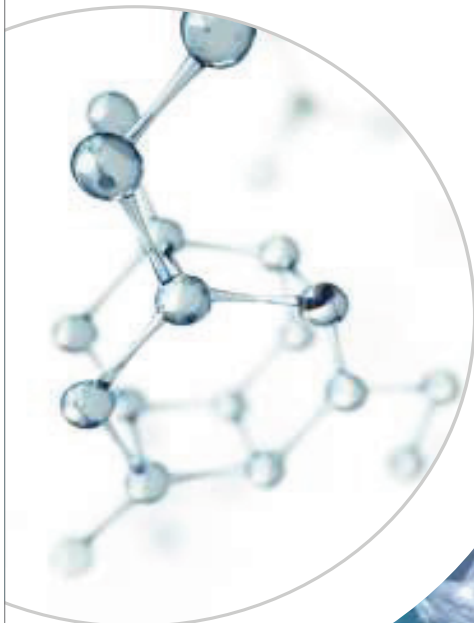


47th
ANNUAL REPORT
2019-20



Mangalam Drugs and Organics Limited



BOARD OF DIRECTORS

Shri Govardhan M. Dhoot	- Chairman & Managing Director
Shri Brijmohan M. Dhoot	- Executive Director
Shri Ajay R. Dhoot	- Non-Executive Director
Shri Aditya R. Dhoot	- Non-Executive Director
Shri Subhash C. Khattar	- Independent Director
Shri Rukmesh P. Dhandhanania	- Independent Director
Smt Nidhi S. Mundada	- Independent Director
Shri Prashant J. Pandit	- Independent Director (w.e.f. July 8, 2019)

CHIEF FINANCIAL OFFICER

Mr. Ajay A. Samant

COMPANY SECRETARY

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

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

REGISTERED OFFICE

3rd Floor, Rupam Building,
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: investor@mangalamdrugs.com
Website: <http://www.mangalamdrugs.com>

WORKS

VAPI – UNIT 1

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

VAPI – UNIT 2

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

AUDITORS

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

BANKERS

State Bank of India

Indian Bank

Punjab and Maharashtra Co-Op. Bank Ltd

Central Bank of India

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai – 400083
Tel No. 91-22-49182670
E-Mail: rnt.helpdesk@linkintime.co.in

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NOTICE

NOTICE is hereby given that the Forty Seventh (47th) Annual General Meeting of the Members of **Mangalam Drugs & Organics Limited** will be held on **Friday, September 25, 2020 at 3:30 P.M. (IST)** through Video Conference (“VC”) / Other Audio Visual Means (“OAVM”), to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements for the Financial Year ended March 31, 2020:

To consider and adopt the Standalone Audited Financial Statements for the Financial Year ended March 31, 2020 together with the Reports of the Board of Directors and Auditors thereon.

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

To appoint a Director in place of Shri Ajay R. Dhoot (DIN: 00210424) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Ratification of Remuneration payable to Rampurawala Mohammed A & Co - Cost Accountants, the Cost Auditors of the Company for the Financial Year 2020-21:

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 Rampurawala Mohammed A & Co - Cost Accountants (Membership No: 32100) appointed by the Board of Directors as Cost Auditors of the Company for the Financial Year 2020-21 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) plus out of pocket expenses and Goods and Service Tax (GST), as applicable 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.”

By the 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

Date: August 10, 2020

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide its Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020 (collectively referred to as MCA Circulars) permitted the holding of the Annual General Meeting (AGM) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) and MCA Circulars, the 47th AGM is being held through VC / OAVM. The detailed procedure for participating in the AGM through VC/OAVM is annexed herewith and also available at the Company’s website www.mangalamdrugs.com.
2. A member entitled to vote at the AGM is entitled to appoint proxy to attend and vote on his/her behalf and proxy need not be a member. Pursuant to the MCA Circulars, 47th AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/ OAVM and cast their votes through e-voting.

3. The Institutional/Corporate Shareholders (i.e. other than individuals/HUF/NRI etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body resolution/authorisation etc., with attested specimen signature of the duly authorized representative, authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through e-voting. The said resolution/authorization shall be sent to the Company Secretary by email through its registered email address to investor@mangalamdrugs.com with a copy marked to evoting@nsdl.co.in, at least 48 hours before the commencement of AGM.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
5. The Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. The Explanatory Statement pursuant to Section 102 of the Act in respect of business under item no. 3 of the Notice to be transacted at ensuing AGM is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/reappointment at this AGM are also annexed to this Report.
7. The Company's Registrar and Transfer Agents for its share registry work (Physical and Electronic) are Link Intime India Private Limited.
8. To support "Green Initiative" members who have not yet registered their email addresses are requested to registered the same with their Depository Participants (DPs) in case the shares are held by them in electronic form. Members holding shares in physical mode and who have not updated their email addresses with the Company /Link Intime India Private Limited - Registrar and Transfer Agent (RTA) of the Company are requested to update their email addresses by writing to the Company at investor@mangalamdrugs.com or to RTA at rnt.helpdesk@linkintime.co.in along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Aadhar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member. In case of any queries / difficulties in registering the e-mail address, Members may write to Company or RTA.
9. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or RTA in this regard.
10. The Securities and Exchange Board of India (SEBI) vide its notification dated April 20, 2018, has mandated the submission of Permanent Account Number (PAN) and /or Bank Account details for updation of the same against their folio number. Members holding shares in electronic form are, therefore, requested to submit the PAN / Bank account details to their Depository Participant(s) with whom they are maintaining their demat accounts.
11. Members are requested to inform changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number and type, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.
12. Members can avail the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed form duly filled-in to RTA. Members holding shares in electronic mode may contact their respective DPs for availing this facility.
13. Members are requested to consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.
14. Members seeking any information pertaining to the Accounts or any matter to be placed at the AGM, are requested to write to the Company till Friday, September 18, 2020 mentioning their name, demat account number/folio number, email id, mobile number through email on investor@mangalamdrugs.com. The same will be replied by the Company suitably.
15. The Company has appointed Mr. Ankit Sethi – Practising Company Secretary (ICSI ACS No.: 25415, CP No.: 11089), as the Scrutinizer for conducting the remote e-voting as well as the e-voting on the date of the AGM in a fair and transparent manner.
16. The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the Stock Exchanges, NSDL and RTA and will also be displayed on the Company's website www.mangalamdrugs.com.
17. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
18. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in electronic mode.



19. In line with the MCA Circulars and to support the green initiative only electronic copy of the Annual Report for the year ended March 31, 2020 and Notice of the 47th AGM are being sent to the members whose mail IDs are available with the Company/ DP(s). Physical copy of the report is not sent to anyone. Please note that Annual Report and Notice of the 47th AGM are also posted on the Company’s website www.mangalamdrugs.com for download. The Notice of 47th AGM along with Annual Report for FY 2019-20 can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the 47th AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

20. Pursuant to the provisions of Section 108 of the Act read together with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as e-voting during the AGM will be provided by NSDL.

21. INSTRUCTIONS FOR ELECTRONIC VOTING

REMOTE E-VOTING INSTRUCTIONS:

The remote e-voting period begins on Tuesday, September 22, 2020 at 9:00 A.M. (IST) and ends on Thursday, September 24, 2020 at 5:00 P.M. (IST) The remote e-voting module shall be disabled by NSDL for voting thereafter.

A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. Friday, September 18, 2020 only shall be entitled to avail the facility of remote e-voting as well as e-voting during the AGM. The voting rights of Members shall be in proportion to their shares in the total paid-up equity share capital of the Company as on the cut-off date i.e. Friday, September 18, 2020.

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

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Step 1: Log-in to NSDL e-Voting website

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

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

5. Your password details are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c. How to retrieve your ‘initial password’?

- i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, please follow the below mentioned procedure:
 - o In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@mangalamdrugs.com.
 - o In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@mangalamdrugs.com.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

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

PROCEDURE FOR SPEAKER REGISTRATION AND TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

1. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending a request in the below given form from their Registered Email ID to investor@mangalamdrugs.com till Friday, September 18, 2020:

SPEAKER REGISTRATION FORM *

Name of Shareholder (including joint holder)
DPID-CLID / Folio Number
Permanent Account Number (PAN)
Mobile Number & Email ID
Profession
Query in brief

*All fields are mandatory



2. The member whose details are incomplete or inaccurate will not be considered for Speaker.
3. Only those Member who have registered themselves as a Speaker will be allowed to express their views/ask questions during the 47th AGM.
4. Further, the Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

E-VOTING INSTRUCTIONS ON THE DAY OF AGM:

1. The procedure for e-Voting on the day of the 47th AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ Shareholders, who will be present in the 47th AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the 47th AGM of the Company.
3. Members who have voted through Remote e-Voting will be eligible to attend the 47th AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

General Guidelines for Members:

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on toll free no.: 1800-222-990 or send a request to Ms. Sarita Mote – Assistant Manager, NSDL Contact No. – 022- 24994890 Email ID – SaritaM@nsdl.co.in / evoting@nsdl.co.in

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

- i. Member will be provided with a facility to attend the 47th AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsd.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

By the 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
Date: August 10, 2020

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 June 29, 2020, on recommendation of the Audit Committee, approved the appointment of Rampurawala Mohammed A & Co - Cost Accountant (Membership No: 32100) as the Cost Auditor of the Company for the Financial Year 2020-21 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 2020-21.

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.



Details pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standard
in respect of Directors seeking appointment/reappointment

Details of Director Retire by Rotation

Name of Director	Shri Ajay R. Dhoot
Director Identification No.	00210424
Date of Birth	March 9, 1964
Date of appointment on Board	November 20, 2017
Nationality	Indian
Qualifications	B.com
Experience including Expertise in specific functional areas	Shri Ajay R. Dhoot is a Non-Executive Director of the Company. He has an experience of more than 39 years in the field of Marketing, Finance and Administration. He is a prudent Businessman. He is one of the promoters of the Company.
List of Directorships held in Other Companies (Excluding Foreign, Private and Section 8 Companies)	IMP Powers Limited IMP Energy Limited
Memberships/ Chairmanships of Audit and Stakeholders' Relationships Committees across Public Companies	Member in Stakeholders' Relationship Committee of IMP Powers Limited
Number of shares held in the Company	1,38,687 Equity Shares
Relationships between the Directors inter-se	Shri Ajay R. Dhoot is a Brother of Shri Aditya R. Dhoot – Non- Executive Director of the Company.

DIRECTORS' REPORT

To,
The Members of
Mangalam Drugs & Organics Limited

The Directors, have pleasure in presenting to you their Forty-Seventh Annual Report together with Company's Audited Financial Statements for the Accounting year ended March 31, 2020.

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	2019-20	2018-19
Revenue from Operations	28235.36	22757.97
Other Income	118.12	31.68
Profit before Finance Expenses, Depreciation & Amortisation	2487.46	999.79
Less: Depreciation & Amortisation	821.78	708.85
Less: Finance Expenses	1040.47	864.65
Profit / (Loss) before tax	625.21	(573.71)
Profit / (Loss) after tax	825.25	(803.09)
Total Comprehensive Income	827.57	(801.40)
Earnings Per Share (In Rs.) (Basic & Diluted)	5.21	(5.07)

TRANSFER TO RESERVES AND DIVIDEND

The Company has not transferred any amount in the Financial Year ended March 31, 2020 to Reserves. Further, the Directors do not recommend any dividend on equity shares for the year ended March 31, 2020. (No dividend was declared or paid in FY 2019-20).

STATE OF COMPANY'S AFFAIRS

The Company once again back on the growth path. The revenue from operations for the Financial Year 2019-20 is Rs. 28235.36 Lakhs. The Company registered a growth of 24% over the previous year (previous year revenue from operations stood Rs. 22757.97 Lakhs).

The Company has achieved export turnover of Rs. 9192.39 Lakhs as against Rs.4232.75 Lakhs for the previous year registering an excellent growth of 117.16%.

The increase in the export and domestic sales turnover and considerable improvement in operational performance which resulted into increased profitability of Rs. 825.25 Lakhs as compared to previous year loss of Rs.(803.09 Lakhs).

IMPACT OF COVID – 19

During the last quarter of the year under review the incidence of COVID-19 developed into a global pandemic. The directors have assessed the impact of COVID-19 on the business at the balance sheet date and there are no significant changes as of the balance sheet date. The Company manufactures Active Pharmaceutical Ingredients (APIs) which comes under essential commodities therefore the Company continues to manufacture and sell APIs.

During the unprecedented COVID-19 pandemic situation, the Company has taken a number of drastic measures to ensure safety of workforce. While the Company is committed to serve the needs of the healthcare sector, it has not compromised on any steps in ensuring the safety of the employees and number of preventive measures have been implemented at all the functional work sites including the following:

- Wearing of Face Masks is mandatory for employees right at the time of Starting from their home, at worksite and work commute.
- All employees have been provided transport facilities.
- Temperature screening is mandatory at all sites at time of entry and exit.
- Those with high temperature are automatically referred to Doctor for further screening. Social distancing measures are in place right from time of entry gate at adequately spacing of 3 feet as well as other common places.

FUTURE OUTLOOK

The Company was engaged in building and strengthening the Antimalarial and Antiviral business during initial months of last fiscal. The Company is looking into going in for backward integration for making the raw materials for its APIs like Acyclovir, Primaquine, Sulfadoxine and DBA etc. This is in line with the Make in India drive and will help in reducing the dependence on cost constraining advance intermediaries. The Hydroxychloroquine



API contributed in addressing prophylactic needs of COVID-19 front line health workers during March month. In upcoming year too, the Company is committed to supply Hydroxychloroquine globally alongside developing APIs like Favipiravir which are in advanced clinical trials, as on report date. The pandemic tremors are felt globally and the Company is firmly placed to address various therapeutic needs with the diversified portfolio.

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("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 ("the Act"). 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 the Annual Report.

DEPOSITS

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

LOAN FROM MANAGING DIRECTOR

The Company has borrowed a sum of Rs. 50,00,000/- (Rupees Fifty Lakhs only) at the rate of 14% p.a. interest rate from Shri Govardhan M. Dhoot – Chairman & Managing Director of the Company towards unsecured loan in the FY 2018-19. A sum of Rs. 25,00,000/- (Rupees Twenty Five Lakhs only) is outstanding as on March 31, 2020. Further, Shri Govardhan M. Dhoot 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 its 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 the Annual Report as **Annexure A**.

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 terms 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 Lakhs Fifty Thousand) per month or Rs. 1,02,00,000/- (Rupees One Crore Two Lakhs) 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 2019- 20:

Name of the Director/KMP	Designation	Ratio to Median Remuneration	% increase in remuneration in the Financial Year
Shri Govardhan M. Dhoot	Chairman & Managing Director	5.78	-
Shri Brijmohan M. Dhoot	Executive Director	1.73	-
Shri Subhash C. Khattar	Independent Director	Not Applicable	Not Applicable
Shri Ajay R. Dhoot	Non - Executive Director	Not Applicable	Not Applicable
Shri Aditya R. Dhoot	Non - Executive Director	Not Applicable	Not Applicable
Shri Prashant J. Pandit	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	14.82%
Ms. Geeta Karira	Company Secretary & Compliance Officer	Not Applicable	-

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

b. The percentage increase in the median remuneration of employees in the Financial Year:

Median remuneration is increased by 17.55%.

c. The number of permanent employees on the rolls of Company: 387.

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 18.91% 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 2019-20.

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, 2020, 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 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 46th Annual General Meeting of the Company held on September 25, 2019, the members approved the re-appointment of Shri Brijmohan M. Dhoot (DIN: 01046420) who had retired by rotation, regularized appointment of Shri Prashant J. Pandit (DIN: 03079878) who was appointed as an additional Independent Director on July 8, 2019 and re-appointed Shri Govardhan M. Dhoot (DIN: 01240086) as the Chairman & Managing Director of the Company for the term of 5 years w.e.f. November 1, 2019.

At the 47th Annual General Meeting Shri Ajay R. Dhoot – Non-Executive Director (DIN: 00210424) retires by rotation and being eligible offered himself for re-appointment in accordance with the provisions of the Companies Act, 2013.



MEETINGS OF BOARD OF DIRECTORS

During the Financial Year 2019-20, 5 Board Meetings were convened and held on May 9, 2019, July 8, 2019, July 26, 2019, November 2, 2019, January 24, 2020. 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) Statutory Committees of the Board as on March 31, 2020:

- Audit Committee (AC)
- Nomination and Remuneration Committee (NRC)
- Stakeholders' Relationship Committee (SRC)
- Corporate Social Responsibility Committee (CSRC)

The Company has an Executive Committee (EC), which is a non-mandatory committee and delegated power to EC members to consider and approve day to day business matters. The decisions taken by the EC members are considered on record by the Board in their meetings.

The details of the Committees are provided 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 <https://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.

During the Financial Year 2019-20, 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 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 / WHISTLE BLOWER POLICY

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 <https://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 2019-20 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 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 <https://www.mangalamdrugs.com/investors.html>.

The annual report on CSR activities as required to be made in the Board's Report as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached herewith as **Annexure-B**.

The Company's CSR initiatives are on the focus areas approved by the Board benefitting the community. During the Financial Year 2019-20, the Company's spending on the CSR activities has been less than the limits prescribed under the Act. The Company is on the journey of ascertaining CSR programs that benefit the society at large and is still making efforts to identify the projects for spending the unspent CSR.

Due to the reasons stated above 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. 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.

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 June 7, 2019 for the violation of Section 12A (a), (b) & (c) of the SEBI Act, 1992 (hereinafter referred to as 'SEBI Act') and Regulation 3(b), (c), (d), 4(1), 4(2)(a), (e), (f), (k) and (r) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as 'PFUTP Regulations').

The Company duly replied to the said notice on June 27, 2019 giving clarification on the matter along with required proofs. The Company also requested to Adjudicating Officer 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 favourable order from SEBI dated June 30, 2020 for disposal of the adjudication proceedings initiated, vide Show Cause Notice dated June 07, 2019, against the Company without imposition of any monetary penalty.

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 be given. The report of the Statutory Auditors forms part of the financial statements. The Board has duly explained the reasons in the Annual Report on the remark given by the Secretarial Auditor in his report for not spending the prescribed CSR expenditure during the year.



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 profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of 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 C**.

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 D** and also uploaded on the Company's Website <https://www.mangalamdrugs.com/report/mgt-9fy2019-20.pdf>.

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 47th 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, Rampurawala Mohammed A & Co., Cost Accountants, (Membership No. 32100) have been appointed as Cost Auditors for the Financial Year 2020-21 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 47th 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 appointed, within the meaning of the said Act.

The Cost Audit Report for the Financial Year 2018-19, 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 August 23, 2019.

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 has appointed Ankit Sethi & Associates - Practising Company Secretaries (Membership No.: 25415 CP No.: 11089), to conduct secretarial audit for the Financial Year 2019-20. The Secretarial Audit Report for the Financial Year ended March 31, 2020 is attached herewith as **Annexure E** to this report.

The Secretarial Auditor in his Secretarial Audit Report (MR-3) for the Financial Year 2019-20, 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 2019-20 with related parties were on an arm's length basis 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 <https://www.mangalamdrugs.com/images/pdf/rpt-policy.pdf>.

ACKNOWLEDGMENTS

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.

By and on behalf of the Board of Directors

Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086

Place: Mumbai

Date: August 10, 2020



ANNEXURE A TO THE 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, 2020

1. CONSERVATION OF ENERGY

a. Steps taken for conservation of energy and the impact of such steps-

- The Company has installed energy efficient pump in utility cooling tower pump. This has given benefit of Rs. 6.5 lakhs p.a.
- Further, VFD was installed in utility brine circulation pump to optimize energy as per requirement. This has provided energy saving of Rs. 2 lakhs p.a.

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

The Company has finalized agreement with Gujrat Gas Ltd for supply of gas exclusively for generation of electrical power. The agreement is valid for 2 years. This will provide benefit of Rs. 18 lakhs p.a. due to difference in energy generation cost.

c. Capital investment on energy conservation equipment-

- Supply of gas for generation of power – Rs. 31.61 lakhs
- High efficient cooling tower pump – Rs. 2 Lakhs
- VFD for brine circulation pump – Rs. 2 Lakhs

2. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

a) Major efforts made towards technology absorption-

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

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

- Optimal utilization of resources for the global market.
- We are the first company to feature on WHO's API prequalification programme.
- 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-

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

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

(Rs. In Lakhs)

Particulars	Current Year	Previous Year
Capital	288.46	54.04
Recurring	-	371.56
Total	288.46	425.60

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 Lakhs)

Particulars	Current Year	Previous Year
Foreign Exchange Earned		
Export of goods on CIF basis (including deemed exports)	9192.39	4232.75
Foreign Exchange Outgo		
• Raw Material	14955.03	13661.52
• Material	8.72	12.34
• Travelling Expenses	26.51	46.26
Total Foreign Exchange Outflow	14990.26	13720.12

By and on behalf of the Board of Directors

Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086

Place: Mumbai
Date: August 10, 2020



ANNEXURE B TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR FY 2019-20

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

1. **A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

OUR VISION

Vision of Mangalam Drugs and Organics Limited ("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.

As a Corporate entity, we are thoroughly aware of our social responsibilities and are committed towards sustainability. The Company endeavors to make Corporate Social Responsibility ("CSR") a key business process for attaining its CSR objectives.

OUR MISSION

To actively contribute to the social and economic development of the communities and build a better sustainable way of life for the weaker sections of society, through our meaningful engagement in the areas of Education, Health Care, Sustainable Livelihood, Infrastructure Development and Social Change. The Company's CSR policy is placed on the Company's website: <https://www.mangalamdrugs.com/images/pdf/corporate-social-responsibility-policy.pdf>

OUR APPROACH

- 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. **The Composition of the CSR Committee**

Name of the Director	Position in the 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. **Average net profit of the Company for last three Financial Years** Rs. 18,49,28,000/-

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)** Rs. 79,28,000/-*

5. **Details of CSR Spent during the FY 2019-20**
- Total amount to be spent during the Financial Year 2019-20 as per the Companies, Act 2013:** Rs. 79,28,000/-
- Total amount spent during the Financial Year 2019-20:** Rs.39,86,350/-
- Amount unspent if any:** Rs. 39,41,650/-
- Manner in which amount has been spent on CSR activities in the Financial Year 2019-20 Given below:**

Sr. No.	CSR Project or Activity Identified	Sector in which Project is covered	Projects or Programs <ul style="list-style-type: none"> Local area or other 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
a.	Preserving the philosophical & scriptural texts of India	Preserving the philosophical & scriptural texts of India	New Delhi	5,00,000	5,00,000	5,00,000	Directly to Muktabodha Indological Research Institute.
b.	Promoting the Education	Education	Maharashtra	1,71,420	1,71,420	1,71,420	Directly to CPS Gangapur School as Education assistance.
c.	Promoting the Education	Education	Maharashtra	50,500	50,500	50,500	School fees paid directly to CPS Gangapur School as Education assistance for 5 students.
d.	Promoting the Education	Education	Maharashtra	1,88,500	1,88,500	1,88,500	Directly to CPS Gangapur School – Purified water facility & School Room carpet & other related expenses done by the Company to aid in students' education.
e.	Promoting the Education	Education	Maharashtra	1,70,000	1,70,000	1,70,000	Directly to Sanskar English Medium School Gangapur – Purified water facility & School Room carpet & other related expenses done by the Company to aid in students' education.
f.	Promoting the Education	Education	Telangana	5,00,000	4,05,930	4,05,930	Education assistance - equipment required by EDSMART Global School to build economical Green School were directly provided to School as an Educational aid.
g.	Support for Eradicating COVID-19 (PM CARES FUND)	Disaster Management	India	20,00,000	20,00,000	20,00,000	Direct transfer to the PM CARES Fund
h.	Support for Eradicating COVID-19	Disaster Management	Mumbai	5,00,000	5,00,000	5,00,000	Through Roti Bank Foundation

* Prescribed CSR Expenditure includes 2% of the Average Net Profits of last 3 Financial Years + Unspent Amount of Last Year, if any: Rs.36.99 Lakhs for FY 2019-20. There was Rs. 42.29 Lakhs unspent amount in Financial Year 2018-19.



-
- 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 allocated CSR budget for the benefit of society. The Company's CSR initiatives are on the focus areas approved by the Board benefitting the community. During the Financial Year 2019-20, the Company's spending on the CSR activities has been less than the limits prescribed under the Act. The Company is on the journey of ascertaining CSR programs that benefit the society at large and is still making efforts to identify the projects for spending the unspent CSR.
- Due to the reasons stated above 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. 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.
-
- 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.
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Govardhan M. Dhoot
Chairman & Managing Director

Ajay R. Dhoot
Chairman – CSR Committee

Place: Mumbai
Date: August 10, 2020

ANNEXURE C TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT

COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance is a mechanism by which the values, policies and procedures of the organizations are inculcated and manifested. The essence of corporate governance lies in promoting and maintaining integrity, transparency and accountability throughout the organization.

OUTLOOK

The Company was engaged in building and strengthening the Antimalarial and Antiviral business during initial months of last fiscal. The Company is looking into going in for backward integration for making the raw materials for its APIs like Acyclovir, Primaquine, Sulfadoxine and DBA etc. This is in line with the Make in India drive and will help in reducing the dependence on cost constraining advance intermediaries. The Hydroxychloroquine API contributed in addressing prophylactic needs of COVID-19 front line health workers during March month. In upcoming year too, the Company is committed to supply Hydroxychloroquine globally alongside developing APIs like Favipiravir which are in advanced clinical trials, as on report date. The pandemic tremors are felt globally and the Company is firmly placed to address various therapeutic needs with the diversified portfolio.

INDUSTRIAL STRUCTURE & DEVELOPMENT

The pharmaceutical industry is one of the world's fastest growing industries and among the biggest contributors to the world economy. It plays a unique role in improving the lives of patients. Its role has become far more critical amidst the fight against COVID -19 pandemic. While we are writing this report, we are in the midst of COVID-19 pandemic. The extent to which COVID-19 pandemic will impact the operations and financial results is dependent on the future developments, which are highly uncertain. This is a major risk in the immediate future and its long-term impact needs to be assessed.

OPPORTUNITIES

The Company's continuous investment in R & D is expected to bear fruits over the upcoming short & medium term. Our R & D team comprises of skilled scientist who harbor a unique and synergistic blend of scholarship with bench skills. It has developed several synthesis options to reduce product processing time cycles and effluent load for existing as well as newer molecules. By manufacturing high-quality, low-priced medicines, India provide a huge business opportunity for the industry. On global platform, Indian pharmaceuticals have an important position as it exports over global demand for various medicines.

THREATS, RISK AND CONCERNS

Despite some positive signs, the overall global economy remains fragile & volatile. Sentiments driven fluctuation in the currency market could also impact product pricing and margins both in domestic as well as export markets.

As a result of the COVID-19 pandemic, the global economy is projected by IMF to be much worse than during the 2008–09 financial crisis.

INTERNAL CONTROL SYSTEM ADEQUACY

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

HUMAN RESOURCE DEVELOPMENT & RESEARCH ACTIVITIES

The Company's success depends to a great extent on its ability to recruit, train, and retain high quality people. The Company places special emphasis on the human resources function in the organization. It believes that its strong brand name, industry leadership position, wide of growth opportunities and performance linked compensation gives it significant advantages in attracting and retaining skilled employees.

The total employee strength of the Company at the end of the Financial Year 2019-20 was 387.

STATE OF THE AFFAIRS OF THE COMPANY

The Company once again back on the growth path. The revenue from operations for the Financial Year 2019-20 is Rs. 28235.36 Lakhs. The Company registered a growth of 24% over the previous year (previous year revenue from operations stood Rs. 22757.97 Lakhs).

The Company has achieved export turnover of Rs. 9192.39 Lakhs as against Rs.4232.75 Lakhs for the previous year registering an excellent growth of 117.16%.

The increase in the export and domestic sales turnover and considerable improvement in operational performance which resulted into increased profitability of Rs. 825.25 Lakhs as compared to previous year loss of Rs.(803.09 Lakhs).

**FINANCIAL RATIO**

Sr. No.	Particulars	2019-20	2018-19
1.	Debtors Turnover Ratio	6.98	12.51
2.	Inventory Turnover Ratio	5.40	4.13
3.	Interest Coverage Ratio	1.60	0.34
4.	Operating Margin Ratio	0.05	0.01
5.	Net Profit Margin	0.03	(0.04)
6.	Return on net worth	0.08	(0.08)

HEALTH & SAFETY MEASURES

The Company is fully committed to the safety, health and well being of its employees and minimizing the environmental impact of its business operations.

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

During the unprecedented COVID-19 pandemic situation we at Mangalam, has taken a number of drastic measures to ensure safety of its workforce. While the Company is committed to serve the needs of the healthcare sector, it has not compromised any steps in ensuring the safety of the employees and number of preventive measures have been implemented at all the functional work sites including the following:

- Wearing of Face Masks is mandatory for employees right at the time of Starting from their home, at worksite and work commute.
- All employees have been provided transport facilities.
- Temperature screening is mandatory at all sites at time of entry and exit.
- Those with high temperature are automatically referred to Doctor for further screening. Social distancing measures are in place right from time of entry gate at adequately spacing of 3 feet as well as other common places.

CAUTIONARY STATEMENT

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

By and on behalf of the Board of Directors

Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086

Place: Mumbai
Date: August 10, 2020

ANNEXURE D TO DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

[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
a.	CIN	L24230MH1972PLC116413
b.	Registration Date	April 18, 1972
c.	Name of the Company	MANGALAM DRUGS AND ORGANICS LIMITED
d.	Category / Sub-Category of the Company	Public Limited Company
e.	Address of the Registered Office and contact details	3 rd Floor, Rupam Building, 239, P. D'Mello Road, Near G.P.O., Mumbai-400001 Tel No.: 91-22-22616200/6300 E-Mail: contactus@mangalamdrugs.com
f.	Whether listed company Yes / No	Yes
g.	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 Tel No.: 91-22-49182670 E-Mail: rnt.helpdesk@linkintime.co.in

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.

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

i. Category-wise Share Holding

Category of Shareholders (Equity)	No. of Shares held at the beginning of the year April 01, 2019				No. of Shares held at the end of the year March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual / HUF	3046348	-	3046348	19.25	3046348	-	3046348	19.25	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	4752034	-	4752034	30.02	4951698	-	4951698	31.28	1.26
(e) Banks /Financial Institution	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	7798382	-	7798382	49.27	7998046	-	7998046	50.53	-



Category of Shareholders (Equity)	No. of Shares held at the beginning of the year April 01, 2019				No. of Shares held at the end of the year March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(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)	7798382	-	7798382	49.27	7998046	-	7998046	50.53	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	204947	-	204947	1.29	1277	-	1277	0.00	(1.29)
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)	204947	-	204947	1.29	1277	-	1277	0.00	(1.29)
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	309635	0	309635	1.96	206526	0	206526	1.30	(0.65)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	5507586	10	5507596	34.80	5490669	10	5490679	34.69	(0.11)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1232827	-	1232827	7.79	1394890	-	1394890	8.81	1.02
c) Others									
Non Resident Indians (Repat)	295653	0	295653	1.86	278541	0	278541	1.75	(0.11)
Non Resident Indians (Non Repat)	122948	0	122948	0.78	153075	0	153075	0.97	0.19
NBFC registered with RBI	195	0	195	0.00	50	0	50	0.00	-
Clearing Member	91455	0	91455	0.58	36514	0	36514	0.23	(0.35)
Hindu Undivided Family	264610	0	264610	1.67	268650	0	268650	1.69	0.02
Sub-total (B)(2)	7824909	10	7824919	49.44	7828915	10	7828925	49.47	0.03
Total Public Shareholding (B)=(B)(1)+(B)(2)	8029856	10	8029866	50.73	7830192	10	7830202	49.47	(1.26)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	15828238	10	15828248	100.00	15828238	10	15828248	100.00	-

ii. Shareholding of promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year April 01, 2019			Shareholding at the end of the year March 31, 2020			% 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	16.74	0
2	Shree Kishoriju Trading & Investment Pvt Ltd	898851	5.68	4.25	1098515	6.94	6.94	1.26
3	Shree Rasbihari Trading & Investment Pvt Ltd	1011663	6.39	4.18	1011663	6.39	6.39	0
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	1.06	292500	1.85	0	0
8	Smita A. Dhoot	292500	1.85	1.84	292500	1.85	0	0
9	Rajkumari R. Dhoot	275948	1.74	0	275948	1.74	0	0
10	Raj Exports Pvt Ltd	191520	1.21	1.21	191520	1.21	1.21	0
11	Govardhan Murlidhar Dhoot (HUF)	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	0.56	89225	0.56	0	0
16	Brijmohan Murlidhar Dhoot (HUF)	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	7798382	49.27	13.1	7998046	50.53	31.28	1.26

iii. Change in Promoter's Shareholding

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year April 1, 2019		Increase / decrease in shareholding during the year			Cumulative Shareholding during / at the end of the year March 31, 2020	
		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	898851	5.68	29.06.2019	Increase due to Transfer	199664	1098515	6.94


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, 2019		Changes in the shareholding (No. of Shares)		Shareholding at the end of the year as on March 31, 2020	
		No. of shares	% of total shares of the company	Date & Reason	No. of shares Increase / (Decrease)	No. of shares	% of total shares of the Company
1.	Thakkalapalli Sampath Rao	145430	0.92	26.04.2019 Market Sale	(3996)	141434	0.92
2.	Shyamsunder Gupta	106492	0.67	-	-	106492	0.67
3.	Daksha Kotak	87100	0.55	-	-	87100	0.55
4.	Bhupesh Kumar Lodha	73000	0.46	-	-	73000	0.46
5.	Harikishen Malani	72000	0.45	-	-	72000	0.45
6.	Rajakumari Thammineni	58116	0.37	-	-	58116	0.37
7.	Nirmal Kumar R	25000	0.16	19.07.2019 Market Purchase	2500	53910	0.34
				30.08.2019 Market Purchase	2500		
				21.02.2020 Market Purchase	8450		
				28.02.2020 Market Purchase	4050		
				06.03.2020 Market Purchase	6000		
				20.03.2020 Market Purchase	4770		
				27.03.2020 Market Purchase	640		
8.	S R Gupta	47338	0.30	-	-	47338	0.30
9.	Jasbir Kaur	40614	0.26	-	-	40614	0.26
10.	Sheetal Malani	24391	0.15	05.04.2019 Market Sale	(955)	38540	0.24
				24.05.2019 Market Purchase	15104		

v. Shareholding of Directors and Key Managerial Personnel

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 01/04/2019		Increase/Decrease in Shareholding during the year		Cumulative during/at the end of the year 31/03/2020	
		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

(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning 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
Change in Indebtedness during the Financial Year				
Addition	-	-	-	-
Reduction	(884.34)	(401.59)	-	(1285.93)
Net change	(884.34)	(401.59)	-	(1285.93)
Indebtedness at the end of the Financial Year				
i) Principal Amount	4977.85	25.91	-	5003.76
ii) Interest due but not paid	20.12	-	-	20.12
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	4997.97	25.91	-	5023.88

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
		Govardhan M. Dhoot	Brijmohan M. Dhoot	
1.	Gross salary	20,00,004	6,00,000	26,00,004
	(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	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit			
	- Others, specify			
5.	Others, please specify	-	-	-
	Total (A)	20,00,004	6,00,000	26,00,004
	Ceiling as per the Act	5% of the net profits		

**B. Remuneration to other Directors:**

Sr. No.	Name of Director (Independent / Non-Executive)	Fee for attending Board / Committee Meetings	Commission	Others, please specify	TOTAL
i.	Shri Subhash C. Khattar – Independent Director	36,000	-	-	36,000
ii.	Shri Rukmesh P. Dhandhanian – Independent Director	20,000	-	-	20,000
iii.	Mrs. Nidhi S. Mundada – Independent Director	8,000	-	-	8,000
iv.	Shri Prashant J. Pandit – Independent Director	6,000	-	-	6,000
v.	Shri Ajay R. Dhoot – Non-Executive Director	24,000	-	-	24,000
vi.	Shri Aditya R. Dhoot – Non-Executive Director	16,000	-	-	16,000
	TOTAL	1,10,000	-	-	1,10,000

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		6,84,007	23,19,741	30,03,748
	(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	-			
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit				
	- others, specify				
5.	Others, please specify	-	-	-	-
	Total	-	6,84,007	23,19,741	30,03,748

*Includes remuneration paid to Ms. Nikita Bavishi upto July 8, 2019.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for the year ending March 31, 2020.

For and on behalf of the Board of Directors

Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086

Place: Mumbai
Date: August 10, 2020

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON March 31, 2020

[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 – 400 001 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, 2020 (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, 2020 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, Company is still making efforts to identify the projects for spending the unspent CSR amount due to which 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 and concerned person, no other action has been taken apart from given below, 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 there under :-

Sr. No.	Action taken by	Details of violation	Details of action taken e.g. fines warning letter debarment etc.
1.	SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI)	Section 12A (a), (b) & (c) of the SEBI Act, 1992 and Regulation 3(b), (c), (d), 4(1), 4(2) (a), (e), (f), (k) and (r) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003	The Company has received Show Cause Notice on 7 th June, 2019 in respect of which reply was given on 27 th June 2019. Further, an opportunity for the personal hearing was given to the Company and the Company attended the hearing on 3 rd October, 2019. The Company received favorable Order in the matter dated 30 th June, 2020. The Adjudicating Officer of the SEBI disposed of the proceedings initiated against the Company without levying any penalty.
2.	SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI)	Regulation 77(2) and 77(3) of SEBI (ICDR) Regulations, 2009 r/w Regulation 169(2) of SEBI (ICDR) Regulations 2018 and Section 12A(a),(b),(c) of SEBI Act, 1992 r/w Regulations 3(a), (b),(c),(d) & 4(1) of SEBI (PFUTP) Regulation, 2003	The Company has received Show Cause Notice on 31 st December, 2019 in respect of which reply was given on 22 nd January, 2020. Further, the Company attended the personal hearing on 17 th July, 2020. The Final Order in the matter is pending as on date of this Report.
3.	INVESTOR EDUCATION & PROTECTION FUND AUTHORITY (IEPF)	Notice Under Section 124 (7) of the Companies Act, 2013 read with rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.	The Company received the Notice on 14 th February, 2020 and the Company submitted its reply on 4 th March, 2020.

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. Further, Mr. Prashant Pandit was appointed as an Independent Director and Mr. Ajay Sawhney gave his resignation during the year under preview.

Ms. Geeta Karira, was appointed as Company Secretary during the year under preview.

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**

**ANKIT SETHI
PROPRIETOR**

ACS No. 25415 C. P. No.: 11089

Place: Mumbai

Date: 10th August, 2020

UDIN : A025415B000557606

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

ANKIT SETHI
PROPRIETOR

Place: Mumbai
Date: 10th August, 2020
UDIN : UDIN : A025415B000557606

ACS No. 25415 C. P. No.: 11089

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 shareholders' value, sound Corporate Governance is a must. Corporate Governance is focused on maximizing shareholders' 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, 2020, 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 FY 2019-20:

Board meeting dates are finalized in consultation with all the Directors. During the Financial Year 2019-20, the Board met five times on May 9, 2019, July 8, 2019, July 26, 2019, November 2, 2019 and January 24, 2020. 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, 2020:

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 Held	Attended	Attendance at the last AGM	Other Directorships	Committee Memberships	Committee Chairmanships	
Shri Govardhan M. Dhoot (01240086)	Chairman & ED	5	5	Yes	0	2	0	None
Shri Brijmohan M. Dhoot (01046420)	PD/ED	5	4	Yes	0	0	0	None
Shri Ajay R. Dhoot (00210424)	PD/NED	5	5	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	5	3	No	0	0	0	None
Shri Rukmesh P. Dhandhania (02493968)	ID	5	3	No	0	1	0	None
Shri Prashant J. Pandit (03079878)	ID	3	2	No	1	2	0	IMP Powers Limited – Independent Director



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.

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 other 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 Ajay R. Dhoot – Non-Executive Director (DIN:00210424) 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 Ajay R. Dhoot are provided in the Notice of AGM.

Shri Prashant J. Pandit was appointed w.e.f. July 8, 2019 as an Independent Director of the Company.

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 2019-20, the separate meeting of Independent Directors of the Company was held on February 14, 2020 without the presence of Non-Independent Directors or Management personnel to review the performance of Non-Independent Directors, the Board as a whole and its Chairperson. The meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board.

The terms and conditions of appointment of Independent Directors have been placed on the website of the Company www.mangalamdrugs.com. The details of Familiarization Programme imparted to Independent Directors 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 annexed and forms part of 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 2019-20 on May 9, 2019, July 26, 2019, November 2, 2019 and January 24, 2020. 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 9, 2019	July 26, 2019	November 2, 2019	January 24, 2020
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 Audit 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. STAKEHOLDERS 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 2019-20, SRC met three times on July 26, 2019, November 2, 2019 and January 24, 2020.

The composition of the SRC and attendance of Members:

Name of Director	Status	Meetings & Attendance		
		July 26, 2019	November 2, 2019	January 24, 2020
Shri Subhash C. Khattar - Independent Director	Chairman	P	P	P
Shri Govardhan M. Dhoot - Executive Director	Member	P	P	P
Shri Aditya R. Dhoot- Non- Executive Director	Member	P	P	P

P – Present

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, 2020.

Investor grievances / complaints for the Financial Year 2019-20:

Number of shareholders complaints received: 1

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 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 2019-20, the Company has not received any complaints from the shareholders except as stated above.

5. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) recommends appointment of Directors & Key Managerial Personnel 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 2019-20, the Committee met two times on July 8, 2019 and July 26, 2019.

The Composition of the NRC and attendance of Members:

Name of Director	Status	Meetings & Attendance	
		July 8, 2019	July 26, 2019
Shri Subhash C. Khattar - Independent Director	Chairman	P	P
Shri Ajay R. Dhoot - Non-Executive Director	Member	P	P
Shri Rukmesh P. Dhandhanian - Independent Director	Member	P	P

P-Present

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

The terms of reference of the NRC are as follows:

- I. 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.
- II. Recommend Nomination and Remuneration Policy to the Board.
- III. Identify candidates who are qualified to become Directors.



- IV. 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.
- V. Lay down the process for evaluation of the performance of every Director on the Board.
- VI. Formulate criteria for determining qualifications, positive attributes and independence of a Director.
- VII. 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 <https://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 <https://www.mangalamdrugs.com/images/pdf/corporate-social-responsibility-policy.pdf>.

During the Financial Year 2019-20, the Committee met five times on April 30, 2019, May 9, 2019, July 12, 2019, November 2, 2019 and January 24, 2020.

The Composition of the CSR Committee and attendance of Members:

Name of Director	Status	Meetings & Attendance				
		April 30, 2019	May 9, 2019	July 12, 2019	November 2, 2019	January 24, 2020
Shri Ajay R. Dhoot - Non-Executive Director	Chairman	P	P	P	P	P
Shri Govardhan M. Dhoot - Executive Director	Member	P	P	P	P	P
Shri Subhash C. Khattar - Independent Director	Member	A	P	A	P	P

P-Present A-Absent

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, 2019 to October 31, 2024	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	6,00,000/-	August 14, 2018 to September 3, 2021	Shri Brijmohan M. Dhoot is liable to retire by rotation. The contract may be terminated by giving the other party 3 months notice.

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 are approved in the meeting of members at 46th Annual General Meeting.

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 2019-20. 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. 36,000	Nil
Shri Ajay R. Dhoot	Rs. 24,000	1,38,687
Shri Aditya R. Dhoot	Rs. 16,000	89,225
Shri Rukmesh P. Dhandhana	Rs. 20,000	Nil
Mrs. Nidhi S. Mundada	Rs. 8,000	Nil
Shri Prashant J. Pandit	Rs. 6,000	Nil

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 <https://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	44 th AGM	45 th AGM	46 th AGM
Day, Date & Time	Tuesday, September 26, 2017, 3:30 P.M.	Tuesday, September 25, 2018, 3:30 P.M.	Wednesday, September 25, 2019, 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	Nil	<p>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.</p> <p>b. Change in designation of Shri Brijmohan M. Dhoot from Non-Executive Director to Executive Director.</p>	Re-appointment of Shri Govardhan M. Dhoot (DIN: 01240086) as the Chairman & Managing Director of the Company.



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 2019-20, 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) and / or Business Standard (English 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 E-Mail 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

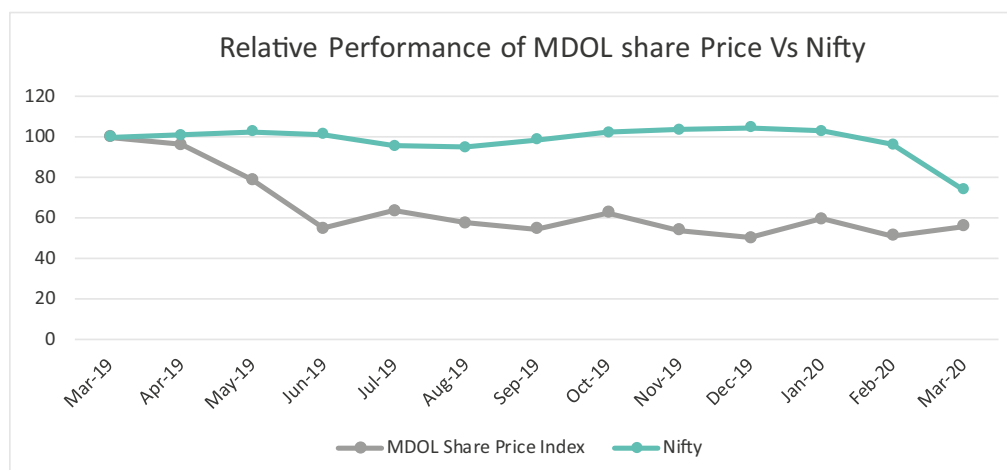
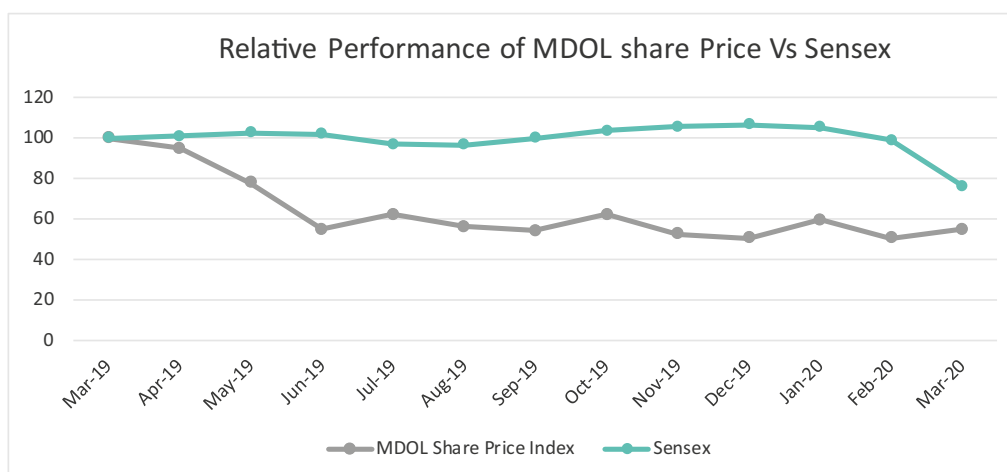
a.	Corporate Identification Number	L24230MH1972PLC116413
b.	Day, Date, Time & Venue of 47 th AGM	Friday, September 25, 2020 at 3:30 P.M. (IST). The Company is conducting AGM through VC / OAVM pursuant to the MCA /SEBI Circulars, hence there is no requirement to have a venue for the AGM. For details please refer to the Notice of AGM separately provided in the Annual Report.
c.	Financial Year	April 1 - March 31
d.	Dividend Payment Date	Not Applicable as the Board has not recommended any dividend for FY 2019-20.
e.	Listing on Stock Exchanges	BSE Limited (BSE) – 532637 Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 National Stock Exchange of India Limited (NSE) – MANGALAM Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra East, Mumbai – 400051
	Confirmation on payment of Listing Fees	The Company has paid Annual Listing Fees for FY 2020-21 to both the Stock Exchanges.

f. Stock Market Data

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume(Nos.)	High (Rs.)	Low (Rs.)	Volume(Nos.)
Apr-19	59.80	52.35	36,610	59.70	52.00	1,25,372
May-19	55.00	40.40	70,511	54.95	40.70	1,89,396
June-19	44.90	28.00	69,505	43.95	28.70	2,41,404
July-19	39.95	28.15	82,821	39.85	28.05	3,04,188
Aug-19	36.55	25.20	86,689	36.90	25.00	2,45,860
Sep-19	34.30	29.10	72,922	34.40	29.40	2,20,773
Oct-19	34.30	25.00	86,046	34.25	25.00	2,87,670
Nov-19	39.65	27.10	83,331	39.55	27.40	2,58,592
Dec-19	30.40	26.70	66,292	30.70	26.50	1,82,086
Jan-20	38.00	27.30	1,76,445	38.45	27.15	6,21,822
Feb-20	34.20	27.00	93,349	34.00	26.65	2,97,473
Mar-20	30.35	20.40	96,923	30.45	20.65	3,02,582

g. Mangalam Share Performance in comparison to broad-based indices

Month	MDOL Share Price at BSE	BSE Index	MDOL Share price at NSE	NSE Index
Mar-19	55.15	38,672.91	54.6	11,623.90
Apr-19	52.35	39,031.55	52.5	11,748.15
May-19	43.05	39,714.20	43	11,922.80
Jun-19	30.2	39,394.64	30	11,788.85
Jul-19	34.4	37,481.12	34.65	11,118.00
Aug-19	31.05	37,332.79	31.35	11,023.25
Sep-19	29.9	38,667.33	29.85	11,474.45
Oct-19	34.3	40,129.05	34.25	11,877.45
Nov-19	29	40,793.81	29.4	12,056.05
Dec-19	27.95	41,253.74	27.5	12,168.45
Jan-20	32.85	40,723.49	32.5	11,962.10
Feb-20	27.95	38,297.29	27.95	11,201.75
Mar-20	30.35	29,468.49	30.45	8,597.75





- h. Registrar and 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
E-Mail: rnt.helpdesk@linkintime.co.in
- i. 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 abovementioned 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.

j. Distribution of Shareholding as on March 31, 2020**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	3046348	19.25
2.	Bodies Corporate	4951698	31.28
Total		7998046	50.53
B Non-Promoter Holding			
1.	Financial Institutions/Banks	1277	0.00
2.	Others		
a.	Individuals	6885569	43.50
b.	NBFCs registered with RBI	50	0.03
c.	Hindu Undivided Family	268650	1.69
d.	Bodies Corporate	206526	1.30
e.	NRIs/NRNs	431616	2.72
f.	Clearing Members	36514	0.23
g.	Foreign nationals	-	-
Total		7830202	49.47
GRAND TOTAL		15828248	100

Distribution of shares according to size of holding

From	-	To	No. of Shareholders	%	No. of Shares	% of total Capital
1	-	500	15632	85.7206	2104612	13.2966
501	-	1000	1360	7.4578	1081179	6.8307
1001	-	2000	656	3.5973	974775	6.1585
2001	-	3000	220	1.2064	551872	3.4866
3001	-	4000	90	0.4935	320613	2.0256
4001	-	5000	83	0.4551	389472	2.4606
5001	-	10000	106	0.5813	741211	4.6828
10000 & above			89	0.488	9664514	61.0585
TOTAL			18236	100	15828248	100

h.	Dematerialisation 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, 2020, 99.99% of the shares are held in dematerialized form. All the promoters' Shares are in the dematerialized form.
i.	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, 2020, and resultantly, there is no impact on equity.
j.	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.
k.	Registered Office	Mangalam Drugs & Organics Limited 3 rd Floor, Rupam Building, 239, P.D'Mello Road, Near G.P.O., Mumbai – 400001, Maharashtra Telephone No.: 022-22616200/6300/8787 Fax: 022-2619090
l.	Plant locations	<u>Unit No. 1</u> Plot No. 187-Phase II, GIDC, Vapi, Dist. Valsad, Gujarat 396 195 Telephone No.: 0260- 2430598 Fax: 0260-2431919 <u>Unit No. 2</u> Plot No. 1203, Phase III, GIDC, Vapi, Dist. Valsad, Gujarat 396 195 Telephone No.: 0260-2424970 Fax: 0260-2432669
m.	Investor Services	Members / Shareholders may contact on investor@mangalamdrugs.com
n.	Address for Correspondence	The shareholders are requested to address their communications/ suggestions/ grievances/ queries to our Registrar & 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.
o.	Other Disclosures	



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 <https://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 2019-20, 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.

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

- The Company had received the Show Cause Notice on June 7, 2019 from SEBI for violation of Section 12A (a), (b) & (c) of the SEBI Act, 1992 and Regulation 3(b), (c), (d), 4(1), 4(2)(a), (e), (f), (k) and (r) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003. The Company duly replied to the SCN on June 27, 2019. Further, an opportunity for the personal hearing was given to the Company and the Company attended the hearing on October 3, 2019. The Company has received favorable Order in the matter dated June 30, 2020. The Adjudicating Officer of the SEBI disposed of the proceedings initiated against the Company without levying any penalty.
- The Company had received the Show Cause Notice for violation of Regulation 77(2) and 77(3) of SEBI (ICDR) Regulations, 2009 r/w Regulation 169(2) of SEBI (ICDR) Regulations 2018 and Section 12A(a),(b),(c) of SEBI Act, 1992 r/w Regulations 3(a), (b),(c),(d) & 4(1) of SEBI (PFUTP) Regulation, 2003 on December 31, 2019 from the SEBI and Company submitted reply on January 22, 2020. Further, the Company has attended the personal hearing on July 17, 2020. The Final Order in the matter is pending as on date of this Report.

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 <https://www.mangalamdrugs.com/images/pdf/whistle-blower-policy.pdf>.

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 2019-20. The Company has obtained a certificate from Auditors Certifying compliance with the paragraph E of Schedule V to the Listing Regulations.

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, 2020.

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: <https://www.mangalamdrugs.com/investors.html>

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 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.

Recommendations of Committees of the Board

There were no instances during the Financial Year 2019-20, wherein the Board had not accepted recommendations made by any Committees of the Board.

Total fees paid to the Statutory Auditors of the Company during Financial Year 2019-20	Total fees of Rs.4,75,000/- for Financial Year 2019-20 was paid by the Company to the Statutory Auditors for all the services rendered by them.
Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	<p>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 2019-20, the Company received no such complaint of sexual harassment.</p> <ul style="list-style-type: none"> • No. of complaints filed during the Financial Year - NIL • No. of complaints disposed of during the Financial Year – NIL • No. of complaints pending at the end of the Financial Year - NIL
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.
Discretionary Requirements	The Company confirms that it has complied with all mandatory requirements prescribed under the Listing Regulations for the Financial Year 2019-20. Further, the Board had an Executive Chairman. Financial Results for the quarter / half year were published in the Free Press Journal and Navshakti and / or Business Standard 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.
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. The Certificate issued by Auditors' is annexed and forms part of the Annual Report.
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.
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.
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.
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

**12. 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 unclaimed suspense account / transferred from the unclaimed 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, 2019	13	3337
Number of shareholders who approached to the Company for transfer of shares from suspense account during the year	1	250
Number of shareholders to whom shares were transferred from suspense account during the year	1	250
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, 2020	12	3087

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

Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086

Place: Mumbai
Date: August 10, 2020

CEO AND CFO CERTIFICATION UNDER REGULATION 17(8) & 33(2) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, Govardhan M. Dhoot - Chairman & Managing Director and Ajay Samant - Chief Financial Officer of the Company hereby certify that:

- (A) We have reviewed the financial results and cash flow statement for the quarter / year ended March 31, 2020 and that to the best of our knowledge and belief:
- i) These statements do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading; and
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the quarter which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (C) We accept responsibility for establishing and maintaining internal financial controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (D) We have indicated to the Auditors and the Audit committee:
- i. significant changes in internal control over financial reporting during the year, if any;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Govardhan M. Dhoot
Chairman & Managing Director

Ajay Samant
Chief Financial Officer

Place: Mumbai
Dated: June 29, 2020



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, 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

Managements' Responsibility

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

Auditor's Responsibility

4. 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.
5. 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.
6. 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.
7. 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

8. 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, 2020.
9. 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

Parag Hangekar

Partner
Membership No: 030615
UDIN: 20110096AAAACH4361

Date: 29th June, 2020
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 – 400 001.

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, 2020 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. Dhandhanian	02493968
7.	Nidhi S. Mundada	08134952
8.	Prashant J. Pandit	03079878

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**

ANKIT SETHI
PRACTICING COMPANY SECRETARY
PROPRIETOR
ACS No. 25415 C. P. No.: 11089

Place: Mumbai

Date: 10th August, 2020

UDIN : A025415B000557727



INDEPENDENT AUDITOR'S REPORT

To the Members of MANGALAM DRUGS & ORGANICS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Mangalam Drugs and Organics Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the statement of Profit and Loss, (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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit (changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 opinion.

Emphasis of Matter Paragraph

1. We refer note number 42 to the Standalone Financial Statements of the Company, wherein financial impact of COVID-19 on the operations of the Company has been disclosed. Future operations of the Company will be subject to developments on COVID-19 front together with stability in the economy which are currently uncertain.
2. Due to the prevailing lockdown and restrictions over travelling, Company has not been able to obtain the actuarial valuation report from the actuary towards the Gratuity and Leave encashment and accordingly the said liabilities have been provided proportionately based on the previous year actuarial reports. The impact of the same on the profit for the current year is not ascertainable but the Management is of the opinion that there would not be any material impact.
3. Balances of debtors/creditors/loans and advances are subject to confirmation and reconciliation. Management has confirmed that the final impact upon reconciliation would not be material.

Our opinion is not modified in respect of these matters.

Key Audit Matters

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

Key Audit Matter: Revenue Recognition

Revenue from sale of pharmaceutical products is recognised when the control over the products have been transferred to the customer based on the terms and conditions of the sales contracts entered into with the customers across geographies.

We have identified recognition of revenue as a key audit matter as revenue is a key performance indicator and there is a risk of revenue being overstated arising from pressure to achieve performance targets as well as meeting external expectations.

Our procedures included, but were not limited to the following:

1. Assessing the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards.
2. Testing the design, implementation and operating effectiveness of the Company's general IT controls and key IT application/manual controls over the Company's systems which govern recording of revenue in the general ledger accounting system.
3. Performing substantive testing (including year-end cut-off testing) by selecting samples of revenue transactions recorded during the year (and before and after the financial year) and verifying the underlying documents, which includes sales invoices/contracts and shipping documents.
4. Assessing manual journals posted to revenue to identify unusual items other than already identified. – Evaluating the adequacy of the standalone financial statement disclosures, including disclosures of key assumptions, judgements and sensitivities

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 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 nothing to report in this regard.

Management's Responsibility for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance, (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.

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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 and proper returns adequate for the purposes of our audit have been received from the Units not visited by us.
3. The Balance Sheet, the Statement of Profit and Loss, 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 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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".
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 financial statements – Refer Note 37 to the 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.

Other Matter

Due to COVID-19 related lockdown we were not able to participate in physical verification of cash and inventory that was carried out by management subsequent to the year end. Consequently, we have performed alternate audit procedures to audit the existence of cash and inventory as per the guidance provided in SA 501 "Audit Evidence- Specific Consideration for selected items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these standalone financial results.

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

Parag Hangekar
Partner
Membership No. 110096

Place: Mumbai
Date: June 29, 2020
UDIN: 20110096AAAACH4361

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 2020 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, we found a delay by the Management in conducting this exercise during the year. In our opinion the Management should carry out the pending exercise and update its records.
- c) The title deeds of the immovable properties as disclosed in schedule of fixed assets to the financial statements, except for leasehold land are held in the name of the Company.
- (ii) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. No material discrepancies have been noticed on such verification.

Due to COVID-19 related lockdown we were not able to participate in physical verification of inventory that was carried out by management subsequent to the year end. Consequently, we have performed alternate audit procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence- Specific Consideration for selected items".

- (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) According to the information and explanations given to us and the records of the Company examined by us, in our opinion,
- a) 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.
- Further 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 2020 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 & GST	Amount (Rs.in Lacs)	Forum where dispute is pending
a)	2011-2012	208.37	CESTAT, AHMEDABAD
b)	2015-2016	171.77	CESTAT, BARODA
c)	2019-2020	143.94	CESTAT, BARODA
Total Amt (In Lakhs) (A)		524.08	

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
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)		79.30	
Sub Total Amt		603.38	



- (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

Parag Hangekar
Partner
Membership No. 110096

Place: Mumbai
Date: June 29, 2020
UDIN: 20110096AAAACH4361

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 2020 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 2020, 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

Parag Hangekar

Partner

Membership No. 110096

Place: Mumbai

Date: June 29, 2020

UDIN: 20110096AAAACH4361



Balance Sheet as at March 31, 2020

(Amount in Lacs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
Assets :-			
1 Non-currents assets			
(a) Property, Plant and Equipment	2	9,329.20	9,749.39
(b) Capital work in progress	2	124.03	19.95
(c) Intangible Assets	2	613.59	376.92
(d) Right of Use Asset		164.13	222.88
(e) Financial Assets			
(i) Investments	3	22.35	24.01
(ii) Others financial assets	4	236.18	178.37
(f) Other Non Current Asset (Capital Advances)	5	659.75	60.01
2 Current assets			
(a) Inventories	6	6,484.27	7,345.32
(b) Financial Assets			
(i) Trade Receivables	7	3,998.29	1,763.07
(ii) Cash and cash equivalents	8	162.91	143.34
(iii) Loans	9	0.96	0.88
(c) Other current assets (Non Financials)	10	1,271.04	1,251.36
Total Assets		23,066.71	21,135.49
EQUITY AND LIABILITIES :-			
Equity			
(a) Equity share capital	11	1,582.82	1,582.82
(b) Other Equity	12	8,811.05	7,983.48
LIABILITIES			
1 Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	417.28	859.56
(b) Deferred tax liabilities (Net)	14	1,228.76	1,433.26
(c) Lease Liability	15	80.05	194.90
(d) Deposits Taken	16	0.05	
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	4,186.08	5,051.20
(ii) Lease Liability	18	113.54	37.31
(iii) Trade Payables	19		
Payable to MSME		243.31	191.82
Others		5,416.03	3,049.53
(iv) Other financial liabilities (other than those specified in item (c))	20	400.40	378.93
(b) Other current liabilities	21	504.78	313.59
(c) Provisions	22	82.56	59.10
Total Equity and Liabilities		23,066.71	21,135.49
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 Parag Hangekar)Batliboi & Purohit
CHARTERED ACCOUNTANTS
Membership No.110096
Firm Registration No.101048W**(Shri Govardhan M.Dhoot)**Chairman & Managing Director
DIN: 01240086**(Shri Ajay R. Dhoot)**Director
DIN: 00210424

Place : Mumbai

Date : June 29, 2020

UDIN: 20110096AAAACH4361

(Ms. Geeta Karira)

Company Secretary

(Mr. Ajay Samant)

Chief Financial Officer

Statement of Profit and Loss for the period ended March 31, 2020

(Amount in Lacs)

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
I Revenue from operations	23	31,313.23	25,881.29
Less:-GST		3,077.87	3,123.32
Revenue from operations		28,235.36	22,757.97
II Other Incomes	24	118.12	31.68
III Total Income (I+II)		28,353.48	22,789.65
IV Expenses			
Cost of materials consumed	25	17,807.14	16,870.28
Purchases of Stock in Trade			
Changes in inventories of finished goods, Stock in Trade and work in progress	26	1,727.66	(1,538.93)
Employee benefits expense	27	2,604.41	2,581.65
Finance costs	28	1,040.47	864.65
Depreciation and amortization expense		821.78	708.85
Other Expenses	29	3,726.81	3,876.85
Total Expenses(IV)		27,728.27	23,363.35
V Profit/(loss) before exceptional items and tax (I-IV)		625.21	(573.71)
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		625.21	(573.71)
VIII Tax expense:		(200.04)	229.38
(1) Current Tax	30	110.10	
(2) Mat Credit Entitlement		(104.74)	
(2) Deferred tax	30	(205.40)	229.38
IX Profit/(loss) for the period (VII-VIII)		825.25	(803.08)
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		3.22	2.60
(ii) Income tax relating to above		(0.90)	(0.91)
Total Other Comprehensive Income (A)		2.32	1.69
XI Total Comprehensive Income for the period (IX+A)		827.57	(801.40)
XII Earnings per equity share (Face value per equity share Rs. 10)	39		
(1) Basic (In Rs.)		5.21	(5.07)
(2) Diluted (In Rs.)		5.21	(5.07)
Significant accounting policies	1		
The accompanying notes are an integral part of these financial statement			

In terms of our report attached.

For and on behalf of the Board of Directors

(CA Parag Hangekar)
Batliboi & Purohit
CHARTERED ACCOUNTANTS
Membership No.110096
Firm Registration No.101048W

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

(Shri Ajay R. Dhoot)
Director
DIN: 00210424

Place : Mumbai
Date : June 29, 2020
UDIN: 20110096AAAACH4361

(Ms. Geeta Karira)
Company Secretary

(Mr. Ajay Samant)
Chief Financial Officer



Cash Flow Statement For The Period Ended March 31, 2020

Particulars	(Rupees In Lacs)	
	For the Period ended March 31, 2020	For the Period ended March 31, 2019
A. Cash flow from operating activities		
Net profit before tax and extra ordinary items.	625.21	(573.71)
Add / (Less) :		
Depreciation & amortisation	821.78	751.25
Interest expenses	1,040.47	864.65
Dividend Income	(0.04)	(2.00)
(Gain)/loss on sale of fixed assets	5.36	5.25
(Gain)/loss on sale of investments		
Net gain arising on financial assets measured at fair value through profit or loss		
Remeasurements of the defined benefit plans	3.22	2.60
Operating profit before working capital changes	2,496.00	1,048.04
Adjustment for :		
(Increase)/decrease in short term loans and advances	(0.09)	0.38
(Increase)/decrease in other current assets	(19.68)	454.33
(Increase)/decrease in trade receivables	(2,235.22)	2,757.70
(Increase)/decrease in inventory	861.05	(1,331.90)
(Increase)/decrease in other non-current assets	(657.55)	(65.85)
Increase/(decrease) in Other Equity		(9.32)
Increase/(decrease) in trade payables	2,417.99	(521.16)
Increase/(decrease) in other current liabilities	212.66	(383.38)
Increase/(decrease) in provisions	23.46	(11.76)
Increase/(decrease) in current lease liabilities	76.24	37.31
Increase/(decrease) in deposits	0.05	-
Increase/(decrease) in non current lease liabilities	(114.85)	194.90
Cash generated from operations	3,060.07	2,169.27
Add / (Less) :		
Income Tax (Paid)/ Refund	(5.36)	
Net cash from operating activities	3,054.71	2,169.27
B. Cash flow from investing activities :		
Purchase of fixed assets including Capital WIP	(693.20)	(933.88)
Sale of fixed assets	4.24	6.28
Sale/(Purchase) of investments	1.66	
Divided Income	0.04	2.00
Net cash from investing activities	(687.26)	(925.59)
C. Cash flow from financing activities :		
Proceeds/(repayment) of short term borrowing	(865.12)	(23.99)
Proceeds/(repayment) of long term borrowing	(442.28)	(255.08)
Interest Paid	(1,040.47)	(864.65)
Dividend paid	-	0.35
Issue of Share		
Net cash used in financing activities	(2,347.88)	(1,143.37)
Net increase / (decrease) in cash and cash equivalents	19.57	100.31
Cash and cash equivalents - opening balance	143.34	43.03
Cash and cash equivalents - closing balance	162.91	143.34
Details of cash and cash equivalent at the end of the Period / Year		
- Cash in hand	6.48	4.54
- Balance in current & fixed deposit accounts	156.43	138.79
Total	162.91	143.34

In terms of our report attached.

For and on behalf of the Board of Directors

(CA Parag Hangekar)
Batliboi & Purohit
CHARTERED ACCOUNTANTS
Membership No.110096
Firm Registration No.101048W

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

(Shri Ajay R. Dhoot)
Director
DIN: 00210424

Place : Mumbai
Date : June 29, 2020
UDIN: 20110096AAAACH4361

(Ms. Geeta Karira)
Company Secretary

(Mr. Ajay Samant)
Chief Financial Officer

Statement of Changes in Equity for the period ended March 31, 2020.

(Rupees in lacs)

Particulars	Share capital	Reserves and Surplus			Items of Other Comprehensive Income	Total
		Securities premium reserve	General Reserve	Retained Earnings		
Balance as at March 31, 2019	1,582.82	2,237.53	1,079.05	4,628.89	38.01	7,983.48
Profit for the Year		-	-	825.25	-	825.25
Other comprehensive income for the Year, net of tax		-	-	-	2.32	2.32
Total Comprehensive Income for the Year		-	-	825.25	2.32	827.57
Dividend		-	-	-	-	-
Balance as at March 31, 2020	1,582.82	2,237.53	1,079.05	5,454.14	40.33	8,811.05

In terms of our report attached.

For and on behalf of the Board of Directors

(CA Parag Hangekar)
 Batliboi & Purohit
 CHARTERED ACCOUNTANTS
 Membership No.110096
 Firm Registration No.101048W

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

(Shri Ajay R. Dhoot)
 Director
 DIN: 00210424

Place : Mumbai
 Date : June 29, 2020
 UDIN: 20110096AAAACH4361

(Ms. Geeta Karira)
 Company Secretary

(Mr. Ajay Samant)
 Chief Financial Officer



Notes to financial statements for the year ended March 31, 2020

Note no. 1

A) Basis of preparation and presentation of financial statements

The Company's financial statements for the year ended 31st March, 2020 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 have been prepared on a historical cost basis on Going concern basis, except for the following:

- 1) Certain financial assets and liabilities that are measured at fair value; and
- 2) defined benefit plans - plan assets 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 33:- Defined benefit obligation

Note 30:- 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	0
Electrical Installation	10
Computers	03

Intangibles:

Research & Development:

Company capitalize the Research and Development phase expense as Intangible assets in accordance with Ind AS 38;

In-process research and development project meets the definition of an intangible asset when it:

- (a) meets the definition of an asset; and
- (b) is identifiable, i.e. is separable or arises from contractual or other legal rights.

The expenditure to be capitalized include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognized in profit or loss as incurred.

Acquired research and development intangible assets which are under development, are recognized as Work In-Process Research and Development assets (WIP). These assets are not amortized, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment charge on such assets is recognized in profit or loss. Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are tested for impairment annually, or more frequently when there is an indication that the assets may be impaired. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable.

Amortization is recognized on a straight-line basis over the estimated useful lives of intangible assets based on its cash generation as estimated by the Management. Intangible assets that are not available for use are amortized from the date they are available for use. Generally, the useful life is similar to life of Plant & Machinery.



The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

H) Impairment

An asset 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

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) Leases:

On 30 March 2019, the Ministry of Corporate Affairs notified Ind AS 116 - Leases. Ind AS 116, which substantially converges with IFRS 16 on leases, requires lessees to recognise all leases on the balance sheet, with a few exemptions. The standard is effective for annual periods beginning on or after 1 April 2019.

Transition: Company has implemented Ind as 116 in accordance with Para C8 to value Lease Liability and Lease asset.

Company as a Lessee

Recognition: At the commencement date, right-of-use asset and a lease liability are recognized.

Measurement:

Right of Use Asset

At the commencement date, right-of-use asset is measured at cost.

The cost of the right-of-use asset shall comprise:



- (a) the amount of the initial measurement of the lease liability.
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the lessee; and
- (d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Lease Liability:

The lease liability is measured at the present value of the lease payments that are not paid. The lease payments are discounted using the incremental borrowing rate of the Company.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- (c) amounts expected to be payable by the lessee under residual value guarantees;
- (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- (e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Short term lease

Company has not recognized operating lease accounting and not recognize lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases).

Subsequent measurement & depreciation

Lessees accrete lease liability to reflect interest and reduce the liability to reflect lease payments made.

The depreciation requirements in Ind AS 16, Property, Plant and Equipment is applied, in depreciating the right-of-use asset, subject to the requirements. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-to-use assets are subject to impairment testing under IAS 36 Impairment of Assets.

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, in case 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.

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	Office Equipment	Electrical Equipments	Furniture and fixtures	Motor Car and Vehicles	Air Conditioner	Computer	TOTAL TANGIBLE ASSET	Lease Assets	Reserch & Development	Computer Software	C.W.I.P	Total
At cost / deemed cost																	
As at March 31, 2019	54.40	3,165.35	78.29	10,683.78	449.46	116.39	436.01	193.60	261.96	80.49	146.23	15,665.97	265.29	473.32	110.32	19.95	16,534.84
Additions	-	18.15	-	175.57	47.46	6.39	2.29	15.22	-	2.62	2.00	289.70	28.48	288.46	2.47	104.08	683.19
Disposals	-	-	-	-	-	-	-	-	(12.41)	-	-	(12.41)	-	-	-	-	(12.41)
As at March 31, 2020	54.40	3,183.50	78.29	10,859.36	496.92	122.78	438.30	208.82	249.55	83.11	148.23	15,923.26	293.77	761.78	112.79	124.03	17,215.63
Accumulated depreciation and impairment																	
As at March 31, 2019	-	568.56	25.93	4,600.95	96.76	91.96	172.90	89.31	133.68	46.29	90.24	5,916.58	42.41	144.92	61.80	-	6,165.71
Depreciation expense	-	100.77	0.86	460.79	20.22	8.56	31.20	13.89	19.25	11.85	12.89	680.28	87.23	22.79	31.47	-	821.78
Disposals	-	-	-	-	-	-	-	-	(2.81)	-	-	(2.81)	-	-	-	-	(2.81)
As at March 31, 2020	-	669.33	26.79	5,061.74	116.98	100.52	204.10	103.20	150.12	58.14	103.13	6,594.06	129.64	167.72	93.27	-	6,984.68
Carrying amount																	
As at March 31, 2019	54.40	2,596.79	52.36	6,082.83	352.70	24.43	263.11	104.29	128.28	34.20	55.99	9,749.39	222.88	328.40	48.52	19.95	10,369.14
As at March 31, 2020	54.40	2,514.16	51.50	5,797.62	379.94	22.26	234.21	105.62	99.43	24.97	45.10	9,329.20	164.13	594.06	19.53	124.03	10,230.95

* The existent and amounts of restrictions on tidal, and property, plant and equipment mortgaged as security for liability (Refer Note No. 13, 17 and 40 to the Financial Statement)

Note: 3- Non Current investments

Particulars	As At 31.03.2020		As At 31.03.2019	
	No. of Shares	Rs. In Lakhs	No. of Shares	Rs. In Lakhs
Investments in equity instruments				
Quoted				
IMP Power Ltd.	172,172	11.63	172,172	11.63
Gujarat State Financial Corpn Ltd.	900	0.19	900	0.19
Unquoted Investments				
National savings scheme		0.18		1.84
Shares of Saraswat Bank Ltd	2,500	0.25	2,500	0.25
Shares of PMC Bank Ltd	42,560	10.10	42,560	10.10
Total :-	218,132	22.35	218,132	24.01

Note: 4 - Other non-current financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits :-		
Considered Good	236.18	178.37
Considered Doubtful		
Total	236.18	178.37

Note:-5 - Other Non Current Asset

Particulars	As at March 31, 2020	As at March 31, 2019
Advance against Fixed Asset	659.75	60.01
	659.75	60.01

Note: 6 - Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
Raw & Packing materials	3,731.93	2,865.32
Work-in-progress	1,434.56	1,522.60
Finished Goods	1,317.77	2,957.40
Total Inventories	6,484.27	7,345.32

Note: 7 - Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured :-		
Considered Good	3998.29	1,756.77
Other Trade Receivables	0.00	6.30
Less:- Provision for quantity discount	0.00	-
Total Receivables	3,998.29	1,763.07

**Note: 8 - Cash and cash equivalents**

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks		
- in current accounts	134.48	53.83
Deposits with maturity of less than 3 months	21.95	84.97
Cash on hand	6.48	4.54
Total cash and cash equivalents	162.91	143.34

Note: 9 - Loans

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured and considered good		
Loan to employees	0.96	0.88
Less: Allowance for doubtful loans		
Provision for Employee Benefits		
Total	0.96	0.88

Note:10 - Other Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with Government authorities	473.88	411.57
Prepaid Expenses	70.73	59.92
Other Current Asset	177.43	178.71
MAT credit entitlement	549.00	444.26
Advance Tax (Net of Provision for Tax)		156.90
Total	1,271.04	1,251.36

Note: 11 - Share Capital

Particulars	As At 31.03.2020		As At 31.03.2019	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
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.				

Particulars	As At 31.03.2020		As At 31.03.2019	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
2) During Financial year 2002-2003, 11,13,000/-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.				
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	Number of shares	Amount
As at 31.03.2018	15,828,248	1,582.82
Increase/Decrease during the year	-	-
As at 31.03.2019	15,828,248	1,582.82
Increase/Decrease during the quarter	-	-
As at 31.03.2020	15,828,248	1,582.82

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

Particulars	As At 31.03.2020		As At 31.03.2019	
	Number	% of holding	Number	% of holding
Equity shares of Rs.10/- fully paid				
Shri JB Pharma LLP	2650000	16.74	2650000	16.74
Shree Kishoriju Trading and Investment Pvt.Ltd	1098515	6.94	898851	5.68
Shreee Rashbihari Trading and Investment Pvt.Ltd	1011663	6.39	1011663	6.39

**Note: 12 - Other equity**

Particulars	31.03.2020	31.03.2019
A) Reserves & Surplus		
Securities premium reserve	2,237.53	2,237.53
General Reserve	1,079.05	1,079.05
Retained Earnings	5,494.48	4,666.91
B) Money received against share warrant	-	-
Total Reserves and Surplus	8,811.05	7,983.48

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	31.03.2020	31.03.2019
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	31.03.2020	31.03.2019
Opening Balance	1,079.05	1,079.05
Addition/ (deletion)		
Closing Balance	1,079.05	1,079.05

iii) Retained earnings

Particulars	31.03.2020	31.03.2019
Opening balance	4,666.91	5,477.27
Net profit for the period	825.25	(803.08)
Items of other comprehensive income recognised directly in retained earnings		-9.32
Remeasurements of post-employment benefit obligation, net of tax	2.32	1.69
Ind-AS Adjustments-Processing Fees(Net of Tax)		
Dividends		0.35
Closing balance	5,494.48	4,666.91

Note: 13 - Non-current borrowings

Particulars	31.03.2020	31.03.2019
Secured		
Term Loans		
Rupee loan from banks	332.99	644.23
Other loan from banks	58.38	165.34
	391.37	809.56
Unsecured		
Loan from Other Parties	25.91	50.00
	25.91	50.00
Total non-current borrowings	417.28	859.56

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. 441.62 Lakhs (March 31, 2019 : 622.44 lakhs, March 31, 2018: 723.24 lakhs)	Repayable in 24 Monthly equal installment, Rate of Interest 11.20 % Fixed.
ii)	Rs. 193.08 Lakhs (March 31, 2019 : 276.86 lakhs, March 31, 2018: 342.56 lakhs)	Repayable in 24 Monthly equal installment, Rate of Interest 13.50 % Fixed.
Other Loans		
i)	Rs. 9.99 Lakhs (March 31, 2019 : 20.47 lakhs, March 31, 2018: 30.67 lakhs)	Repayable in 10 Monthly equal installment, Rate of Interest 10 %.
ii)	Rs. 1.13 Lakhs (March 31, 2019 : 2.70 lakhs, March 31, 2018: 4.12 lakhs)	Repayable in 8 Monthly equal installment, Rate of Interest 9.72 %.
iii)	Rs. 2.99 Lakhs (March 31, 2019 : 4.42 lakhs, March 31, 2018: 5.73 lakhs.	Repayable in 22 Monthly equal installment, Rate of Interest 9.36 %.
iv)	Rs. 1.13 Lakhs (March 31, 2019 : 2.70 lakhs, March 31, 2018: 4.12 Lacs.	Repayable in 8 Monthly equal installment, Rate of Interest 9.72 %.
v)	Rs. 2.49 Lakhs (March 31, 2019 : 4.06 lakhs, March 31, 2018: 5.49 lakhs.	Repayable in 17 Monthly equal installment, Rate of Interest 9.46 %.
vi)	Rs. 2.49 Lakhs (March 31, 2019 : 4.06 lakhs, March 31, 2018: 5.49 lakhs.	Repayable in 17 Monthly equal installment, Rate of Interest 9.46 %.
vii)	Rs. 2.62 Lakhs (March 31, 2019 : 4.27 lakhs, March 31, 2018: 5.77 lakhs)	Repayable in 17 Monthly equal installment, Rate of Interest 9.46 %.
viii)	Rs. 14.80 Lakhs (March 31, 2019 :16.57 lakhs, March 31,2018: 18.40 Lacs.	Repayable in 68 Monthly equal installment, Rate of Interest 9.15 %.
ix)	Rs. 14.69 Lakhs (March 31,2019 : 16.96 lakhs, March 31,2018: 18.83 Lacs.	Repayable in 68 Monthly equal installment, Rate of Interest 9.15 %.
x)	Rs. 2.76 Lakhs (March 31, 2019 : 4.24 lakhs, March 31, 2018: 5.59 lakhs.	Repayable in 20 Monthly equal installment, Rate of Interest 9.66 %.
xi)	Rs. 13.50 Lakhs (March 31, 2019 : 16.06 lakhs, March 31, 2018: 18.40 Lacs.	Repayable in 52 Monthly equal installment, Rate of Interest 8.55 %.
xii)	Rs. 6.46 Lakhs (March 31, 2019 : 8.65 lakhs, March 31, 2018: 10.82 Lacs.	Repayable in 30 Monthly equal installment, Rate of Interest 9.40 %.
xiii)	Rs. 18.62 Lakhs (March 31, 2019 : 35.12 lakhs, March 31, 2018: NIL Lacs.	Repayable in 12 Monthly equal installment, Rate of Interest 18 %.
xiv)	Rs.27.38 Lakhs (March 31, 2019 : 50 lakhs, March 31, 2018: NIL Lacs.	Repayable in 12 Monthly equal installment, Rate of Interest 19 %.
xv)	Rs. 21.17 Lakhs (March 31, 2019 : 30.30 lakhs, March 31, 2018: NIL Lacs.	Repayable in 23 Monthly equal installment, Rate of Interest 18.5 %.
xvi)	Rs. 14.89 Lakhs (March 31, 2019 : 56.71 lakhs, March 31, 2018: 94.57 Lacs.	Repayable in 4 Monthly equal installment, Rate of Interest 10 %.

**Note: 14 - Deferred Tax Liability (Net)**

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax (liabilities):		
On difference between book balance and tax balance of Depreciation	1,261.53	1,590.31
On expenditure deferred in the books but allowable for tax purposes	0.90	3.03
Total of Deferred Tax Liability	1,262.43	1,593.34
Deferred tax assets:		
Provision for Compensated absences, gratuity and other employee benefits	33.67	160.08
Provision for quantity discount		
Total of Deferred Tax Asset	33.67	160.08
Net deferred tax (assets)/liabilities:	1,228.76	1,433.26

Note 15:- Lease Liability

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Siemens Financial Services Pvt. Ltd.	80.05	194.90
	80.05	194.90

Note 16: Deposits Taken

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deposit received from J.B Pharma	0.05	0.00
Total Deposits Received	0.05	0

Note: 17 - Current borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Secured		
From Bank	4,186.08	4,673.70
Unsecured		
From Other	-	377.50
Total current borrowings	4,186.08	5,051.20

- 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. 142.43 Lakhs (March 31, 2019 : 282.35 lakhs, March 31, 2018: 145.13 lakhs)	Repayble on demand, Rate of Interest 12.20 % .
ii) Rs. 1027.42 Lakhs (March 31, 2019 : 1044.40 lakhs, March 31, 2018: 1165.72 lakhs)	Repayble on demand, Rate of Interest 12.50 % .
iii) Rs. 1437.38 Lakhs (March 31, 2019 : 1800.26 lakhs, March 31, 2018: 1802.50 lakhs)	Repayble on demand, Rate of Interest 11.70 % .
iv) Rs. 1578.84 Lakhs (March 31, 2019 : 1546.69 lakhs, March 31, 2018: 1599.90 lakhs)	Repayble on demand, Rate of Interest 11.70 % .

Note 18:- Lease Liability

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Siemens Financial Services Pvt. Ltd.	113.54	37.31
	113.54	37.31

Note: 19 - Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Due to Micro and Small Enterprises	243.31	191.82
Other Payables	5,416.03	3,049.53
Total trade payables	5,659.34	3,241.35

Note: 20 - Other Current financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of Long Term Debt		
Rupee loan from banks	301.71	255.07
Other loan from banks	98.69	123.86
Total other Current financial liabilities	400.40	378.93

Note: 21 - Other current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory remittances	188.17	28.78
Accrued salaries and benefits	296.48	275.05
Interest Payable	20.12	9.76
Total Other current liabilities	504.78	313.59

Note: 22 - Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Expenses	82.53	59.10
Total Other current liabilities	82.53	59.10

Current tax liabilities

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Advance Tax (Net of Provision for Tax)	0.03	-
Total	0.03	-
TOTAL PROVISIONS	82.56	59.10

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

Particulars	Provision for Expenses (Amt in Lacs)
Opening Provision	59.10
Addition provision made during the year	82.56
Amount paid/ reversed	59.10
Closing Provision	82.56

Note: 23 - Revenue from operations

Particulars	31/3/2020	31/3/2019
Sale of products (including GST)	30,966.36	25,159.55
Sale of Scrap	14.20	18.08
Excise duty Rebate/Refund on deemed exports	332.68	358.61
Other Operating Income	-	345.05
Total sale of products	31,313.23	25,881.29
Less:- GST	3,077.87	3,123.32
Revenue from Operations (Net)	28,235.36	22,757.97

Note: 24 - Other Income

Particulars	31/3/2020	31/3/2019
Dividend Income on Long-term Investments	0.04	2.00
Duty Drawback Rebate Claim	23.95	10.62
House Rent Received	3.80	4.27
Insurance Claim Received	10.26	14.31
Sundry Balance Written Back	-	0.48
Rental Charges Recd	0.04	-
Interest recd from Govt. Authorities	80.02	-
Total other income	118.12	31.68

Note: 25 - Cost of materials consumed

Particulars	31/3/2020	31/3/2019
Raw materials at the beginning of the year	2,835.76	3,044.96
Add:Purchases	19,987.51	18,584.24
Less:raw materials at the end of the year	3,708.50	2,835.76
Less:Cenvat availed	1,307.64	1,923.16
Total cost of materials consumed	17,807.14	16,870.28

Note: 26 - Changes in inventories of work-in-progress, stock in trade and finished goods.

Particulars	31/3/2020	31/3/2019
Opening Balance		
Work-in progress	1,522.60	1,418.66
Finished goods	2,957.40	1,522.41
Total opening goods	4,480.00	2,941.06
Closing balance		
Work-in progress	1,434.56	1,522.60
Finished goods	1,317.77	2,957.40
Total closing balance	2,752.33	4,480.00
Total changes in inventories of work-in-progress, stock in trade and finished goods.	1,727.66	(1,538.93)

Note: 27 - Employee benefit expenses

Particulars	31/3/2020	31/3/2019
Salaries & Wages	2,378.42	2,334.49
Contributions to provident and other funds	89.80	96.76
Staff welfare expenses	94.18	96.70
Others	42.01	53.70
Total :-	2,604.41	2,581.65

Note: 28 - Finance costs

Particulars	31/3/2020	31/3/2019
Interest expense on:		
Borrowings	621.50	661.56
Others:		
Bank Charges	254.44	143.47
Other Borrowing Cost	136.46	59.62
Interest on Lease Liability	28.07	
Total :-	1,040.47	864.65

Note: 29 - Other expenses

Particulars	31/3/2020	31/3/2019
Power and Fuel	1,424.02	1,456.34
Repairs to Machinery	234.51	281.37
Carriage Inward & Freight	21.38	24.58
Gst diff on Finished & Semi-finished stock	-	-
Job Work	2.86	2.42
Sales Tax Paid	1.84	0.24
Laboratory Exps	208.47	170.03
Testing Fees	68.59	73.69
Pollution Control Exps	133.47	137.25
Stores and Spares	308.13	191.21



Particulars	31/3/2020	31/3/2019
ADMINISTRATIVE EXPENSES		
Directors Remuneration	26.00	23.78
Corporate Social Responsibility(CSR) Expenses	79.28	14.07
Insurance Charges	53.71	56.15
Legal and Professional Fees	136.70	144.93
Miscellaneous Expenses	57.45	13.10
Postage and Telegram	9.19	12.76
Printing and Stationery	55.55	45.91
Rent,Rates and Taxes	102.37	151.51
Travelling and Conveyance	78.71	144.72
Vehicle Expenses	48.81	49.97
Service charges	24.44	49.41
Office Expenses	43.66	34.17
Telephone telex & fax charges	11.53	8.94
Membership and subscription fees	2.27	4.29
Registration & Licence Fees	60.70	34.57
Stamp Duty Expense	-	5.19
Computer Expense	11.90	13.61
Listing Fees to Stock Exchanges	5.40	5.40
Loss on fair valuation on Investment	-	0.00
Conferences and seminars	40.54	-
Donation	-	-
Profit/Loss on Sale of Asset / Invt	5.36	5.25
AUDITORS REMUNERATION EXPENSES		
Statutory Audit Fees	3.75	3.75
Tax Audit Fees	1.00	1.00
Certification Fees		
SELLING AND DISTRIBUTION EXPENSES		
Advertisement & Sales Promotion	96.29	75.58
Packing and Forwarding	109.14	116.38
Carriage Outward,Freight & Insurance	213.45	101.97
Sales Commission and Discount	46.32	51.75
Provision for quantity discounts		
RESEARCH & DEVELOPMENT EXPENSES (UNIT-2)		
Research & Development Expenses	-	113.05
Salary & Wages		210.07
Laboratory Expenses		
Travelling Expenses		18.99
Raw-Material Purchases		29.46
Total	3,726.81	3,876.85

Note: 30 - Income Taxes

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

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Current income tax charge	110.10	
Adjustments in respect of current income tax of previous year.	-	
Mat Credit Entitlement	(104.74)	-
Deferred taxes (expense)/benefit	(205.40)	229.38
Income tax expense recognized in the statement of profit and loss (A)	(200.04)	229.38
Income tax expense on net (gain)/loss on remeasurement of defined benefit plans	0.90	0.91
Income Tax charged to OCI (B)	0.90	0.91
Total Income tax (expense)/benefit recognized in the Comprehensive income statement (A+B)	(199.14)	230.28

b. Reconciliation of tax

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Reconciliation :-		
ACCOUNTING PROFIT BEFORE INCOME TAX	625.21	-573.71
Enacted tax rate in India	16.69	34.61
Computed Tax Expense	110.10	-
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	(104.74)	
Deferred tax on difference in WDV	(205.40)	229.38
Deferred tax on disallowance		
Deferred tax on OCI	0.90	0.91
INCOME TAX EXPENSE	(199.14)	230.28

Note: 31 - Categories of Financial Instruments

Particulars	As At 31.03.2020			As At 31.03.2019		
	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost
Financial Assets						
Investments :-						
In Equity Instruments (Quoted)	-	-	11.82	-	-	11.82
In Equity Instruments (Unquoted)	-	-	10.35	-	-	10.35
Govt. Securities	-	-	0.18	-	-	1.84
Trade Receivables	-	-	3,998.29	-	-	1,763.07
Loans	-	-	1,272.00	-	-	1,252.24
Cash and cash equivalents	-	-	162.91	-	-	143.34
Security Deposit			236.18			178.37
Total Financial Assets	-	-	5,691.73	-	-	3,361.03
Financial Liabilities						
Borrowings	-	-	4,603.35	-	-	5,910.76
Trade payables	-	-	5,659.34	-	-	3,241.35
Other Financial Liability	-	-	400.40	-	-	378.93
Total Financial liabilities	-	-	10,663.09	-	-	9,531.04

NOTE : 32
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:

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and Cash Equivalent	162.91	143.34
Trade Receivables	3,998.29	1,763.07
Inventories	6,484.27	7,345.32
Loans & other Financial Assets	1,272.00	1,252.24
Total	11,917.47	10,503.97

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

Particulars	Less than 1 Year	1-3 Years	Total
31.03.2020			
Borrowings	4,186.08	417.28	4,603.35
Trade payables	5,659.34		5,659.34
Other financial liabilities	400.40		400.40
Total	10,245.82	417.28	10,663.10

Contractual Maturities	Less than 1 Year	1-3 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

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 : 33 EMPLOYEE BENEFIT PLANS

As per actuarial report

(a) Defined benefit plans: Gratuity

Particulars	Gratuity	
	2019-20 funded	2018-19 funded
Change in present value of projected benefit obligation		
Present Value of obligation as at the beginning of the period	153.45	136.19
Interest Cost	12.06	10.24
Current Service Cost	15.21	14.78
Past Service Cost	0.00	1.13
Liability Transferred In/ Acquisitions	0.00	0.00
Benefits Paid	(14.21)	(5.36)
Total Actuarial (Gain)/ Loss on obligation	0.00	0.00
Actuarial Gains/(Losses) on obligations due to change in financial assumption	1.04	(4.63)
Actuarial Gains/(Losses) on obligations due to experience	7.06	1.10
Present Value of obligation as at the end of the period	174.61	153.45
Change in fair value of plan assets during the year		
Fair Value of plan assets at the beginning of the period	157.15	122.63
Adjustment to opening fair value of plan assets	0.00	0.00
Return on Plan Assets excl. interest income	11.32	(0.93)
Interest Income	12.35	9.22
Employer contribution	28.45	31.60
Employee contribution	0.00	0.00
Benefits paid	(14.21)	(5.36)
Actuarial gain/(loss) for the year on asset	0.00	0.00
Fair Value of plan assets at the end of the period	195.06	157.16
Asset/ (liability) recognised in the balance sheet		
Present value of obligation at the end of the Period	(174.61)	(153.45)
Fair Value of plan assets at the end of the Period	195.06	157.16
Funded Status (Surplus/ (Deficit))	20.45	3.71
Net (Liability)/Asset Recognized in the Balance Sheet	20.45	3.71
Net Liability		
PVO At the beginning of the period	153.45	136.19
Fair value of assets at beginning of period	157.15	122.63
Net Liability	-3.70	13.56
Net Interest cost for the current period		
Interest Expenses	12.06	10.24
Interest Income	(12.35)	(9.22)
Net Interest	(0.29)	1.02
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
Past Service Cost	0.00	1.13
Total expense recognised in the employee benefit expense	14.92	16.93

Particulars	Gratuity	
	2019-20 funded	2018-19 funded
Recognised in other comprehensive income for the year		
Actuarial (Gains)/Losses on Obligation For the Period	8.10	(3.53)
Return on Plan Assets, Excluding Interest Income	-11.32	0.93
Change in Asset Ceiling	0.00	0.00
Net (Income)/Expense For the Period Recognized in OCI	(3.22)	(2.60)
Movement in the liability recognised in Balance Sheet		
Opening Net Liability	-3.70	13.56
Expenses recognised in Statement of Profit & Loss	14.92	16.93
Employer's Contribution	(28.45)	(31.60)
Expenses recognised in Other Comprehensive Income	(3.22)	(2.60)
Net (Income)/Expense For the Period Recognized in OCI	(20.45)	(3.71)
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	195.06	157.15
Total :-	195.06	157.15
Net interest cost for next year		
Interest Cost	13.60	12.06
Interest Income	(15.19)	(12.35)
	(1.59)	(0.29)
Expense recognised in the statement of profit or loss during the year		
Current Service cost	16.15	15.21
Net interest cost	(1.59)	(0.29)
Expected contribution by the employee	0.00	0.00
Expenses recognised	14.56	14.92
Actuarial assumptions		
Return on Plan Assets	7.79%	7.86%
Discount Rate	7.79%	7.86%
Future salary increase	5% P.A.	5% P.A.
Mortality rate during employment	Indian assured live mortality (2006-08)	Indian assured live mortality (2006-08)
Retirement Age	60 Years	60 Years
Rate of Employee Turnover	2%	2%
Quantitative sensitivity analysis for significant assumptions is as below		
Projected benefit obligation on current assumption	174.61	153.44
a) Impact of change in discount rate		
Impact due to increase of 1%	(13.81)	(12.32)
Impact due to decrease of 1%	16.09	14.35
b) Impact of change in salary increase		
Impact due to increase of 1%	15.24	13.99
Impact due to decrease of 1%	(13.72)	(12.41)
b) Impact of change in employee turnover		
Impact due to increase of 1%	3.68	3.24
Impact due to decrease of 1%	(4.21)	(3.70)

**Note: 34 - Capital management****The company's objectives when managing capital are to:**

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

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

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

(i) Debt Equity Ratio

(Rupees in lacs)

Particulars	March 31, 2020	March 31, 2019
Gross Debt	4,603.35	5,910.76
Less: -		
Cash and Cash Equivalent	162.91	143.34
Net debt (A)	4,440.44	5,767.42
Total Equity (B)	10,393.87	9,566.30
Net debt to equity ratio	0.43	0.60

(ii) Dividend on equity shares paid during the year

Particulars	March 31, 2020	March 31, 2019
Dividend on equity shares		
Interim dividend for the year ended March 31, 2018 of Rs. 0.50 Per Share	-	-
Dividend distribution tax on above	-	-
Dividends not recognised at the end of the reporting period	-	-

Note: 35 - 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. Geeta Karira	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	
Ms. Mahima A Dhoot	
Mr. Yaduraj A Dhoot	
Mrs. Krishnapriya Nawal	

Particulars**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: 36 - Related Party transactions**(A) Details of transactions with related parties during the year ended March 31, 2020**

Particulars		March 31, 2020	March 31, 2019
Remuneration			
Shri Govardhan M. Dhoot	KMP	20.00	20.00
Shri Brijmohan M.Dhoot.	KMP	6.00	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	14.70
Ms. Mahima A Dhoot	Relative of KMP	9.70	-
Mr. Yaduraj A Dhoot	Relative of KMP	2.50	-
Mrs. Krishnapriya Nawal	Relative of KMP	12.02	10.23
Mr. Ajay Samant	Chief Financial Officer	23.03	17.89
Ms. Nikita Bavishi	Company Secretary	2.52	8.06
Ms. Geeta Karira	Company Secretary	4.15	-
Total :-		167.62	147.66
Payables			
Raga Organics Private Limited		-	377.50
Shri Govardhan M. Dhoot		25.91	50.00
Advances			
IMP Power Ltd.		540.00	-
Rent Deposit			
Shri Govardhan M. Dhoot		7.00	7.00
Deposit Received			
Shri JB Pharma LLP		0.05	-
Sitting Fees			
Shri Subhash C.Khattar	KMP	0.36	0.32



Particulars		March 31, 2020	March 31, 2019
Shri Brijmohan M.Dhoot.	KMP	-	0.08
Smt Anuradha Sukhani	KMP		-
Mrs Nidhi Mundada	KMP	0.08	0.06
Shri Ajay R Dhoot	KMP	0.24	0.10
Shri Aditya R Dhoot	KMP	0.16	0.12
Shri Ajay Sawhney	KMP		0.02
Shri Rukmesh Dhandhaniya	KMP	0.20	0.24
Shri Prashant J. Pandit	KMP	0.06	-
Total :-		1.10	0.94

(B) Key management personnel compensation:

Particulars		March 31, 2020	March 31, 2019
Short- term employee benefits		55.70	49.73
Post-employment benefits			
Long-term employee benefits			
Termination benefits		0.78	0.90

Note: 37 - Contingent Liabilities

Particulars		As at March 31, 2020	As at March 31, 2019
A) Performance Guarantees/ Bonds			
(i) Guarantee executed in favor of Assistant Collector of Customs		-	-
(ii) Guarantee executed in favor of Export Parties		-	-
B) Excise duty and Service Tax & GST			
2011-12		208.37	208.37
2015-16		171.77	171.77
2016-17			10.55
2018-19			4.08
2019-20		143.94	
C) Income Tax			
ASST.YEAR-2002-2003		0.86	0.86
ASST.YEAR-2003-2004		0.88	0.88
ASST.YEAR-2005-2006			1.36
ASST.YEAR-2006-2007		21.42	21.42
ASST.YEAR- 2011-2012		56.14	56.14
D) Others			
(iii) Guarantee given to GSPC Gas Co Ltd		124.54	130.10
(iv) Guarantee given to GPCB		-	1.50
(v) Guarantee given to Edelweiss Securities ltd		-	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. 35.00 Crores from HDFC Bank Ltd. and the outstanding as on 31.03.20 is Rs. 30.84 Crore

Note: 38 - 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, 2020	March 31, 2019

Note: 39 - 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, 2020	March 31, 2019
Profit for the Year (Rs. In Lakhs) - (A)	825.25	(803.09)
Weighted average number of equity shares for basic & diluted EPS - (B)	15828248.00	15828248.00
Earnings Per Share – Basic and Diluted (Rs.) - (A/B)	5.21	(5.07)
Nominal value of an equity share (Rs.)	10.00	10.00

Note: 40 - Assets Pledged as Security

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

	March 31, 2020	March 31, 2019
Current		
Financial assets		
Inventories	6,484.27	7,345.32
Trade Receivables	3,998.29	1,763.07
Total current assets pledged as security	10,482.56	9,108.39
Non-current		
Property, Plant & Equipments (Net Block)		
Land	54.40	54.40
Factory Building	2,514.16	2,596.79
Other Building (Resident Flat)	51.50	52.36
Plant & Machinery	5,797.62	6,082.83
Laboratory Equipment	379.94	352.70
Office Equipments	22.26	24.43
Electrical Equipments	234.21	263.11
Furniture and Fixtures	105.62	104.29
Motor Care & Vehicles	99.43	128.28
Air Conditioner	24.97	34.20
Computer	45.10	55.99
Lease Assets (Net Block)	164.13	222.88
Intangible Assets (Net Block)		
Computer Software	19.53	48.52
Research & Development	594.06	328.40
Capital Work in Process (Net Block)	124.03	19.95
Total non-current assets pledged as security	10,230.95	10,369.14
Total assets pledged as security	20,713.51	19,477.53

**Note: 41 - Accounting Policies, Changes in Accounting Estimates and Errors.**

The company has implemented Ind AS 116 on Leases with retrospective effect and following changes has been made in the Opening Retained Earnings and prior period on Account of Implementation of Ind AS 116

Effect of the above on Financial of 31st March 2019 (Rs in Lakhs)

Particular	As on March 2019	Restated as at March 2019
Right of Use asset	0	222.88
Lease Liability	0	232.20
Retained Earnings	7992.8	7,983.48

* Opening retained Earnings as at 01st April 2019 was reduced by 9.32 Lakhs on account of implementation of Ind AS 116

Note: 42- Impact of COVID-19

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. The Indian government announced a strict lockdown across the country to contain the spread of the virus, which was extended till May 31, 2020. The Company is engaged in manufacturing of essential commodities and consequently the impact of the pandemic is not significant. As of today, production facilities remain operational, following enhanced internal safety guidelines and directives issued by the Ministry of Home Affairs and State Government. The Company has assessed the impact of this whole situation and is of the view that based on its present assessment this situation does not materially impact the Standalone financial results as on March 31, 2020. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

Note: 43

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, 2020.

FINANCIAL HIGHLIGHTS

(Figure in Lacs)

PARTICULARS	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*	31/03/2020*
Sales & Other Sales Income	12797.96	15413.59	12683.14	12275.98	22067.19	29521.91	30319.35	28020.66	22789.64603	28353.48
Profit before Interest & Depreciation	1313.62	1503.86	(283.71)	984.63	2044.65	3772.08	4622.42	4769.54	999.79	2487.46
Interest	685.93	1016.43	1002.24	974.21	1028.37	929.18	1003.65	1178.00	864.65	1040.47
Depreciation	327.30	373.64	393.97	401.05	415.40	441.30	500.71	656.82	708.85	821.78
Profit Before Tax	300.39	113.79	(1679.92)	(390.63)	600.88	2401.60	3118.06	2934.72	(573.71)	625.21
Profit After Tax	242.39	63.36	(1179.94)	(303.92)	614.12	1603.31	2227.50	1988.96	(803.08)	825.25
Total Comprehensive Income**	-	-	-	-	-	-	36.32	36.32	1.69	2.32
Equity Capital	1317.82	1317.82	1317.82	1317.82	1317.82	1437.82	1582.82	1582.82	1582.82	1582.82
Reserves & Surplus	2424.98	2488.33	1308.39	1004.47	1618.59	3866.36	6988.89	8793.83	7983.48	8811.05
Money recd agst Share Warrants	-	-	-	-	-	848.25	-	-	-	-
Net Worth	3742.80	3806.15	2626.21	2322.29	2936.41	6152.43	8571.71	10376.65	9566.30	10393.87
Borrowings:										
Long Term Loans	1233.66	1531.26	3012.19	3001.76	2452.47	1794.02	2270.87	1500.09	899.30	634.70
Short Term - Bank	2683.65	3265.11	2791.27	3111.67	3182.43	3537.57	4132.00	5075.19	5051.20	4186.08
Short Term - Others	1208.80	1279.64	1474.98	1604.58	2157.37	649.91	206.48	317.63	339.20	182.98
Total Borrowings	5126.11	6076.01	7278.44	7718.01	7792.27	5981.50	6609.35	6892.91	6289.70	5003.76
Gross Block	7790.55	8407.70	8612.94	8827.52	9182.37	10249.52	14026.10	15620.78	16534.84	17215.63
Less : Depreciation	2343.96	2708.93	3099.58	3489.09	3887.58	4337.82	4770.49	5422.74	6165.71	6984.68
Net Block (Fixed Assets)	5446.59	5698.77	5513.36	5338.43	5294.79	5911.70	9255.61	10198.04	10369.14	10230.95
Investments	14.40	14.44	18.44	17.92	24.02	24.01	164.43	24.01	24.01	22.35
Current Assets, Loans & Advances	5964.18	6481.32	5945.94	7188.08	11670.69	10040.68	9530.32	12456.69	10742.35	12813.41
Less : Current Liabilities	1939.44	1648.46	1573.09	2504.13	6260.82	3841.86	3769.32	5409.18	5279.50	7669.08
Net Working Capital	4024.74	4832.86	4372.85	4683.95	5409.87	6198.82	5761.00	7047.51	5462.85	5144.33
Book Value (Rs) per share	28.40	28.88	19.93	17.62	22.28	42.79	54.15	65.56	60.50	60.50
Earnings (Rs) per share	1.58	0.48	(8.95)	(2.31)	4.66	11.15	14.07	12.57	(5.07)	5.21
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 and F.Y. 2019-20 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 F.Y. 2019-20 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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