-	(803.09)		(803.09)
Other comprehensive income for the Year, net of tax	-	-	-	1.69		1.69
Total Comprehensive Income for the Year	-	-	-	(801.40)	-	(801.40)
Dividend			-	0.35		0.35
Balance as at March 31, 2019	1,582.82	2,237.53	1,079.05	4,676.22	-	7,992.80

In terms of our report attached

For and on behalf of the Board of Directors

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

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

(Shri Ajay R. Dhoot)
Director
 DIN: 00210424

(Ms Nikita Bavishi)
Company Secretary

(Mr. Ajay Samant)
Chief Financial Officer

Place : Mumbai
 Dated: May 09, 2019



Notes to financial statements for the year ended March 31, 2019

Note no. 1

A) Basis of preparation and presentation of financial statements

The Company's financial statements for the year ended 31stMarch, 2019 have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015, and Companies (Indian Accounting Standards) Amendment Rules, 2016, notified, under Section 133 of Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

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

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

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

B) Use of Estimates

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

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

C) Judgments

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

Note 30:- Defined benefit obligation

Note 27:- Recognition of Deferred taxes

D) Measurement of Fair Values

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

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

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

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

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

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

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

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

E) Property, Plant and Equipment (PPE)

Recognition and Measurement

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

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

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

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.



Derecognition

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

F) Investment Property

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

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

G) Depreciation

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

The estimated useful lives are as follows :-

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

H) Impairment

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

I) Foreign Currency Transactions

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

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

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

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

J) Financial Instruments

a) Financial Assets

Initial Recognition and Measurement

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

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

Subsequent Measurement

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

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

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

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

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



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

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

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

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

Impairment of financial assets

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

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

b) Financial Liabilities

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

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

K) Inventories

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

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

L) Revenue Recognition

The company has adopted Indian Accounting Standard 115 (Ind AS 115) -'Revenue from contracts with customers' effective from April 01, 2018 has been using its modified retrospective approach. The effect on adoption of Ind AS 115 was insignificant.

Revenue from Products : Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied over time or at a point in time. The period over which revenue is recognised is based on right to payment for performance completed. In determining whether an entity has right to payment, the entity shall consider whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than entity's failure to perform as per the terms of the contract. An asset is transferred when (or as) the customer obtains control of that asset.

Revenue is recognized at the transaction price (which excludes estimates of variable consideration that are constrained in accordance with paragraphs 56–58 of Ind AS 115) that is allocated to that performance obligation.

Transaction price is the amount of consideration to which a company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money

Interest and Dividend Income: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the shareholders' right to receive dividend is established.

Export Incentive: Incentive on Export Income is recognized when certainty of receipts is established.

Insurance Claim: Claims receivable are accounted at the time when such income has been earned by the Company depending on the certainty of receipts.

M) Lease Accounting

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

N) Employee Benefits

Short-term employee benefits

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



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

The cost of compensated absences is accounted as under:-

- a) In case of accumulated compensated absences, when employees render service that increase their entitlement of future compensated absences, and
- b) In case of non-accumulating compensated absences, when the absences occur.

Post employment benefits

Defined Contribution Plans

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

Defined Benefit Plans

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

O) Borrowing Costs

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

P) Income Taxes

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

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

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

Q) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

1.2 Recent Accounting Pronouncements:

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss.

Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. As per Ind AS 116, the lessee needs to recognize depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on profit & loss and balance sheet items i.e. Earnings before interest, tax, depreciation and amortization (EBITDA), Plant, Properties and Equipments etc.



NOTE : 2

PROPERTY, PLANT AND EQUIPMENT

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

	Land	Factory Buildings	Other Building (Resident Flat)	Plant & Machinery	Laboratory Equipment	Reserch & Development Equipment	Office Equipment	Electrical Equipments	Furniture and fixtures	Motor Car and Vehicles	Air Conditioner	Computer	TOTAL TANGIBLE ASSET	Computer Software	C.W.I.P	Total
At cost / deemed cost																
As at April 01, 2017	54.40	2,445.07	78.29	9,668.78	308.82	417.59	89.08	374.83	140.19	252.02	67.08	110.38	14,006.54	19.54	-	14,026.08
Additions	-	585.63	-	715.97	85.77	1.69	26.06	52.34	42.25	25.25	10.46	32.03	1,577.47	86.43	7.13	1,671.03
Disposals	-	-	-	(71.57)	-	-	-	-	-	(4.76)	-	-	(76.33)	-	-	(76.33)
As at March 31, 2018	54.40	3,030.70	78.29	10,313.18	394.60	419.28	115.14	427.18	182.44	272.52	77.54	142.40	15,507.69	105.97	7.13	15,620.78
Additions	-	134.65	-	370.60	54.87	54.04	1.25	8.83	11.16	9.27	2.94	3.82	651.42	4.35	19.95	675.72
Disposals	-	-	-	-	-	-	-	-	-	(19.82)	-	-	(19.82)	-	(7.13)	(26.95)
As at March 31, 2019	54.40	3,165.35	78.29	10,683.78	449.46	473.32	116.39	436.01	193.60	261.96	80.49	146.23	16,139.28	110.32	19.95	16,269.55
Accumulated depreciation and impairment																
As at April 01, 2017	-	375.69	24.21	3,723.54	65.72	113.43	77.90	113.78	66.00	106.32	21.83	68.24	4,755.67	14.82	-	4,770.48
Depreciation expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	93.74	0.86	429.83	13.48	13.31	5.98	28.07	10.65	22.40	11.92	10.73	640.98	15.84	-	656.82
As at March 31, 2018	-	469.43	25.07	4,153.38	79.21	126.74	83.88	141.84	75.65	124.16	33.76	78.98	5,392.09	30.65	-	5,422.74
Depreciation expense	-	99.14	0.86	447.57	17.55	18.18	8.08	31.05	13.66	17.82	12.53	11.27	677.71	31.14	-	708.85
Disposals	-	-	-	-	-	-	-	-	-	(8.30)	-	-	(8.30)	-	-	(8.30)
As at March 31, 2019	-	568.56	25.93	4,600.95	96.76	144.92	91.96	172.90	89.31	133.68	46.29	90.24	6,061.50	61.80	-	6,123.29
Carrying amount																
As at April 01, 2017	54.40	2,069.38	54.08	5,945.24	243.10	304.16	11.18	261.06	75.19	145.71	45.25	42.14	9,250.88	4.72	-	9,255.60
As at March 31, 2018	54.40	2,561.28	53.22	6,159.81	315.39	292.54	31.27	285.33	106.79	148.36	43.79	63.43	10,115.60	75.31	7.13	10,198.04
As at March 31, 2019	54.40	2,596.79	52.36	6,082.83	352.70	328.40	24.43	263.11	104.29	128.28	34.20	55.99	10,077.78	48.52	19.95	10,146.26



Notes to financial statements for the year ended March 31, 2019

Note: 3- Non Current investments

Particulars	As At March 31, 2019		As At March 31, 2018	
	No. of Shares	Rs. In Lakhs	No. of Shares	Rs. In Lakhs
Investments in equity instruments				
Quoted				
<i>IMP Power Ltd.</i>	172,172	11.63	172,172	11.63
<i>Gujarat State Financial Corpn Ltd.</i>	900	0.19	900	0.19
Unquoted Investments				
<i>National savings scheme</i>		1.84		1.84
<i>Shares of Saraswat Bank Ltd</i>	2,500	0.25	2,500	0.25
<i>Shares of PMC Bank Ltd</i>	42,560	10.10	42,560	10.10
Total :-	218,132	24.01	218,132	24.01

*Investments in equity instruments are valued at cost being non-current. Refer note no. 28

Note: 4 - Other non-current financial assets

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposits :-		
Considered Good	178.37	172.53
Considered Doubtful		
Total	178.37	172.53

Note:-5 - Other Non Current Asset

Particulars	As at March 31, 2019	As at March 31, 2018
Advance against Fixed Asset	60.01	-
	60.01	-

Note: 6 - Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
Raw & Packing materials (Includes Goods in Transit of 952.54 lakhs)	2,865.32	3,072.36
Work-in-progress	1,522.60	1,418.66
Finished Goods	2,957.40	1,522.41
Total Inventories	7,345.32	6,013.42

Note: 7 - Trade Receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured :-		
Considered Good	1756.77	4,757.16
Other Trade Receivables	6.30	57.00
Less:- Provision for quantity discount	0	(293.39)
Total Receivables	1,763.07	4,520.77

During the current year, company has written back provision for quantity discount.

The provision was provided based on the estimates of the management for paying the extra discounts on lifting of the minimum quantity required as per the policy of the company.

Quantity discounts were allowed as part of the policy and the excess provision was written back during the current year.



Note: 8 - Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks		
- in current accounts	53.83	28.53
Deposits with maturity of less than 3 months	84.97	13.08
Cash on hand	4.54	1.43
Total cash and cash equivalents	143.34	43.03

Note: 9 - Loans

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured and considered good		
Loan to employees	0.88	1.25
Less: Allowance for doubtful loans		
Provision for Employee Benefits		
Total	0.88	1.25

Note:10 - Other Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with Government authorities	411.57	860.01
Prepaid Expenses	59.92	43.53
Other Current Asset	178.71	204.01
MAT credit entitlement	444.26	458.18
Advance Tax (Net of Provision for Tax)	156.90	139.96
Total	1,251.36	1,705.69

Note: 11 - Share Capital

	As at March 31, 2019		As at March 31, 2018	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
a) Authorised				
(3,00,00,000 Equity Shares of Rs.10 Each)	30,000,000	3,000.00	30,000,000	3,000.00
(Previous Year:300,00,000/-Equity shares of Rs.10 each)		-		-
	30,000,000	3,000.00	30,000,000	3,000.00
b) Issued, subscribed and fully paid up				
1,58,28,248 Equity Shares of Rs.10/-each fully paid up	15,828,248	1,582.82	15,828,248	1,582.82
(Previous Year 1,58,28,248/-Equity Shares of Rs.10/-each)				
1) Pursuant to acquisition of business with undertaking of Mangalam Organics Pvt.Ltd., Mangalam Rasayan Pvt.Ltd & Shree Mangalam Pharma Pvt Ltd., 10,38000/-Equity shares for value Rs.10/-each were allotted to shareholders of such companies without payment being received in cash.				
2) During Financial year 2002-2003, 11,13000/-Equity Shares of face value of Rs.10/-each fully paid up were allotted as bonus shares without payment being received in cash by capitalisation of General Reserve.				
3) During the year-2003-04, 44,52,000/-Equity shares of Rs. 10/- each fully paid up were Alloted, by way of Bonus shares by capitalisation of General Reserves.				
4) During the year 2005-06, 65,00,248/-Equity shares of Rs. 10/- each fully paid up were Alloted, by way of initial public offer, at a premium of Rs.12/-per share.				

**Note: 11 - Share Capital**

	As at March 31, 2019		As at March 31, 2018	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
5) During the year 2015-16, 12,00,000 Equity shares of Rs 10/- each fully paid was allotted pursuant to conversion of 12,00,000 share warrants on preferential allotment to promoter group at a premium of Rs 55/-per share.				
6) During the year 2016-17 ,1450000 Equity shares of Rs 10/- each fully paid was allotted pursuant to conversion of 1450000 share warrants on preferential allotment to promoter group at a premium of Rs 55/-per share.				
	15,828,248	1,582.82	15,828,248	1,582.82

Reconciliation of the number of equity shares

Particulars	(₹ In Lacs)	
	Number of shares	Amount
As at 31.03.2017	15,828,248	1,582.82
Increase/Decrease during the year	-	-
As at 31.03.2018	15,828,248	1,582.82
Increase/Decrease during the quarter	-	-
As at 31.03.2019	15,828,248	1,582.82

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

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	Number	% of holding	Number	% of holding
Equity shares of Rs.10/- fully paid				
Shri JB Pharma LLP	2650000	16.74	2650000	16.74
Shree Kishorijee Trading and Investment Pvt.Ltd	898851	5.68	1098851	6.94
Shree Rasbihari Trading and Investment Pvt.Ltd	1011663	6.39	1048018	6.62

As on March 31, 2019, 6,72,055 Equity Shares and 6,61,606 Equity shares held by Shree Kishorijee Trading and Investment Pvt. Ltd. and Shri Rasbihari Trading and Investment Pvt. Ltd. respectively have been pledged in total (including pledged with an NBFC towards the loan of Rs. 3,75,00,000 taken by a Group Company)

Note: 12 - Other equity

Particulars	(₹ In Lacs)	
	March 31, 2019	March 31, 2018
A) Reserves & Surplus		
Securities premium reserve	2,237.53	2,237.53
General Reserve	1,079.05	1,079.05
Retained Earnings	4,676.22	5,477.24
B) Money received against share warrant	-	-
Total Reserves and Surplus	7,992.80	8,793.83

i) Securities premium reserve

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

Particulars	March 31, 2019	March 31, 2018
Opening Balance	2,237.53	2,237.53
Exercise of options- proceeds received	-	-
Closing Balance	2,237.53	2,237.53



ii) General Reserve

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

Particulars	March 31, 2019	March 31, 2018
Opening Balance	1,079.05	1,079.05
Addition/ (deletion)	-	-
Closing Balance	1,079.05	1,079.05

iii) Retained earnings

Particulars	March 31, 2019	March 31, 2018
Opening balance	5,477.24	3,532.25
Net profit for the period	(803.09)	1,988.96
<i>Items of other comprehensive income recognised directly in retained earnings</i>	-	(1.56)
Remeasurements of post-employment benefit obligation, net of tax	1.69	36.32
Ind-AS Adjustments-Processing Fees (Net of Tax)		
Dividends	0.35	(78.74)
Closing balance	4,676.22	5,477.24

Note: 13 - Non-current borrowings

Particulars	March 31, 2019	March 31, 2018
Secured		
Term Loans		
Rupee loan from banks	644.23	888.28
Other loan from banks	165.34	176.36
	809.56	1,064.64
Unsecured		
Loan from Other Parties	50.00	50.00
	50.00	50.00
Total non-current borrowings	859.56	1,114.64

NOTE:

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

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

Name of Security	Terms of repayment
Term loan form banks	
i) Rs. 622.44 Lakhs (March 31, 2018 : 723.24 lakhs, March 31, 2017: 789.05 lakhs)	Repayble in 36 Monthly equal installment, Rate of Interest 14.45 % Fixed.
ii) Rs. 276.86 Lakhs (March 31, 2018 : 342.56 lakhs, March 31, 2017: 400.00 lakhs)	Repayble in 36 Monthly equal installment, Rate of Interest 13.50 % Fixed.
Other Loans	
i) Rs. 20.47 Lakhs (March 31, 2018 : 30.67 lakhs, March 31, 2017: 39.71 lakhs)	Repayble in 22 Monthly equal installment, Rate of Interest 10 % .
ii) Rs. 2.70 Lakhs (March 31, 2018 : 4.12 lakhs, March 31, 2017: 5.41 lakhs)	Repayble in 20 Monthly equal installment, Rate of Interest 9.72 % .
iii) Rs. 4.42 Lakhs (March 31, 2018 : 5.73 lakhs, March 31, 2017: 6.91 lakhs.	Repayble in 34 Monthly equal installment, Rate of Interest 9.36 % .
iv) Rs. 2.70 Lakhs (March 31, 2018 : 4.12 lakhs, March 31, 2017: 5.41 Lacs.	Repayble in 20 Monthly equal installment, Rate of Interest 9.72 % .
v) Rs. 4.06 Lakhs (March 31, 2018 : 5.49 lakhs, March 31, 2017: 6.79 lakhs.	Repayble in 29 Monthly equal installment, Rate of Interest 9.46 % .
vi) Rs. 4.06 Lakhs (March 31, 2018 : 5.49 lakhs, March 31, 2017: 6.79 lakhs.	Repayble in 29 Monthly equal installment, Rate of Interest 9.46 % .
vii) Rs.4.27 Lakhs (March 31, 2018 : 5.77 lakhs, March 31, 2017: 7.13 lakhs)	Repayble in 29 Monthly equal installment, Rate of Interest 9.46 % .



Name of Security	Terms of repayment
viii) Rs. 3.86 Lakhs (March 31, 2018 : 5.22 lakhs, March 31, 2017: 6.46 lakhs.	Repayable in 29 Monthly equal installment, Rate of Interest 9.46 % .
ix) Rs. 16.57 Lakhs (March 31, 2018 :18.40 lakhs, March 31,2017: 19.91 Lacs.	Repayable in 80 Monthly equal installment, Rate of Interest 9.15 % .
x) Rs. 16.96 Lakhs (March 31,2018 : 18.83 lakhs, March 31,2017: 20.37 Lacs.	Repayable in 80 Monthly equal installment, Rate of Interest 9.15 % .
xi) Rs. 4.24 Lakhs (March 31, 2018 : 5.59 lakhs, March 31, 2017: 6.81 lakhs.	Repayable in 32 Monthly equal installment, Rate of Interest 9.66 % .
xii) Rs. 2.25 Lakhs (March 31, 2018 : 5.01 lakhs, March 31, 2017: 7.52 Lacs.	Repayable in 9 Monthly equal installment, Rate of Interest 10.23 % .
xiii) Rs. 16.06 Lakhs (March 31, 2018 : 18.40 lakhs, March 31, 2017: NIL Lacs.	Repayable in 68 Monthly equal installment, Rate of Interest 8.55 % .
xiv) Rs. 4.06 Lakhs (March 31, 2018 : 5.12 lakhs, March 31, 2017: NIL Lacs.	Repayable in 39 Monthly equal installment, Rate of Interest 8.55 % .
xv) Rs.8.65 Lakhs (March 31, 2018 : 10.82 lakhs, March 31, 2017: 12.74 Lacs.	Repayable in 38 Monthly equal installment, Rate of Interest 9.40 % .
xvi) Rs.35.12 Lakhs (March 31, 2018 : NIL lakhs, March 31, 2017: NIL Lacs.	Repayable in 24 Monthly equal installment, Rate of Interest 18 % .
xvii) Rs.50.00 Lakhs (March 31, 2018 : NIL lakhs, March 31, 2017: NIL Lacs.	Repayable in 24 Monthly equal installment, Rate of Interest 19 % .
xviii) Rs.30.30 Lakhs (March 31, 2018 : NIL lakhs, March 31, 2017: NIL Lacs.	Repayable in 35 Monthly equal installment, Rate of Interest 18.5 % .
xix) Rs. 1.74 Lakhs (March 31, 2018 : 13.77 lakhs, March 31, 2017: 27.65 Lacs.	Repayable in 2 Monthly equal installment, Rate of Interest 18.40 % .
xx) Rs. 56.71 Lakhs (March 31, 2018 : 94.57 lakhs, March 31, 2017: NIL Lacs.	Repayable in 16 Monthly equal installment, Rate of Interest 10 % .

Note: 14 - Deferred Tax Liability (Net)

(₹ In Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax (liabilities):		
On difference between book balance and tax balance of Depreciation	1,590.31	1,360.02
On expenditure deferred in the books but allowable for tax purposes	3.03	3.03
Total of Deferred Tax Liability	1,593.34	1,363.05
Deferred tax assets:		
Provision for Compensated absences, gratuity and other employee benefits	160.08	160.08
Provision for quantity discount		
Total of Deferred Tax Asset	160.08	160.08
Net deferred tax (assets)/liabilities:	1,433.26	1,202.98

Note: 15 - Current borrowings

Particulars	March 31, 2019	March 31, 2018
Secured		
From Bank	4,673.70	4,697.69
Unsecured		
From Other	377.50	377.50
Total current borrowings	5,051.20	5,075.19

Note:

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

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



Name of Security	Terms of repayment
OD/CC Facility from Bank	
i) Rs. 282.35 Lakhs (March 31, 2018 : 145.13 lakhs, March 31, 2017: NIL lakhs)	Repayble on demand, Rate of Interest 12.20 % .
ii) Rs. 1044.40 Lakhs (March 31, 2018 : 1165.72 lakhs, March 31, 2017: 749.98 lakhs)	Repayble on demand, Rate of Interest 12.50 % .
iii) Rs. 1800.26 Lakhs (March 31, 2018 : 1802.50 lakhs, March 31, 2017: 1457.79 lakhs)	Repayble on demand, Rate of Interest 11.70 % .
iv) Rs. 1546.69 Lakhs (March 31, 2018 : 1599.90 lakhs, March 31, 2017: NIL lakhs)	Repayble on demand, Rate of Interest 11.70 % .

Other Loans	
i) Rs. 377.50 Lakhs (March 31, 2018 : 377.50 lakhs, March 31, 2017: 377.50 lakhs)	Repayble on demand

Note: 16 - Trade payables

(₹ In Lacs)

Particulars	March 31, 2019	March 31, 2018
Due to Micro and Small Enterprises	191.82	192.90
Other Payables	3,049.53	3,569.61
Total trade payables	3,241.35	3,762.51

Note: 17 - Other Current financial liabilities

Particulars	March 31, 2019	March 31, 2018
Current maturities of Long Term Debt		
Rupee loan from banks	255.07	611.81
Other loan from banks	123.86	91.27
Total other Current financial liabilities	378.93	703.08

Note: 18 - Other current liabilities

Particulars	March 31, 2019	March 31, 2018
Statutory remittances	28.78	107.26
Accrued salaries and benefits	275.05	249.75
Interest Payable	9.76	15.81
Total Other current liabilities	313.59	372.82

Note: 19 - Provisions

Particulars	March 31, 2019	March 31, 2018
Provision for Expenses	59.10	70.87
Total Other current liabilities	59.10	70.87

Current tax liabilities

Particulars	March 31, 2019	March 31, 2018
Advance Tax (Net of Provision for Tax)		
Total	-	-
TOTAL PROVISIONS	59.10	70.87

Movement in Provision as per Ind As 37 - Provision , Contigent Liabilities & Contingent Asset

Particulars	Provision for Expenses (Amt in Lacs)
Opening Provision	70.87
Addition provision made during the year	59.10
Amount paid/ reversed	70.87
Closing Provision	59.10

**Note: 20 - Revenue from operations**

Particulars	March 31, 2019	March 31, 2018
Sale of products (including GST)	25,159.55	29,792.71
Sale of Scrap	18.08	22.85
Excise duty Rebate/Refund on deemed exports	358.61	952.18
Other Operating Income	345.05	-
Total sale of products	25,881.29	30,767.74
Less:- GST	3,123.32	2,829.78
Revenue from Operations (Net)	22,757.97	27,937.96

Note: 21 - Other Income

Particulars	March 31, 2019	March 31, 2018
Dividend Income on Long-term Investments	2.00	2.16
Duty Drawback Rebate Claim	10.62	12.90
House Rent Received	4.27	4.64
Insurance Claim Received	14.31	61.44
Sundry Balance Written Back	0.48	-
Gain on fair valuation of investment	-	1.56
Total other income	31.68	82.70

Note: 22 - Cost of materials consumed

Particulars	March 31, 2019	March 31, 2018
Raw materials at the beginning of the year	3,044.96	1,902.79
Add:Purchases	18,584.24	20,620.57
Less:raw materials at the end of the year	2,835.76	3,044.96
Less:Cenvat availed	1,923.16	1,433.90
Total cost of materials consumed	16,870.28	18,044.51

Note: 23 - Changes in inventories of work-in-progress, stock in trade and finished goods.

Particulars	March 31, 2019	March 31, 2018
Opening Balance		
Work-in progress	1,418.66	941.04
Finished goods	1,522.41	614.53
Total opening goods	2,941.06	1,555.57
Closing balance		
Work-in progress	1,522.60	1,418.66
Finished goods	2,957.40	1,522.41
Total closing balance	4,480.00	2,941.06
Total changes in inventories of work-in-progress, stock in trade and finished goods.	(1,538.93)	(1,385.50)

Note: 24 - Employee benefit expenses

Particulars	March 31, 2019	March 31, 2018
Salaries & Wages	2,334.49	1,993.96
Contributions to provident and other funds	96.76	191.53
Staff welfare expenses	96.70	59.74
Others	53.70	53.15
Total :-	2,581.65	2,298.38

Note: 25 - Finance costs

Particulars	March 31, 2019	March 31, 2018
Interest expense on:		
Borrowings	661.56	860.52
Others:		
Bank Charges	143.47	114.48
Other Borrowing Cost	59.62	203.00
Total :-	864.65	1,178.00



Note: 26 - Other expenses

Particulars	March 31, 2019	March 31, 2018
Power and Fuel	1,456.34	1,430.58
Repairs to Machinery	281.37	603.35
Carriage Inward & Freight	24.58	26.93
Gst diff on Finished & Semi-finished stock	-	-
Job Work	2.42	4.25
Sales Tax Paid	0.24	78.96
Laboratory Exps	170.03	168.93
Testing Fees	73.69	58.25
Pollution Control Exps	137.25	107.01
Stores and Spares	191.21	222.02
ADMINISTRATIVE EXPENSES		
Directors Remuneration	23.78	20.00
Corporate Social Responsibility(CSR) Expenses	14.07	44.09
Insurance Charges	56.15	47.73
Legal and Professional Fees	144.93	205.74
Miscellaneous Expenses	13.10	6.69
Postage and Telegram	12.76	10.05
Printing and Stationery	45.91	44.90
Rent,Rates and Taxes	151.51	106.06
Travelling and Conveyance	144.72	166.26
Vehicle Expenses	49.97	54.00
Service charges	49.41	24.07
Office Expenses	34.17	33.51
Telephone telex & fax charges	8.94	10.92
Membership and subscription fees	4.29	4.43
Registration & Licence Fees	34.57	28.84
Stamp Duty Expense	5.19	20.17
Computer Expense	13.61	12.90
Listing Fees to Stock Exchanges	5.40	4.55
Loss on fair valuation on Investment	-	0.00
Conferences and seminars	-	-
Donation	-	0.35
Profit/Loss on Sale of Asset / Invts	5.25	(1.58)
AUDITORS REMUNERATION EXPENSES		
Statutory Audit Fees	3.75	3.50
Tax Audit Fees	1.00	1.25
Certification Fees	0.00	0.00
SELLING AND DISTRIBUTION EXPENSES		
Advertisement & Sales Promotion	75.58	57.91
Packing and Forwarding	116.38	122.59
Carriage Outward,Freight & Insurance	101.97	100.02
Sales Commission and Discount	51.75	144.08
Provision for quantity discounts		
RESEARCH & DEVELOPMENT EXPENSES (UNIT-2)		
Research & Development Expenses	113.05	122.86
Salary & Wages	210.07	170.49
Laboratory Expenses	0.00	0.03
Travelling Expenses	18.99	9.30
Raw-Material Purchases	29.46	17.73
Total	3,876.85	4,293.72

**Note: 27 - Income Taxes**

₹ In Lacs

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

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Current income tax charge	-	859.23
Adjustments in respect of current income tax of previous year.	-	(86.11)
Mat Credit Entitlement	-	(113.49)
Deferred taxes (expense)/benefit	229.38	286.13
Income tax expense recognized in the statement of profit and loss (A)	229.38	945.76
Income tax expense on net (gain)/loss on remeasurement of defined benefit plans	0.91	(19.22)
Income Tax charged to OCI (B)	0.91	(19.22)
Total Income tax (expense)/benefit recognized in the Comprehensive income statement (A+B)	230.28	926.54

b. Reconciliation of tax**Reconciliation :-****ACCOUNTING PROFIT BEFORE INCOME TAX**

Enacted tax rate in India

Computed Tax Expense**Add:-**

Tax effects of amounts which are not deductible/(taxable) in calculating taxable income:

Less:-

Tax effect of income that is exempted from taxation

Expenses allowable on payment basis

Depreciation allowed

Effect of incremental deduction on account of research and development and other allowances

Tax Effect of donation

Prior Year Tax Provision / (Reversal)

Mat Credit Entitlement

Deferred tax on difference in WDV

Deferred tax on disallowance

Deferred tax on OCI

INCOME TAX EXPENSE

	(573.71)	2,934.73
	34.61	34.61
	-	1,015.65
		184.27
		(1.29)
		(9.22)
		(146.70)
		(167.22)
		(16.26)
		(86.11)
		(113.49)
	229.38	282.90
		3.22
	0.91	-
INCOME TAX EXPENSE	230.28	945.76

Note: 28 - Categories of Financial Instruments

₹ In Lacs

	As at March 31, 2019			As at March 31, 2018		
	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost
Financial Assets						
<i>Investments :-</i>						
<i>In Equity Instruments (Quoted)</i>	-	-	11.82	-	-	11.82
<i>In Equity Instruments (Unquoted)</i>	-	-	10.35	-	-	10.35
<i>Govt. Securities</i>	-	-	1.84	-	-	1.84
Trade Receivables	-	-	1,763.07	-	-	4,520.77
Loans	-	-	1,252.24	-	-	1,706.94
Cash and cash equivalents	-	-	143.34	-	-	43.03
Security Deposit	-	-	178.37	-	-	172.53
Total Financial Assets	-	-	3,361.03	-	-	6,467.29
Financial Liabilities						
Borrowings	-	-	5,910.76	-	-	6,189.83
Trade payables	-	-	3,241.35	-	-	3,762.51
Other Financial Liability	-	-	378.93	-	-	703.08
Total Financial liabilities	-	-	9,531.04	-	-	10,655.43

NOTE : 29**Note: :Financial Risk Management**

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



to reflect changes in market conditions and the Company's activities.

A) Credit Risk

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

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

a) Trade and Other Receivables

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

b) Cash and Cash Equivalents

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

Liquidity risk

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

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

The Working Capital Position of the Company is given below:

₹ In Lacs

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and Cash Equivalent	143.34	43.03
Trade Receivables	1,763.07	4,520.77
Inventories	7,345.32	6,013.42
Loans & other Financial Assets	1,252.24	1,706.94
Total	10,503.97	12,284.17

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

Particulars	Less than 1 Year	1-5 Years	Total
31.03.2019			
Borrowings	5,051.20	859.56	5,910.76
Trade payables	3,241.35	-	3,241.35
Other financial liabilities	378.93	-	378.93
Total	8,671.48	859.56	9,531.04

₹ In Lacs

Contractual Maturities	Less than 1 Year	1-3 Years	Total
31.03.2018			
Borrowings	5,075.19	1,114.64	6,189.83
Trade payables	3,762.51	-	3,762.51
Other financial liabilities	703.08	-	703.08
Total	9,540.78	1,114.64	10,655.43

Market risk

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



Interest rate risk

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

NOTE : 30

EMPLOYEE BENEFIT PLANS

As per actuarial report

(a) Defined benefit plans: Gratuity

(Rupees In Lacs)

Particulars	Gratuity	
	2018-19	2017-18
	funded	funded
I <u>Change in present value of projected benefit obligation</u>		
Present Value of obligation as at the beginning of the period	136.19	169.86
Interest Cost	10.24	13.59
Current Service Cost	14.78	12.73
Past Service Cost	1.13	0.00
Liability Transferred In/ Acquisitions	0.00	0.00
Benefits Paid	(5.36)	(3.38)
Total Actuarial (Gain)/ Loss on obligation	0.00	0.00
Actuarial Gains/(Losses) on obligations due to change in financial assumption	(4.63)	(16.66)
Actuarial Gains/(Losses) on obligations due to experience	1.10	(39.94)
Present Value of obligation as at the end of the period	153.45	136.19
VIII <u>Change in fair value of plan assets during the year</u>		
Fair Value of plan assets at the beginning of the period	122.63	103.32
Adjustment to opening fair value of plan assets	0.00	0.00
Return on Plan Assets excl. interest income	(0.93)	(1.06)
Interest Income	9.22	8.27
Employer contribution	31.60	15.48
Employee contribution	0.00	0.00
Benefits paid	(5.36)	(3.38)
Actuarial gain/(loss) for the year on asset	0.00	0.00
Fair Value of plan assets at the end of the period	157.16	122.63
IX <u>Asset/ (liability) recognised in the balance sheet</u>		
Present value of obligation at the end of the Period	(153.45)	(136.19)
Fair Value of plan assets at the end of the Period	157.16	122.63
Funded Status (Surplus/ (Deficit))	3.71	(13.57)
Net (Liability)/Asset Recognized in the Balance Sheet	3.71	(13.57)
IV <u>Net Liability</u>		
PVO At the beginning of the period	136.19	169.86
Fair value of assets at beginning of period	122.63	103.32
Net Liability	13.56	66.54
V <u>Net Interest cost for the current period</u>		
Interest Expenses	10.24	13.59
Interest Income	(9.22)	(8.27)
Net Interest	1.02	5.32
X <u>Expense recognised in the statement of profit or loss during the year</u>		
Current Service cost	14.78	12.73
Net interest cost	1.02	5.32
Past Service Cost	1.13	0.00
Total expense recognised in the employee benefit expense	16.93	18.05
XI <u>Recognised in other comprehensive income for the year</u>		
Actuarial (Gains)/Losses on Obligation For the Period	(3.53)	(56.60)
Return on Plan Assets, Excluding Interest Income	0.93	1.06
Change in Asset Ceiling	0.00	0.00
Net (Income)/Expense For the Period Recognized in OCI	(2.60)	(55.54)



Particulars	Gratuity	
	2018-19	2017-18
	funded	funded
XII Movement in the liability recognised in Balance Sheet		
Opening Net Liability	13.56	66.54
Expenses recognised in Statement of Profit & Loss	16.93	18.05
Employer's Contribution	(31.60)	(15.48)
Expenses recognised in Other Comprehensive Income	(2.60)	(55.54)
Net (Income)/Expense For the Period Recognized in OCI	(3.71)	13.57
XV Category of Assets		
Cash and Cash Equivalents	0.00	0.00
Gratuity Fund	0.00	0.00
Debt Security - Government Bond	0.00	0.00
Equity Securities - Corporate debt securities	0.00	0.00
Insurance Fund	157.15	122.63
Total :-	157.15	122.63
II Net interest cost for next year		
Interest Cost	12.06	10.24
Interest Income	(12.35)	(9.22)
	-0.29	1.02
X Expense recognised in the statement of profit or loss during the year		
Current Service cost	15.21	14.78
Net interest cost	(0.29)	1.02
Expected contribution by the employee	0.00	0.00
Expenses recognised	14.92	15.80
XVI Actuarial assumptions		
Return on Plan Assets	7.86%	7.52%
Discount Rate	7.86%	7.52%
Future salary increase	5% P.A.	5% P.A.
Mortality rate during employment	Indian assured live mortality (2006-08)	Indian assured live mortality (2006-08)
	60 Years	60 Years
Retirement Age		
Rate of Employee Turnover	2%	2%
XVII Quantitative sensitivity analysis for significant assumptions is as below		
Projected benefit obligation on current assumption	153.44	136.19
<u>a) Impact of change in discount rate</u>		
Impact due to increase of 1%	(12.32)	(11.86)
Impact due to decrease of 1%	14.35	13.89
<u>b) Impact of change in salary increase</u>		
Impact due to increase of 1%	13.99	14.10
Impact due to decrease of 1%	(12.41)	(12.23)
<u>b) Impact of change in employee turnover</u>		
Impact due to increase of 1%	3.24	2.73
Impact due to decrease of 1%	(3.70)	(3.13)

Note: 31 - Capital management

The company's objectives when managing capital are to:

- > Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- > Maintain an optimal capital structure to reduce the cost of capital.

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

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



₹ In Lacs

(i) Debt Equity Ratio

Particulars	March 31, 2019	March 31, 2018
Gross Debt	5,910.76	6,189.83
Less: -		
Cash and Cash Equivalent	143.34	43.03
Net debt (A)	5,767.42	6,146.80
Total Equity (B)	9,575.62	10,376.66
Net debt to equity ratio	0.60	0.59

(ii) Dividend on equity shares paid during the year

Particulars	March 31, 2019	March 31, 2018
Dividend on equity shares		
Interim dividend for the year ended March 31, 2018 of Rs. 0.50 Per Share	-	78.74
Dividend distribution tax on above	-	16.11
Dividends not recognised at the end of the reporting period	-	-

Note: 32 - Related Party Disclosures

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


Note: 33 - Related Party transactions

(A) Details of transactions with related parties during the year ended March 31, 2019

₹ In Lacs

Particulars		March 31, 2019	March 31, 2018
Remuneration			
Shri Govardhan M. Dhoot	KMP	20.00	20.00
Shri Brijmohan M.Dhoot.	KMP	3.78	-
Salary			
Mrs. Rekha G. Dhoot	Relative of KMP	17.49	17.49
Mrs. Jyoti B. Dhoot	Relative of KMP	17.49	17.49
Ms. Shweta G. Dhoot	Relative of KMP	8.66	8.66
Mrs. Smita A Dhoot	Relative of KMP	14.68	14.68
Mrs. Radhika A. Dhoot	Relative of KMP	14.68	14.68
Ms. Shrikripa A Dhoot	Relative of KMP	14.70	9.29
Mrs. Krishnapriya Nawal	Relative of KMP	10.23	-
Mr. Ajay Samant	Chief Financial Officer	17.89	15.24
Ms. Nikita Bavishi	Company Secretary	8.06	7.34
Total :-		147.66	124.87
Payables			
Raga Organics Private Limited		377.50	377.50
Shri Govardhan M. Dhoot		50.00	-
Rent Deposit			
Shri Govardhan M. Dhoot		7.00	7.00
Sitting Fees			
Shri Subhash C.Khattar	KMP	0.32	0.46
Shri Brijmohan M.Dhoot.	KMP	0.08	0.24
Smt Anuradha Sukhani	KMP	-	0.20
Mrs Nidhi Mundada	KMP	0.06	-
Shri Ajay R Dhoot	KMP	0.10	0.04
Shri Aditya R Dhoot	KMP	0.12	0.04
Shri Ajay Sawhney	KMP	0.02	0.06
Shri Rukmesh Dhandhaniya	KMP	0.24	0.08
Total :-		0.94	1.12

(B) Key management personnel compensation:

Particulars	March 31, 2019	March 31, 2018
Short- term employee benefits	49.73	42.58
Post-employment benefits		
Long-term employee benefits		
Termination benefits	0.90	0.81

Note: 34 - Contingent Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
A) Performance Guarantees/ Bonds		
(i) Guarantee executed in favor of Assistant Collector of Customs	-	-
(ii) Guarantee executed in favor of Export Parties	-	-
B) Others		
(iii) Guarantee given to GSPC Gas Co Ltd	130.10	126.39
(iv) Guarantee given to GPCB	1.50	-
(v) Guarantee given to Edelweiss Securities Ltd	70.00	70.00
(v) Estimated ROR to be paid to Consortium Banks	-	-

During the year the Company has availed Sales Bills Discounting facility to the tune of Rs. 23.50 Crores from Axis Bank and Rs. 20.00 Crores from HDFC Bank Ltd. and the outstanding as on 31.03.09 is Rs. 21.20 Crore and Rs. 5.81 Crore respectively.

**Note: 35 - Commitments****(a) Capital commitments:**

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

Particulars	March 31, 2019	March 31, 2018

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

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

a)Basic Earnings Per Share	March 31, 2019	March 31, 2018
Profit for the Year (Rs. In Lakhs) - (A)	(803.09)	1,988.96
Weighted average number of equity shares for basic & diluted EPS - (B)	15,828,248.00	15,828,248.00
Earnings Per Share – Basic and Diluted (Rs.) - (A/B)	(5.07)	12.57
Nominal value of an equity share (Rs.)	10.00	10.00

Note: 37 - Assets Pledged as Security

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

	March 31, 2019	March 31, 2018
Current		
Financial assets		
Inventories	7,345.32	6,013.42
Trade Receivables	1,763.07	4,520.77
Total current assets pledged as security	9,108.39	10,534.19
Non-current		
Property, Plant & Equipments (Net Block)		
<i>Land</i>	54.40	54.40
Factory Building	2,596.79	2,561.28
Other Building (Resident Flat)	52.36	53.22
Plant & Machinery	6,082.83	6,159.81
Laboratory Equipment	352.70	315.39
Research & Development Equipment	328.40	292.54
Office Equipments	24.43	31.27
Electrical Equipments	263.11	285.33
Furniture and Fixtures	104.29	106.79
Motor Care & Vehicles	128.28	148.36
Air Conditioner	34.20	43.79
Computer	55.99	63.43
Intangible Assets (Net Block)		
Computer Software	48.52	75.31
Capital Work in Process (Net Block)	19.95	7.13
Total non-current assets pledged as security	10,146.26	10,198.04
Total assets pledged as security	19,254.65	20,732.23

Note: 38 - Accounting Policies, Changes in Accounting Estimates and Errors.

Point 1: The company has identified a material prior period error on account of presentation & disclosure of Investments held by company. At the time of first time adoption of Ind AS, company has shown investments as Current and valued the same at fair value in accordance with Ind AS. However, the intention of the management was to hold the investments for longer period of time with no intention to sell in near future. Accordingly any profit and loss on account of fair value measurement which was already provided in the books of accounts has been adjusted in retained earnings along with restatement in value of Investment.



Particulars	Amount (In Lacs)
Investment value at cost as on 01st April 2016	11.63
Add: Fair value adjustment in opening Balance as per Ind AS	134.89
Investment value at fair value as on 01st April 2016 in accordance with Ind AS	146.52
Add: Fair value adjustment during the year 2016-17	5.15
Investment value as on March 2017	151.67
Add: Fair value adjustment during the year 2017-18	1.56
Investment value as on March 2018	153.23

Adjustments of Rs 134.89 Lakhs and Rs 5.15 Lakhs i.e. Rs140.04 lakhs has been adjusted in opening balance of retained earnings as on March 2017 and Rs 1.56 lakhs has been shown as adjustment in retained earnings during the year 2017-18. Accordingly investment value has also been restated.

Point 2: Prior period error with respect to Provision of GST on closing stock.

Company has erroneously made provision of GST on closing stock of finished goods. Due to the same inventory as on 31st March 2018 was increased by amount of Rs 781.05 Lakhs and current liability (GST Payable) was increased to the extent to Rs 781.05 lacs. As per the GST Act, GST liability is derived on the basis of time of supply and not on the basis of production. Hence the effect has been given by restating the figures of Inventory and current liability in Balance sheet of March 2018 in accordance with Ind AS 8.

Effect of the above two errors on Financial of March 2018 (Rs in Lacs).

Particular	As on March 2018	Restated as on March 2018
Inventory (Current Assets)	6794.47	6013.42
Investment (Non Current Assets)*	153.23	11.63
Retained Earnings	8935.43	8,793.83
Current Liability	1153.87	372.82

*Investments restated are of IMP Powers Limited. Others unquoted investment were stated at cost being non material in amount.

Note: 39

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

Note: 40 - Segment Information

Segment revenue

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

₹ In Lacs

Particulars	March 31-2019			March 31-2018		
	Total segment revenue	Inter- segment revenue	Revenue from external customers	Total segment revenue	Inter- segment revenue	Revenue from external customers
Total segment revenue	22,757.97	0.00	22757.97	27,937.96	0.00	27937.96

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

Revenue from external customers	March 31, 2019	March 31, 2018
Domestic	18,525.22	22,056.05
Export	4,232.75	5,881.91
Total	22,757.97	27,937.96

In terms of our report attached

For and on behalf of the Board of Directors

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

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

(Shri Ajay R. Dhoot)
Director
DIN: 00210424

(Ms Nikita Bavishi)
Company Secretary

(Mr. Ajay Samant)
Chief Financial Officer

Place : Mumbai
Dated: May 09, 2019



MANGALAM DRUGS AND ORGANICS LIMITED

(CIN: L24230MH1972PLC116413)

Registered Office: Rupam Building, 3rd Floor, 239, P. D' Mello Road, Near G.P.O., Mumbai – 400001, Maharashtra, India

Phone: 91-22-22616200 / 6300/8787 • Fax: 91-22-2619090

Email: investor@mangalamdrugs.com • Website: <http://www.mangalamdrugs.com>

ATTENDANCE SLIP

46th Annual General Meeting

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

Folio No. / DP ID & Client ID.: _____

No. of Shares: _____

Full name & address of the Member / Proxy holder: _____

I certify that I am a Registered Member / Proxy holder for the registered member of the Company.

I / We hereby record my / our presence at the 46th Annual General Meeting of the Company being held on Wednesday, September 25, 2019 at 3.30 P.M. at Kilachand Conference Room, 2nd Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai- 400001.

Name of the attending Member's / Proxyholder's

Member's / Proxyholder's Signature

* Strike out whichever is not applicable

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



Route Map to the AGM venue

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





MANGALAM DRUGS AND ORGANICS LIMITED

(CIN: L24230MH1972PLC116413)

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

• Phone: 91-22-22616200 / 6300/8787 • Fax: 91-22-2619090

Email: investor@mangalamdrugs.com • Website: <http://www.mangalamdrugs.com>

PROXY FORM

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

Name of the member(s) : _____

Registered Address: _____

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

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

1. Name: _____ of _____ having E-mail ID _____, failing him/ her;

2. Name: _____ of _____ having E-mail ID _____, failing him / her;

3. Name: _____ of _____ having E-mail ID _____, failing him / her;

Whose signatures are appended below as my/our proxy to attend and vote for me/us and on my/our behalf at the 46th Annual General Meeting of the members of the Company, to be held on Wednesday, September 25, 2019 at 3.30 P.M. at Kilachand Conference Room, 2nd Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai- 400001 and at any adjournment thereof in respect of the resolutions as indicated below:

Sr. No.	RESOLUTION
1.	Adoption of Standalone Financial Statements for the Financial Year ended March 31, 2019 together with the Reports of the Board of Directors and Auditors thereon.
2.	Appointment of Director in place of Shri Brijmohan M. Dhoot (01046420), liable to retire by rotation, who being eligible has offered himself for re-appointment.
3.	Ratification of remuneration payable to Mr. Ankit Kishor Chande, Cost Auditors of the Company for the Financial Year 2019-20.
4.	Appointment of Shri Prashant J. Pandit (DIN: 03079878) as an Independent Director of the Company.
5.	Re-appointment of Shri Govardhan M. Dhoot (DIN: 01240086) as the Chairman & Managing Director of the Company.

Signed this ____ day of _____ 2019



Signature of Shareholder

Signatures of :

First Proxy Holder

Second Proxy Holder

Third Proxy holder

- Notes:
- (1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.**
 - (2) For the Resolutions, Notes and Explanatory statement refer Notice of the 46th Annual General Meeting.
 - (3) Please complete all details including details of member(s) in above box before submission..



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FINANCIAL HIGHLIGHTS

(Figure in Lacs)

PARTICULARS	31-Mar-10	31-Mar-11	31-Mar-12	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16	31/03/2017*	31/03/2018*	31/03/2019*
Sales & Other Sales Income	11275.82	12797.96	15413.59	12683.14	12275.98	22067.19	29521.91	30319.35	28020.66	22789.65
Profit before Interest & Depreciation	1089.61	1313.62	1503.86	(283.71)	984.63	2044.65	3772.08	4622.42	4769.54	999.79
Interest	572.19	685.93	1016.43	1002.24	974.21	1028.37	929.18	1003.65	1178.00	864.65
Depreciation	297.12	327.30	373.64	393.97	401.05	415.40	441.30	500.71	656.82	708.85
Profit Before Tax	220.30	300.39	113.79	(1679.92)	(390.63)	600.88	2401.60	3118.06	2934.72	(573.71)
Profit After Tax	182.30	242.39	63.36	(1179.94)	(303.92)	614.12	1603.31	2227.50	1988.96	(803.09)
Total Comprehensive Income**	-	-	-	-	-	-	-	36.32	36.32	1.69
Equity Capital	1317.82	1317.82	1317.82	1317.82	1317.82	1317.82	1437.82	1582.82	1582.82	1582.82
Reserves & Surplus	2799.41	2424.98	2488.33	1308.39	1004.47	1618.59	3866.36	6988.89	8793.83	7992.80
Money recd agst Share Warrants	-	-	-	-	-	-	848.25	-	-	-
Net Worth	4117.23	3742.80	3806.15	2626.21	2322.29	2936.41	6152.43	8571.71	10376.65	9575.62
Borrowings:										
Long Term Loans	852.35	1233.66	1531.26	3012.19	3001.76	2452.47	1794.02	2270.87	1500.09	899.30
Short Term - Bank	2288.67	2683.65	3265.11	2791.27	3111.67	3182.43	3537.57	4132.00	5075.19	5051.20
Short Term - Others	881.86	1208.80	1279.64	1474.98	1604.58	2157.37	649.91	206.48	317.63	339.20
Total Borrowings	4022.88	5126.11	6076.01	7278.44	7718.01	7792.27	5981.50	6609.35	6892.91	6289.70
Gross Block	6682.90	7790.55	8407.70	8612.94	8827.52	9182.37	10249.52	14026.10	15620.78	16269.55
Less : Depreciation	2030.48	2343.96	2708.93	3099.58	3489.09	3887.58	4337.82	4770.49	5422.74	6123.29
Net Block (Fixed Assets)	4652.42	5446.59	5698.77	5513.36	5338.43	5294.79	5911.70	9255.61	10198.04	10146.26
Investments	14.40	14.40	14.44	18.44	17.92	24.02	24.01	164.43	24.01	24.01
Current Assets, Loans & Advances	4902.01	5964.18	6481.32	5945.94	7188.08	11670.69	10040.68	9530.32	12456.69	10742.35
Less : Current Liabilities	1428.72	1939.44	1648.46	1573.09	2504.13	6260.82	3841.86	3769.32	5409.18	5047.29
Net Working Capital	3473.29	4024.74	4832.86	4372.85	4683.95	5409.87	6198.82	5761.00	7047.51	5695.06
Book Value (Rs) per share	26.82	28.40	28.88	19.93	17.62	22.28	42.79	54.15	65.56	60.50
Earnings (Rs) per share	1.38	1.58	0.48	(8.95)	(2.31)	4.66	11.15	14.07	12.57	(5.07)
Dividend (Rs) per share	-	-	-	-	-	-	-	-	0.50	-
Nominal value per share	10	10	10	10	10	10	10	10	10	10

* The figures reported for F.Y. 2016-17 and F.Y. 2017-18 and F.Y. 2018-19 are Ind As compliant.

** Total Comprehensive Income is required to be reported under Ind AS for F.Y. 2016-17 and F.Y. 2017-18 and F.Y. 2018-19 and hence not reported for earlier years which are IGAAP compliant.

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

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