

The Future



LOADING



What's Inside

Corporate Overview

1	The Future Loading	1
	About Mangalam Organics Limited	2
	Our Products and Application Areas	4
	Our Sales Network	5
	Our Business Model	6
	Our Key Clientele	7
	From The Chairman's Desk	8
	Our Terpene Strategy: Unlocking the Value of Intermediates	10
	Bhagwan Ke Liye, Sirf Mangalam Mangalam	11
	CamPure	12
	CamPure over the last year	13
	Mangalam over the last year	14
	Corporate Information	15

Statutory Reports

2	Notice	16
	Board's Report	26
	Management Discussion & Analysis	45
	Corporate Governance Report	51

Financial Statements

3	Standalone Auditors' Report	67
	Standalone Financial Statement	74
	Standalone Cash Flow Statement	76
	Consolidated Auditors' Report	97
	Consolidated Financial Statement	104
	Consolidated Cash Flow Statement	106



Forward-Looking Statements

In this annual report, we have disclosed forward-looking information to enable investors comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically produce/publish, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements would be fully realised, although we believe we have been prudent in our assumptions. The achievement of results are subject to risks, uncertainties and even inaccurate assumptions. If known or unknown risks or uncertainties materialise, or if underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

The Future



LOADING



Patience is the calm acceptance that things can happen in a different order than the one you have in mind

David Allen

As volatility, uncertainty, complexity and ambiguity plague the COVID-19 environment, prioritization gets a whole new meaning in this rapidly evolving business landscape.

How to maximize outcomes while balancing open ends, promising opportunities, constrained resources and highest safety standards? No easy answer.

They say, good things take time, and the great?

Well the great things need a commitment!

Hang on tight while our FUTURE is slowly but surely **LOADING!**

About Mangalam Organics Limited



Who We are

Mangalam Organics Limited is a pioneer in the field of pine chemistry. It is a leading manufacturer of terpene and rosin derivatives.

Our Legacy

Our operations are led by an experienced management team, with over five decades of experience in the pine chemicals industry.

Our wide Footprint

Turpentine, our principal raw material to manufacture Camphor, is procured from across the globe: Brazil, Argentina, Chile, USA, Russia, Indonesia, Vietnam, China, Portugal, and Spain, among other countries.

What We manufacture

Terpene Chemistry

Camphor, Dipentene, Sodium Acetate

Synthetic Resins

Terpene Phenolic, Alkyl Phenolic, Rosin-based Resins

Our Mission

To continue to strive and innovate to meet the growing requirements of our valued customers.

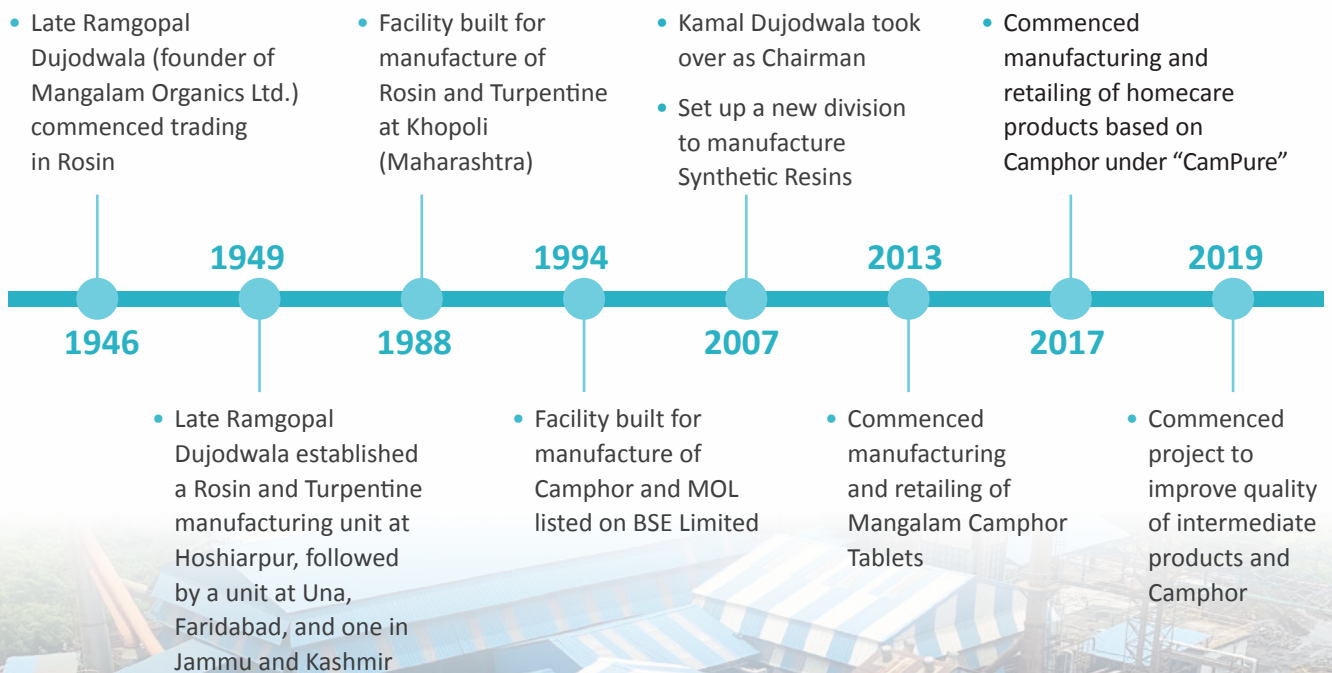
Domestic sale of Camphor and Synthetic Resins takes place through our network of 8 offices across India. Our products are also exported to Europe, USA, African, Middle Eastern and South East Asian countries.



Our revenue break-up



Our Journey of Evolution



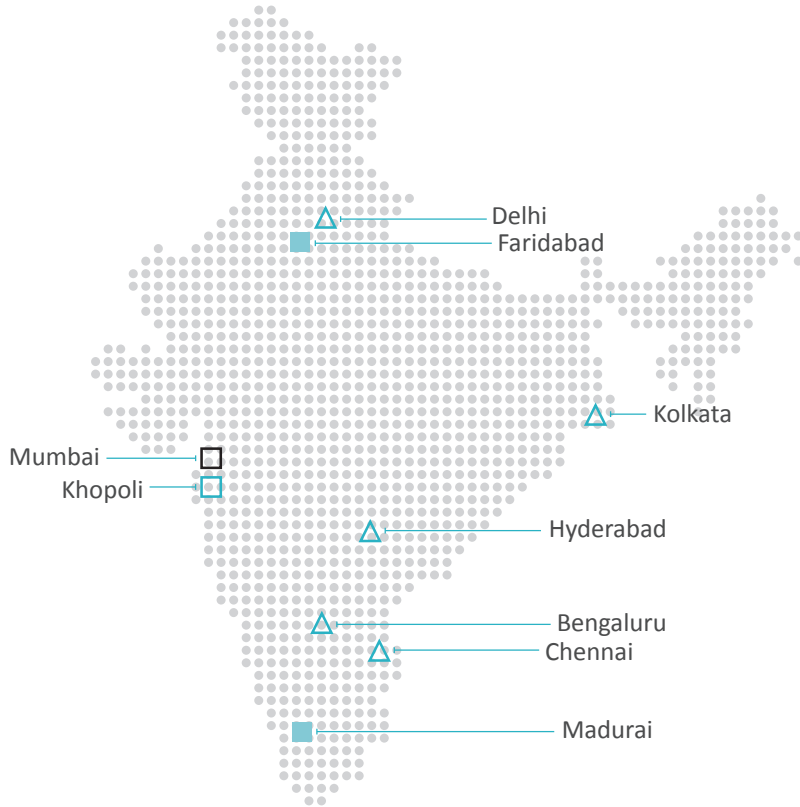
Our Products and Application Areas

Business Segments	Products	Applications
B2B - Terpene	<ul style="list-style-type: none"> • Camphor • Dipentene • Sodium Acetate 	<p>Camphor: Religious use, healthcare products, hygiene products</p> <p>Dipentene: Paints, cleaning and degreasing agents</p> <p>Sodium Acetate: Textile and dyes industry, Leather tanning</p>
B2B - Synthetic Resin	<ul style="list-style-type: none"> • Terpene Phenolic Resin • Alkyl Phenolic Resin • Rosin Esters 	Adhesives, Tyres, Rubbers, Chewing Gum, Printing Ink
B2C - Retail Operations	<ul style="list-style-type: none"> • CamPure - Homecare and personal care products based on Camphor • Mangalam - Camphor tablets for pious uses • Private Labelling Initiatives 	





Our Sales Network



Pin Codes serviced from e-Commerce orders

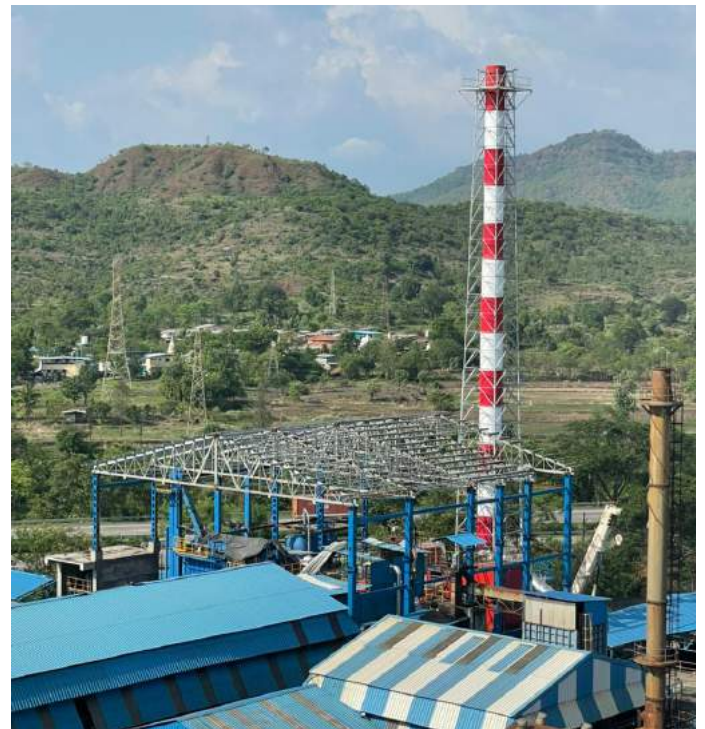
FY2019
2,500

FY2020
3,700

FY2021
9,000

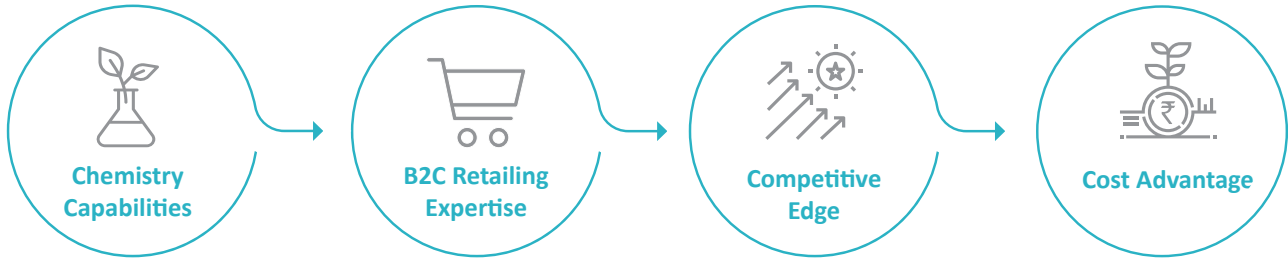
- Manufacturing Plant
- Head Office
- Warehouse & Marketing Office
- Marketing Office

Map not to scale. For illustrative purpose only.



Newly commissioned utilities amidst breath taking landscapes

Our Business Model



In our Terpene operations, continuing focus on yields, time cycle, energy conservation and quality of the products has enabled us to maintain our sales volume and profitability.

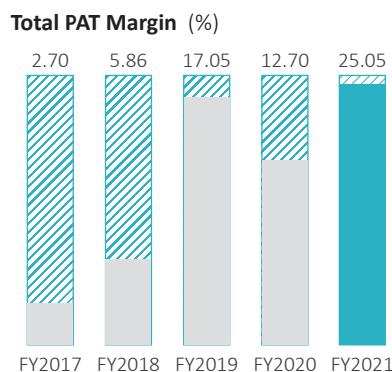
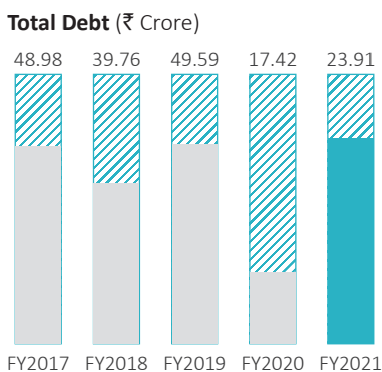
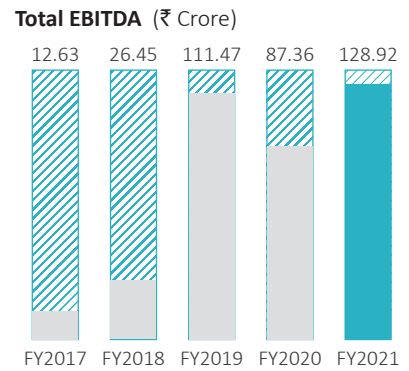
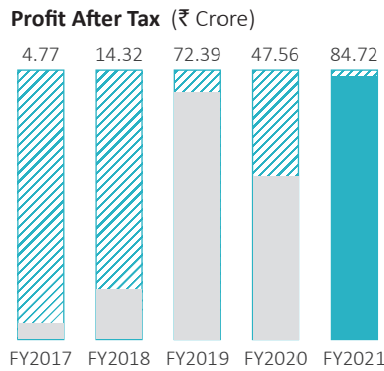
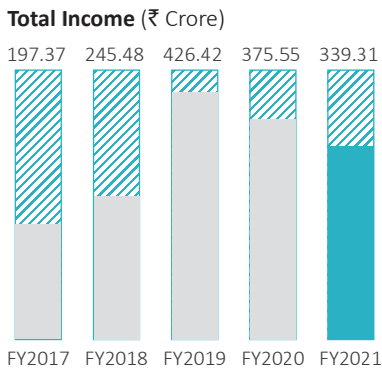
Through our Resin operations, we continue to offer closely formulated and niche solutions to our customers, enabling regular business and healthy margins.

Our retail operations continue to grow, as we expand the distribution of our brands Mangalam and CamPure and as we take on additional private labelling opportunities.

Total Income
₹ **339.31** Crore

PAT
₹ **84.72** Crore

Total EBITDA
₹ **128.92** Crore





Our Key Clientele

Terpene Operations

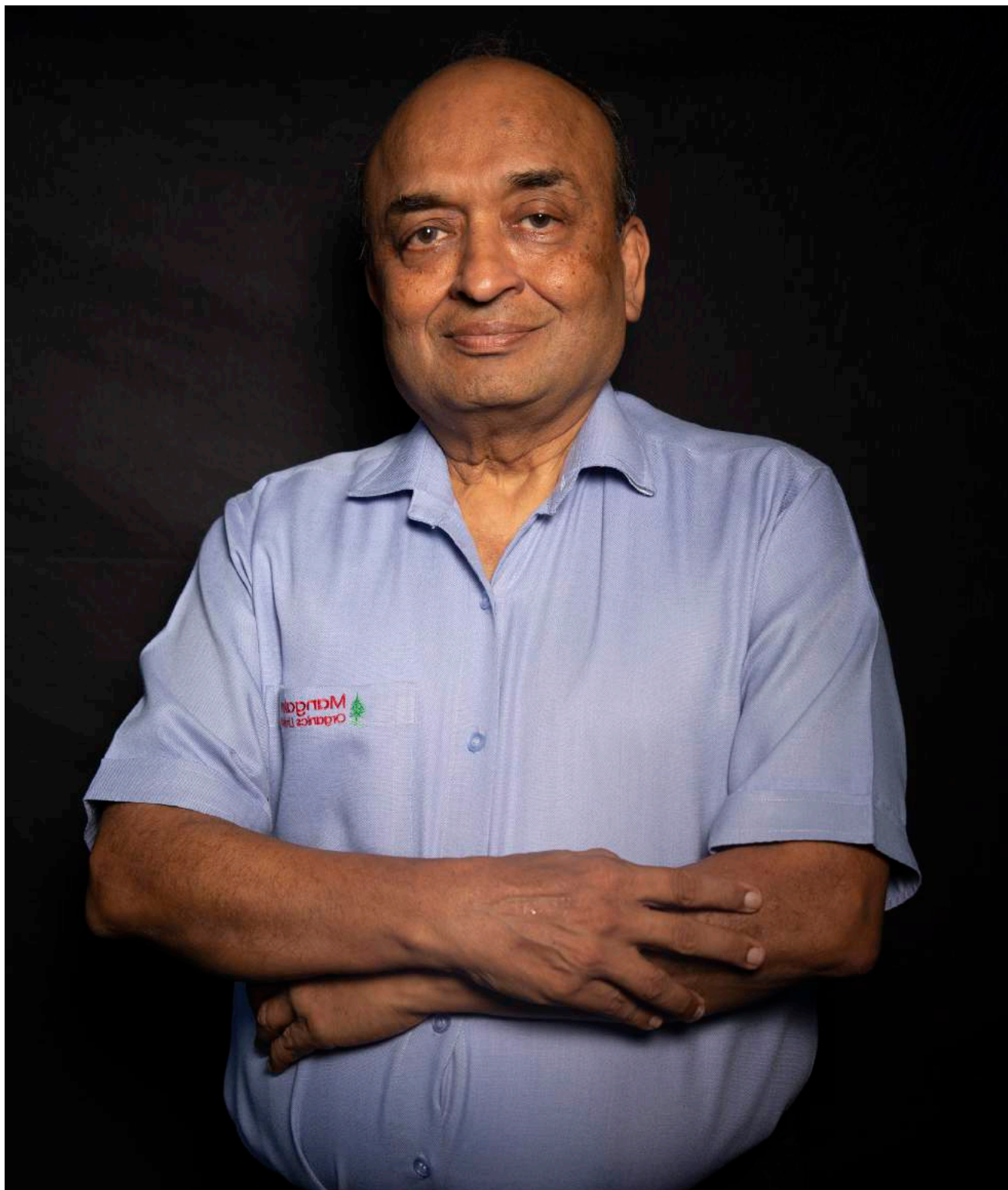


Synthetic Resin Operations



Retail Operations





Our net sales stood at ₹ 338.26 Cr during FY 20-21, while our Profit After Tax (PAT) stood at ₹ 84.72 Cr, which was 78% higher than the previous year. We are delighted to report our strongest ever set of numbers in what has been an extremely challenging year on account of COVID-19





From The Chairman's Desk

Dear Shareholders,

We are delighted to report our strongest ever set of numbers in what has been an extremely challenging year on account of COVID-19. Constrained resources forced us to prioritise the available time and manpower to our basic operations. I am very proud to inform you that our team at MOL has worked dedicatedly, astutely and safely to keep the Company flag flying high in such difficult times.

Our net sales stood at ₹ 338.26 Cr during FY 20-21, falling by ~10% compared to ₹ 374.52 Cr sales recorded in the previous year of FY 19-20. The fall in revenue was mainly on account of reduced production quantities as a result of COVID-19 challenges. Our Profit After Tax (PAT) stood at ₹ 84.72 Cr, which was ~78% higher during the year, vis-à-vis ₹ 47.56 Cr in the previous year. The substantially increased profit ratio was largely on account of higher selling price of finished goods vs lower priced, well stocked up raw material situation.

While the commodity cycle has been in our favour this year, it is important that we deleverage our dependency on Camphor by unlocking the value of intermediate products and their derivatives. Our technical projects with respect to this objective have been delayed on account of COVID-19, however we are confident that we will quickly catch up for

lost time once the ground reality improves. Through the last year, we have continued to grow our retail operations, this is a long, slow and steady sort of journey, and we are on the right track. We look ahead to the future when we are better positioned to deal with commodity cycles.

Our Segmental Performance

Camphor is the primary product in our "Terpene Operations" segment. The product continues to have strong demand from pious uses; although states announced lockdowns and temples were closed, people at large continued to pray at home and used Camphor for aarti. A new use case is also gaining widespread prominence – Camphor is being increasing vapourised in a "Kapoor Daani" to spread a refreshing fragrance and to bring about a feeling of positivity and purity in ones homely environment. Other products in "Terpene Operations" such as dipentene also fetch us good value as after we internally consume the quantities, we need for our resin production, we are able to get attractive prices for the marketable quantities we are left with. Further, we look forward to completing our technical projects and then exploring down stream derivatives for further revenue growth and attractive margins.

On the "Synthetic Resins" front, a slow down was visible as the end application industries, particularly tyres and adhesives witnessed reduced demands. Barring the challenges associated due to COVID-19, our Synthetic Resin strategy is in place, there is stable demand and healthy margins. We will continue to look out for tailor made, niche, import substitution opportunities.

Our "Retail Operations" consist of three elements, sales from "Mangalam", "CamPure" and private label initiatives. Our endeavour is to not only sell Camphor powder to a third party but also go one step ahead and selectively retail package it for potential large volume Modern Trade accounts or established FMCG brands. As our sales increase, we get more confidence to invest in infrastructure related to retail businesses, particularly tableting and packaging machinery that will serve an asset to grow this business at an accelerated pace.

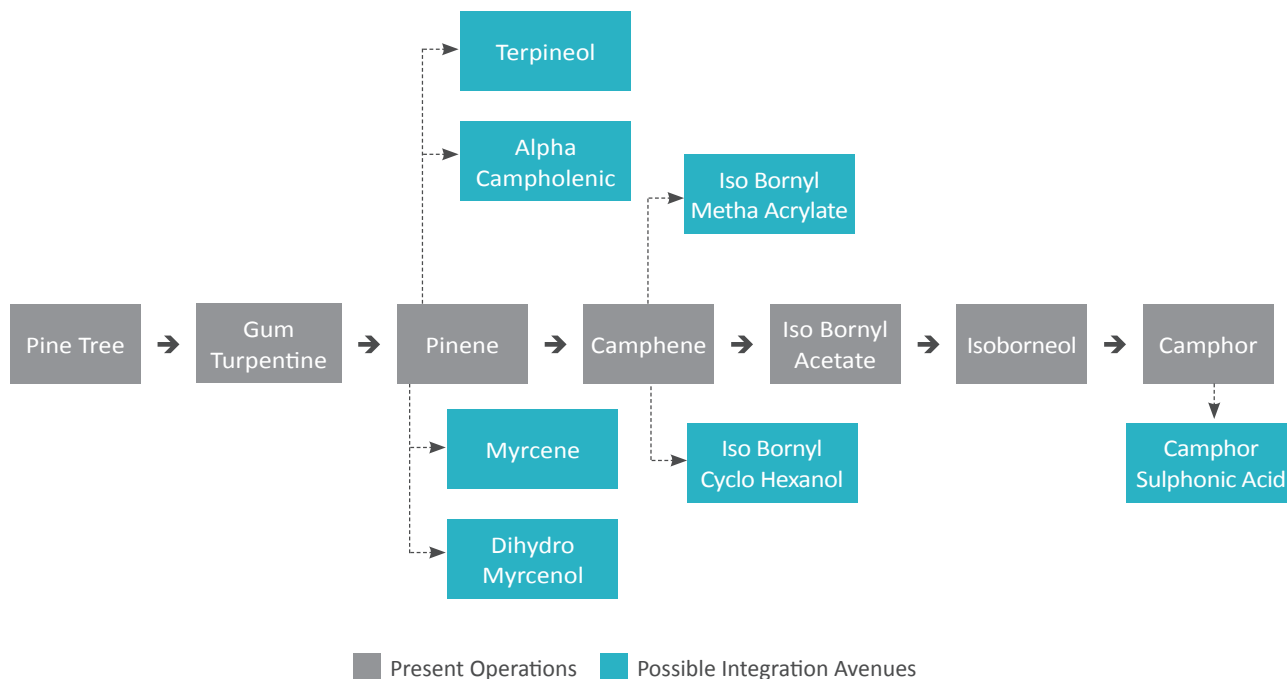
Despite the lockdowns and a crippled sales team, sales for our retail operations have continued to soar and we have continued our expansion into new MT accounts such as Metro and Wellness Forever, and into new states through general trade such as Gujarat and Madhya Pradesh. Of course, not to forget, our ecommerce channels continue to grow at astounding growth rates despite the bases becoming more substantial. On the branding side, we are now able to ear mark budgets for marketing and advertising, this is a big structural change and will further help the growth of our brands in a more sustained manner beside building inherent value.

On behalf of the Management and our Board of Directors, I would like to take this opportunity to thank all our stakeholders – the Shareholders, Employees and Suppliers, for their unwavering support and trust in such difficult times of COVID-19.

Please always put health first and do not take any risks. For where there is life, there is hope :)

Kamalkumar Dujodwala
Chairman

Our Terpene Strategy: Unlocking the Value of Intermediates



Going forward, we intend to focus on manufacturing and marketing high quality intermediate products to international customers: Camphene for Paint, Resin and Fragrance Applications – Iso Bornyl Acetate and Isoborneol for the fragrance industry.

Further, opportunity presents itself in the manufacture and sale of derivatives of these intermediate products. Alpha and Beta Pinene derivatives such as Myrcene, Dihydro Myrcenol can serve as stepping stones into the world of rapidly-growing fragrance and flavours. Once the quality of intermediate products are standardized, we will work towards manufacturing and marketing downstream products such as Pinene and Camphene derivatives, which present nicher and more specialised opportunities with healthier margins.

Our Synthetic Resins Strategy: Bespoke and Niche Approach

Terpene Phenolic Resin	Alkyl Phenolic Resin	Rosin Modified Resins
<ul style="list-style-type: none"> Increase range of terpene phenols to cater wide needs of customers in domestic market Pursue product approvals with global tyre and adhesive customers in the domestic and export market 	<ul style="list-style-type: none"> Understand customer pain points and provide tailor-made products Introduce wide range of quality products to enable registration with key distributors 	<ul style="list-style-type: none"> Explore opportunities of import substitution in adhesives and printing ink industry Improve quality of products to global standards to unlock export opportunities



Bhagwan Ke Liye, Sirf Mangalam Mangalam



Why Camphor?

As written in our Holy books, Pure Camphor symbolises union with God as it burns completely, leaving behind no trace. Pure Camphor dispels negativity, keeps one healthy and attracts prosperity.

Significance of the Camphor Flame

Camphor flame inspires the devotee to spread warmth and fragrance through one's life, burning away energetically to eventually allow the focus solely on the almighty without any trace of existence or ego.

At the end of the aarti, one places his hands over the flame and touches his eyes and forehead which signifies "may the light which illumined the Lord light up my vision and may my thoughts be as pure and beautiful as this Camphor flame".

How to check the purity of Camphor?

Pure Camphor burns completely without sparking and does not leave behind any residue or ash.

TV commercial



Praying holds a strong significance in the Indian culture, where purity is touted as an important element in our devotion. Since ancient times, Camphor has been an essential part of the act, often used as a pure offering along with extending to spiritual benefits such as purification of thoughts or energy in the house.

Currently due to the commoditised nature of this category, there are a lot of local brands that sell adulterated Camphor at a cheaper price. Consumers don't even know they are buying adulterated Camphor. Hence, the adulteration goes unseen as the consumer is not equipped with parameters of evaluation for pure Camphor.

To combat this, the strategic approach was to strengthen the consumer pull by equipping consumers with the criterion to evaluate Camphor's purity by building a strong preference for pure Camphor from Mangalam.

The TVC, in a tongue-in-cheek manner, urges consumers to buy nothing but pure Camphor for their prayers and strengthens the association of Mangalam with purity.

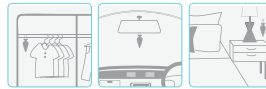
CamPure



Air Purifier



CamPure Cone



CamPure Sticks



CamPure Camphor Power Mosquito Liquid Vaporiser



CamPure Handwash and Hand sanitiser



Camphor – A creation with a rich history and vibrant future is a natural product made from the extract of the pine tree. While in the Indian domestic market, Camphor is widely used for religious purposes, it has usage far and wide across countries globally.

Camphor also plays a vital role as the active ingredient in several orthopaedic, skin and congestion-related pharmaceuticals and leading pharmaceutical companies are increasingly purchasing Camphor with more R&D being done on Camphor-based formulations.

On the hygiene side, Camphor is replacing naphthalene and PDCB in the West and is gaining increasing share of the homecare market.

The Camphor manufactured in China is used for hygiene and pharmaceutical uses while that manufactured in India is largely used for pious purposes. Going forward, it is estimated that India too will start using camphor for innovative hygiene products as in the pictures above.

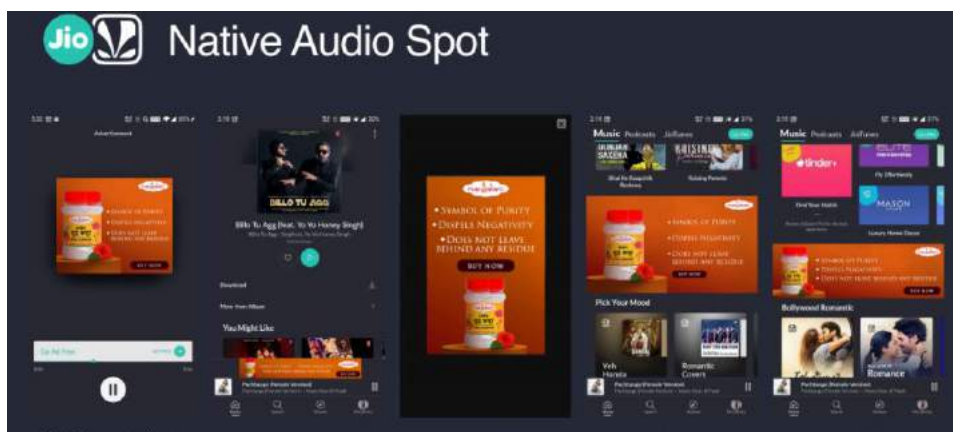




CamPure over the last year



Mangalam over the last year





Corporate Information

Board of Directors

Mr. Kamalkumar Dujodwala

Executive Director and Chairman

Mr. Pannkaj Dujodwala

Executive Director and Managing Director

Mr. Rajkumar S Jatia

Non-Executive - Independent Director

Mr. Sharad Kumar Saraf

Non-Executive - Independent Director

Mr. Shree Narayan Baheti

Non-Executive - Independent Director

Mrs. Manisha Agarwal

Non-Executive - Independent Director

Chief Executive Officer

Mr. Sanjay Bhardwaj

Chief Financial Officer

Mr. Shrirang V. Rajule

Company Secretary & Compliance Officer

Ms. Heena Tank

Registrar & Share Transfer Agent

Link Intime (India) Private Limited

(Appointed w.e.f. July 1, 2019)

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

Vikhroli (West), Mumbai - 400 083

Email: rnt.helpdesk@linkintime.co.in

Tel: (022) 4918 6270 /4918 6000

Fax: (022) 4918 6060

Statutory Auditors

M/s. NGST & Associates,

Chartered Accountants

B-203, Borivali Paras CHS, Rokadia Lane,

Borivali (West), Mumbai - 400 092.

Secretarial Auditor

M/s. Yogesh Sharma & Co.,

Company Secretaries

B-1, Neha Apts,

Opp. Badwaik Hospital, Off LBS Marg,

Bhandup (West), Mumbai - 400 078.

Cost Auditor

M/s. NKJ & Associates, Cost Accountants

Level 13, Platinum Techno Park,

Plot No. 17/18, Sector-30A, Vashi,

Navi Mumbai - 400 705.

Bankers

The Saraswat Co-operative Bank Ltd.

(Scheduled Bank)

Corporate Banking Branch, Unit B/G01,

Ground Floor, Marathon, Innova Nextgen

Complex, Ganpatrao Kadam Marg,

Lower Parel, Mumbai- 400013

Axis Bank

G1, Ground Floor, Maker Chamber 4,

Jamnalal Bajaj Road,

Nariman Point, Mumbai - 400 021.

Registered Office and Factory Address:

Kumbhivali Village, Savroli Kharpada Road,

Taluka - Khalapur, Khopoli - 410 202.

Dist. Raigad, Maharashtra.

Tel: 02192-276140

Email: info@mangalamorganics.com

CIN: L24110MH1981PLC024742

Website: www.mangalamorganics.com

Administrative Office

812/813, Tulsiani Chambers,

Free Press Journal Marg, 212,

Nariman Point, Mumbai - 400 021.

Tel: 022 - 49204089

Email: cs@mangalamorganics.com

MANGALAM ORGANICS LIMITED

CIN: L24110MH1981PLC024742

Regd Office: Kumbhivali Village, Savroli Kharpada Road, Taluka – Khalapur, Khopoli - 410 202, Raigad, Maharashtra.

Head Office: 812/813, Tulsiani Chambers, 212, Nariman Point, Mumbai - 400 021, Maharashtra, India.

Tel: 022-49204089, Email - info@mangalamorganics.com, Website - www.mangalamorganics.com

NOTICE

NOTICE is hereby given that the Thirty Ninth Annual General Meeting of the Members of **MANGALAM ORGANICS LIMITED** will be held on Wednesday, September 29, 2021, at 3.00 p.m through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements for the financial year ended March 31, 2021 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares for the financial year ended March 31, 2021.
3. To appoint a Director in place of Mr. Pannkaj Dujodwala (DIN: 00546353), who retires by rotation and being eligible, seeks re-appointment.
4. 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 139(1) and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and rules, circulars, notifications made/ issued thereunder, including any amendment, modification, variation or re-enactment thereof, M/s NGST & Associates, Chartered Accountants, (Firm Registration No. 135159W) be and are hereby re-appointed as the Statutory Auditors of the Company for a further term of 5 years i.e. from the conclusion of the 39th Annual General Meeting until the conclusion of the 44th Annual General Meeting to be held in the year 2026.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and / or otherwise considered by them to be in the best interest of the Company, including fixation of their remuneration and reimbursement of out of pocket expenses incurred in connection hereto.”

SPECIAL BUSINESS:

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

RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with the Companies (Audit and Auditors) Rules 2014, as amended to date, payment of ₹ 50,000/- (Rupees Fifty Thousand only), reimbursement of out-of-pocket expenses at actuals plus applicable taxes thereon incurred in connection with the audit, payable to M/s. NKJ & Associates, Cost Accountants (Firm Registration No- 101893), who have been appointed by the Board as Cost Auditors of the Company for conducting the cost audit of the accounts for the Financial Year ending March 31, 2022 be and is hereby ratified.

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

“RESOLVED THAT pursuant to the provisions of Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the Articles of Association of the Company, consent of the Members of the Company is hereby accorded by way of a special resolution to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board) to create charge / mortgage / pledge / hypothecate / security in addition to existing charge / mortgage / pledge / hypothecation / security, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and / or immovable properties, tangible or intangible assets of the Company, both present and future and / or the whole or any part of the undertaking(s) of the Company, as the case may be in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings availed / to be availed by the Company by way of loan(s) (in foreign currency and / or rupee currency) and securities (comprising fully / partly convertible debentures and/or non convertible debentures with or without detachable or nondetachable warrants and / or secured premium notes and / or floating rate notes / bonds or other debt instruments), issued / to be issued by the Company, from time to time, subject to the limits approved under Section 180(1)(c) of the Act together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated



damages, commitment charges, premia on prepayment, remuneration of the Agent(s) / Trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s), Debenture Trust Deed(s) or any other document, entered into / to be entered into between the Company and the Lender(s) / Agent(s) / Trustee(s) / State Government(s) / Agency(ies) representing various state government and/or other agencies etc. in respect of the said loans / borrowings / debentures / securities / deferred sales tax loans and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the Lender(s) / Agent(s) / Trustee(s) / State Government(s) / Agency(ies), etc.

RESOLVED FURTHER THAT the securities to be created by the Company as aforesaid may rank prior / pari passu / subservient with / to the mortgages and /or charges already created or to be created in future by the Company or in such other manner and ranking as may be thought expedient by the Board and as may be agreed to between the concerned parties.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle, and execute such documents / deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages / charges as aforesaid."

By Order of the Board of Directors

Sd/-

Heena Tank

Company Secretary

Mumbai, July 20, 2021

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020, Circular No. 17 dated April 13, 2020 and Circular No. 02/2021 dated January 13, 2021 (hereinafter collectively referred to as "MCA Circulars") permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars dated May 12, 2020 and January 15, 2021, the 39th Annual General Meeting of the Members of the Company is being held through VC/OAVM.
2. PURSUANT TO THE PROVISIONS OF THE COMPANIES ACT, 2013, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A

PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS ANNUAL GENERAL MEETING ('AGM') IS BEING HELD PURSUANT TO THE MCA CIRCULARS 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 39th AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP ARE NOT ANNEXED TO THE NOTICE.

3. The relative Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the business under Item Nos. 5 & 6 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
4. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent ("RTA") / their Depository Participants, in respect of shares held in physical/electronic mode, respectively.
5. Members are requested to intimate 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, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held in electronic form and to M/s. Link Intime (India) Private Limited, at rnt.helpdesk@linkintime.co.in in case the shares are held in physical form.
6. The Share Transfer Books and Register of Members of the Company will remain closed from September 25, 2021 to September 29, 2021 (both days inclusive) for the purpose of determining the members who shall be entitled to dividend, if any declared at the AGM.
7. The dividend, as recommended by the Board, if declared and approved at the Annual General Meeting will be paid to those members whose names appear in the Register of Members at the end of business hours on September 24, 2021. In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership, as per the details to be furnished for the purpose by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours on September 24, 2021.
8. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection

Fund (“IEPF”) established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”) as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members/Claimants whose shares, unclaimed dividend, and debenture interest amount have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in). The Member/Claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

It is in the Members’ interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members’ account on time. Members who have not yet encashed the dividend warrants are requested to forward their claims to the Company or its Registrar and Share Transfer Agent. Kindly refer the Directors’ Report / Corporate Governance Report in respect of the unclaimed dividends.

9. Members are requested to update their bank mandate/ NECS/ Direct credit details / name / address / power of attorney and their Core Banking Solutions enabled account number:

- For shares held in physical form: with the Registrar and Share Transfer Agent of the Company.
- For shares held in dematerialized form with the depository participant with whom they maintain their demat account.

Kindly note that as per Regulation 12 read with Schedule I of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for distribution of dividends or other cash benefits to the investors, electronic mode of payments like National Electronic Clearing Service (NECS), National Automated Clearing House (NACH), Electronic Clearing Service (ECS), Real Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT) shall be used. In cases where the details like MICR no., IFSC no. etc. required for effecting electronic payments are not available, physical payment instrument like dividend warrants, will be used. Accordingly, we recommend you to avail the facility of direct electronic credit of your dividend and other cash benefits through electronic mode and in all cases keep your bank account details updated in your demat account / physical folio.

10. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 and January 15, 2021, Notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2020-21 will also be available on the Company’s

website at www.mangalamorganics.com, on the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of Link Intime India Private Limited viz., <https://www.linkintime.co.in/>.

11. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / Registrar and Transfer Agent (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H. The aforementioned forms for tax exemption can be downloaded from Link Intime’s website. The URL for the same is as under:

<https://www.linkintime.co.in/client-downloads.html>- On this page select the General tab. All the forms are available in under the head “Form 15G/15H/10F”.

The aforementioned documents (duly completed and signed) are required to be uploaded on the URL mentioned below:

<https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> On this page the user shall be prompted to select / share the following information to register their request.

1. Select the Company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
6. Document attachment – 1 (PAN)
7. Document attachment – 2 (Forms)
8. Document attachment – 3 (Any other supporting document)

Please note that the upload of documents (duly completed and signed) on the website of Link Intime India Private Ltd should be done on or before **September 24, 2021**, 6.00 PM in order to enable the Company to determine and deduct appropriate TDS / withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered after **September 24, 2021**, 6:00 PM. The Company will arrange to email a soft copy of TDS certificate to you at your registered email ID post completion of activities.

Shareholders may note that in case the tax on said final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, option is



available to you to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

All communications/ queries in this respect should be addressed to our RTA, Link Intime India Private Limited to its email address taxexemption@linkintime.co.in

12. In all correspondence with the Company, members are requested to quote their folio numbers and in case their shares are held in dematerialized form they must quote their DP ID and Client ID number.
13. Pursuant to Section 72 of the Companies Act, 2013 members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's Registrars & Share Transfer Agents. In respect of shares held in electronic / demat form, the members may please contact their respective depository participant.
14. Members are requested to notify immediately any change of address:
 - a. to their Depository Participants ("DPs") in respect of the shares held in electronic form, and
 - b. to the RTA of the Company, in respect of the shares held in physical form together with a proof of address of any of the documents viz., Electricity Bill, Telephone Bill, Ration Card, Voter ID Card, Passport etc.
15. Non-Resident Indian members are requested to immediately inform their depository participant (in case of shares held in dematerialized form) or the Registrars and Transfer Agents of the Company (in case of shares held in physical form), as the case may be, about:
 - a. the change in the residential status on return to India for permanent settlement;
 - b. the particulars of the NRE account with a bank in India, if not furnished earlier.
16. Members are further requested to send all communications relating to shares and unclaimed dividends to the Registrar & Share Transfer Agent at the following address:

Add:

Link Intime (India) Private Limited

C 101, 0247 Park, L.B.S Marg,
Vikhroli West, Mumbai- 400083,
Maharashtra.

Email: rnt.helpdesk@linkintime.co.in

Tel: (022) 4918 6270 Fax: (022) 4918 6060

17. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members by writing an e-mail to the Company Secretary at cs@mangalamorganics.com.
18. As per SEBI notification SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 & BSE circular No. List/COMP/15/2018-19 dated 5th July, 2018; no request for effecting transfer of securities (except in case of transmission of securities) has been processed after March 31, 2019 unless the securities are held in the dematerialized form with the depositories. Hence, Members who continue to hold shares in physical form, are requested to dematerialize their shares at the earliest and avail various benefits of dealing in securities in electronic / dematerialized form.
19. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
20. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or Governing Body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to [cgsakaria.cs@gmail.com](mailto:cdsakaria.cs@gmail.com) with copies marked to the Company at cs@mangalamorganics.com and to its RTA at rnt.helpdesk@linkintime.co.in
21. Instructions for e-voting and joining the Annual General Meeting are provided in section 'Request to Members'.

REQUEST TO MEMBERS:

1. E-Voting

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2, the Company is providing facility for remote e-voting and e-voting at the AGM to all members as on the cut-off date as per the applicable regulations and all the businesses contained in this Notice may be transacted through such voting. The remote e-voting and e-voting facility at AGM are being provided through e-voting platform provided by Link Intime India Private Limited (LIPL). The instructions for members for voting by electronic means are given in below paragraphs:

- A. The remote e-voting period begins on **Sunday, September 26, 2021 (9.00 a.m.) and ends on Tuesday, September 28, 2021 (5.00 p.m.)**. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **September 22, 2021** may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter.

- B. Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, the Login mechanism for Individual shareholders holding securities in demat mode has been amended. Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post June 9, 2021.
- C. Login instructions for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Instructions
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service (Provider is LINKINTIME).	<ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details:- <ul style="list-style-type: none"> A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)



D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

▶ Click "confirm" (Your password is now generated).

2. Click on 'Login' under '**SHARE HOLDER**' tab.

3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

4. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.

5. E-voting page will appear.

6. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.

- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

▶ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

▶ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

▶ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting** manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on:- Tel: 022 -4918 6000.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.

- D. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **September 22, 2021**. A person who is not a member as on the cut-off date should treat this notice for information purposes only.
- E. Any person who becomes a member of the Company after dispatch of the Notice of 39th AGM and holding shares as on the cut-off date may obtain the User ID and Password by writing to the Company Secretary at cs@mangalamorganics.com or to Link Intime India Private Limited at enotices@linkintime.co.in
- F. A copy of this notice has been/ shall be placed on the website of the Company and the website of Link Intime India Private Limited.
- G. Mr. Chintal D Sakaria, Proprietor of C D Sakaria & Associates, Practicing Company Secretaries (Membership No. FCS 9477/ Certificate of Practice No. 20063) has been appointed as the Scrutinizer to scrutinize the voting by instapoll and remote e-voting process in a fair and transparent manner.
- H. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting and make not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him, who shall countersign the same.
- I. The facility for e-voting shall be made available at the meeting and members attending the meeting through VC/OAVM who have not already casted their vote by remote e-voting shall be able to exercise their voting right at the meeting.
- J. The members who have casted their votes by remote e-voting prior to the Annual General Meeting may also attend the meeting but shall not be entitled to cast their vote again.
- K. The consolidated results of remote e-voting and e-voting at the AGM shall be declared after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.mangalamorganics.com within 3 (three) days of conclusion of the annual general meeting and will be communicated to BSE Limited, who are required to place them on their website. The same shall also be placed on the website of Link Intime India Private Limited.

2. Video Conferencing

Instructions for Shareholders/Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:

- 1) Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/

OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first- come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto 1000 members only.

Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Members shall register their details and attend the Annual General Meeting as under:

1. Open the internet browser and launch the URL for InstaMeet <<<https://instameet.linkintime.co.in>>> and register with your following details:
 - a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
 - b. PAN: Enter your 10 digit Permanent Account Number (PAN)
 - c. Mobile No.
 - d. Email ID
2. Click "Go to Meeting"

Note:

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

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

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us:- Tel : (022-49186175)



Instructions for Shareholders/Members to register themselves as Speakers during Annual General Meeting:

Shareholders/ Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at cs@mangalamorganics.com from September 27, 2021 (9.00 A.M.) to September 27, 2021 (5.00 P.M.).

The first 20 Speakers on first come basis will only be allowed to express their views/ask questions during the meeting.

Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at cs@mangalamorganics.com. The same will be replied by the Company suitably.

Note:

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

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

Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutiniser during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/ Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call on:- Tel : (022-49186270)

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

In conformity with the provisions of section 102 of the Companies Act, 2013 the following explanatory statements set out all material facts in respect of item numbers 4 to 6.

Item No: 4

M/s. NGST & Associates, Chartered Accountants were appointed as the Statutory Auditors to hold office for a term of 5 years from the conclusion of the 34th Annual General Meeting held on September 30, 2016 until the conclusion of the 39th Annual General Meeting of the Company to be held in the year 2021.

M/s. NGST & Associates, Chartered Accountants would be completing 5 years as the Statutory Auditors of the Company at the conclusion of this AGM. In accordance with Section 139(2) of the Act and the transitional provisions provided under Rule 6 of the Companies (Audit and Auditors) Rules, 2014, M/s. NGST & Associates are eligible for re-appointment as the Statutory Auditors of the Company for a further term of 5 years from the conclusion of this Annual General Meeting until the conclusion of 44th Annual General Meeting to be held in the year 2026.

At its meeting held on May 27, 2021, the Board has considered and approved re-appointment of M/s. NGST & Associates, Chartered Accountants, as the Statutory Auditors of the Company for a further term of 5 years from the conclusion of this Annual General Meeting until the conclusion of 44th Annual General Meeting to be held in the year 2026.

M/s NGST Associates (Firm Registration No. 135159W) (the 'Firm') is a reputed firm established in the year 2012 and it has been fully operational since then. The Firm is guided and lead by 2 partners.

The Firm has experienced team of professionals with experience of more than 10 years in the field of Statutory Audit, Internal Audit, Direct & Indirect Taxation, Capital Market Advisory and related matters.

The Firm has a valid Peer Review certificate and has been subject to inspection by the Quality Review Board.

The Board of Directors recommends the resolution at Item No. 4 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 4 of this Notice.

Item No: 5

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, read with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company, is required to appoint an individual who is a Cost Accountant in practice or a firm of Cost Accountants in practice, as Cost Auditor. The remuneration of the Cost Auditor is required to be approved by the Board of Directors and ratified by the members.

At its meeting held on May 27, 2021 the Board has considered and approved appointment of Mr. Naresh Jethwani, Cost Accountants (Membership No.18869) to conduct the audit of the Company's cost records for financial year 2021-22 at a remuneration of ₹ 50,000/- (Rupees Fifty Thousand only) plus taxes as applicable and reimbursement of out of pocket expenses, if any.

The Board recommends the resolution at Item no. 5 of the Notice for approval by the members.

None of the Promoters, Directors, Key Managerial Personnel of the Company and none of their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

Item No: 6

The members of the Company through AGM notice dated August 14, 2015 has approved by way of a Special Resolution under Section 180(1)(c) of the Companies Act, 2013, borrowings in excess of the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings

together with the amounts already borrowed and outstanding at any point of time shall not be in excess of ₹ 1000 Crores (Rupees One Thousand Crores).

The Board of Directors of a Company shall not, except with the consent of Company by Special Resolution borrow money together with the money already borrowed, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceeding the aggregate of the paid up capital and its free reserves as per the provisions of Section 180(1)(c) of the Companies Act, 2013 ("the Act") and its rules thereunder.

The borrowings of the Company are in general required to be secured by suitable mortgage or charge on all or any of the movable or immovable properties of the Company, in such form, manner and ranking as may be determined by the Board of Directors / any of it's authorised Committee of the Company from time to time, in consultation with the lender(s).

It is therefore, necessary for the members to pass a Special Resolution under Section 180(1)(a) of the Companies Act, 2013, as set out at Item No. 6 of the Notice, to enable the Board of Directors to secure the borrowings made by the Company by creation of mortgage / charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company.

The Board recommends the resolution at Item no. 6 of the Notice for approval by the members.

None of the Promoters, Directors, Key Managerial Personnel of the Company and none of their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

By Order of the Board of Directors

Sd/-

Heena Tank

Company Secretary

Mumbai, July 20, 2021



ANNEXURE TO THE NOTICE DATED JULY 20, 2021

DETAILS OF DIRECTORS RETIRING BY ROTATION / SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

Particulars	Mr. Pannkaj Dujodwala
Date of Birth	September 28, 1963
Age	58 Years
Qualifications	Commerce graduate, MBA from Landsdown College, New Hampshire University, UK
Experience (including expertise in specific functional area)/Brief Resume	Mr. Pannkaj has been involved in the Pine Chemicals Industry for over 30 years and brings with him wide experience to oversee day-to-day activities at Mangalam Organics Limited.
Terms and Conditions of Appointment / Reappointment	As per the resolution passed by the shareholders at the Annual General Meeting held on 29 September, 2020, Mr. Pannkaj Dujodwala was re-appointed as an Executive and Managing Director, liable to retire by rotation
Date of first appointment on the Board	03/06/1987
Shareholding in the Company as on March 31, 2019	1,31,300 (1.53%)
Relationship with other Directors/Key Managerial Personnel	Brother of Chairman, Mr. Kamalkumar Dujodwala
Directorship held in other Listed Public Companies (excluding foreign Companies and Private Companies)	-
Membership/Chairmanship of Committees of other public companies	-
No. of Board meetings attended during the year	6
Details of remuneration last drawn (FY 2019-20)	Remuneration: ₹ 3.00 Crores

BOARD'S REPORT

TO THE MEMBERS OF MANGALAM ORGANICS LIMITED

Your Directors have pleasure in presenting the Thirty Ninth Annual Report on the performance of the Company together with the audited financial statements for the Financial Year ("FY") ended March 31, 2021.

FINANCIAL RESULTS

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

(₹ in Lakhs)

Particulars	Standalone		Consolidated
	FY 2020-21	FY 2019-20	FY 2020-21
Revenue from Operations	33,826.46	37,452.44	33,823.67
Other Income	104.90	102.89	104.90
Total Revenue	33,931.36	37,555.33	33,928.57
Profit before Depreciation and Finance cost	12,892.48	8,736.41	12,883.58
Depreciation and Amortisation expense	1,353.43	897.35	1,353.43
Finance Cost	100.18	521.90	100.18
Profit after Depreciation, Finance costs and Exceptional items and before Tax	11,438.87	6,291.21	11,429.97
Tax expense	2,942.18	1,497.54	2,942.18
Profit After Tax	8,496.69	4,793.66	8,487.79
Other comprehensive income	(24.61)	(37.65)	(24.61)
Total Comprehensive Income for the Year	8,472.08	4,756.01	8,463.18

NATURE OF BUSINESS AND FINANCIAL PERFORMANCE

Your Company is engaged in the business of manufacturing chemical and has Terpenes and Synthetic Resins as primary segment, which falls under a single segment of chemicals. Your Company has achieved Net Sales Turnover of ₹ 338.26 Crore with a Profit after Tax (PAT) of ₹ 84.72 Crore during FY 2020-21 as compared to ₹ 374.52 Crore and ₹ 47.56 Crore, respectively, during FY 2019-20 signifying a decline of 9.68% in turnover and growth of 78.13% on PAT. Approximately 90% of the revenue has come from Terpene Chemicals. There was no change in nature of the business of the Company, during the year under review.

DIVIDEND:

The Directors are pleased to recommend a dividend of ₹ 1.50 per equity share of the face value of ₹ 10/- each for the year ended March 31, 2021 (previous year: ₹ 1.00 per Equity Share). The dividend, as recommended by the Board, if declared at the ensuing Annual General Meeting ("AGM") will be paid to those members whose names appear in the Register of Members at the end of business hours on September 24, 2021. In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership, as per the details to be furnished for the purpose by National Securities Depository Limited (NSDL) and

Central Depository Services (India) Limited (CDSL) as at the end of business hours on September 24, 2021.

UNCLAIMED AND UNPAID DIVIDEND AND TRANSFER OF SHARES TO IEPF

As on March 31, 2021 amount of ₹ 2,72,771, ₹ 2,67,578 and ₹ 3,81,814/- are lying in the unpaid equity dividend account of the Company in respect of the dividends for FY 2019-20, FY 2018-19 & 2017-18 respectively. Members who have not yet received/claimed their dividend entitlements are requested to contact the Company or the Registrar and Transfer Agents of the Company. The list of such shareholders for unpaid and unclaimed dividend for FY 2019-20, FY 2018-19 & FY 2017-18 is placed on the Company's website www.mangalamorganics.com.

Pursuant Section 124 of the Companies Act, 2013 read with the Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules"), all dividends remaining unpaid or unclaimed for a period of seven years and also the shares in respect of which the dividend has not been claimed by the shareholders for seven consecutive years or more are required to be transferred to Investor Education Protection Fund in accordance with the procedure prescribed in the Rules. In this regard, all dividends remaining unpaid or unclaimed for a period of seven years and also the shares in respect of which the



dividend have not been claimed by the shareholders for seven consecutive years for FY 2010-11 have been transferred to Investor Education Protection Fund (IEPF) account on November 2, 2018 and February 15, 2019 respectively. The members can claim the transfer of such shares from IEPF in accordance with the procedure and on submission of the documents as prescribed from time to time. The list of such shareholders whose shares and dividend has been transferred to IEPF is placed on the Company's website www.mangalamorganics.com.

TRANSFER TO RESERVE:

The Board of Directors has decided to retain the entire amount of profits for FY 2020-21 in the Retained Earnings.

SHARE CAPITAL

During the year under review, there was no change in the share capital of the Company. As on March 31, 2021, the paid up share capital of the Company was ₹ 8,56,44,400/- divided into 85,64,440 Equity of the face value of ₹ 10/- each.

DEPOSITS

During the year under review, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

SUBSIDIARY/JOINT VENTURES/ ASSOCIATES COMPANIES:

During the year under review, Campure Private Limited was incorporated as a wholly owned subsidiary of Company. The performance and financial position of the subsidiary of the Company viz., Campure Private Limited for the year ended March 31, 2021 is attached to the financial statements hereto.

In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary Company in Form AOC-1 is provided as **Annexure I** to the Board's Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors and Key Managerial Personnel

The Board of Directors of the Company comprises 6 (Six) Directors. Out of the said Directors, 4 (Four) are Independent Directors including a Woman Director and 2 (Two) are Executive Directors.

During the year under review, the appointment of Mrs. Manisha Agarwal as an Independent Director w.e.f. March 20, 2020 for a period of 5 years ending on March 19, 2025, was approved by the shareholders at the 38th Annual General Meeting held on September 29, 2020.

Also, during the year under review, Mr. Pannkaj Dujodwala was re-appointed as a Managing Director (liable to retire by rotation) of the Company for a further term of 5 (five) years w.e.f. August 13, 2020 upto August 12, 2025 by the shareholders at the Annual General Meeting held on September 29, 2020.

Save and except the above, there were no changes in the composition of Board of Directors and the Key Managerial Personnel during the year under review.

As on the date of this report, the Company has following Key Managerial Personnel:

1. Mr. Kamalkumar Dujodwala, Executive Director
2. Mr. Pannkaj Dujodwala, Managing Director
3. Mr. Sanjay Bhardwaj, Chief Executive Officer
4. Mr. Shrirang V. Rajule, Chief Financial Officer
5. Ms. Heena Tank, Company Secretary

In accordance with the provisions of Section 152 read with Section 149(13) of the Companies Act, 2013, Mr. Pannkaj Dujodwala is liable to retire by rotation. The said Director has offered himself for reappointment and resolution for his reappointment is incorporated in the Notice of the ensuing Annual General Meeting.

Declarations by Independent Directors

Pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the Company has received declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 read with Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations').

Annual Evaluation of Directors, Committee and Board

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual Directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance evaluation was carried out by way of obtaining feedback from the Directors through a structured questionnaire prepared in accordance with the policy adopted by the Board and also taking into consideration the Guidance Note on Board Evaluation issued by SEBI. The structured questionnaire prepared to evaluate the performance of the board included criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The evaluation of performance of individual Directors was carried out on the basis of criteria such as the contribution of the individual Director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. The questionnaire for performance of the committees included criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent Directors, performance of non-independent Directors, the board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive Directors and non-executive Directors.

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

Board Meetings

The Board of Directors met 6 times during the financial year ended March 31, 2021. The maximum gap between two Board meetings did not exceed 120 days. The details of the Board meetings and the attendance of Directors thereat are provided in the Corporate Governance Report forming part of the Annual Report.

Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2021, the Board of Directors hereby confirms that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures, wherever applicable;
- b) such accounting policies have been selected and applied consistently and the Directors 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 as at March 31, 2021 and of the profits of the Company for the year ended on that date;
- c) proper and sufficient care was taken 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) the annual accounts of the Company have been prepared on a going concern basis;
- e) internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Committees of Board

The Company has constituted the following Committees of Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Management Committee

The details of the composition, terms of reference, meetings, etc. are given in the Corporate Governance Report forming part of the Annual Report.

AUDITORS

I. STATUTORY AUDITORS

M/s. NGST & Associates, Chartered Accountants, Mumbai (Firm Registration No. 135159W) were appointed as the statutory auditors of the Company to hold office for a term of 5 years from the conclusion of the 34th Annual General Meeting held on September 30, 2016 until the conclusion of the 39th Annual General Meeting of the Company to be held in the year 2021. As per the provisions of Section 139 of the Act, they have confirmed that they are not disqualified from continuing as Auditors of the Company.

The term of Statutory Auditor, M/s. NGST & Associates will be expiring at the conclusion of 39th AGM. As per the provisions of Section 139 of the Companies Act, 2013, the existing Statutory Auditor of the Company M/s. NGST & Associates are eligible for re-appointment for further term of 5 years. The Audit Committee and Board of Directors at their meeting held on May 27, 2021 had approved the re-appointment of M/s. NGST & Associates as the Statutory Auditors of the Company for a further term of 5 years from the conclusion of this Annual General Meeting until the conclusion of 44th Annual General Meeting to be held in the year 2026 and the resolution for their reappointment, is incorporated in the Notice of the ensuing Annual General Meeting

Further, the report of the Statutory Auditors along with notes to Schedules is a part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

II. COST AUDITORS:

The Board of Directors based on recommendation of the Audit Committee has appointed M/s. NKJ & Associates, Cost Accountants in practice, to audit the cost accounts of the Company for the Financial Year 2021-22. In accordance with provisions of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the shareholders. Accordingly, a resolution seeking ratification by the members for the remuneration is listed as Item No. 5 of the AGM Notice as Ordinary Resolution.



III. SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Yogesh Sharma & Co., Practicing Company Secretary to undertake the Secretarial Audit of the Company for Financial year 2020-21. As required under provisions of Section 204 of the Companies Act, 2013, the report in respect of the Secretarial Audit carried out by M/s. Yogesh Sharma & Co., Company Secretaries, in Form MR-3 for the FY 2020-21 forms part to this report. The said report does not contain any adverse observation or qualification or modified opinion requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013 except below observations which are not material in nature:

1. The Quorum for Audit Committee meeting held on 27th October, 2020 as required as per Regulation 18(2)(b) of LODR Regulations, was not complete, since only one Independent Director was present at the meeting due to ill health and the same was reported in Corporate Governance Report, December, 2020.
2. The Company had filed all the Resolutions passed at the Annual General Meeting of the Company held on 29th September, 2020 vide SRN R66157306. However, due to MCA website payment error, the said e-Form was not taken on record. The Company is in the process of filing the same.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Corporate Social Responsibility

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure II** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on www.mangalamorganics.com

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the report on Management Discussion & Analysis is presented in a separate section forming part of this Annual Report.

CORPORATE GOVERNANCE REPORT

The Company has complied with the Corporate Governance requirements under the Act and as stipulated under the Listing Regulations. A report on the Corporate Governance along with the

certificate from the statutory auditors is separately given in this Annual Report.

CREDIT RATINGS

As on Board Report date, the Company has following credit ratings from CRISIL and which were reaffirmed:

Long Term Rating: CRISIL A-/Positive (Rating reaffirmed and Outlook revised from 'Stable')

Short Term Rating: CRISIL A2+ (Rating and Outlook reaffirmed)

DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013

Covid-19 pandemic

In early 2020, the coronavirus pandemic (COVID-19) struck countries around the world, presenting enormous challenges to health systems and spurring widespread shutdowns of all economic activity. Since the pandemic have unfortunately continued during the current year as well, the Company has continued work from home facility on rotation basis and have set up infrastructure and systems for smooth operations for personnels working from home, with the primary objective to ensure the safety of its employees and their families and to contain the spread of Coronavirus (COVID-19). The Company also ensures protocols on social distancing in its plant ensuring the safety, health and well-being of its employees.

The operations of the Company were impacted, due to shutdown of the plant and offices at various locations following lockdown imposed by the government authorities to contain spread of COVID-19 pandemic. The Company had resumed operations in a phased manner in the month of April 2020 as per the directives from the respective government authorities. The Company has evaluated the impact of this pandemic on its business operations and financial position and made an assessment of its liquidity position for the foreseeable future and of the recoverability and carrying values of its assets as at the balance sheet date and has concluded that there are no adjustments required in the financial statements for the period ended March, 2021. However, the impact assessment of COVID-19 is a continuous process given the uncertainty associated with its nature and duration.

Your Company remains committed to the fight against the pandemic and is catering to the needs of its customers and it continues to take all necessary steps in protecting the interests of its customers, suppliers and most importantly its entire team that is working tirelessly to make sure that all the businesses stay operational during these difficult times. During the FY 2020-21, the Company evolved to be stronger despite the world being hit by a global pandemic.

The Company's focus on value maximization, supported by optimal use of its manufacturing facilities, its product quality improvement and an efficient team would help in navigating any challenges in the current environment and aftermath of COVID-19 pandemic.

INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

RISK MANAGEMENT & INTERNAL CONTROL SYSTEMS

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

No significant and material orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has formulated a Policy on material Related Party Transactions and manner of dealing with related party transactions which is available on the Company's website at the link: www.mangalamorganics.com

Particulars of contracts/arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review in the prescribed Form AOC-2 is appended as **Annexure III** to the Boards' Report

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS UNDER SECTION 186

The particulars of loans, guarantees and investments given/made during the financial year under review and governed by the provisions of Section 186 of the Companies Act, 2013 has been furnished in financial statements as on March 31, 2021.

Fraud Reporting

During the year under review, no instances of fraud were reported by the Statutory Auditors of the Company.

Particulars of Employees and Remuneration

The information as required under the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in **Annexure IV** attached herewith and which forms part of this report. The relation between the Company and its employees continue to be cordial.

A Statement containing the details of the Employees employed throughout the financial year and who were in receipt of remuneration of ₹ 102 lakhs or more and employees employed for part of the year and in receipt of remuneration of ₹ 8.50 lakhs or more per month, pursuant to Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as **Annexure V** to this report.

Annual Return:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft of the Annual Return as on March 31, 2021 is available on the Company's website at <https://mangalamorganics.com/pdf/agm/agm2021/annualreturn21.pdf>

OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

Vigil Mechanism for the Directors and Employees

In compliance with the provisions of Section 177(9) of the Companies Act, 2013, the Board of Directors of the Company has framed the "Whistle Blower Policy" as the vigil mechanism for Directors and employees of the Company.

The Whistle Blower Policy is disclosed in Investors' section on the website of the Company at www.mangalamorganics.com

Policy on Nomination and Remuneration of Directors, KMP & Senior Employees

The Company has in place a Nomination and Remuneration Policy for the Directors, KMP and senior employees pursuant to the provisions of the Act and the SEBI Listing Regulations which is placed on the website of the Company on www.mangalamorganics.com.

Conservation of energy, technology absorption and foreign exchange earnings and outgo:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have been furnished in **Annexure VI** with



respect to the nature of activities undertaken by the Company during the year under review.

Service of documents through electronic means

Subject to the applicable provisions of the Companies Act, 2013, all documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of members whose email IDs are registered in their demat account or are otherwise provided by the members. A member shall be entitled to request for physical copy of any such documents.

Internal Complaints Committee

The Internal Complaints Committee of the Company as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 exists for both Factory and Administrative Office of the Company. The Company is strongly opposed to sexual harassment and employees are made aware about the consequences of such acts and about the constitution of the said Committee.

Neither were any complaints filed during FY 2020-21 under the provisions of the said Act, nor were any complaints outstanding as at the beginning of the year under review.

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION

The Company is conscious of the importance to environmental friendly and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliance of environmental regulations and preservation of natural resources. The plant of the Company at Kumbhivali village is fully complied with the laws, regulations and requirements stipulated by the concerned pollution Control Board.

ACKNOWLEDGMENTS AND APPRECIATION:

Your Directors take this opportunity to thank the employees, customers, suppliers, bankers, business partners/associates, financial institutions and various regulatory authorities for their consistent support/ encouragement to the Company.

Your Directors would also like to thank the Members for reposing their confidence and faith in the Company and its Management.

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: July 20, 2021

ANNEXURE I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Amount in ₹)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Campure Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	01/04/2020- 31/03/2021
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees
4.	Share capital	10,00,000
5.	Reserves & surplus	(8,90,178)
6.	Total assets	3,49,822
7.	Total Liabilities	3,49,822
8.	Investments	-
9.	Turnover	7,50,897
10.	Profit before taxation	(8,90,178)
11.	Provision for taxation	Nil
12.	Profit after taxation	(8,90,178)
13.	Proposed Dividend	Nil
14.	% of shareholding	100%

Note: The Wholly owned subsidiary of the Company was incorporated in Financial Year 2020-21.

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: July 20, 2021



ANNEXURE II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013]

1) A brief outline of the Company's CSR policy

The following are the areas of emphasis for CSR activities under the CSR policy:

- Promotion of education, including Improving and facilitating the literacy levels in various sections of the society,
- Efforts towards to deliver facilities to communities and other sections of the society in the form of primary health care support through diagnosis and treatments, promoting preventive healthcare, building awareness about sanitation and providing monetary support, setting up and managing rehabilitation centers, medical camps, creating awareness through various programs, etc.
- Efforts towards to provide vocational training to improve skills of people in the primarily unorganized sector
- Efforts towards to manage its operations using principles of Sustainable development to minimize impact on environment and protect health & safety of our employees, service providers, neighboring communities and customers.

During the year under review, the Company has undertaken CSR activity of Promotion of Education, Sanitation Facilities, Health care Support by contributing an amount to School, College, Hospital, Temple Trust and Gram Panchayat which undertake activities which are aligned with the CSR policy of the Company.

2) The composition of the CSR Committee:

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
a)	Mrs. Manisha Agarwal (Chairperson)	Independent Women Director	1	1
b)	Mr. Sharad Kumar Saraf	Independent Director	1	1
c)	Mr. Kamalkumar Dujodwala	Executive Director	1	1

3) Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: the weblink thereto is:

CSR Committee: <https://www.mangalamorganics.com/pdf/Composition%20of%20Board%20and%20Committee%20Members.pdf>

CSR Policy: https://www.mangalamorganics.com/pdf/code_of_conduct/Corporate%20Social%20Responsibility%20Policy.pdf

CSR Project: https://www.mangalamorganics.com/pdf/code_of_conduct/CSR.pdf

- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable
- Average Net Profit of the Company for last three financial years: ₹ 60,97,55,951**
- Two percent of average net profit of the Company as per section 135(5): ₹ 1,21,95,119/-
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
 - Amount required to be set off for the financial year: NIL

d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 1,21,95,119/-

8) **Details of CSR spent during the financial year:**

e) Total amount spent for the financial year: ₹ 1,21,99,616/-

f) Amount unspent if any: NIL

g) Details of CSR amount spent against ongoing projects for the financial year: NIL

h) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Amount spent for them project (Amt in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation -Through implementing agency	
				State	District			Name	CSR registration number
1.	Construction of Sports Complex and Sports Ground	Promoting Education	Yes	Raigad,	Maharashtra	₹ 60,00,000/-	Yes	NA	
2.	Construction of Open Stage in a Gram Panchayat Primary School	Promoting Education	Yes	Raigad,	Maharashtra	₹ 23,49,489/-	Yes	NA	
3.	Medical Equipments	Health Care Support	Yes	Raigad,	Maharashtra	₹ 15,04,714	Yes	NA	
4.	Donation of Ghanta Gaadi to Village Gram Panchayat	Socio-Economic Development	Yes	Raigad,	Maharashtra	₹ 5,34,778/-	Yes	NA	
5.	Contribution to Temple Trust for various activities relating to Pandemic COVID-19	Promoting health and safety	Yes	Mumbai,	Maharashtra	₹ 10,09,500/-	Yes	NA	
6.	Contribution for COVID-19 related Medical Expenses	Health care support	Yes	Mumbai,	Maharashtra	₹ 2,58,433/-	Yes	NA	
7.	Contribution to Police Station for renovation of Police Community Hall	Promoting Vocational Training and enhancing skills	Yes	Raigad,	Maharashtra	₹ 2,02,702/-	Yes	NA	



8.	Contribution of Star Care Cardiac Ambulance to Group Gram Panchayat	Promoting health and safety	Yes	Raigad, Maharashtra	₹ 3,40,000/-	Yes	NA
	Total				1,21,99,616/-		

- i) Amount spent in Administrative Overheads: NIL
- j) Amount spent on Impact Assessment, if applicable: Not Applicable
- k) Total amount spent for the Financial Year (8c+8d+8e+8): ₹ 1,21,99,616/-
- l) Excess amount for set off, if any:

Sr. No.	Particular	Amount (in ₹)
i.	Two percent of average net profit of the Company as per section 135(5)	₹ 1,21,95,119/-
ii.	Total amount spent for the Financial Year	₹ 1,21,99,616/-
iii.	Excess amount spent for the financial year [(ii)-(i)]	₹ 4,497/-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

- 9)
- a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable since amount has been spent.
- b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
- 10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable
- 11) Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: July 20, 2021

ANNEXURE III

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2021, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2021 are as follows:

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mr. Akshay Dujodwala, Relative of Chairman and Managing Director
b)	Nature of contracts/arrangements/transaction	Appointment as an Executive, Employer- Employee
c)	Duration of the contracts/arrangements/transaction	Not Applicable
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Not Applicable
e)	Date of approval by the Board	August 25, 2018
f)	Amount, if any	₹ 3.60 Crore per annum (Remuneration)
g)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	September 29, 2018

For and on behalf of the Board of Directors

Sd/-
Kamalkumar Dujodwala
Chairman
DIN: 00546281

Place: Mumbai
 Date: July 20, 2021



ANNEXURE IV

DISCLOSURE OF REMUNERATION DETAILS

[Pursuant to Section 197 of the Companies Act, 2013 ('Act') and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Ratio of the remuneration of each Director to the median remuneration of the employees for the financial year 2020-21 is as follows:

Name of Directors	Ratio
Mr. Kamalkumar Dujodwala	54.70
Mr. Pannkaj Dujodwala	54.70
Mr. Sharad Kumar Saraf	NA
Mr. Rajkumar S Jatia	NA
Mr. Shree Narayan Baheti	NA
Mrs. Manisha Agarwal	NA

Note: Since Independent Non-Executive Directors received no remuneration, except sitting fees for attending Board / Committee meetings, the required details are not applicable.

Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2020-21, is as follows:

Mr. Kamalkumar Dujodwala	Chairman	NIL
Mr. Pannkaj Dujodwala	Managing Director	NIL
Mr. Shrirang Rajule	Chief Financial Officer	5.48%
Mr. Sanjay Bhardwaj	Chief Executive Officer	8.61%
Ms. Heena Tank	Company Secretary	10.61%

Percentage increase in the median remuneration of employees in the financial year 2020-21: 26.16%

Number of permanent employees on the rolls of the Company as on March 31, 2021: 322

Average percentage increase already made in the salaries of employees' other than the managerial personnel in the last financial year: 9.16%

Percentage increase/ (decrease) in the managerial remuneration: 8.23%

Justification, including any exceptional circumstances, for increase in the managerial remuneration: N.A.

Affirmation:

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: July 20, 2021

ANNEXURE V

Details of employees as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr No.	Name of Employee	Date of joining (dd-mm-yyyy)	Gross Remuneration (₹)	Educational Qualification	Age	Experience (yrs)	Last Employment	Designation
1.	Kamalkumar Dujodwala	03-07-1981	3,00,00,000	B.Sc Graduate and extensive training at National Chemical Laboratory.	70	43	NA	Chairman
2.	Pannkaj Dujodwala	03-06-1987	3,00,00,000	Commerce graduate, MBA from Landsdown College, New Hampshire University, UK	58	34	NA	Managing Director
3.	Akshay Dujodwala	01-04-2014	3,60,00,000	Master's Degree in Business Analytics & Consulting from Warwick Business School, London and a Bachelors' Degree in Banking and Insurance from University of Mumbai.	31	8	Universal Consulting India Pvt Ltd	Chief Strategy Officer

Note:

1. Remuneration comprises salary, allowances, commission, performance based payments and perquisites.



ANNEXURE VI

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO FORM A

Information pertaining to Power and fuel Consumption, Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo as provided under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

Power and Fuel Consumption:

		2020-21	2019-20
1.	Electricity Purchased		
	Units (Kwh/Lakh)	68.20	61.5
	Total Amounts (₹/Lakh)	602.01	554.02
	Rate /Unit (₹)	8.83	9.01
2.	Furnace Oil / Light Diesel Oil		
	Quantity (Ltrs/Lakh)	7.19	3.74
	Total Cost (₹/Lakh)	293.50	137.56
	Average Rate (₹/Unit)	40.82	36.78
3.	Coal		
	Quantity (MT)	13,182.66	15,666.70
	Total Cost (₹/Lakh)	779.18	940.00

Conservation of Energy

1. Steps taken for conservation of energy:-

Your Company has been making continuous efforts to conserve energy, reduce greenhouse gas emissions and upgrade technology to optimize the energy cost. Today, our world faces a dual challenge: meeting growing demand for energy while also reducing environmental impacts, including the risks of climate change. Your Company has always been conscious of the need for conservation of energy and natural resources, biofuel and considers it as a focus area. Energy efficiency improvement initiatives have been implemented across all the Units and Offices by undertaking various energy and resource conservation measures. Your Company continues its policy of giving priority to energy conservation measures including regular review of energy generation, consumption and control on utilization thereof.

The following key initiatives have been undertaken by your Company towards conservation of energy:

- Conventional equipment with more energy efficient equipment in various process changes are made and replaced.
- Implementations of engineering controls to make process robust and safe process during operations.
- R&D team is constantly working on Green chemistry to modify current processes and to make Mangalam Organics Limited a green Company.
- The process team of R&D works to decrease the batch time cycle of current processes to reduce energy consumption.
- Variable Frequency Drives (VFD) installation for vacuum pumps, reactors for energy saving.
- Process improvement for effluent reduction with an aim to make all our plants ZLD (zero liquid discharge) in the future.
- Working on reliable manufacturing synthesis, process innovation, development and safety.
- Installation of Distributed Control Systems (DCS) to make process efficient and control batch times
- Various process changes are made and replacement of certain conventional equipment with more energy efficient equipment. Plant and Machinery are regularly serviced, updated and overhauled and maintained in good condition.
- Streamlining of the manufacturing process and efficient control

- Working on increasing yield, purity as per customer requirement, following short manufacturing process having atom efficiency, helps to decrease consumption of energy and carbon utilization in the environment.
- Close monitoring of lighting system by providing dedicated team to avoid unwanted lighting Power
- Audit initiation of consumption of electrical energy, for making the strategy to consume less electricity.

2. Steps taken by the Company for utilising alternate sources of energy:

- Green technology development at pilot scale to commercial level for intermediates and finished products.
- Process efficiency/performance improvement in many processes audited by Quality Assurance to reduce non-compliances & achieve customer satisfaction through conducting inspection & testing.
- New Sewage Treatment Plant implemented.
- Recycling of boiler & cooling tower blowdown through reverse osmosis (RO) plant is implemented.
- Recycle of water during distillation and chiller mechanism, piping use in R&D.
- The adoption of energy conservation measures indicated above have resulted in optimum efficiency in operation and saving & controlling in the cost of production.

FORM B

Form for disclosure of particulars with respect to:

- 1) Areas in which Research & Development is being carried out;
- 2) The Research and Development has been strengthening Company's business by giving new parameters by optimizing the existing process and bettering the pollution control methods. The brief details are given below:-
 - a) Strong Research and Development has enabled development of various quality products like Camphor, Sodium Acetate, Synthetic Resin and Terpene Chemicals.
 - b) Pollution control has been a top most importance and efforts directed towards reduction at source and recovery of by-products and usages.

3) Benefits derived as a results of above Research and Development:

- a) Increase in product range, augmenting extended potential and marking.
- b) Products consistency for remaining universally competitive.
- c) Improvements in process control and conservation of energy resulting in cost reduction.

4) Future Plan of Action

Technology absorption

1. Efforts made:-
 - a) Improvement in technical services to meet customer's requirement.
 - b) Interaction with various laboratories and consultants for improving process and pollution control.
2. Benefits derived as a result of above efforts:
 - a) Better customer satisfactions.
 - b) Cost effectiveness and increase in marketability.

The Company's manufacturing process for its products are based on in-house technology which has been successfully absorbed. The Company has been constantly making efforts for improvement of quality and for marketing new ranges of products.



Foreign Exchange earnings and outgo during the year under review are as follows:

(₹ In Lakhs)

	2020-21	2019-20
Foreign Exchange earning	2,821.52	3,499.15
Foreign Exchange outflow	12,852.23	17,569.17

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: July 20, 2021

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,

The Members,

MANGALAM ORGANICS LIMITED,

Kumbhivali Village, Savroli Kharpada Road,

Taluka Khalapur, Khopoli- 410202

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MANGALAM ORGANICS LIMITED, (CIN-L24110MH1981PLC024742)**, (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 scanned copies of the documents provided by the company through e-mail, 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 31st March, 2021 (‘Audit Period’) has generally 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 Company for the financial year ended on 31st March, 2021 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - IV. 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- **Not applicable to the Company during the Audit period**);
 - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit period)**;
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit period)**;
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit period)**;
 - (g) 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;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit period);
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit period);
 - (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulation”).
- We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
 - ii. Listing Agreements entered into by the Company with BSE Limited (“BSE”)
- During the period under review and as per representations



and clarifications made, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

- 1) The Quorum for Audit Committee meeting held on 27th October, 2020 was not fulfilled as only one Independent Director was present at the meeting and the other Independent Director was not present due to ill health and the same was reported in Corporate Governance Report, December, 2020 required as per Regulation 18(2)(b) of LODR Regulations.
- 2) The Company is required to file all the Resolutions passed at the Annual General Meeting of the Company held on 29th September, 2020 as per general circular no.14/2020 issued by Ministry of Corporate Affairs.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following laws applicable specifically to the Company:

- i. Factories Act, 1948
- ii. Water (Prevention and Control of Pollution) Act, 1974
- iii. Air (Prevention and Control of Pollution) Act, 1981
- iv. Environment Protection Act, 1986

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review

were carried out in compliance with the provisions of the Act.

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

All decisions at Board meetings and committee meetings are carried out unanimously or as recorded in the minutes of the meetings of the Board of Directors or committee of the Board as the case may be.

We further report that, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has no event having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Prop. YOGESH M. SHARMA

ACS: 33235

C.P: 12366

Place: Mumbai

Date: July 15, 2021

UDIN: A033235C000639533

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

APPENDIX A

To,
The Members,

MANGALAM ORGANICS LIMITED,

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 Secretarial records. The verification was one on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, which we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happenings of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of the management. Our examination was limited to the verification of procedure on the 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.

Prop. YOGESH M. SHARMA

ACS: 33235

C.P: 12366

Place: Mumbai

Date: July 15, 2021



MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS OVERVIEW

Global Economic Overview

The Covid-19 pandemic led to an economic contraction in the Calendar Year ('CY') 2020 that was both sudden and deep compared to the previous global crises.

The global economy contracted 3.3%, advanced economies contracted 4.7% whereas the emerging economies and developing markets contracted by 2.2%. China was the only major economy that grew (by 2.3%) in CY 2020. World trade volume (goods and services) declined by 8.5% and oil prices saw a sharp decline of 33% followed by a recovery in the second half of the year. Consumer prices in emerging economies increased by 5.1% whereas they were stable in the advanced economies. Global manufacturing contracted sharply in mid-2020 however, sharply recovered in the latter part of the year. Lingering uncertainties around the pandemic hindered the recovery of private investment.

With the consideration of broad vaccine availability in advanced economies and some emerging economies, the global economy is projected to grow at 6% in CY 2021. Growth in the advanced economies is projected at 5.1% in CY 2021, whereas that in the Emerging Markets & Developing Economies ('EMDE') is expected to be 6.7%.

Growth in the United States ('US') is expected to be 4.3% in CY 2021, regaining the pre-covid activity levels. The European Union and the United Kingdom ('UK') economies are expected to grow by 4.5% and 4.2% respectively in CY 2021. Among the EMDE, China is expected to grow by 8.5%, Russia and Brazil by 3% and 3.6% respectively in CY 2021.

Downside risks to the outlook include resurgence of the pandemic and vaccine delays, withdrawal of policy support before recovery takes firm root and bankruptcies due to illiquidity & high debt and geopolitical trade risks such as ongoing tensions between the US and China.

Source: IMF World Economic Outlook (WEO), January and April 2021, OECD Interim Economic Assessment, March 2021

India Economic Overview

India was one of the most severely affected countries among the emerging economies. Its Gross Domestic Product ('GDP') contracted by 8% in CY 2021. While Government consumption was almost stable at (0.8)%, private consumption declined by 9.1%. Exports and imports of goods and services contracted by 9.3% and 17% respectively. The agriculture sector was resilient to the effects of Covid-19. The industrial production contracted by 11%.

India's recovery in FY 2021-22, with estimated GDP growth of 11.5% at the beginning of CY 2021, has seen a downward revision

between 9.6% and 10.5% due to rising Covid-19 infections at the beginning of FY 2021-22. Increasing unemployment, as reported by the Centre for Monitoring Indian Economy (CMIE) (7.9% in April 2021 against 6.9% in February 2021) and inflation (Wholesale Price Index – 7.4% highest in last 103 months) signal a risk to the recovery. However, the outlook is expected to become more positive by the middle of the year as vaccines become more widely available.

The Government spending is estimated to be higher than the previous financial year with fiscal deficit at 7.2% of GDP as against a budgeted 6.8%, mainly due to a higher food subsidy bill and lower asset sale revenue. The export outlook is cautious as exporters are focussing on domestic issues. Monetary conditions are expected to remain accommodative as inflation increases with an upside risk caused by rising global commodity prices.

With a focus on surviving this crisis, ramping up the healthcare system and supporting the economy, the Government has announced a ₹ 20 lakh crore Coronavirus Relief Package called "Aatmanirbhar Bharat" with an aim to boost localisation and building a self-reliant economy. The package announced policy and liquidity support to cottage industries and MSMEs, NBFCs, labourers, farmers, middle class, and urban and rural poor. RBI contributed to the package by cutting the repo rate to 4% and reverse repo rate to 3.75%, in order to make loans easily available to banks and discourage parking of cash with RBI. Further, to inject liquidity in the economy, it allowed loan repayment moratorium for six months. Besides that, tax breaks and collateral free loans for businesses and MSMEs and incentives for domestic manufacturing are likely to support the economy further.

To ease the economy from the negative impact of lockdown, Government decided on a phased reopening of the economy since June with strict SOPs. However, despite all the support, the quick intensification of the pandemic in India in Q1 FY 2020-21 is sealing all hopes of a rebound in the current fiscal year. IMF revised its forecast for India in its June WEO, and projected a negative growth of 4.5% for FY 2020-21. It however, projects the Indian economy to grow by 6% in FY 2021-22 supported by Government's growth strategies.

Source: Various reports – IMF World Economic Outlook, Oxford Economics, RBI State of Economy

CHEMICAL INDUSTRY

Global Chemical Industry

Demand for chemical products hit a trough in Asia around February/March 2020, in Europe around April 2020 and the Americas in May 2020, reflecting the peak of Covid-19 lockdowns. Demand gradually recovered in the US and Europe following the fall in Covid-19 infection rates.

The recovery in Asia has been more robust and is expected to continue in CY 2021. Increase in Government and consumer spending has boosted demand for many chemicals. Commodity chemicals producers will see recovery and Specialty chemicals producers with more diverse and resilient end markets will continue to see growth in CY 2021.

Indian Chemical Industry

While the Indian chemical industry was adversely affected due to Covid-19 in the first half of CY 2020 resulting in disrupted supply chains and reduced demand, it witnessed a recovery in the second half of CY 2020. As seen in the Index of Industrial Production (IIP) for Chemical Manufacturing, the demand recovery is expected to continue in FY 2021-22 and will achieve pre-Covid levels.

The Indian Chemical Industry has a structural and locational advantage to rapidly grow from its current size of US\$ 178 billion to US\$ 300 billion over next 5 to 7 years. In addition to its demographic dividends, India has one of the lowest per capita consumption of chemicals, offering adequate headroom for the sector to grow. Its vantage location provides opportunities in servicing export demand.

Basic Chemistry Products such as Alkali chemicals are the primary growth drivers for inorganic chemicals having a stable outlook. Specialty chemicals account for a major share of chemical exports, dominated by agrochemicals, dyes and pigments. Consumer trend towards good health to drive demand for home and personal care items such as nutraceuticals, food ingredients and packaged food & beverages. The Government of India aims to transform India into a manufacturing hub for crop-protection chemicals. The Indian market is estimated at ₹ 43,000 crore, of which exports are ₹ 23,000 crore. The sector is expected to grow more than 9% over the next 5 years with exports growing faster than the domestic market.

Source: Various reports – Federation of Indian Chamber of Commerce & Industry (FICCI) Report, Internal Assessment, Moody's Report

INDUSTRY OVERVIEW

Pine Chemicals

The viability of the pine chemical industry lies in the principles of sustainability. The industry has been a pioneer in developing sustainable value added products from a renewable resource, even before the term became popular globally. Pine chemicals are recovered from the pine tree (genus Pinus) through three different methods of craft pulping, tree tapping and wood stumps. The biomass is extracted in the form of crude sulphate turpentine, gum turpentine and wood turpentine. They are processed in a biorefinery into a spectrum of marketable products used in a wide array of applications such as paints, inks, adhesives, perfumes, edible flavours, fragrances, food additives, vitamins, automobile tires etc. Because of its multiple uses and organic properties, pine chemical market is on a high growth trajectory.

According to a report of 'IndustryArc', the global pine-derived chemicals market is projected to reach USD 5.91 Billion by 2025, after growing at a CAGR of 4.20% during 2020-2025.

Source: https://cdn.ymaws.com/www.pinechemicals.org/resource/resmgr/Studies/PCA-Global_Impact_of_the_Mo.pdf

<https://www.industryarc.com/Research/Pine-Chemicals-Market-Research-503357>

Terpenes

Terpenes are aromatic compounds found in many plants, especially conifers. The term 'terpenes' originates from turpentine, which is a pine chemical and it contains resin acid and hydrocarbons. Because of its strong odour and high resistance capabilities it is widely used in various applications like essential oil, fragrance, flavouring agent in industrial uses. Demand for terpenes is being driven by its growing use in industries such as cosmetics, food & beverages, paints & coatings, rubber, and pharmaceuticals. However, fluctuation in supply of terpenes and high cost extraction process are creating market challenges. Despite the challenges, with growing market applications and increasing investment, more players are expected to enter the terpenes industry.

The global Terpenes Market was valued at USD 665.15 MN in 2020 and is projected to grow at a CAGR of 14.29% between 2021 and 2027 according to a New Research study by 360 Research Reports.

Synthetic Resins

Synthetic resin is an artificial polymer, which has similar physical properties like natural resins, but is different chemically. Synthetic resins are not clearly differentiated from plastics. Different types of plastics are therefore named after the name of the synthetic resin it is made from. They are produced in viscous liquids form, which is capable of hardening permanently. Natural resins have been almost entirely replaced by synthetic resins in modern industrial application.

According to a report from Procurement IQ, the synthetic resins will grow at a CAGR of 5.09% during 2021-2025. Prices will increase by 5%-7% during the forecast period and suppliers will have a moderate bargaining in this market. Due to its properties like light weight, durability, rigidity, and the ability to act as an excellent barrier, synthetic resins are used as a flexible packaging material.

The growth of e-commerce sector is creating a substantial demand for flexible packaging and synthetic resins. Asia Pacific region is dominating the global synthetic resins market and is expected to contribute significantly in the global spend.

Aroma Chemicals

Aroma chemicals are cyclic compounds that find application in additives and fragrances. They can be either synthetic aroma chemicals, or natural aroma chemicals. Key factor driving demand for aroma chemicals is its increasing application in Flavour & Fragrance (F&F) and nutraceutical sector.



Being a leading producer of natural base ingredients like spices and herbs, India plays a dominant role in natural aroma chemical market because of the availability of natural raw materials. India is an important global supplier, with 70%+ of the Indian production being exported to global markets. Demand for these products is increasing globally, with natural ingredients getting preference across the F&B, FMCG and nutraceutical space.

As per the recent data, the domestic flavours and fragrance market is valued at USD 500 million, a small slice of the USD 24 billion global industry. Yet India is not just a growing market for consumption but also an important exporter of raw material for fine fragrances. It is synonymous with jasmine and sandalwood, so few people know that it's the largest supplier of mint in the world. India also supplies ingredients in every category of perfumery—florals such as geranium, spices like pepper, woods including agar, and grasses such as vetiver. Regulations and lack of foresight may have hobbled the market, even leading to illegal trade, but the richness of natural resources and Indian love of natural fragrances has kept it afloat.

The industry, which was growing at 10%, is likely to see degrowth due to the nationwide lockdown and the consequent drop in demand for consumer products and processed foods during the year. The domestic flavours and fragrances industry, a competitor to China in exports, has taken a production hit to the extent of 80%. The industry, which was growing at 10%, has seen a de-growth due to the nationwide lockdown and the consequent drop in demand for consumer products and processed foods during the year.

Source: Mint - 'Can India's \$500 million fragrance market survive the pandemic?', October 2020, Financial Express - 'Lockdown impact: Supply disruption hits fragrance and flavour industry with 80% production loss', May 2021

Opportunities and Threats

Opportunities	Threats
1. Demand for Pine chemicals is growing because of its organic and environment friendly properties and numerous benefits	1. Volatility in foreign exchange rate
2. India has abundance of natural ingredients like spice and herb used for making aroma chemicals	2. Cheaper imports from China
3. The growth of population in India will lead to more demand and consumption of Camphor for religious purposes.	3. Competition from unorganised players
4. Apart from religious use, Camphor is also being used by the young generation as car freshener and room freshener for its numerous benefits related to air purification	4. Geopolitical tensions impacting export
5. Demand for synthetic resin is growing fast due to its applications in flexible packaging and automotive sector	5. Lack of adequate research and development in the sector.
6. Growth of Flavour & Fragrance (F&F) and nutraceutical sector is driving demand for aroma chemicals significantly	6. Raw Material Price Volatility
	7. FMCG slowdown

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The key operational segment of the Company is Chemical manufacturing.

COMPANY OVERVIEW

Mangalam Organics Limited (henceforth referred to as MOL or the Company) is a leading pine chemicals manufacturer in India. The Company produces Terpenes from Pine chemicals, from which a number of sub products like Camphor, Dipentene and Sodium Acetate are manufactured. It also produces Synthetics Resins under the single segment of chemicals. It is engaged in the manufacturing and selling of Camphor and by-products and various Synthetic Resins in India and abroad. The strength of its pine chemical products lies in the fact that they are extracted from natural resources and are devoid of the side effects of synthetic chemicals. The market performance of these products is not dependent on crude oil and the volatility of its prices.

Applications and uses

The Company's products have applications in a number of sectors such as religion and worship, pharmaceuticals, flavour and fragrance, rubber & tyre chemicals, paints and varnishes, among others. The Company caters to both domestic and the international market. In addition to having a wide reach and strong footprint in the domestic market, it is expanding its global operations. As its products have a variety of industrial applications, it has established a strong B2B presence, despite facing competition from domestic and international players.

Geographical presence

The Company has created a niche for itself in the pine chemicals industry as one of the major players with its customers spanning across Europe, Africa, USA and Middle East. With its decades of domain experience and backed by an experienced management team, MOL is creating its base in the Indian retail market with its branded offerings in camphor. The Company is tying up with a number of retail brands and e-commerce platforms to augment its B2C business.

Products and Applications

Business Segments	Products	Applications
B2B - Terpene	<ul style="list-style-type: none"> Camphor Dipentene Sodium Acetate 	<p>Camphor: Religious use, healthcare products, hygiene products</p> <p>Dipentene: Paints, cleaning and degreasing agents</p> <p>Sodium Acetate: Textile and dyes industry, Leather tanning</p>

B2B - Synthetic Resin	<ul style="list-style-type: none"> Terpene Phenolic Resin Alkyl Phenolic Resin Rosin Esters 	Adhesives, Tyres, Rubbers, Chewing Gum, Printing Ink
B2C - Retail Operations	<ul style="list-style-type: none"> CamPure- Homecare and personal care products based on Camphor Mangalam- Camphor tablets for Pious uses Private Labelling Initiatives 	

Manufacturing Capabilities

The Company has a state-of-the-art manufacturing facility spread across about 25 acres (101,200 Sq. Meters) at Kumbhivali village in the Raigad district of Maharashtra. The manufacturing site also has a logistic advantage as it is situated on the Mumbai-Pune expressway for Pan-India road connectivity. Container terminal Jawaharlal Nehru Port (JNPT) is situated about 60 kms away from the plant.

The manufacturing operations are highly automated and run by a robust operation system that efficiently integrates the functions related to quality control, stores, packing, dispatch, maintenance and R&D. The Company regularly reviews the plant systems, procedures and practices to enhance productivity, efficiency and safety. The manufacturing activities of the products confirm to statutory pollution control standards.

Product Portfolio

1. TERPENES

MOL manufactures a wide range of high demand products under this sub-segment. This is the key raw ingredient for producing camphor and related products. The Company is focusing on production efficiency and quality control so that it can produce international quality intermediate products and their derivatives for the fragrance and flavour industry. The Company has been exploring new product development from terpenes and is further exploring the retail opportunity to expand its market reach through diversification.

Camphor

Camphor is the primary product of the Company which contributes 80% of total sales in Terpenes. Due to its ability to impart a sense of complete purity to the religious devotees, it finds the widest application in religious use in the domestic market. This is a naturally derived product that completely burns off with no residue. Camphor was earlier sold as a commodity. However, as it presents a large retail opportunity, it enables the Company to forward integrate and diversify into the FMCG space by retailing the products through Modern Trade, General Trade and E-Commerce. The Company continues to leverage the growing retail opportunity and is confident of continuing growth in the years ahead. It continues to grow capacities and grades offered from the same unit to capture a larger market share in the domestic and export markets. MOL has the following registered brands.

Retail Portfolio

Mangalam	Camphor tablets for religious purposes
CamPure	Home care products based on camphor such as Camphor Cone, Camphor Sticks, Camphor Air Purifiers, Camphor Hand Wash, Camphor Soap Bar, Camphor Hand Sanitizer, Camphor Mosquito Repellent Liquid

Dipentene

Dipentene is a by-product in Camphor manufacturing and is used as a solvent in the paints industry. The Company offers various grades of this material. Dipentene is a ready substitute in formulations of cleaning and degreasing agents, as Limonene faces supply shortages. It is also witnessing demand growth in the export market as a substitute for Limonene.

Sodium Acetate

Sodium Acetate is used as a dye intermediate by textile and dye manufacturers. It also finds application in leather tanning industry and is exported to Europe.

2. SYNTHETIC RESINS

MOL manufactures three broad types of synthetic resins, with each of them having a large domestic and export market. The Company is confident of all the categories in this segment and is continuing its efforts to enhance margins and build higher volumes in each of them.

Terpene Phenolic Resin

Terpene Phenolic Resin finds application in the adhesive, tyre and rubber industries as a tackifier. The Company foresees an increase in volumes, revenue and profitability over the years ahead.

Alkyl Phenolic Resin

Alkyl Phenolic Resin finds application in Neoprene and Chloroprene rubber-based adhesives. The Company is working with consultants to improve its quality of products as per global standards and leverage the growing export opportunities.

Rosin Esters

Rosin Esters finds application in pressure sensitive adhesives. The Company is working with consultants to improve its quality of products as per global standards and leverage the growing export opportunities.

Covid-19 Impact

As a result of the nationwide lockdown imposed by the Government of India due to COVID 19, global health pandemic, the operations of the Company were temporarily disrupted at its manufacturing plant impacting productions and dispatches from the last week of March 2020 up to end of April 2020. Since then, the operations



have been gradually resumed in line with the Government of India directives issued in this regard. The Company has taken adequate precautions for safety and well-being of the employees while resumption of operations of its plants. In view of recent surge in Covid-19 cases, few states reintroduced some restrictions and the Company continues to be vigilant and cautious.

The Company has considered the possible impact of COVID 19 in preparation of the financial statements. The impact of the global health pandemic may be different from that estimated as at the date of approval of the financial statements. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.

FINANCIAL PERFORMANCE

During the year under review, Revenues from operations for FY 2020-21 stood at ₹ 338.26 crore, a decline by 9.68% as compared to ₹ 374.52 crore in FY 2019-20. Fall in revenue was due to reduced production quantities as a result of COVID-19 pandemic restrictions hitting worldwide.

Further, the Company registered a Net Profit of ₹ 84.72 crore for FY 2020-21, a good growth of 78.13% as compared to ₹ 47.56 crore for the FY 2019-20. The substantially increased profit ratio was largely on account of higher selling price of finished goods vs lower priced, well stocked up raw material situation. The Company's EBIT stood at ₹ 128.92 crore for FY 2020-21, as compared to ₹ 87.36 crore in FY 2019-20, a growth in ratio of 47.57%.

Details of Significant Changes in Key Financial Ratios

In FY 2020-21, there are no significant changes in key Financial Ratios, except the following:

1. Interest Coverage Ratio

FY 2020-21	FY 2019-20
115.18x	15.02x

Increase in Interest Coverage Ratio was due to increase in profitability on account of higher selling price of finished goods vs lower priced, well stocked up raw material by the Company as compared to FY 2019-20.

2. Current Ratio

FY 2020-21	FY 2019-20
3.55x	3.29x

Company has repaid substantial working capital facility which resulted in further improvement in Current ratios as compared to FY 2019-20.

3. Debt Equity Ratio

FY 2020-21	FY 2019-20
0.24%	0.28%

Decrease in Debt Equity Ratio as compared to FY 2019-20 was due to considerable reduction in short term and long term liability.

4. Operating Profit Margin (%)

FY 2020-21	FY 2019-20
34.11%	20.93%

Increase in Operating profit margin was due to better sales realisation and reduction in raw material prices during the year as compared to FY 2019-20.

5. Net Profit Margin (%)

FY 2020-21	FY 2019-20
25.05%	12.70%

Increase in Net profit margin was due to higher selling price of finished goods vs lower priced, well stocked up raw material by the Company as compared to FY 2019-20.

6. Details of any change in Return on Net Worth, compared to the previous financial year

FY 2020-21	FY 2019-20
33.65%	28.33%

Profitability has been increased due to better sales realisation and reduction in raw material prices during the year, which resulted in further high net worth as compared to previous year 2019-20.

RISKS AND CONCERNS

Risks are a part of any organizational setup, the bigger the market, higher the risks. Operating in a highly competitive and changing economic and business environment brings its own share of risks. Some of the key risks specified by the Company are:

Competition risk: Any market share losses for the Company to the global and domestic players will adversely impact the financial results of the Company.

Macroeconomic risk: Any slowdown in economic growth of the country and resulted drop in consumption may lead to a slowdown in FMCG sector. Consequently, this would adversely affect Indian Chemical industry causing lower capacity utilizations for the Company.

Raw material price risk: Fluctuation in the price of raw materials or shortage in the supply of raw materials used by the Company poses a threat to its revenue and competitive position.

Concentration of customers risk: Dependency on a few large clients also poses a risk to revenue as any fall in the order book number can impact the business negatively.

Regulatory Compliance risk: Regulatory Compliances covering various federal, state, local and foreign laws relating to various aspects of the business operations are complex and non-compliances can result in substantial fines, sanctions etc.

Operational risk: Functional and Operational risks arising out of various operational processes.

Business Continuity risk: Business Continuity risks arising out of climate change related and other disruptions like natural disasters, IT outages, pandemic, terror and unrest, power, water and other resource disruptions etc. which may challenge or impact our customers business and availability of People and process, Technology and Infrastructure.

The Company monitors and analyses all relevant parameters relating to above risks for the manufacturing site to minimise risk associated with protection of environment, safety of operations and health of people at work with reference to statutory regulations and guidelines defined. The Company fulfils its legal requirements concerning emission, waste water and waste disposal. Improving work place safety continued to be top priority at the manufacturing sites.

INDUSTRY & MANAGEMENT OUTLOOK

For the year 2021-22, the Company will further continue to look at sustainable growth by focusing on—

- Increasing domestic and export market share
- Increasing efficiency of the Company's present production capacity
- Boosting the B2C business

Increased competition from global and domestic players is putting pressure on sales prices. Increase in prices of certain raw materials also puts pressure on contribution. However, with global growth of chemicals focused more on Asia, it is expected that there will be further growth in the chemical industry.

During the year 2021-22, the Company further expects its investments in various projects to add to the top and bottom-line.

The Company will continue with its efforts to improve the bottom line by further increasing efficiency in their existing production capacity, while re-looking at business strategies and models, wherever necessary.

The severe intensification of the Covid-19 pandemic is carried forward to the FY 2021-22 as well, but the Company is confident that it will catch up for the lost time once the ground reality is normalised. Further, with its continuous efforts on improving efficiencies and margins, barring unforeseen circumstances like the present outbreak of Covid-19, the Company expects to achieve steady results in FY 2021-22.

INTERNAL CONTROLS

The Company has a well-established system of internal control and internal audit, commensurate with its size and complexity of the business, with regards to efficiency of operations, financial reporting, compliance with applicable laws and regulations. The Company continually upgrades internal control systems by adding better process control, various audit trails and use of external management assurance services, whenever required. The internal control system is supplemented by extensive internal audits, conducted internally by the finance and account department. The findings of Audit Team are discussed internally as well as in audit committee meetings. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them.

HUMAN RESOURCES

In the current age of dynamic, challenging and changing business environment, the Company believes that its 'People' i.e. 'Human Capital' are its important and vital assets. Skills acquired by the employees through training are assets for the Company. Thus, training and development strategy aims to build coherent workforce capabilities, skills or competencies required to ensure sustainable and successful organisation. The Company always strives on maintaining healthy and strong employee relations by devising strategies that ensure high productivity and employee's satisfaction. A positive atmosphere of trust has been created. The headcount as on March 31, 2021 was 322 employees on the payrolls of the Company.

CAUTIONARY STATEMENT

This document contains some statements about expected future events, financial and operating results of Mangalam Organics Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements.



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE

Corporate Governance is defined as the framework of rules and practices through which the board of Directors ensures accountability, fairness, and transparency in a Company's relationship with its all stakeholders (financiers, customers, management, employees, government, and the community).

Corporate governance essentially involves balancing the interests of a Company's many stakeholders, such as shareholders, senior management executives, customers, suppliers, financiers, the government, and the community. Since corporate governance also provides the framework for attaining a Company's objectives, it encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company firmly believes that maintaining the highest standards of Corporate Governance is the implicit rule that determines a management's ability to make sound decisions and to perform efficiently and ethically in the best interest of its shareholders and other stakeholders to create value for all. The philosophy of Corporate Governance is a principle based approach as codified in Regulation 4(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), encompassing the fundamentals of rights and roles of various stakeholders of the Company, timely information, equitable treatment, role of stakeholders disclosure and transparency and board responsibility.

The composition of Board of Directors as on March 31, 2021 and other relevant details are as follows:

Directors	Category	Directors' Identification Number (DIN)	Total Number of Directorships, Committee Chairmanships and Memberships of public limited companies*, as on 31st March, 2021			Names of the listed entities and category of Directorship
			Directorships \$	Committee Chairmanships+	Committee Memberships+	
Mr. Kamalkumar Dujodwala	Promoter- Executive Director/ Chairman	00546281	1	-	2	-
Mr. Pannkaj Dujodwala	Promoter- Managing Director	00546353	1	-	-	-
Mr. Rajkumar S Jatia	Independent Director	00136303	1	-	-	-
Mr. Sharad Kumar Saraf	Independent Director	00035843	2	-	3	Technocraft Industries (India) Ltd. – Executive Director and Chairperson

Your Company is in compliance with the requirements on Corporate Governance during FY 2020-21. A report on the compliances of Corporate Governance requirements under the Listing Regulations and the practices/procedures followed by your Company for the year ended March 31, 2021 is detailed below.

BOARD OF DIRECTORS AND ITS COMMITTEES

1. Composition and Category of Directors/Attendance at Meetings/Directorships and Committee Memberships in other companies as on March 31, 2021

Your Company has the optimum combination of Executive and Non-Executive Directors in conformity with Regulation 17 of the Listing Regulations. The present strength of the Board of Directors is a mix of Four Non-Executive Directors including a woman Director, and two Executive Directors. All the Non-Executive Directors are also Independent Directors. The Chairman of the Board is an Executive Director. As per the declarations received by the Company from each of the Directors, none of them are disqualified under Section 164(2) of the Companies Act, 2013 ('the Act'). In the opinion of the Board, the Independent Directors of the Company fulfills the criteria for independence given under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. Further, disclosures have been made by the Directors regarding their Chairmanships/ Memberships of the mandatory Committees of the Board and that the same are within the maximum permissible limit as stipulated under Regulation 26(1) of the Listing Regulations.

Directors	Category	Directors' Identification Number (DIN)	Total Number of Directorships, Committee Chairmanships and Memberships of public limited companies*, as on 31st March, 2021			Names of the listed entities and category of Directorship
			Directorships \$	Committee Chairmanships+	Committee Memberships+	
Mr. Shree Narayan Baheti	Independent Director	01760198	1	-	0	-
Mrs. Manisha Agarwal	Additional Director (Independent) & Women Director	00441841	1	2	2	-

*	Excludes private limited companies, foreign companies and companies registered under section 8 of the Act and Government Bodies.
\$	Includes Additional Directorship and Directorship in your Company.
+	Committees considered are Audit Committee and Stakeholders' Relationship Committee, including that of your Company. Committee Membership(s) excludes Chairmanship(s).

A separate meeting of Independent Directors was held on March 22, 2021, which was attended by the following Independent Directors:

1. Mr. Rajkumar S Jatia
2. Mr. Sharad Kumar Saraf
3. Mr. Shree Narayan Baheti
4. Mrs. Manisha Agarwal

Except for Mr. Kamalkumar Dujodwala and Mr. Pannkaj Dujodwala, no other Directors are related to each other. Mr. Kamalkumar Dujodwala and Mr. Pannkaj Dujodwala are brothers.

None of the Independent Directors has any pecuniary relationship, transaction or association with the Company, which adversely affect their independence.

Pursuant to the recommendations of the Nomination and Remuneration Committee ('NRC') and the Board, the members of the Company approved the appointment of Mrs. Manisha Agarwal as a Woman Independent Director w.e.f. March 20, 2020 for a term of 5 (Five) years in the Annual General Meeting of September 29, 2020.

2. No. of Board Meetings and dates of Board Meetings

The Board oversees the entire functioning of the Company and is involved in strategic decision-making on a collective basis.

Your Board meets at least four times a year and the interval between any such two meetings has not been more than 120 days. The Company Secretary under the direction of the Chairman and in consultation with Chief Financial Officer prepares the agenda for the meetings along with the notes thereto and circulates it to the Directors, along with the notice of the meeting. During FY 2020-21, 6 (Six) meetings of the Board of Directors were held on:

- June 30, 2020
- July 25, 2020
- August 18, 2020
- October 27, 2020
- January 22, 2021
- March 22, 2021

Directors	Number of Board Meetings attended	Attendance at the Last AGM
Mr. Kamalkumar Dujodwala	6	Yes
Mr. Pannkaj Dujodwala	6	Yes
Mr. Rajkumar S Jatia	6	No
Mr. Sharad Kumar Saraf	6	No
Mr. Shree Narayan Baheti	6	No
Mrs. Manisha Agarwal	5	Yes

3. Procedure of Board/ Committee Meeting

The agenda papers with relevant notes and material documents relating to matters for perusal of the Board/ Committee are circulated in advance, so as to facilitate discussion and informed decision-making in the meeting.

The routine business brought to the relevant meetings includes, inter alia, the following:

- Annual business plans, budgets and strategy.
- Quarterly results and update on operations.
- Financial results for the relevant period along with limited review/audit report thereon.
- Minutes of various committee meetings of the Company and minutes of board meetings
- Statement of investments/ Disinvestments /Borrowings.
- Review of Internal Audit Report/s.
- Annual operating plans and budgets and any updates.



- Capital budgets and any updates
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

4. Shareholding of Directors in the Company as on March 31, 2021

Name	Number of Equity Shares	% of Total Paid Up Share Capital
Mr. Kamalkumar Dujodwala	1,57,216	1.83
Mr. Pannkaj Dujodwala	1,31,300	1.53
Mr. Rajkumar S Jatia	-	-
Mr. Sharad Kumar Saraf	-	-
Mr. Shree Narayan Baheti	-	-
Mrs. Manisha Agarwal	-	-
Total	2,88,516	3.36

5. Familiarization Programme for Independent Directors

The Company follows a structured orientation programme for its newly inducted Director(s) to ensure that they become fully aware of the industry in which the Company operates, the processes, systems and policies adopted and followed by the Company. The familiarization programme focuses on the business model and operations of the Company and aims at informing the Directors on the legal, regulatory as well as socio-economic regime in which the Company functions.

The Company briefs its Independent Directors on the roles, rights and responsibilities of the Independent Directors, nature of the industry in which the Company operates, business and operations model, credit policies of the Company etc. It also ensures that regular updates are provided to all the Directors on the changes/ revision in the Company's business model, new developments & initiatives undertaken by the Company, new processes & policies adopted/ revised, amendment/ introduction of applicable laws and/or regulations etc.

The familiarization programme for the new and continuing Independent Directors of the Company ensures valuable participation and inputs from them which helps in bringing forth the best practices into the organization and helps in taking informed decision(s) at the Board Level. The details of

the same can be viewed at <http://www.mangalamorganics.com>.

6. Subsidiary Monitoring Mechanism

The Company had incorporated 'Campure Private Limited', as a wholly owned subsidiary on April 21, 2020. The minutes of Board Meetings of the subsidiary Company are placed before the meeting of Board of Directors of the Company. As on March 31, 2021, the subsidiary of the Company do not fall under the criteria of 'Material Subsidiary'.

As per the requirement of the Listing Regulations, the Company has formulated a policy for determining 'Material Subsidiaries' and the same has been posted on Company's website <http://www.mangalamorganics.com>.

7. Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirement as prescribed by the Listing Regulations. The performance of the Board was evaluated by the Board after seeking inputs from the Directors on the basis of specified criteria such as the Board Composition and structures, effectiveness of board processes, information and functioning, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual Directors on the basis of the contribution of the individual Director to the Board and Committee meetings based upon criteria such as preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At a separate meeting of Independent Directors, performance of Non-Independent Directors & performance of the Board as a whole was evaluated, taking into account the views of the Executive Directors and Non-Executive Directors. The same was discussed at the Board meeting at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

8. The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Global Business	Developing robust sales and marketing team, understanding various geographical markets, business development, identifying and working towards global market opportunities
Technology	Product Development, process technology, leading research and development, create new product application
Finance	Financial management, managing Financial systems, Financial reporting process, internal financial control, capital allocation, Auditor, principal controller, Capex management
Leadership	Guiding and leading management teams to make decisions in uncertain environments, project management, strategic planning, risk management, Effective communication, Awareness of business process, Developing talent, integrity, building relations, innovation, developing leadership skills, planning successions

These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein.

Sr. No	Name of the Directors	Business	Technology	Finance	Leadership
1.	Kamalkumar Dujodwala	✓	✓	-	✓
2.	Pannkaj Dujodwala	✓	-	✓	✓
3.	Sharad Kumar Saraf	✓	✓	✓	-
4.	Rajkumar Jatia	✓	-	✓	-
5.	Shree Narayan Baheti	✓	-	✓	-
6.	Manisha Agarwal	✓	✓	✓	-

9. Committees of the Board

To enable better and more focused attention on the affairs of the Company, the board delegates particular matters to committees of the board set up for the purpose. Pursuant to the applicable provisions of the Act and SEBI Listing Regulations the Board has constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee. These committees prepare the groundwork for decision-making and report the same to the Board at the subsequent meetings.

Audit Committee

The composition of the Audit Committee as on March 31, 2021 is as follows:

Name of Members	Category	Designation
Mrs. Manisha Agarwal	Independent Women Director	Chairperson
Mr. Sharad Kumar Saraf	Independent Director	Member
Mr. Kamalkumar Dujodwala	Executive Director	Member

During the year under review, the Audit Committee met four times on:

- June 30, 2020
- July 25, 2020
- October 27, 2020
- January 22, 2021

The attendance of members of the Audit Committee at the committee meetings held during the year ended March 31, 2021 is as follows:

Name of Members	Number of Meetings	
	Held	Attended
Mrs. Manisha Agarwal (Chairperson)	4	3
Mr. Sharad Kumar Saraf	4	4
Mr. Kamalkumar Dujodwala	4	4

The time interval between any two Audit Committee meetings was not more than 120 days.

The terms of reference and powers of the Audit Committee are in accordance with the requirements of Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013 and includes overseeing the Company's financial reporting process, reviewing the quarterly / half yearly / annual financial statements/ results and, reviewing with the management the adequacy of the internal audit function, recommending the appointment/ reappointment of statutory auditor, cost auditor and internal auditor and recommending/ fixation of audit fees, reviewing the significant internal audit findings, related party transactions, reviewing the Management Discussions & Analysis of financial condition and results of operations, scrutiny of inter-corporate loans and investments.

The Committee discusses with the auditors their audit methodology, audit planning and significant observations/ suggestions made by them and management responses and action taken by them.

10. Nomination, Remuneration and Compensation (NRC) Committee

The composition of this Committee as on March 31, 2021 is as follows:

Name of Members	Category	Designation
Mrs. Manisha Agarwal	Independent Women Director	Chairperson
Mr. Sharad Kumar Saraf	Independent Director	Member
Mr. Rajkumar Jatia	Independent Director	Member

During the year under review, the NRC Committee met twice on:

- June 30, 2020
- March 22, 2021

The attendance of members of the NRC Committee at the committee meetings held during the year ended March 31, 2021 is as follows:



Name of Members	Number of Meetings	
	Held	Attended
Mrs. Manisha Agarwal (Chairperson)	2	2
Mr. Sharad Kumar Saraf	2	2
Mr. Rajkumar Jatia- Member	2	2

The terms of reference and power of the Nomination, Remuneration and Compensation Committee is in accordance with the requirements of Regulation 19 read with Part D of Schedule II of Listing Regulations and Section 178 of the Companies Act, 2013.

The role of the Committee, inter alia, is to approve/recommend the appointment and remuneration/ packages of the Executive and Non-Executive Directors and of Senior Management Personnel and to lay down the criteria for performance evaluation of Board of Directors as whole, individual Directors and the committees of the Board. Under the said performance evaluation framework, the Committee has identified the criteria upon which every Director, every Committee, and the Board as a whole shall be evaluated.

The Board has carried out the annual evaluation of its own performance and that of its Committees and individual Directors for the year pursuant to the provisions of the Act and the SEBI Listing Regulations. The exercise of performance evaluation was carried out on the basis of questionnaires which was circulated with the Directors.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all the Directors. The criteria for performance evaluation of the Board included aspects such as Board composition and structure, effectiveness of Board processes, contribution in the long-term strategic planning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members. The criteria for performance evaluation are broadly based on the Guidance Note issued by SEBI on Board Evaluation which included aspects such as structure and composition of Committees, effectiveness of Committee Meetings, etc.

11. Stakeholders Relationship Committee

The composition of this Committee as on March 31, 2021 is as follows:

Name of Members	Category	Designation
Mrs. Manisha Agarwal	Independent Women Director	Chairperson
Mr. Sharad Kumar Saraf	Independent Director	Member
Mr. Kamalkumar Dujodwala	Executive Director	Member

During the year under review, Six meetings of the Committee were held on:

- June 30, 2020
- July 25, 2020
- August 18, 2020
- October 27, 2020
- January 22, 2021
- March 22, 2021

The attendance of members at the committee meetings held during the year ended March 31, 2021 is as follows:

Name of Members	Number of Meetings	
	Held	Attended
Mrs. Manisha Agarwal (Chairperson)	6	5
Mr. Sharad Kumar Saraf	6	6
Mr. Kamalkumar Dujodwala	6	6

The Committee has been constituted to specifically look into the matter of the redressal of stakeholders', security holders' and investors' complaints and grievances, including but not limited, those relating to transfer/ transmission of shares, non-receipt of dividends, non receipt of Annual Report and any other grievance that a shareholder or investor may have against the Company. The details of shareholders' complaints received and disposed of during the year under review is as follows:

Number of Investor Complaints	
Pending at the beginning of the financial Year	Nil
Received during the financial year	4
Disposed off during the financial year	4
Pending at the end of the financial year	Nil

Ms. Heena Tank, Company Secretary has been appointed as a Compliance Officer of the Company on March 19, 2019, the details of whom are given below.

Name: Ms. Heena Tank

Designation: Company Secretary and Compliance Officer

Address: 812/813, Tulsiani Chambers,

212, Nariman point,

Mumbai- 400021

Tel: +91 (22)- 49204089

Email: cs@mangalamorganics.com

12. Corporate Social Responsibility Committee

The composition of this Committee as on March 31, 2021 is as follows:

Name of Members	Category	Designation
Mrs. Manisha Agarwal	Independent Women Director	Chairperson

Mr. Sharad Kumar Saraf	Independent Director	Member
Mr. Kamalkumar Dujodwala	Executive Director	Member

The Company Secretary is the Secretary to the Committee.

During the year under review, one meeting of the said Committee was held on: January 22, 2021

The following members were present for the Corporate Social

Responsibility Committee Meeting held on as above.:

1. Mrs. Manisha Agarwal (Chairperson)
2. Mr. Sharad Kumar Saraf
3. Mr. Kamalkumar Dujodwala

The role of the Committee is to formulate and recommend to the Board a Corporate Social Responsibility Policy, recommend the amount of yearly CSR expenditure and also monitor the implementation and functioning of Corporate Social Responsibility Policy.

DIRECTORS' REMUNERATION

The remuneration paid to Mr. Kamalkumar Dujodwala, Executive Chairman and Mr. Pannkaj Dujodwala, Managing Director of the Company for the financial year ended March 31, 2021 is in accordance with the terms and conditions contained as agreed between them and the Company and approved by the shareholders.

The Independent Directors are paid sitting fees for attending meetings of Board / Board Committees.

Details of remuneration / sitting fees paid to Executive and Non-Executive Directors for the year ended March 31, 2021 is as follows:

(Amount in ₹)

Name	Remuneration	Allowances	Performance Incentive	Perquisite	Sitting Fee	Commission
Executive Director						
Mr. Kamalkumar Dujodwala	3,00,00,000	-	-	-	-	-
Mr. Pannkaj Dujodwala	3,00,00,000	-	-	-	-	-
Non – Executive Director						
Mr. Sharad Kumar Saraf	-	-	-	-	6,000	-
Mr. Rajkumar S Jatia	-	-	-	-	6,000	-
Mr. Shree Narayan Baheti	-	-	-	-	6,000	-
Mrs. Manisha Agarwal	-	-	-	-	5,000	-

Remuneration to Executive Directors comprise salary, perquisites and allowances in accordance with the Company policy.

Brief about Remuneration Policy:

Your Company has formulated a policy on Nomination and Remuneration of Directors and Senior Managerial Personnel including the criteria for making payment to non executive Directors. The said policy is available on Company's website www.mangalamorganics.com

Service contracts, notice period, severance fees

As per the employment contract entered into by the Company with the Executive Directors, either party can terminate the contract by giving 6 (Six) months notice in writing to the other party. The employment contract does not contain any provisions for payment of any severance fees in case of cessation of employment of the Directors.

Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:

The Company has not issued or granted any stock options in FY 2020-21.

DISCLOSURES

1. There are no materially significant related party transactions that have potential conflict with the interest of the Company. The disclosure of all related party transactions are set out in notes forming part of the financial statements. The policy framed by your Company on dealing with Related Party Transactions is posted on the Company's website at <http://www.mangalamorganics.com>
2. There have been no instances of non-compliance by the Company and no penalties, strictures have been imposed on the Company by the stock exchange(s) or the board or any



other statutory authority, on any matter related to capital markets, during the previous 3 (three) financial years

3. The Company has adopted a Whistle Blower Policy, as a part of Vigil Mechanism to provide appropriate avenues to Directors and Employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the Code of Business Principles of the Company. The employees are encouraged to voice their concerns by way of whistle blowing and all the employees have been given access to the Audit Committee. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy. This Policy has also been posted on the website of the Company and can be accessed through the weblink: <http://www.mangalamorganics.com>
4. Your Company has formulated a Policy for determining 'Material' Subsidiaries as defined in Regulation 16 of the Listing Regulations. This Policy has also been posted on the website of the Company and can be accessed through the weblink: <http://www.mangalamorganics.com>
5. The Company adopted Indian Accounting Standards ("Ind AS") from 1st April, 2016. Accordingly, the financial statements have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Act and other relevant provisions of the Act.
6. Code for Prevention of Insider Trading Practices: The Company has formulated and adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Code of Conduct for Prevention of Insider Trading in Securities of Mangalam Organics Limited' ("Code of Conduct of Insider Trading") in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("the Regulations").

Code of Conduct for prevention of Insider Trading has been formulated to regulate, monitor and ensure reporting of trading by the Employees and Connected Persons designated on the basis of their functional role in the Company towards achieving compliance with the Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable. Code of Conduct of Insider Trading lays down Guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations.

7. Your Company has complied with all the mandatory requirements of the Listing Regulations relating to corporate governance. The Company has also complied with the requirement specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, as may be applicable. Further, your Company has adopted three non-mandatory corporate governance requirements relating to (i) endeavor to have unmodified financial statements, (ii) direct reporting of the Internal Auditor to the

Audit Committee, (iii) Separate posts of Chairman, CEO and MD.

8. A certificate has been received from M/s. NGST & Associates, Chartered Accountants, regarding compliance with the conditions of Corporate Governance, as stipulated in Listing Regulations is annexed to this report and forms part of the Annual Report.
9. The Company has also received certificate from M/s. Yogesh Sharma & Co., Company Secretaries and appended hereto, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.
10. The particulars about the total amount of fees paid to the Statutory Auditors of the Company and its subsidiaries, during the financial year 2020-21, is as follows: ₹ 4,50,000/- for the Statutory Audit and ₹ 1,00,000/- for Tax Audit.
11. The CEO/CFO certification in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations forms part of the Annual Report.
12. Disclosure of commodity price risks and commodity hedging activities: The Company is subject to commodity price risk like any other industry. Moreover, since the Company procures all the input commodities used in the production of goods from third parties, it is all the more subject to risk and rewards of price variations.
13. Your Company has not raised funds through preferential allotment or qualified institutions placement in FY 2020-21 as specified under Regulation 32 (7A).
14. Your Company has accepted all the recommendation received from any committee of the Board which is mandatorily required, in FY 2020-21.
15. Disclosure of Complaints in FY 2020-21 pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of complaints filed during the financial year	NIL
Number of complaints disposed of during the financial year	NIL
Number of complaints pending as on end of the financial year	NIL

Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

The disclosures with respect to demat suspense account / unclaimed suspense account is not applicable to the Company for Financial Year 2020-21.

GENERAL SHAREHOLDERS INFORMATION

1. General Body Meeting

The details of Annual General Meetings convened during the last three years are as follows:

Financial Year Ended	Date & Time	Venue	Special Resolutions passed, if any
March 31, 2020	September 29, 2020 10.00 a.m.	Meeting through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	- Approval of re-appointment of Mr. Pannkaj Dujodwala as a Managing Director
March 31, 2019	September 18, 2019 10.00 a.m.	Vishwa Niketan Institute of Management (Conference Hall) Kumbhivali Village, Savroli Kharpada Road, Taluka-Khalapur, Khopoli-410202, District Raigad, Maharashtra	- Approval of Re-appointment of Mr. Sharad Kumar Saraf as an Independent Director - Approval of Re-appointment of Mr. Rajkumar Jatia as an Independent Director - Approval of re-appointment of Mr. Kamalkumar Dujodwala as a Chairman - Approval of revision in remuneration of Mr. Akshay Dujodwala - Approval of alteration of Memorandum of Association as per Companies Act, 2013
March 31, 2018	September 29, 2018 10.00 a.m.	Vishwa Niketan Institute of Management (Conference Hall) Kumbhivali Village, Savroli Kharpada Road, Taluka-Khalapur, Khopoli-410202, District Raigad, Maharashtra	- Approval of revision in remuneration of Mr. Kamalkumar Dujodwala, Executive Director - Approval of revision in remuneration of Mr. Pannkaj Dujodwala, Managing Director - Approval of Appointment of Mr. Akshay Dujodwala

There were no extra-ordinary general meeting held during the last three years.

Postal Ballot

During FY 2020-21, FY 2019-20 and FY 2018-19, no ordinary or special resolutions were passed through postal ballot. No special resolution is proposed to be conducted through postal ballot.

Company's Means of Communication

Website	Your Company maintains a website www.mangalamorganics.com , wherein there is a dedicated section 'Investors'. The website provides details, inter alia, about the Company, its performance including quarterly financial results, annual reports, share price data, unpaid dividend details, shareholding pattern, contact details etc.
Quarterly/Annual Financial Results	Generally published in Business Standard or Free press Journal (Mumbai editions) and Navshakti/Mumbai Laskhwadeep Mumbai edition. The results are also uploaded by BSE on their website www.bseindia.com
Stock exchanges	All periodical information, including the statutory filings and disclosures, are filed with BSE. The filings required to be made under the Listing Regulations, including the Shareholding pattern and Corporate Governance Report for each quarter are also filed on BSE Listing Centre.
Presentations	Presentations made to the investors are intimated to the Stock Exchanges within the prescribed time period under the Listing Regulations and are simultaneously hosted on the website of the Company www.mangalamorganics.com
Designated Exclusive Email ID	The Company has designated the email id i.e. cs@mangalamorganics.com for investor grievances. This Email ID has been displayed on the Company's website viz. www.mangalamorganice.com
Annual Report	Annual Reports and any other communication will be sent to email ids of members whose emails are registered with the Company.
SEBI Complaints Redress System (SCORES)	All complaints received through SEBI SCORES are resolved in a timely manner by the Company.



2. Other Information

CIN	L24110MH1981PLC024742																	
Registered office address	Kumbhivali Village, Savroli Kharpada Road, Taluka – Khalapur, Khopoli – 410 202, District- Raigad.																	
Administrative Office/ Correspondence Address	812, Tulsiani Chambers, 212 Nariman Point, Mumbai – 400 021, Maharashtra.																	
Date, Time and Venue of Annual General Meeting	<p>The Company has decided to hold its 39th Annual General Meeting (the “AGM”) on Wednesday, September 29, 2021 at 3.00 P.M. through Video Conferencing (“VC”) and/or Other Audio Visual Means (“OAVM”). The shareholders may note that the Ministry of Corporate Affairs, vide its General Circular No. 14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, and Circular No. 02/2021 dated January 13, 2021 has permitted the companies to conduct their AGMs, through VC/OAVM during the calendar year 2020 and 2021 on account of the threat posed by COVID-19.</p> <p>Guidelines for participation in the Company’s 39th Annual General Meeting are laid out in the Notice convening the meeting and have also been uploaded on the website of the Company viz. www.mangalamorganics.com.</p>																	
Financial Year	<p>The financial year of the Company starts from April 1st and ends on March 31st of the succeeding year. Our tentative calendar for declaration of results for the financial year 2021-22 are as given below:</p> <table border="1"> <thead> <tr> <th>Quarter Ended</th> <th>Release of Results</th> </tr> </thead> <tbody> <tr> <td>First Quarter Results</td> <td>on or before August 14, 2021</td> </tr> <tr> <td>Second Quarter and Half Yearly Results</td> <td>on or before November 14, 2021</td> </tr> <tr> <td>Third Quarter Results</td> <td>on or before February 14, 2022</td> </tr> <tr> <td>Annual Results</td> <td>on or before May 30, 2022</td> </tr> </tbody> </table>			Quarter Ended	Release of Results	First Quarter Results	on or before August 14, 2021	Second Quarter and Half Yearly Results	on or before November 14, 2021	Third Quarter Results	on or before February 14, 2022	Annual Results	on or before May 30, 2022					
Quarter Ended	Release of Results																	
First Quarter Results	on or before August 14, 2021																	
Second Quarter and Half Yearly Results	on or before November 14, 2021																	
Third Quarter Results	on or before February 14, 2022																	
Annual Results	on or before May 30, 2022																	
Dividend Payment Date and Date of Book Closure	<p>A Dividend of ₹ 1.50/- per equity share has been recommended by the Board of Directors and it is subject to the approval of the shareholders at the ensuing Annual General Meeting.</p> <p>The proposed dividend, if so approved, will be paid to the members whose names appear on the Register of Members at the end of day on September 24, 2021.</p> <p>The NECS upload/ dispatch of dividend warrants / demand drafts shall be completed within 30 days from the date of AGM.</p>																	
Dividend History	<table border="1"> <thead> <tr> <th>Financial Year</th> <th>Rate of Dividend</th> <th>Dividend (in Rs.) per share of Rs.10 each</th> </tr> </thead> <tbody> <tr> <td>2019-20</td> <td>10%</td> <td>Re. 1</td> </tr> <tr> <td>2018-19</td> <td>10%</td> <td>Re. 1</td> </tr> <tr> <td>2017-18</td> <td>10%</td> <td>Re. 1</td> </tr> <tr> <td>2016-17</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Financial Year	Rate of Dividend	Dividend (in Rs.) per share of Rs.10 each	2019-20	10%	Re. 1	2018-19	10%	Re. 1	2017-18	10%	Re. 1	2016-17	-	-		
Financial Year	Rate of Dividend	Dividend (in Rs.) per share of Rs.10 each																
2019-20	10%	Re. 1																
2018-19	10%	Re. 1																
2017-18	10%	Re. 1																
2016-17	-	-																
Listing on stock exchanges	The Equity Shares of the Company are listed on BSE Limited																	
Listing fees	The listing fees of BSE for FY 2021-22 has been paid																	
Stock code	The BSE scrip code of equity shares is 514418																	
ISIN Number	INE370D01013																	
Suspension of trading in securities	There was no suspension of trading in securities of the Company during the year under review.																	
Registrar and Transfer agents (Appointed w.e.f July 1, 2019)	<p>Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Email: rnt.helpdesk@linkintime.co.in Tel: (022) 4918 6270 Fax: (022) 4918 6060</p>																	

Share Transfer system	<p>All the work related to Share registry in terms of both physical and electronic segment has been allotted to M/s. Link Intime India Private Limited, in view of the directive issued by SEBI in this regard i.e. for handling both physical as well as electronic transfer at a single point. For any queries relating to equity share of the Company the shareholders/investors may contact them at above address.</p> <p>As the Company's shares are compulsorily to be traded in the dematerialized form. Members holding shares in physical Form are requested to dematerialised their shares. Further, as per Regulation 40 of SEBI Listing Regulation, securities of Listed Companies can be transfer only in dematerialised form w.e.f. 1st April, 2019.</p>
Outstanding GD₹ ADRs/Warrants/Convertible Instruments and their impact on Equity	As on March 31, 2021, the Company have not issued any outstanding GDRs / ADRs /Warrants/Convertible Instruments, including stock options.
Commodity price risk or foreign exchange risk and hedging activities	The Company is subject to commodity price risk like any other industry. Moreover, since the Company procures all the input commodities used in the production of goods, it is all the more subject to risk and rewards of price variations. In respect of contract for raw materials for Camphor production, the commodity/ hedging market for these items is not fully developed and the Company keeps on evaluating on continuous basis opportunities for price risk minimization. In respect of inward remittances from eligible overseas buyers of the Camphor, all billing is in INR and hence the Company is immune to foreign exchange risk on this account.
Plant locations	The Company has its Manufacturing plant at: Kumbhivali Village, Savroli Kharpada Road, Taluka – Khalapur, Khopoli – 410 202, Raigad, Maharashtra.
List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	Your Company has obtained revised Credit Rating from CRISIL as on June 17, 2021 as follows: Long Term Rating: CRISIL A-/Positive (Rating reaffirmed and Outlook revised from 'Stable') Short Term Rating: CRISIL A2+ (Rating and Outlook reaffirmed).

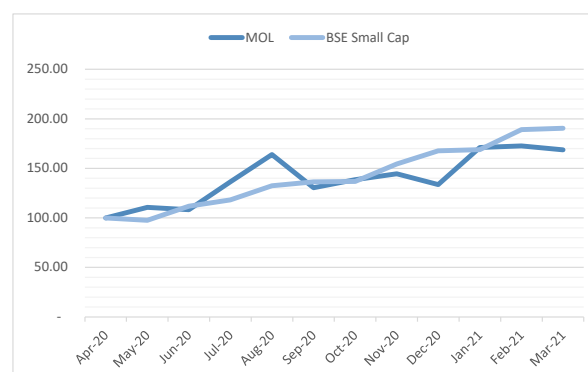
3. Market Price Data

The market price data and the volume of your Company's shares traded on BSE during the year ended March 31, 2021 are as follows:

Month	Mangalam Organics Share Price on BSE		
	High (₹)	Low (₹)	Average Volume (Nos)
Mar-21	308.45	179.95	2,86,707
Feb-21	346.60	272.10	1,66,488
Jan-21	356.60	290.00	1,34,848
Dec-20	465.35	338.20	4,59,060
Nov-20	614.05	410.00	8,18,039
Oct-20	569.00	399.70	4,03,017
Sep-20	505.50	385.05	5,44,508
Aug-20	464.45	391.00	1,96,409
Jul-20	452.75	360.00	3,11,925
Jun-20	582.00	408.00	7,39,033
May-20	624.40	488.00	6,25,407
Apr-20	561.00	464.60	3,05,300

4. Performance of Mangalam Organics Limited (MANORG) Scrip in Comparison to S&P BSE Small Cap Sensex

Movement of Mangalam organics Limited vs. S&P BSE Small Cap Sensex





5. Distribution of Shareholding as on 31st March, 2021

Description	Shareholders	% to Total	Shareholding in ₹	% of share-holding to total
1 to 5000	13645	95.0341	1,17,76,360	13.7503
5001 to 10000	376	2.6187	28,85,500	3.3692
10001 to 20000	174	1.2119	25,87,790	3.0216
20001 to 30000	60	0.4179	15,39,230	1.7972
30001 to 40000	30	0.2089	10,85,070	1.2669
40001 to 50000	17	0.1184	7,56,810	0.8837
50001 to 100000	23	0.1602	17,37,820	2.0291
100001 to 9999999999	33	0.2298	6,32,75,820	73.882
Total	14,358	100.000	8,56,44,400	100.000

6. Shareholding pattern as on March 31, 2021

Category code	Category of Shareholder	No. of shares held at the end of the year			
		Demat	Physical	Total	% of Total Shares
(A)	Promoters				
1	Indian				
(a)	Individuals/ Hindu Undivided Family	2700953	-	2700953	31.54
(b)	Central Govt(s)	-	-	-	-
(c)	State Govt(s)	-	-	-	-
(d)	Bodies Corporate	-	-	-	-
(e)	Banks / FI	-	-	-	-
(f)	Any Others(Specify)	2001849	-	2001849	23.37
(e-ii)					
	Sub Total(A)(1)	4702802	-	4702802	54.91
2	Foreign				
(a)	NRIs – Individuals	-	-	-	-
(b)	Other Individuals	-	-	-	-
(c)	Bodies Corporate	-	-	-	-
(d)	Banks / FI	-	-	-	-
(e)	Any Others(Specify)	-	-	-	-
	Sub Total(A)(2)	-	-	-	-
	Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	4702802	-	4702802	54.91
(B)	Public shareholding				
1	Institutions				
(a)	Mutual Funds	-	-	-	-
(b)	Banks / FI	-	-	-	-
(c)	Central Govt(s)	-	-	-	-
(d)	State Govt(s)	-	-	-	-
(e)	Alternate Investment Funds	-	-	-	-
(f)	Insurance Companies	-	-	-	-
(g)	FIs	-	-	-	-

Category code	Category of Shareholder	No. of shares held at the end of the year			
		Demat	Physical	Total	% of Total Shares
(h)	Any Other (specify)	-	-	-	-
	Sub-Total (B)(1)				
2	Non-institutions				
(a)	Bodies Corporate	-	-	-	-
(i)	Indian	-	-	-	-
(ii)	Overseas	-	-	-	-
(b)	Individuals	-	-	-	-
(i)	Individual shareholders holding nominal share capital up to Rs 2 lakh	1913123	315600	2228723	26.02
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 2 lakh.	690459	-	690459	8.06
(c)	Others (specify)				
(i)	Clearing Members	19902	-	19902	0.23
(ii)	HUF	91446	-	91446	1.07
(iii)	NRI / OCBs	75938	62600	138538	1.62
(iv)	Body Corporates	66542	3700	70242	0.82
(v)	IEPF A/C	467828	-	467828	5.46
(vi)	LLP	154500	-	154500	1.80
	Sub-Total (B)(2)	3479738	381900	3861638	45.09
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	3479738	381900	3861638	45.09
	TOTAL (A)+(B)	8182540	381900	8564440	100.00
(C)	Shares held by Custodians for GDRs & ADRs	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	8182540	381900	8564440	100.00

7. Status of dematerialisation of shares

As on March 31, 2021, all except 381900 equity shares of the Company are held in dematerialised form. The breakup of the equity shares held in dematerialised and physical form as on March 31, 2021 is as follows:

Particulars	No. of Shares	Percent of Equity (%)
NSDL	7045737	82.27
CDSL	1136803	13.27
Physical	381900	4.46
Total	85,64,440	100

8. Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit is

carried out every quarter and the report thereon is submitted to the Stock Exchanges. The report, inter alia, confirms that the number of shares issued, listed on the Stock exchanges and that held in demat and physical mode are in agreement with each other.

9. Unclaimed Dividend

As on March 31, 2021 following amounts of dividends remained unclaimed and liable to transfer to Investor Education and Protection Fund (IEPF):

Financial year	Amount (in ₹)	Transferred to IEPF	Date of Transfer to IEPF
FY 2009-10	5,36,401	Yes	October 24, 2017
FY 2010-11	5,55,157	Yes	November 02, 2018
FY 2011-12	-	-	-
FY 2012-13	-	-	-
FY 2013-14	-	-	-



FY 2014-15	-	-	-
FY 2015-16	-	-	-
FY 2016-17	-	-	-
FY 2017-18	3,81,814	No	-
FY 2018-19	2,67,578	No	-
FY 2019-20	2,72,771	No	-

In accordance with Section 125 of the Companies Act, 2013, the amounts of dividend that remained unpaid or unclaimed for a period of seven years has been transferred to the Investor Education and Protection Fund ('IEPF') established by the Central Government.

In accordance with sub-section 6 of Section 124 of the Companies Act, 2013, all the shares in respect of which dividend has not been paid or claimed for seven consecutive years will be transferred to IEPF. The members can claim the transfer of such shares from IEPF in accordance with the procedure and on submission of the documents as prescribed from time to time.

Members can claim the unclaimed dividend from the Company before transfer to the IEPF by making their claim to the Company at its administrative office or by contacting the Registrar and Transfer Agents. It may be noted that no claim shall lie against the Company in respect of amounts of dividends remaining unpaid or unclaimed for a period of seven years after being transferred to the IEPF. After transfer of such amounts to the IEPF, the member can claim their amounts from IEPF.

In accordance with Rule 3 of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with the companies) Rules, 2012, the details of unclaimed/ unpaid amount of dividends as of the date of last Annual General Meeting have been uploaded on the website of the Company.

10. Address for correspondence

For query relating to financial statements / investor relations, please contact:

Mangalam Organics Limited

812/813, Tulsiani Chambers, Free Press Journal Marg, 212, Nariman Point, Mumbai- 400 021, Maharashtra.

Email- cs@mangalamorganics.com

Phone: +91-(22)-49204089

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: July 20, 2021

DECLARATION ON CODE OF CONDUCT

This is to certify that your Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management Personnel and that the same has been hosted on the Company's website. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the FY 2020-21.

Mumbai, July 20, 2021

Sd/-

Pannkaj Dujodwala
Managing Director

CERTIFICATE FROM CEO AND CFO

[Certificate under Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

This is to certify that, we have reviewed audited financial statements and the cash flow statement for the quarter and year ended 31st March, 2021 and that to the best of our knowledge and belief that:

1. the said financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. the said 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.
3. no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
4. the Company has established and is maintaining internal controls for financial reporting and on this basis we have evaluated the effectiveness of internal control systems 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 we are aware and the steps have been taken or propose to be taken to rectify these deficiencies.
5. we have indicated to the auditors and the Audit committee:
 - a. significant changes in internal control over financial reporting during the year;
 - b. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. 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.

Sd/-

Mr. Shrirang V Rajule

Chief Financial Officer

Mumbai, May 27, 2021

Sd/-

Mr. Sanjay Bhardwaj

Chief Executive Officer



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 of

Mangalam Organics Limited

Kumbhivali Village, Savroli Kharpada Road,

Taluka Khalapur, Khopoli 410202

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Mangalam Organics Limited** having **CIN L24110MH1981PLC024742** and having registered office at Kumbhivali Village, Savroli Kharpada Road, Taluka Khalapur, Khopoli 410202 (hereinafter referred to as 'the Company'), produced before me/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 my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 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 by any other regulatory authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Sharad Kumar Saraf	00035843	29/01/2011
2	Mr. Rajkumar Subhakaran Jatia	00136303	27/05/2010
3	Mr. Kamalkumar Ramgopal Dujodwala	00546281	03/07/1981
4	Mr. Pannkaj Dujodwala	00546353	03/06/1987
5	Mr. Shree Narayan Baheti	01760198	14/08/2017
6	Mrs. Manisha Agarwal	00441841	20/03/2020

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 **Yogesh Sharma & Co.**

Date: July 20, 2021

Place: Mumbai

UDIN: A033235C000639511

Yogesh M. Sharma

Proprietor

ACS 33235

C.P. 12366

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

The Members of

Mangalam Organics Limited

We have examined all the relevant records of Mangalam Organics Limited (“the Company”) for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 (except Regulation 21), clauses (a) to (r) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) for the financial year ended on 31st March, 2021. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation process adopted by Company for ensuring the compliance of the conditions of Corporate Governance. This certificate is neither an assurance as to the future viability of the Company nor the efficacy of effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid SEBI Listing Regulations.

For NGST & Associates

Chartered Accountants

(Registration No. 135159W)

Sd/-

(Bhupendra Gandhi)

Partner

Membership No. 122296

Place: Mumbai

Dated: July 20, 2021



INDEPENDENT AUDITOR'S REPORT

To the Members of Mangalam Organics Limited Report on audit of the Financial Statements

Opinion

We have audited the accompanying **standalone** financial statements of **Mangalam Organics Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and total comprehensive income (comprising of profit and comprehensive income), 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 Act 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.

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.

We have nothing to report in this regard.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the "Management Discussion and Analysis" and "Director's 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.

Responsibility of Management and Those Charged with Governance 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 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 implementation and maintenance of 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 standalone 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 Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the 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:

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



- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the Directors as on 31st March, 2021 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2021 from being appointed as a Director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
- g) 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:
1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24 to the financial statements;
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.
- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For NGST & Associates

Chartered Accountants

Firm Regn. No 135159W

Sd/-

Bhupendra S Gandhi

Partner

M. No. 122296

UDIN - 21122296AAAACT5130

Place: Mumbai

Date: May 27, 2021

ANNEXURE - A TO AUDITOR'S REPORT

(Referred to our report of even date)

The Annexure referred to in our Independent Auditors' Report to the members of Mangalam Organics Limited ("the Company") on the Financial Statements for the year ended 31st March, 2021, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) According to the information and explanation given to us, all the fixed assets have been physically verified by the management during the year and we are informed that the management on such verification has noticed no material discrepancies. In our opinion the frequency of verification is reasonable.
(c) The title deeds of immovable properties are held in the name of the Company except that they are mortgaged to bank as per the report given by the external valuer during the year and as per the management and we have relied upon the same.
- ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
(b) As explained to us, there is no material discrepancy noticed on physical verification of inventory as compared to book records.
- iii) (a) In our opinion and according to the information and explanation given to us the Company has not granted any secured or unsecured loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore clause iii b and iii c are not applicable.
- iv) In our opinion and according to the information and explanation provided to us in respect of loans, investments, guarantees and security, the provisions of section 185 and 186 of the Companies Act 2013 have been complied with.
- v) In our opinion and according to the information and explanation given to us by the management, the Company has not accepted any deposit from the public and therefore the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable.
- vi) The Central Government has prescribed maintenance of the cost records under sub section (1) of section 148 of the Companies Act, 2013 in respect to the Company's products. We have broadly reviewed the books of accounts & records maintained by the Company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made & maintained. We have however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii) (a) According to the records of the Company, undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, custom duty and goods and service tax and other material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities and no undisputed amounts payable in respect of these were outstanding, at the year end, for a period of more than six months from the date they became payable.
(b) According to the information and explanation given to us, there are no dues outstanding of income-tax, sales-tax, service tax, customs duty, excise duty and cess on account of any dispute.
- 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 dues to financial institutions or banks. Further, the Company has not issued any debenture.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). As per the information and explanation given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- x) During the course of our examination of the books and records of the Company and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the Company or any fraud on the Company by its officers or employees, which has been noticed or reported during the current year, nor we have been informed of such case by the management.
- xi) According to the information and explanations give 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 by the applicable accounting standards.
- xiv) This clause is not applicable since the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) The Company has not entered into non-cash transactions with Directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For NGST & Associates**Chartered Accountants****Registration No. 135159W****Sd/-****Bhupendra Gandhi****Partner****M. Ship No. 122296****UDIN - 21122296AAAAC5130**

Place: Mumbai

Date: May 27, 2021

ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Mangalam Organics Limited ('the Company'), as of 31 March 2021, 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 authorisations of management and Directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the 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, 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 2021, 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 NGST & Associates
Chartered Accountants
Registration No. 135159W

Sd/-

Bhupendra Gandhi

Partner

M. Ship No. 122296

UDIN - 21122296AAAACT5130

Place: Mumbai

Date: May 27, 2021

BALANCE SHEET

as at 31st March 2021

Particulars	Note No	As at 31st March, 2021 (₹)	As at 31st March, 2020 (₹)
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	1	1,20,57,64,922	1,01,82,52,844
(b) Capital work-in-progress	1	-	3,45,30,150
(c) Financial Assets			
(i) Investments	2.1	10,25,000	25,000
(ii) Loans	2.2	27,22,025	2,57,25,644
(iii) Other financial assets	2.3	16,19,257	15,87,175
		1,21,11,31,204	1,08,01,20,813
(2) Current assets			
(a) Inventories	3	1,06,12,99,337	64,71,28,935
(b) Financial Assets			
(i) Trade receivables	4.1	34,43,59,802	31,31,72,216
(ii) Cash and cash equivalents	4.2	1,04,31,310	64,73,616
(iii) Bank balances & other than (iii) above	4.3	33,35,31,480	4,35,080
(iv) Other financial assets	4.4	14,81,470	55,68,804
(v) Current tax assets (net)	4.5	1,57,98,878	1,02,71,059
(c) Other current assets	5	13,56,15,655	8,57,29,115
		1,90,25,17,932	1,06,87,78,825
Total Assets		3,11,36,49,136	2,14,88,99,638
EQUITY AND LIABILITIES			
Equity	6		
(a) Equity Share capital	A)	8,56,44,400	8,56,44,400
(b) Other Equity	B)	2,43,19,88,370	1,59,33,44,295
		2,51,76,32,770	1,67,89,88,695
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	7	-	8,81,55,255
(b) Provisions	8	2,51,43,911	2,61,73,088
(c) Deferred tax liabilities (Net)	9	3,50,97,868	3,03,84,599
		6,02,41,779	14,47,12,942
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	23,91,27,277	8,59,97,520
(ii) Trade payables	11	24,11,75,134	11,39,18,566
(iii) Other financial liabilities	12	41,57,061	2,81,32,907
(b) Other current liabilities	13	4,13,82,134	9,23,51,730
(c) Provisions	14	99,32,981	47,97,278
(d) Current Tax Liabilities (Net)	15	-	-
		53,57,74,587	32,51,98,001
Total Equity and Liabilities		3,11,36,49,136	2,14,88,99,638

Notes forming integral part of the financial statements

As per our report of even date attached

NGST & Associates

Chartered Accountants

FRN: 135159W

Sd/-

Bhupendra Gandhi

Partner

Mem. No. 122296

Place: Mumbai

Dated: May 27, 2021

For and on behalf of Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Heena Tank

Company Secretary



STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2021

	Particulars	Note No.	Year ended 31st March, 2021 (₹)	Year ended 31st March, 2020 (₹)
I	Revenue from Operations	16	3,38,26,46,398	3,74,52,43,571
II	Other Income	17	1,04,89,808	1,02,89,005
III	TOTAL INCOME (I+II)		3,39,31,36,206	3,75,55,32,576
IV	Expenses			
	Cost of materials consumed	18	1,47,12,23,776	2,09,70,41,366
	Purchases of Stock-in-trade	19	3,85,34,251	4,00,44,259
	Changes in inventories of finished goods and work-in-progress	20	(27,59,86,017)	(4,68,36,017)
	Employee benefits expenses	21	26,91,35,724	25,46,05,784
	Finance costs	22	1,00,17,620	5,21,90,022
	Depreciation and amortization expense		13,53,42,537	8,97,35,120
	Other expenses	23	60,09,80,799	53,70,35,965
	TOTAL EXPENSES (IV)		2,24,92,48,690	3,02,38,16,499
V	Profit/ (Loss) before exceptional items and tax (III - IV)		1,14,38,87,516	73,17,16,077
VI	Exceptional Items		-	(10,25,95,500)
VII	Profit/(loss) before tax (V-VI)		1,14,38,87,516	62,91,20,577
VIII	Tax expense:			
	(1) Current tax		29,00,00,000	14,78,78,496
	(2) Deferred tax		42,18,534	18,76,228
IX	Profit/(loss) for the period (VII-VIII)		84,96,68,982	47,93,65,852
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	Remeasurment of defined benefit plan		(19,65,732)	(30,08,300)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(4,94,735)	(7,57,129)
	- Defined benefit plans		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Total Comprehensive Income for the period (IX + X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		84,72,08,515	47,56,00,424
XII	Earnings per equity share:			
	(1) Basic and Diluted		98.92	55.53

Notes forming integral part of the financial statements

As per our report of even date attached

NGST & Associates

Chartered Accountants

FRN: 135159W

Sd/-

Bhupendra Gandhi

Partner

Mem. No. 122296

Place: Mumbai

Dated: May 27, 2021

For and on behalf of Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Heena Tank

Company Secretary

STANDALONE CASH FLOW STATEMENT

for the year ended 31st March 2021

Particulars	As at	
	31st March, 2021 (₹)	31st March, 2020 (₹)
A. Cash flow from operating activities :		
Net profit before tax	1,14,19,21,784	62,91,20,577
Adjustment For :		
Depreciation	13,53,42,537	8,97,35,120
Interest Income	(68,44,083)	(90,619)
Dividend received	(9,349)	(4,375)
Interest paid	1,00,17,620	5,21,90,022
Loss on sale of fixed assets	-	2,10,759
Operating profit before working capital changes	1,28,04,28,509	77,11,61,484
Adjustment For :		
Trade & other receivables	(38,71,11,655)	25,81,52,699
Inventories	(41,41,70,402)	1,69,16,272
Trade and other payables	8,03,90,186	5,76,04,480
Cash generated from operations	55,95,36,638	1,10,38,34,935
Income tax paid	(29,55,27,819)	(17,05,02,991)
Net cash generated from operating activities - I	26,40,08,819	93,33,31,944
B. Cash flow from investing activities :		
Payments for property, plant and equipment	(29,03,86,153)	(59,30,82,074)
Interest income	68,44,083	90,619
Dividend received	9,349	4,375
Proceeds from property, plant and equipment	20,65,000	-
Purchase of non current investments	(10,00,000)	-
Net cash used in investing activities- II	(28,24,67,721)	(59,29,87,080)
C. Cash flow from financing activities		
Proceeds/(Repayment) form/of short term borrowings	12,91,53,910	(32,22,34,428)
Utilised for buy-back of shares	-	-
Dividend and dividend distribution tax paid	(85,64,440)	(1,00,60,819)
(Repayment)/ proceed of/ from long term borrowings Interest paid	(8,81,55,255)	2,53,10,259
Interest paid	(1,00,17,620)	(5,21,90,022)
Net cash used in financing activities - III	2,24,16,595	(35,91,75,010)
Net increase in cash and cash equivalents	39,57,694	(1,88,30,146)
Opening balance of cash & cash equivalents	64,73,616	2,53,03,763
Closing balance of cash & cash equivalents	1,04,31,310	64,73,616

Notes:

- Cash & cash equivalents represents cash and bank balances.
- Figures in brackets represents cash outflow.

As per our report of even date attached

NGST & Associates
Chartered Accountants
FRN: 135159W

Sd/-
Bhupendra Gandhi
Partner
Mem. No. 122296

Place: Mumbai
Dated: May 27, 2021

For and on behalf of Board of Directors

Sd/-
Kamalkumar Dujodwala
Chairman
DIN- 00546281

Sd/-
Shrirang V. Rajule
Chief Financial Officer

Sd/-
Pannkaj Dujodwala
Managing Director
DIN- 00546353

Sd/-
Heena Tank
Company Secretary

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2021

1. Property, Plant & Equipment and Intangible Assets

(Amount in ₹)

Particular	Freehold Land	Residential Colony	Office Premises	Building	Plant & Machinery	Computer	Furniture & Fixture	Vehicle	Office Equipment	Total
Gross Carrying value as on 01.04.2020	1,56,83,087	62,99,533	3,66,131	15,25,34,259	1,51,88,83,539	84,13,302	2,84,61,729	4,43,65,037	1,11,60,211	1,78,61,66,828
Additions	-	-	-	2,08,93,528	29,45,70,203	6,32,357	61,17,876	57,315	26,45,024	32,49,16,303
Deletions	-	-	-	-	20,65,000	-	-	35,75,235	-	56,40,235
Ind AS adjustments	-	-	-	-	-	-	-	-	-	-
Gross Carrying value as on 31.03.2021	1,56,83,087	62,99,533	3,66,131	17,34,27,787	1,81,13,88,742	90,45,659	3,45,79,605	4,08,47,117	1,38,05,235	2,10,54,42,896
Accumulated depreciation as on 01.04.2020	-	33,28,672	3,29,502	7,02,89,747	64,45,85,020	78,27,085	68,72,136	2,56,44,456	90,37,367	76,79,13,984
Depreciation charge for the year	-	1,88,283	8,943	51,78,058	11,90,15,645	2,51,891	30,04,104	52,41,923	24,53,690	13,53,42,537
Depreciation on deletion	-	-	-	-	-	-	-	35,78,547	-	35,78,547
Accumulated depreciation as on 31.03.2021	-	35,16,955	3,38,445	7,54,67,805	76,36,00,665	80,78,976	98,76,240	2,73,07,832	1,14,91,057	89,96,77,974
Net Book Value:-	-	-	-	-	-	-	-	-	-	-
At 31st March 2021	1,56,83,087	27,82,578	27,686	9,79,59,982	1,04,77,88,077	9,66,683	2,47,03,365	1,35,39,285	23,14,178	1,20,57,64,922
At 31st March 2020	1,56,83,087	29,70,861	36,629	8,22,44,512	87,42,98,519	5,86,217	2,15,89,593	1,87,20,581	21,22,844	1,01,82,52,844

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2021

2.1 Non current investment

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in Equity Shares		
Unquoted - carried at FVTPL		
a) Equity instrument of subsidiary Company		
- 10,000 shares of Campure Private Limited	10,00,000	-
b) 2500 shares of Saraswat Co-Op Bank Ltd.	25,000	25,000
Total	10,25,000	25,000
Aggregate value of unquoted investments	10,25,000	25,000

2.2 Loans

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Carried at amortised cost, unless otherwise stated)		
(Unsecured, considered good)		
Security deposits	27,22,025	2,57,25,644
Total	27,22,025	2,57,25,644

2.3 Other non-current financial asset

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed deposits with remaining maturity for more than 12 months	16,19,257	15,87,175
Total	16,19,257	15,87,175
Held for margin against letter of credit and bank guarantees		

3 Inventories

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw materials	38,10,67,298	25,63,64,094
Work-in-progress	16,77,02,704	20,81,17,229
Finished goods	45,31,16,766	13,66,16,044
Stores and spares	3,90,50,099	3,04,27,057
Power & fuel	66,53,494	53,90,926
Packing materials	1,37,08,976	1,01,13,405
Stock in trade	-	1,00,180
Total	1,06,12,99,337	64,71,28,935



NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2021

4.1 Trade receivables

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade receivable from others	34,56,10,780	31,44,23,194
Less: Allowance for doubtful debts	(12,50,978)	(12,50,978)
Total	34,43,59,802	31,31,72,216
Break up of security details		
Unsecured, considered good	34,43,59,802	31,31,72,216
Doubtful	12,50,978	12,50,978
Total	34,56,10,780	31,44,23,194

Trade receivables with a carrying amount of ₹ 34,56,10,780 (March 31, 2020: ₹ 31,44,23,194) have been pledged as security against current bank borrowings.

4.2 Cash & cash equivalents

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash and Cash Equivalents		
Balances with Banks		
In Current Account	1,00,53,918	60,71,867
Cash on Hand	3,77,392	4,01,749
Total	1,04,31,310	64,73,616

4.3 Bank Balance and other Cash & Cash equivalents

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance in unpaid dividend account	4,35,080	4,35,080
Fixed deposits with remaining maturity for less than 12 months	33,30,96,400	-
Total	33,35,31,480	4,35,080

*There are no amounts due or outstanding to transfer in Investor Education Fund Account.

4.4 Other Financial Assets

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Insurance Claim Receivable	14,81,470	-
Advance to Staff	-	55,68,804
Total	14,81,470	55,68,804

4.5 Current tax assets (net)

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance income tax & TDS (net of provision for tax)	1,57,98,878	1,02,71,059
Total	1,57,98,878	1,02,71,059

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2021

5 Other Current Assets

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance to Suppliers	10,04,65,921	7,29,09,563
Balance with Revenue Authorities	3,30,25,920	87,92,692
Prepaid Expenses	7,63,530	37,45,414
Other Advance	13,60,284	2,81,446
Total	13,56,15,655	8,57,29,115

6 Equity

(A) Equity Share Capital

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised		
12,000,000 (As at 31st March, 2020: 12,000,000) Equity Shares of Rs 10 each	12,00,00,000	12,00,00,000
Issued, Subscribed and Paid up		
85,64,440 (As at 31st March, 2020: 85,64,440) Equity Shares of Rs 10 each	8,56,44,400	8,56,44,400
Total	8,56,44,400	8,56,44,400

6.1 Reconciliation of equity shares outstanding at the beginning and end of the year

(Amount in '₹')

Issued, subscribed and paid up share capital	As at 31st March, 2021	As at 31st March, 2020
Balance as at 1st April	85,64,440	85,64,440
Add / (Less): Changes during the year	-	-
Balance as at 31st March	85,64,440	85,64,440

6.2 Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having par value of Re. 10/- each (PY. ₹ 10/- each). Holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

6.3 Shares held by shareholders each holding more than 5% of the shares

As at 31st March 2021

Shareholders	No. of shares	% of holding
Indo Euro Securities Ltd.	18,29,417	21.36
Manisha Dujodwala	8,53,250	9.96
Akshay Dujodwala	8,07,965	9.43
Alka Dujodwala	5,78,790	6.76



NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2021

As at 31st March 2020

Shareholders	No. of shares	% of holding
Indo Euro Securities Ltd.	18,29,417	21.36
Manisha Dujodwala	8,53,250	9.96
Akshay Dujodwala	8,07,965	9.43
Alka Dujodwala	5,78,790	6.76

(B) Other Equity

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
General Reserve	1,49,91,838	1,49,91,838
	1,49,91,838	1,49,91,838
Surplus/(Deficit) in the Statement of Profit and Loss		
- Opening Balance	1,57,83,52,457	1,11,28,12,852
- Total Comprehensive Income for the Period	84,72,08,515	47,56,00,424
- Less : Utilised for buy-back of shares	-	-
- Less : Dividend paid	85,64,440	85,64,440
- Less : Dividend distribution tax	-	14,96,379
	2,41,69,96,532	1,57,83,52,457
Total	2,43,19,88,370	1,59,33,44,295

7 Non -Current borrowings

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Carried at amortised cost, unless otherwise stated)		
Secured Loans - From Bank		
Corporate Loan- Saraswat Bank	-	7,71,88,586
Vehicle Loan	-	1,09,66,669
[Vehicle loan is secured against vehicles financed]		
Total	-	8,81,55,255

Refer note 11 below for securities

8 Provisions

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits		
Provision for Gratuity	2,13,44,100	2,27,10,025
Provision for Leave Encashment	37,99,811	34,63,063
Total	2,51,43,911	2,61,73,088

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2021

9 Deferred tax liabilities (Net)

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Tax effect of items constituting deferred tax liability		
Depreciation	4,41,52,089	3,84,39,239
On account of provision for diminution in value of non- current investment	-	-
Remeasurement of defined benefit plan- OCI	-	-
Total DTL	4,41,52,089	3,84,39,239
Tax effect of items constituting deferred tax assets		
Provision for doubtful debts and employee benefits	90,54,221	80,54,640
Total DTA	90,54,221	80,54,640
Net (DTA) / DTL	3,50,97,868	3,03,84,599
Total	3,50,97,868	3,03,84,599

10 Short Term Borrowings

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Loan Repayable on Demand - From Bank		
Buyers Credit, pre-shipment / post shipment credit	13,13,96,750	1,61,95,418
Cash Credit- The Saraswat Co-Op.Bank Ltd	10,26,98,716	3,86,21,933
Cash Credit- Axis Bank Limited	50,31,811	3,11,80,169
[All the above working capital facilities are secured against all the current assets (present and future) of the Company].		
Term loan is secured against first charge on the present and future fixed assets of the Company (Land & Building, Plant & Machinery)		
Secured against equitable mortgage of factory land & building at Kumbhivali village, Savroli Kharpada Road, Taluka Khalapur, Khopoli-410202, Dist: Raigad, and hypothecation of Plant and Machinery.		
(These facilities are further secured by Personal guarantee of Mr. Kamal Dujodwala, Chairman & Mr. Pannkaj Dujodwala, Managing Director of the Company.		
Total	23,91,27,277	8,59,97,520

11 Trade payables

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Micro and Small Enterprises	-	-
Creditors other than Micro and Small Enterprises	24,11,75,134	6,35,88,897
Creditors for Expenses	-	5,03,29,669
Total	24,11,75,134	11,39,18,566



NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2021

12 Other financial liabilities

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current liabilities of long term borrowings	41,57,061	2,81,32,907
Total	41,57,061	2,81,32,907

13 Other current liabilities

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance from customers	2,77,62,888	4,17,33,518
Other Liabilities	61,15,528	1,37,72,928
Statutory Payables		
GST/Sales Tax payable	-	2,84,47,968
TDS payable	59,20,508	70,86,111
Other statutory dues payable	15,83,210	13,11,205
Total	4,13,82,134	9,23,51,730

14 Provisions

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Gratuity	95,80,241	45,79,431
Leave Encashment	3,52,740	2,17,847
Total	99,32,981	47,97,278

15 Current tax liabilities (net)

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provisions for Income Tax (Net of Advance Tax)	-	-
Total	-	-

16 Revenue From Operations

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
(a) Sale of Products/ Services:		
- Local Sales	3,05,59,36,183	3,34,64,04,089
- Export Sales	28,21,52,447	34,48,73,260
- Trading Sales	4,45,57,768	5,39,66,222
Total Revenue from operations	3,38,26,46,398	3,74,52,43,571

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2021

17 Other Income

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
- Dividend Income on Non-Current investments	9,349	4,375
- Miscellaneous Income	36,36,376	1,01,94,011
- Interest Income		
- Others- carried at amortised cost	68,44,083	90,619
Total	1,04,89,808	1,02,89,005

18 Cost of material consumed

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Inventory at the beginning of the year	25,63,64,094	34,40,19,936
Add: Purchase	1,59,59,26,980	2,00,93,85,524
Less: Inventory at the end of the year	38,10,67,298	25,63,64,094
Total Cost of materials consumed	1,47,12,23,776	2,09,70,41,366

19 Purchase of stock-in-trade

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Trading Purchase	3,85,34,251	4,00,44,259
Total	3,85,34,251	4,00,44,259

20 Changes in inventories of finished goods and work in progress

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Closing stock		
Work-in-progress	16,77,02,704	20,81,17,229
Finished goods	45,31,16,766	13,66,16,044
Stock in trade	-	1,00,180
Opening stock		
Work-in-progress	20,81,17,229	6,23,64,280
Finished goods	13,66,16,044	23,55,32,976
Stock in trade	1,00,180	1,00,180
Total	(27,59,86,017)	(4,68,36,017)

21 Employee benefit expenses

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Salaries, wages and bonus	25,25,76,314	23,54,63,384
Contribution to provident and other funds	69,68,782	70,25,444
Gratuity & Leave expenses	29,80,954	60,28,557
Staff welfare expenses	66,09,674	60,88,399
Total	26,91,35,724	25,46,05,784



NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2021

22 Finance cost

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Interest expenses	59,58,743	4,85,04,242
Bank charges	40,58,877	36,85,780
Total	1,00,17,620	5,21,90,022

23 Other expenses

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Manufacturing expenses:		
Consumption of stores and spare parts	3,52,50,526	3,60,98,103
Power and fuel	16,74,68,750	16,30,58,112
Consumption of packing materials	8,02,06,260	7,09,78,473
Boiler and plant expenses	44,09,091	51,48,688
Repairs and Maintenance:		
- Building & others	7,29,76,364	1,70,18,256
- Machinery	3,85,25,559	6,32,75,652
Administrative and selling expenses:		
Insurance	1,22,36,266	96,44,508
Rates and taxes	1,73,87,381	51,53,569
Director sitting fees	24,000	24,000
Legal and professional fees	1,74,86,902	3,41,12,393
Miscellaneous expenses	5,82,72,988	5,25,76,763
Payment to auditor:		
As auditors:		
- Audit fee	5,50,000	4,50,000
- Tax audit fees	-	1,00,000
In other capacity:		
- Other services (certification fees)	-	-
Freight and forwarding charges	6,50,45,841	4,69,94,685
Loss on sales of fixed assets	-	2,10,759
Corporate Social Responsibility Exp	1,21,99,617	90,00,000
Security Charges	71,55,224	71,31,298
Travelling & Conveyance Expenses	84,90,288	1,49,70,427
Exchange rate difference (Net)	32,95,743	10,90,279
Total	60,09,80,799	53,70,35,965

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2021

NOTE TO ACCOUNTS

24. Contingent liabilities - Not provided for in respect of

I.

	31st March 2021 (₹)	31st March 2020 (₹)
Bank Guarantee	2,92,37,320	2,94,37,320

Bank guarantees issued by banks on behalf of the Company ₹ 292.37 Lakhs (Previous Year ₹ 294.37 Lakhs). These are secured by the charge created in favour of the Company's bankers by way of pledge of Fixed Deposit Receipts.

II. Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for ₹ NIL (P.Y. ₹ NIL)

III. Letter of credit issued by the bankers of the Company ₹ 15,44,45,006/- (P.Y. ₹ 6,67,73,744/-)

IV. The Company has cleared 19 MT of Pentaerythritol against Bill of Entry No. 616414 dated 20.10.2005. The custom department had asked the Company to pay ₹ 2,16,772/- on account of Anti Dumping Duty for clearance of the said goods as per Notification No. 93/2005 of customs issued on 20.10.2005 wherein the said goods were covered for levy of anti dumping duty imported from certain countries. The Company has deposited the said amount on 25.11.2008 as per CESTAT order No. S/603/WAB/MUM/2008/CSTB/CII dated 20.10.2008, but no provision has been made in books of accounts as the management is of the view that the consignment will not be covered under the notification, as on date of clearance of the goods the notification was not published in Gazette of India. Further, the said appeal has been upheld in CESTAT & remanded back to the learned adjudicating authority.

25. Segment reporting

The Company is mainly engaged in the business of Manufacturing of Chemicals. Considering the nature of business and financial reporting of Company, the Company has only one segment viz "Chemicals" product as reportable segment. The Company operates in Local/Export segment geographically of which the exports have amounted to ₹ 2,821.52 Lakhs (P.Y. ₹ 3,448.73 Lakhs) out of Total Turnover of ₹ 33,826.46 Lakhs (P.Y. ₹ 37,452.43 Lakhs). But due to the nature of business, the assets/ liabilities and expenses for these activities cannot be bifurcated separately.

26. Earnings per share (EPS)

Sl. No.	Description	31st March 2021	31st March 2020
a)	Weighted average number of equity Shares of Rs.10/- each		
	a) Number of shares at the Beginning of the year	85,64,440	85,64,440
	ii) Number of shares at the End of the year	85,64,440	85,64,440
	Weighted average number of Equity Shares – Basic	85,64,440	85,64,440
	Weighted average number of Equity Shares – Diluted	85,64,440	85,64,440
b)	Net Profit after tax available for Equity share-holders	84,72,08,515	47,56,00,424
c)	- Basic Earnings per Equity Share (in Rupees)	98.92	55.53
	- Diluted Earning per Equity Share (in Rupees)	98.92	55.53

27. Related parties' disclosure as per Ind AS-24- Related Party Disclosures "(Specified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2015.):

[A] Key Management Personal (KMP) and their Relatives.

Kamalkumar R. Dujodwala	Chairman
Pannkaj R. Dujodwala	Managing Director
Akshay Dujodwala	Son of Chairman
Mrs. Manisha P. Dujodwala	Spouse of Managing Director
Mrs. Alka K Dujodwala	Spouse of Chairman

[B] Companies /Firm controlled by Directors/Relatives who have the authority and controlling their activities.

- Balaji Pine Chemicals Ltd
- Speciality Chemicals
- Chemexcil Corporation
- Dujodwala Resin & Terpenes Ltd.
- Indo-Euro Securities Ltd.
- Dujodwala Exports Pvt. Ltd.
- Campure Private Limited
- Dujodwala Charities
- Pine Forest Products & Investment Pvt. Ltd.
- The Directors are the Key Management Personal (KMP) who has the authority and controlling the activities of the Company.



[C] Information on related party transactions as required by Ind AS-24 for the year ended 31st March 2021

Nature of transactions	Relationship	Total ₹ In Lakhs	
		2020-2021	2019-2020
Remuneration			
Kamalkumar Dujodwala	Key management personnel	300.00	300.00
Pannkaj Dujodwala	Key management personnel	300.00	300.00
Akshay Dujodwala	Key management personnel	360.00	360.00
TOTAL		960.00	960.00

Nature of Transactions	Relationship	Nature	Amount in Lakhs	
			2020-2021	2019-2020
Net Loans & Advances, Deposits given / Returned/Taken				
Dujodwala Resins & Terpenes Ltd	Associates	Rent Deposit	-	150.00
Dujodwala Resins & Terpenes Ltd	Associates	Adv. For Service charges/supply of material	-	-
Total			-	150.00

Nature of transactions	Relationship	Amount in Lakhs	
		2020-21	2019-20
Revenue from operations			
Campure Private Limited	100% subsidiary	10.30	-
Purchase from Associates			
Dujodwala Resins & Terpenes Ltd	Associates	173.63	168.91

Note:- Related party relationship is as identified by the Company and relied upon by the Auditors.

28. Disclosure in accordance with Ind AS - 19 on "Employee Benefits"

The Company has classified the various benefits provided to employees as under:-

(i) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Employers Contribution to Provident Fund	69,68,782	70,25,444

(ii) Defined Benefit Plan

Gratuity Fund:

a. Major Assumptions	For the year ended March 31, 2021	For the year ended March 31, 2020
	(% p.a.)	(% p.a.)
Discount Rate	6.50	6.60
Salary Escalation Rate	5.00	5.00
Attrition Rate	2.00	2.00

@ The estimates for the future salary increase considered takes into account the Inflation, seniority, promotion and other relevant factors.

b. Change in the Present Value of Obligation	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Opening Present Value of Obligation	2,52,85,536	2,25,27,723
Current Service Cost	23,54,623	21,60,359
Interest Cost	15,17,724	13,99,950
Benefit Paid	(1,60,289)	(18,84,289)
Past Service Cost	-	-
Actuarial Loss on Obligations	19,26,747	10,81,793
Closing Present Value of Obligation	3,09,24,341	2,52,85,536

c. Change in Fair Value of Plan Assets	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Opening Present Value of Plan Assets	-	-
Expected Return on Plan Assets	-	-
Actuarial (Loss) on Plan Assets	-	-
Contributions	-	-
Benefits paid	-	-
Closing Present Value of Plan Assets	-	-

d. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Present value of Funded Obligation as at March 31, 2021	-	-
Fair Value of Plan Assets as at March 31, 2021	-	-
Funded Status	-	-
Present Value of Unfunded Obligation as at March 31, 2021	3,09,24,341	2,52,85,536
Unfunded Net Liability Recognized in the Balance Sheet Disclosed in long term provisions	3,09,24,341	2,52,85,536

e. Amount Recognized in the Balance Sheet	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Present Value of Obligation as at March 31, 2021	3,09,24,341	2,52,85,536
Fair Value of Plan Assets as at March 31, 2021	-	-
Liability Recognized in the Balance Sheet and disclosed under provisions	3,09,24,341	2,52,85,536

f. Expenses Recognized in the Statement of Profit and Loss	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Current Service Cost	23,54,623	21,60,359
Interest Cost	15,17,724	13,99,950
Expected Return on Plan Assets	-	-
Past Service Cost	-	-
Total expenses Recognized in the Statement of Profit and Loss	38,72,347	35,60,309
Actual Return on Plan Assets	Nil	Nil

g. Other Comprehensive Income for the year	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Components of actuarial gain/losses on obligations:		
- Due to Change in financial assumptions	1,95,762	11,04,546
- Due to experience adjustments	17,30,985	(10,355)
- Due to change in demographic assumptions	-	(12,398)
- Return on plan assets excluding amounts included in interest income	-	-
Amounts recognized in Other Comprehensive Income	19,26,747	10,81,793



Sensitivity Analysis

Particulars	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Projected Benefit Obligation on Current Assumptions	3,09,24,341	2,52,85,536
Delta Effect of +0.5% Change in Rate of Discounting	-9,52,774	-7,99,319
Delta Effect of -0.5% Change in Rate of Discounting	10,20,343	8,55,008
Delta Effect of +0.5% Change in Rate of Salary Increase	9,18,860	7,49,178
Delta Effect of -0.5% Change in Rate of Salary Increase	-8,66,197	-7,07,670
Delta Effect of +0.5% Change in Rate of Employee Turnover	79,277	71,661
Delta Effect of -0.5% Change in Rate of Employee Turnover	-81,472	-73,624

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period

iii) Defined Benefit Plan for Leave Encashment Benefits

Valuation Method

The method of Valuation adopted was the Projected Unit Credit Method as specified in Ind AS-19.

Valuation Results

Actuarial Value of Leave Encashment Benefits as on 31st March, 2021 ₹ 41,52,551/-

Break-up of above:	Current Liability	₹ 3,52,740/-
	Non-Current Liability	₹ 37,99,811/-

29. Expenditure in Foreign Currency on account of

	Current Year (₹ In Lakhs)	Previous Year (₹ In Lakhs)
- Raw Material (CIF)	12834.84	17526.42
- Traveling Expenses	0.00	42.75
- Brokerage and Commission	0.00	0.00
- Consultancy Fees	2.89	0.00
- Stores and Spares	14.50	0.00

30. Earning in Foreign Currency on account of

	Current Year (₹ In Lakhs)	Previous Year (₹ In Lakhs)
Exports made on FOB Basis	2821.52	3448.73

31. The balance of Sundry Debtors, Sundry Creditors, Loans & Advances and others are shown net of advances from/to Customers/Suppliers of the same party and are as per books and subject to confirmations and reconciliation if any.
32. In the opinion of the Board and to the best of their knowledge the value of realization of current assets, loans & advances in the ordinary course of business, would not be less than the amount at which they are stated in the Balance Sheet.
33. Payments to Micro, Small and Medium Enterprises are made in accordance with the agreed credit terms and to the extent ascertained from available information, there is no overdue payable to MSME units beyond the period specified in Micro, Small and Medium Enterprises Development Act, 2006
34. The operations of the Company were impacted, due to shutdown of both the plant and the offices at various locations following lockdown imposed by the government authorities to contain spread of COVID-19 pandemic. The Company has resumed operations in a phased manner in the month of April 2020 as per the directives from the respective government authorities. The Company has evaluated the impact of this pandemic on its business operations and financial position and made an assessment of its liquidity

position for the foreseeable future and of the recoverability and carrying values of its assets as at the balance sheet date, and has concluded that there are no adjustments required in the financial statements for the year ended March 31, 2021. However, the impact assessment of COVID-19 is a continuous process given the uncertainty associated with its nature and duration.

35. Corporate Social Responsibility

Expenditure related to Corporate Social Responsibility is ₹ 121.99 Lakhs (Previous Year ₹ 82.00 Lakhs).

Details of the amount spent towards CSR for the period is given below:

Particulars	Current Year (₹ In Lakhs)	Previous Year (₹ In Lakhs)
Contribution to Vishwaniketan iMEET College-Khalapur, Dist.: Raigad for Construction of Sports Complex and playground.	60.00	0.00
Contribution paid in support to Covid-19 relief activities through Swaminarayan Temple Trust (Bocha Sanvasi Shri Charitable Trust).	10.10	0.00
Direct contribution for Star Care Cardiac Ambulance for the use of Group Gram Panchayat Kumbhivali, Dist.: Raigad for their Health Care Support.	3.40	0.00
Direct contribution paid for "Ghanta Gadi" for the use of Grampanchayat- Kumbhivali, Dist.: Raigad for their Sanitization Policy & awareness on sanitization programme.	5.34	0.00
Direct Contribution paid for COVID-19 related Medical Expenses, as Health Care Support	2.58	0.00
Direct contribution for renovation of Police Community Hall for Police Vocational Training (Promoting Vocational training and enhancing skills).	2.03	0.00
Direct contribution for Construction Open Stage in Grampanchayat Primary School (Anganwadi)- Karsundi, Dist.: Raigad (for Promoting Education)	23.49	0.00
Direct contribution for the expenditure on project and programme for Khalapur Primary Health Care Centre, Dist. Raigad for Medical Equipment's and fixtures for Health Care Support.	15.05	0.00
Contribution paid to IIT Mumbai to promote educational academic pursuit & scientific research.	0.00	82.00
Total:-	121.99	82.00

36. Income Tax Expense

a) This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by nonassessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

i) Income tax related to items recognised directly in profit or loss of the Statement of Profit and Loss:

Particulars	Year Ended March 31, 2021 (₹)	Year Ended March 31, 2020 (₹)
Current tax		
Current tax on profits for the year*	29,00,00,000	14,78,78,496
Adjustments for current tax of prior periods	-	-
Current tax (A)	29,00,00,000	14,78,78,496
Deferred tax	47,13,269	26,33,357
Decrease/(increase) in deferred tax assets#	(57,12,850)	(16,45,074)
(Decrease)/increase in deferred tax liabilities	9,99,581	42,78,431
Deferred tax (B)	47,13,269	26,33,357
Income tax expense charged to profit or loss (C) = (A) + (B)	29,47,13,269	15,05,11,853



ii) Deferred tax related to items recognized in other comprehensive income (OCI):

Particulars	Year Ended March 31, 2021 (₹)	Year Ended March 31, 2020 (₹)
Current tax		
Deferred tax on remeasurement gains/(losses) on defined benefit plan	4,94,735	7,57,129
Adjustments for current tax of prior periods -	-	-
Current tax (A)	-	-
Deferred tax	4,94,735	7,57,129

37. Previous year figures have been regrouped and reclassified to conform with current year's presentation and classification.

As per Annexed Report of Even Date

NGST & Associates

Chartered Accountants
FRN: 135159W

Sd/-

Bhupendra Gandhi

Partner

Mem. No. 122296

Place: Mumbai

Dated: May 27, 2021

For and on behalf of Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Heena Tank

Company Secretary

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2021

Corporate Information

Mangalam Organics Limited is Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number L24110MH1981PLC024742. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the business of manufacturing of **Camphor, Resin and Sodium Acetate. The Company has a strong foothold in the pine chemicals industry.** The principal place of business of the Company is at Kumbhivali, Maharashtra. The Company caters to both domestic and international markets.

Note – 1

1. Significant Accounting Policies:-

Basis of Preparation of Financial Statements:-

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Company’s presentation and functional currency is Indian Rupees (Rs.). All figures appearing the financial statements are rounded off to the Rupee, except where otherwise indicated.

1.1 Authorization of Financial Statements:-

The preparation of Company’s financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amounts of the assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets;
- Valuation of Inventories
- Measurement of Defined Benefit Obligations and actuarial assumptions;

- Provisions;
- Evaluation of recoverability deferred tax assets; and
- Contingencies.

Revisions to accounting estimates are recognised prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.2 Property, Plant and Equipment

1.2.1 Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.2.2 The initial costs of an asset comprises its purchase price or construction costs (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

1.2.3 Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

1.2.4 Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part is inventorised on procurement and charged to Statement of Profit and Loss on consumption.

1.2.5 An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is de-recognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is de-recognized.

1.2.6 The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any are accounted in line with revisions to accounting estimates.

1.2.7 Cost of assets not ready for use at the balance sheet date is disclosed under Capital Work-in-Progress. Expenditure during Construction period is included under Capital Work-in-Progress & the same is allocated to the respective Property, Plant and equipment on the completion of its Construction.



1.3. Depreciation

Depreciation on Property, Plant and Equipment are provided on straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of 5%). These useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act.

- 1.3.1 Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.
- 1.3.2 Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 1.3.3 Depreciation is charged on additions/deletions on pro-rata daily basis of addition/deletion.

1.4. Intangible Assets

- 1.4.1 Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.

1.5. Investment Property

- 1.5.1 Investment property is property (land or a building – or part of building – or both) held either to earn rental income or a capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes.
- 1.5.2 Any gain or loss on disposal of investment property calculated as the difference between the net proceeds and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

1.6. Borrowing Costs

- 1.6.1 Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.
- 1.6.2 Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

1.7. Impairment of Non-financial Assets

- 1.7.1 Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's

recoverable amount. The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

- 1.7.2 When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.8. Inventories

- 1.8.1 The cost for the purpose of valuation of goods is arrived at on FIFO basis and includes estimated Cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

The mode of valuing closing stock is as under:

- Raw Materials, Packing goods and General Stores are valued at cost or net realizable value, whichever is less, excluding CENVAT, and VAT/GST credit, by FIFO method.
- Work-in-Process is valued at raw material cost plus estimated overheads or net realizable value; whichever is less but excluding CENVAT, VAT/GST credit.
- Finished Goods valued at cost including estimated overheads or net realizable value whichever is less.

- 1.8.2 Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.9. Revenue Recognition

1.9.1 Sale of Goods

Revenue from the sale of goods is recognized when the significant risks and rewards of the ownership of the goods have passed to the buyer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, revenue and the associated costs can be estimated reliably and it is probable that economic benefits associated with the transaction will flow to the Company.

Revenue from sale of goods excludes GST and is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates, net of returns, taxes or duties collected on behalf of the government.

Export Sales are accounted for on the basis of the date of Bill of Lading.

- 1.9.2 Interest income is recognized using Effective Interest Rate (EIR) method.

1.10 Classification of Income/ Expenses

1.10.1 Incomes and expenditures are recognized on accrual basis except in case of significant uncertainty like claims payable & receivable, which have been accounted on acceptance basis. Purchases are reported of net of trade discounts, returns and GST (to the extent refundable/ adjustable)

1.11 Employee benefits

1.11.1 Short term employment benefits

Short term employee benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

1.11.2 Defined Contribution Plans

➤ **Employee's Family Pension:**

The Company has Defined Contribution Plan for Post-employment benefits in the form of family pension for all eligible employees, which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligation beyond its monthly contributions.

➤ **Provident Fund:**

The Company has Defined Contribution Plan for Post-employment benefits in the form of Provident Fund for all eligible employees; which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligations beyond its monthly contributions.

1.11.3 Defined Benefit Plans

➤ **Gratuity:**

The Company has defined benefit plan for Post-employment benefit in the form of Gratuity for all employees. Liability for above defined benefit plan is provided on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

➤ **Compensated Absences :**

Liability for Compensated Absences is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The Actuarial valuation method used for measuring the liability is the Projected Unit Credit method.

Under this method, the Defined Benefit Obligation is calculated taking into account pattern of availment of leave whilst in service and qualifying salary on the date of availment of leave. In respect of encashment of leave, the Defined Benefit obligation is calculated taking into account all types of the increment, salary growth, attrition rate and qualifying salary projected up to the assumed date of encashment.

1.11.4 Termination Benefits:

➤ Termination benefits are recognised as an expense as and when incurred.

1.11.5 The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

1.11.6 The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss.

1.11.7 Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

1.11.8 Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

1.12 Foreign Currency Transactions

1.12.1 Monetary Items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

1.12.2 Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.



1.13 Provisions, Contingent Liabilities and Capital Commitments

- 1.13.1 Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- 1.13.2 The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.
- 1.13.3 Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.
- 1.13.4 Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.14 Fair Value measurement

- 1.14.1 The Company measures certain financial instruments at fair value at each reporting date.
- 1.14.2 Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.
- 1.14.3 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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.
- 1.14.4 The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.15 Financial Assets

1.15.1 Initial recognition and measurement

Trade Receivables and debt securities issued are initially

recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.15.2 Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

1.15.3 Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (“ECL”) model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the ‘simplified approach’ at an amount equal to the lifetime ECL at each reporting date. The application of simplified approach does not require the Company to track changes in credit risk. Based on the past history and track records the Company has assessed the risk of default by the customer and expects the credit loss to be insignificant. In respect of other financial assets such as debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.16 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.17 Taxes on Income

1.17.1 Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

1.17.2 Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.18 Earnings per share

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.19 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

1.20 Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.21 Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.



INDEPENDENT AUDITOR'S REPORT

To the Members of Mangalam Organics Limited Report on audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying **consolidated** financial statements of **Mangalam Organics Limited** ("**the Company**") and its subsidiary (refer Note (1)) to the attached consolidated financial statements which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its subsidiary as at March 31, 2021, and consolidated total comprehensive income (comprising of profit and comprehensive income), consolidated changes in equity and its consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiary 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 Act 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.

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.

We have nothing to report in this regard.

Other Information

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

Our opinion on the consolidated 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.

Responsibility of Management and Those Charged with Governance for the Consolidated 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 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 implementation and maintenance of 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 consolidated 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 Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the 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 Section 143(3) of the Act, we report that:



- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the Directors as on 31st March, 2021 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2021 from being appointed as a Director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"
- g) With respect to the other matters to be included in the Auditor's Report in accordance with 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:
 1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24 to the financial statements;
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.
- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For NGST & Associates
Chartered Accountants
Firm Regn. No 135159W

Sd/-
Bhupendra S Gandhi
Partner
M. No. 122296
UDIN - 21122296AAAACU7718

Place: Mumbai

Date: May 27, 2021

ANNEXURE - A TO AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Mangalam Organics Limited ('the Company'), as of 31st March 2021, in conjunction with our audit of the consolidated 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 authorisations of management and Directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the 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, 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 2021, 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 NGST & Associates

Chartered Accountants

Registration No. 135159W

Sd/-

Bhupendra Gandhi

Partner

M. Ship No. 122296

UDIN - 21122296AAAACU7718

Place: Mumbai

Date: May 27, 2021

ANNEXURE - B TO AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Mangalam Organics Limited ('the Company'), as of 31st March 2021, in conjunction with our audit of the consolidated 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:

- (4) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (5) 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 authorisations of management and Directors of the Company; and
- (6) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the 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, 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 2021, 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 NGST & Associates

Chartered Accountants

Registration No. 135159W

Sd/-

Bhupendra Gandhi

Partner

M. Ship No. 122296

UDIN - 21122296AAAACU7718

Place: Mumbai

Date: May 27, 2021

CONSOLIDATED BALANCE SHEET

as at 31st March 2021

Particulars	Note No	As at	
		31st March, 2021 (₹)	31st March, 2020 (₹)
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	1	1,20,57,64,922	1,01,82,52,844
(b) Capital work-in-progress	1	-	3,45,30,150
(e) Financial Assets			
(i) Investments	2.1	25,000	25,000
(ii) Loans	2.2	27,22,025	2,57,25,644
(iii) Other financial assets	2.3	16,19,257	15,87,175
		1,21,01,31,204	1,08,01,20,813
(2) Current assets			
(a) Inventories	3	1,06,15,78,923	64,71,28,935
(b) Financial Assets			
(i) Trade receivables	4.1	34,43,59,802	31,31,72,216
(ii) Cash and cash equivalents	4.2	1,04,48,921	64,73,616
(iii) Bank balances & other than (iii) above	4.3	33,35,31,480	4,35,080
(iv) Other financial assets	4.4	14,81,470	55,68,804
(v) Current tax assets (net)	4.5	1,57,98,878	1,02,71,059
(c) Other current assets	5	13,56,68,280	8,57,29,115
		1,90,28,67,754	1,06,87,78,825
Total Assets		3,11,29,98,958	2,14,88,99,638
EQUITY AND LIABILITIES			
Equity	6		
(a) Equity Share capital	A)	8,56,44,400	8,56,44,400
(b) Other Equity	B)	2,43,10,98,192	1,59,33,44,295
		2,51,67,42,592	1,67,89,88,695
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	7	2,40,000	8,81,55,255
(b) Provisions	8	2,51,43,911	2,61,73,088
(c) Deferred tax liabilities (Net)	9	3,50,97,868	3,03,84,599
		6,04,81,779	14,47,12,942
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	23,91,27,277	8,59,97,520
(ii) Trade payables	11	24,11,75,134	11,39,18,566
(iii) Other financial liabilities	12	41,57,061	2,81,32,907
(b) Other current liabilities	13	4,13,82,134	9,23,51,730
(c) Provisions	14	99,32,981	47,97,278
(d) Current Tax Liabilities (Net)	15	-	-
		53,57,74,587	32,51,98,001
Total Equity and Liabilities		3,11,29,98,958	2,14,88,99,638

Notes forming integral part of the financial statements

As per our report of even date attached

NGST & Associates

Chartered Accountants

FRN: 135159W

Sd/-

Bhupendra Gandhi

Partner

Mem. No. 122296

Place: Mumbai

Dated: May 27, 2021

For and on behalf of Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Heena Tank

Company Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2021

	Particulars	Note No.	Year ended 31st March, 2021 (₹)	Year ended 31st March, 2020 (₹)
I	Revenue from Operations	16	3,38,23,66,811	3,74,52,43,571
II	Other Income	17	1,04,89,808	1,02,89,005
III	TOTAL INCOME (I+II)		3,39,28,56,619	3,75,55,32,576
IV	Expenses			
	Cost of materials consumed	18	1,47,12,23,776	2,09,70,41,366
	Purchases of Stock-in-trade	19	3,85,34,251	4,00,44,259
	Changes in inventories of finished goods and work-in-progress	20	(27,62,65,603)	(4,68,36,017)
	Employee benefits expenses	21	26,91,35,724	25,46,05,784
	Finance costs	22	1,00,17,738	5,21,90,022
	Depreciation and amortization expense		13,53,42,537	8,97,35,120
	Other expenses	23	60,18,70,858	53,70,35,965
	TOTAL EXPENSES (IV)		2,24,98,59,281	3,02,38,16,499
V	Profit/ (Loss) before exceptional items and tax (III - IV)		1,14,29,97,338	73,17,16,077
VI	Exceptional Items		-	(10,25,95,500)
VII	Profit/(loss) before tax (V-VI)		1,14,29,97,338	62,91,20,577
VIII	Tax expense:			
	(1) Current tax		29,00,00,000	14,78,78,496
	(2) Deferred tax		42,18,534	18,76,228
IX	Profit/(loss) for the period (VII-VIII)		84,87,78,804	47,93,65,852
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	Remeasurment of defined benefit plan		(19,65,732)	(30,08,300)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(4,94,735)	(7,57,129)
	- Defined benefit plans		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Total Comprehensive Income for the period (IX + X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		84,63,18,337	47,56,00,424
XII	Earnings per equity share:			
	(1) Basic and Diluted		98.82	55.53

Notes forming integral part of the financial statements

As per our report of even date attached

NGST & Associates

Chartered Accountants

FRN: 135159W

Sd/-

Bhupendra Gandhi

Partner

Mem. No. 122296

Place: Mumbai

Dated: May 27, 2021

For and on behalf of Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Heena Tank

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March 2021

Particulars	As at	
	31st March, 2021 (₹)	31st March, 2020 (₹)
A. Cash flow from operating activities :		
Net profit before tax	1,14,10,31,606	62,91,20,577
Adjustment For :		
Depreciation	13,53,42,537	8,97,35,120
Interest Income	(68,44,083)	(90,619)
Dividend received	(9,349)	(4,375)
Interest paid	1,00,17,738	5,21,90,022
Loss on sale of fixed assets	-	2,10,759
Operating profit before working capital changes	1,27,95,38,449	77,11,61,484
Adjustment For :		
Trade & other receivables	(38,71,64,280)	25,81,52,699
Inventories	(41,44,49,988)	1,69,16,272
Trade and other payables	8,03,90,186	5,76,04,480
Cash generated from operations	55,83,14,367	1,10,38,34,935
Income tax paid	(29,55,27,819)	(17,05,02,991)
Net cash generated from operating activities - I	26,27,86,548	93,33,31,944
B. Cash flow from investing activities :		
Payments for property, plant and equipment	(29,03,86,153)	(59,30,82,074)
Interest income	68,44,083	90,619
Dividend received	9,349	4,375
Proceeds from property, plant and equipment	20,65,000	-
Purchase of non current investments	-	-
Net cash used in investing activities- II	(28,14,67,721)	(59,29,87,080)
C. Cash flow from financing activities		
Proceeds/(Repayment) form/of short term borrowings	12,91,53,910	(32,22,34,428)
Utilised for buy-back of shares	-	-
Dividend and dividend distribution tax paid	(85,64,440)	(1,00,60,819)
(Repayment)/ proceed of/ from long term borrowings	(8,79,15,255)	2,53,10,259
Interest paid	(1,00,17,738)	(5,21,90,022)
Net cash used in financing activities - III	2,26,56,477	(35,91,75,010)
Net increase in cash and cash equivalents	39,75,305	(1,88,30,146)
Opening balance of cash & cash equivalents	64,73,616	2,53,03,763
Closing balance of cash & cash equivalents	1,04,48,921	64,73,616

Notes:

- Cash & cash equivalents represents cash and bank balances.
- Figures in brackets represents cash outflow.

As per our report of even date attached

NGST & Associates
Chartered Accountants
FRN: 135159W

Sd/-
Bhupendra Gandhi
Partner
Mem. No. 122296

Place: Mumbai
Dated: May 27, 2021

For and on behalf of Board of Directors

Sd/-
Kamalkumar Dujodwala
Chairman
DIN- 00546281

Sd/-
Shrirang V. Rajule
Chief Financial Officer

Sd/-
Pannkaj Dujodwala
Managing Director
DIN- 00546353

Sd/-
Heena Tank
Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2021

1. Property, Plant & Equipment and Intangible Assets

(Amount in ₹)

Particular	Freehold Land	Residential Colony	Office Premises	Building	Plant & Machinery	Computer	Furniture & Fixture	Vehicle	Office Equipment	Total
Gross Carrying value as on 01.04.2020	1,56,83,087	62,99,533	3,66,131	15,25,34,259	1,51,88,83,539	84,13,302	2,84,61,729	4,43,65,037	1,11,60,211	1,78,61,66,828
Additions	-	-	-	2,08,93,528	29,45,70,203	6,32,357	61,17,876	57,315	26,45,024	32,49,16,303
Deletions	-	-	-	-	20,65,000	-	-	35,75,235	-	56,40,235
Gross Carrying value as on 31.03.2021	1,56,83,087	62,99,533	3,66,131	17,34,27,787	1,81,13,88,742	90,45,659	3,45,79,605	4,08,47,117	1,38,05,235	2,10,54,42,896
Accumulated depreciation as on 01.04.2020	-	33,28,672	3,29,502	7,02,89,747	64,45,85,020	78,27,085	68,72,136	2,56,44,456	90,37,367	76,79,13,984
Depreciation charge for the year	-	1,88,283	8,943	51,78,058	11,90,15,645	2,51,891	30,04,104	52,41,923	24,53,690	13,53,42,537
Depreciation on deletion	-	-	-	-	-	-	-	35,78,547	-	35,78,547
Accumulated depreciation as on 31.03.2021	-	35,16,955	3,38,445	7,54,67,805	76,36,00,665	80,78,976	98,76,240	2,73,07,832	1,14,91,057	89,96,77,974
Net Book Value:-										-
At 31st March 2021	1,56,83,087	27,82,578	27,686	9,79,59,982	1,04,77,88,077	9,66,683	2,47,03,365	1,35,39,285	23,14,178	1,20,57,64,922
At 31st March 2020	1,56,83,087	29,70,861	36,629	8,22,44,512	87,42,98,519	5,86,217	2,15,89,593	1,87,20,581	21,22,844	1,01,82,52,844

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2021

2.1 Non current investment

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in Equity Shares		
Unquoted - carried at FVTPL		
a) Equity instrument of subsidiary Company		
- 10000 shares of Campure Private Limited	-	-
b) 2500 shares of Saraswat Co-Op Bank Ltd.	25,000	25,000
Total	25,000	25,000
Aggregate value of unquoted investments	25,000	25,000

2.2 Loans

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Carried at amortised cost, unless otherwise stated)		
(Unsecured, considered good)		
Security deposits	27,22,025	2,57,25,644
Total	27,22,025	2,57,25,644

2.3 Other non-current financial asset

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed deposits with remaining maturity for more than 12 months	16,19,257	15,87,175
Total	16,19,257	15,87,175

Held for margin against letter of credit and bank guarantees

3 Inventories

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw materials	38,10,67,298	25,63,64,094
Work-in-progress	16,77,02,704	20,81,17,229
Finished goods	45,31,16,766	13,66,16,044
Stores and spares	3,90,50,099	3,04,27,057
Power & fuel	66,53,494	53,90,926
Packing materials	1,37,08,976	1,01,13,405
Stock in trade	2,79,586	1,00,180
Total	1,06,15,78,923	64,71,28,935



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2021

4.1 Trade receivables

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade receivable from others	34,56,10,780	31,44,23,194
Less: Allowance for doubtful debts	(12,50,978)	(12,50,978)
Total	34,43,59,802	31,31,72,216
Break up of security details		
Unsecured, considered good	34,43,59,802	31,31,72,216
Doubtful	12,50,978	12,50,978
Total	34,56,10,780	31,44,23,194

Trade receivables with a carrying amount of ₹ 34,56,10,780 (March 31, 2020: ₹ 31,44,23,194) have been pledged as security against current bank borrowings.

4.2 Cash & cash equivalents

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash and Cash Equivalents		
Balances with Banks		
In Current Account	1,00,61,529	60,71,867
Cash on Hand	3,87,392	4,01,749
Total	1,04,48,921	64,73,616

4.3 Bank Balance and other Cash & Cash equivalents

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance in unpaid dividend account	4,35,080	4,35,080
Fixed deposits with remaining maturity for less than 12 months	33,30,96,400	-
Total	33,35,31,480	4,35,080

*There are no amounts due or outstanding to transfer in Investor Education Fund Account.

4.4 Other Financial Assets

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Insurance Claim Receivable	14,81,470	-
Advance to Staff	-	55,68,804
Total	14,81,470	55,68,804

4.5 Current tax assets (net)

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance income tax & TDS (net of provision for tax)	1,57,98,878	1,02,71,059
Total	1,57,98,878	1,02,71,059

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2021

5 Other Current Assets

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance to Suppliers	10,04,65,921	7,29,09,563
Balance with Revenue Authorities	3,30,78,545	87,92,692
Prepaid Expenses	7,63,530	37,45,414
Other Advance	13,60,284	2,81,446
Total	13,56,68,280	8,57,29,115

6 Equity

(A) Equity Share Capital

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised		
12,00,00,000 (As at 31st March, 2020: 12,00,00,000) Equity Shares of Rs 10 each	12,00,00,000	12,00,00,000
Issued, Subscribed and Paid up		
85,64,440 (As at 31st March, 2020: 85,64,440) Equity Shares of Rs 10 each	8,56,44,400	8,56,44,400
Total	8,56,44,400	8,56,44,400

6.1 Reconciliation of equity shares outstanding at the beginning and end of the

(Amount in '₹')

Issued, subscribed and paid up share capital	No. of Shares	No. of Shares
Balance as at 1st April	85,64,440	85,64,440
Add / (Less): Changes during the year	-	-
Balance as at 31st March	85,64,440	85,64,440

6.2 Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having par value of Re. 10/- each (PY. ₹ 10/- each). Holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

6.3 Shares held by shareholders each holding more than 5% of the shares

As at 31st March 2021

Shareholders	No. of shares	% of holding
Indo Euro Securities Ltd.	18,29,417	21.36
Manisha Dujodwala	8,53,250	9.96
Akshay Dujodwala	8,07,965	9.43
Alka Dujodwala	5,78,790	6.76



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2021

As at 31st March 2020

Shareholders	No. of shares	% of holding
Indo Euro Securities Ltd.	18,29,417	21.36
Manisha Dujodwala	8,53,250	9.96
Akshay Dujodwala	8,07,965	9.43
Alka Dujodwala	5,78,790	6.76

(B) Other Equity

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
General reserve	1,49,91,838	1,49,91,838
(A)	1,49,91,838	1,49,91,838
Surplus/(Deficit) in the Statement of Profit and Loss		
- Opening Balance	1,57,83,52,457	1,11,28,12,852
- Total Comprehensive Income for the Period	84,63,18,337	47,56,00,424
- Less : Utilised for buy-back of shares	-	-
- Less : Dividend paid	85,64,440	85,64,440
- Less : Dividend distribution tax		14,96,379
(B)	2,41,61,06,354	1,57,83,52,457
Total (A+B)	2,43,10,98,192	1,59,33,44,295

7 Non -Current borrowings

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Carried at amortised cost, unless otherwise stated)		
Secured Loans - From Bank		
Corporate Loan- Saraswat Bank	-	7,71,88,586
Vehicle Loan	-	1,09,66,669
[Vehicle loan is secured against vehicles financed]		
Unsecured Loans	2,40,000	-
Total	2,40,000	8,81,55,255

Refer note 11 below for securities

8 Provisions

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits		
Provision For Gratuity	2,13,44,100	2,27,10,025
Provision For Leave Encashment	37,99,811	34,63,063
Total	2,51,43,911	2,61,73,088

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2021

9 Deferred tax liabilities (Net)

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Tax effect of items constituting deferred tax liability		
Depreciation	4,41,52,089	3,84,39,239
On account of provision for diminution in value of non- current investment	-	-
Remeasurement of defined benefit plan- OCI	-	-
Total DTL	4,41,52,089	3,84,39,239
Tax effect of items constituting deferred tax assets		
Provision for doubtful debts and employee benefits	90,54,221	80,54,640
Accumulated Losses	-	-
Total DTA	90,54,221	80,54,640
Net (DTA) / DTL	3,50,97,868	3,03,84,599
Total	3,50,97,868	3,03,84,599

10 Short Term Borrowings

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Loan Repayable on Demand - From Bank		
Buyers Credit, pre-shipment / post shipment credit	13,13,96,750	1,61,95,418
Cash Credit- The Saraswat Co-Op.Bank Ltd	10,26,98,716	3,86,21,933
Cash Credit- Axis Bank Limited	50,31,811	3,11,80,169
[All the above working capital facilities are secured against all the current assets (present and future) of the Company].		
Term loan is secured against first charge on the present and future fixed assets of the Company (Land & Building, Plant & Machinery)		
Secured against equitable mortgage of factory land & building at Kumbhivali village, Savroli Kharpada Road, Taluka Khalapur, Khopoli-410202, Dist: Raigad, and hypothecation of Plant and Machinery.		
(These facilities are further secured by Personal guarantee of Mr. Kamal Dujodwala, Chairman & Mr. Pannkaj Dujodwala, Managing Director of the Company.		
Total	23,91,27,277	8,59,97,520

11 Trade payables

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Micro and Small Enterprises	-	-
Creditors other than Micro and Small Enterprises	24,11,75,134	6,35,88,897
Creditors for Expenses	-	5,03,29,669
Total	24,11,75,134	11,39,18,566



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2021

12 Other financial liabilities

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current liabilities of long term borrowings	41,57,061	2,81,32,907
Total	41,57,061	2,81,32,907

13 Other current liabilities

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance from customers	2,77,62,888	4,17,33,518
Other Liabilities	61,15,528	1,37,72,928
Statutory Payables		
GST/Sales Tax payable	-	2,84,47,968
TDS payable	59,20,507	70,86,111
Other statutory dues payable	15,83,210	13,11,205
Total	4,13,82,134	9,23,51,730

14 Provisions

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Gratuity	95,80,241	45,79,431
Leave Encashment	3,52,740	2,17,847
Total	99,32,981	47,97,278

15 Current tax liabilities (net)

(Amount in '₹')

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provisions for Income Tax (Net of Advance Tax)	-	-
Total	-	-

16 Revenue From Operations

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
(a) Sale of Products/ Services:		
- Local Sales	3,05,56,56,597	3,34,64,04,089
- Export Sales	28,21,52,447	34,48,73,260
- Trading Sales	4,45,57,767	5,39,66,222
Revenue from operations	3,38,23,66,811	3,74,52,43,571

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2021

17 Other Income

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
- Dividend Income on Non-Current investments	9,349	4,375
- Miscellaneous Income	36,36,376	1,01,94,011
- Interest Income		
- Others- carried at amortised cost	68,44,083	90,619
Total	1,04,89,808	1,02,89,005

18 Cost of material consumed

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Inventory at the beginning of the year	25,63,64,094	34,40,19,936
Add: Purchase	1,59,59,26,980	2,00,93,85,524
Less: Inventory at the end of the year	38,10,67,298	25,63,64,094
Total Cost of materials consumed	1,47,12,23,776	2,09,70,41,366

19 Purchase of stock-in-trade

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Trading Purchase	3,85,34,251	4,00,44,259
Total	3,85,34,251	4,00,44,259

20 Changes in inventories of finished goods and work in progress

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Closing stock		
Work-in-progress	16,77,02,704	20,81,17,229
Finished goods	45,31,16,766	13,66,16,044
Stock in trade	2,79,586	1,00,180
Opening stock		
Work-in-progress	20,81,17,229	6,23,64,280
Finished goods	13,66,16,044	23,55,32,976
Stock in trade	1,00,180	1,00,180
Total	(27,62,65,603)	(4,68,36,017)

21 Employee benefit expenses

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Salaries, wages and bonus	25,25,76,314	23,54,63,384
Contribution to provident and other funds	69,68,782	70,25,444
Gratuity & Leave expenses	29,80,954	60,28,557
Staff welfare expenses	66,09,674	60,88,399
Total	26,91,35,724	25,46,05,784



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2021

22 Finance cost

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Interest expenses	59,58,743	4,85,04,242
Bank charges	40,58,995	36,85,780
Total	1,00,17,738	5,21,90,022

23 Other expenses

(Amount in '₹')

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Manufacturing expenses:		
Consumption of stores and spare parts	3,52,50,526	3,60,98,103
Power and fuel	16,74,68,750	16,30,58,112
Consumption of packing materials	8,02,06,260	7,09,78,473
Boiler and plant expenses	44,09,091	51,48,688
Repairs and Maintenance:		
- Building & others	7,29,76,364	1,70,18,256
- Machinery	3,85,25,559	6,32,75,652
Administrative and selling expenses:		
Insurance	1,22,36,266	96,44,508
Rates and taxes	1,73,87,381	51,53,569
Director sitting fees	24,000	24,000
Legal and professional fees	1,74,90,902	3,41,12,393
Miscellaneous expenses	5,91,59,047	5,25,76,763
Payment to auditor:		
As auditors:		
- Audit fee	5,50,000	4,50,000
- Tax audit fees	-	1,00,000
In other capacity:		
- Other services (certification fees)	-	-
Freight and forwarding charges	6,50,45,841	4,69,94,685
Loss on sales of fixed assets		2,10,759
Corporate Social Responsibility Exp	1,21,99,617	90,00,000
Security Charges	71,55,224	71,31,298
Travelling & Conveyance Expenses	84,90,288	1,49,70,427
Exchange rate difference (Net)	32,95,743	10,90,279
Total	60,18,70,858	53,70,35,965

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2021

NOTE TO ACCOUNTS

24. Contingent liabilities - Not provided for in respect of

i.

	31st March 2021 (₹)	31st March 2020 (₹)
Bank Guarantee	2,92,37,320	2,94,37,320

Bank guarantees issued by banks on behalf of the Company ₹ 292.37 Lakhs (Previous Year ₹ 294.37 Lakhs). These are secured by the charge created in favour of the Company's bankers by way of pledge of Fixed Deposit Receipts.

ii. Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for ₹ NIL (P.Y. ₹ NIL)

iii. Letter of credit issued by the bankers of the Company ₹ 15,44,45,006/- (P.Y. ₹ 6,67,73,744/-)

iv. The Company has cleared 19 MT of Pentaerythritol against Bill of Entry No. 616414 dated 20.10.2005. The custom department had asked the Company to pay ₹ 2,16,772/- on account of Anti Dumping Duty for clearance of the said goods as per Notification No. 93/2005 of customs issued on 20.10.2005 wherein the said goods were covered for levy of anti dumping duty imported from certain countries. The Company has deposited the said amount on 25.11.2008 as per CESTAT order No. S/603/WAB/MUM/2008/CSTB/CII dated 20.10.2008, but no provision has been made in books of accounts as the management is of the view that the consignment will not be covered under the notification, as on date of clearance of the goods the notification was not published in Gazette of India. Further, the said appeal has been upheld in CESTAT & remanded back to the learned adjudicating authority.

25. Segment reporting

The Company is mainly engaged in the business of Manufacturing of Chemicals. Considering the nature of business and financial reporting of Company, the Company has only one segment viz "Chemicals" product as reportable segment. The Company operates in Local/Export segment geographically of which the exports have amounted to ₹ 2,821.52 Lakhs (P.Y. ₹ 3,448.73 Lakhs) out of Total Turnover of ₹ 33,823.66 Lakhs (P.Y. ₹ 37,452.43 Lakhs). But due to the nature of business, the assets/ liabilities and expenses for these activities cannot be bifurcated separately.

26. Earnings per share (EPS)

Sl. No.	Description	31st March 2021	31st March 2020
a)	Weighted average number of equity Shares of Rs.10/- each		
	a) Number of shares at the Beginning of the year	85,64,440	85,64,440
	ii) Number of shares at the End of the year	85,64,440	85,64,440
	Weighted average number of Equity Shares – Basic	85,64,440	85,64,440
	Weighted average number of Equity Shares – Diluted	85,64,440	85,64,440
b)	Net Profit after tax available for Equity share-holders	84,63,18,337	47,56,00,424
c)	- Basic Earnings per Equity Share (in Rupees)	98.82	55.53
	- Diluted Earning per Equity Share (in Rupees)	98.82	55.53

27. Related parties' disclosure as per Ind AS-24- Related Party Disclosures "(Specified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2015.):

[A] Key Management Personal (KMP) and their Relatives.

Kamalkumar R. Dujodwala	Chairman
Pannkaj R. Dujodwala	Managing Director
Akshay Dujodwala	Son of Chairman
Mrs. Manisha P. Dujodwala	Spouse of Managing Director
Mrs. Alka K Dujodwala	Spouse of Chairman

[B] Companies /Firm controlled by Directors/Relatives who have the authority and controlling their activities.

- Balaji Pine Chemicals Ltd
- Speciality Chemicals
- Chemexcil Corporation
- Dujodwala Resin & Terpenes Ltd.
- Indo-Euro Securities Ltd.
- Dujodwala Exports Pvt. Ltd.
- Campure Private Limited
- Dujodwala Charities
- Pine Forest Products & Investment Pvt. Ltd.
- The Directors are the Key Management Personal (KMP) who has the authority and controlling the activities of the Company.



[C] Information on related party transactions as required by Ind AS-24 for the year ended 31st March 2021

Nature of transactions	Relationship	Total ₹ In Lakhs	
		2020-2021	2019-2020
Remuneration			
Kamalkumar Dujodwala	Key management personnel	300.00	300.00
Pannkaj Dujodwala	Key management personnel	300.00	300.00
Akshay Dujodwala	Key management personnel	360.00	360.00
TOTAL		960.00	960.00

Nature of Transactions	Relationship	Nature	Amount in Lakhs	
			2020-2021	2019-2020
Net Loans & Advances, Deposits given / Returned/Taken				
Dujodwala Resins & Terpenes Ltd	Associates	Rent Deposit	-	150.00
Dujodwala Resins & Terpenes Ltd	Associates	Adv. For Service charges/supply of material	-	-
Total			-	150.00

Nature of transactions	Relationship	Amount in Lakhs	
		2020-21	2019-20
Revenue from operations			
Campure Private Limited	100% subsidiary	10.30	-
Purchase from Associates			
Dujodwala Resins & Terpenes Ltd	Associates	173.63	168.91

Note:- Related party relationship is as identified by the Company and relied upon by the Auditors.

28. Disclosure in accordance with Ind AS - 19 on "Employee Benefits"

The Company has classified the various benefits provided to employees as under:-

(i) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Employers Contribution to Provident Fund	69,68,782	70,25,444

(ii) Defined Benefit Plan

Gratuity Fund:

a. Major Assumptions	For the year ended March 31, 2021	For the year ended March 31, 2020
	(% p.a.)	(% p.a.)
Discount Rate	6.50	6.60
Salary Escalation Rate	5.00	5.00
Attrition Rate	2.00	2.00

@ The estimates for the future salary increase considered takes into account the Inflation, seniority, promotion and other relevant factors.

b. Change in the Present Value of Obligation	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Opening Present Value of Obligation	2,52,85,536	2,25,27,723
Current Service Cost	23,54,623	21,60,359
Interest Cost	15,17,724	13,99,950
Benefit Paid	(1,60,289)	(18,84,289)
Past Service Cost	-	-
Actuarial Loss on Obligations	19,26,747	10,81,793
Closing Present Value of Obligation	3,09,24,341	2,52,85,536

c. Change in Fair Value of Plan Assets	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Present Value of Plan Assets	-	-
Expected Return on Plan Assets	-	-
Actuarial (Loss) on Plan Assets	-	-
Contributions	-	-
Benefits paid	-	-
Closing Present Value of Plan Assets	-	-

d. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Present value of Funded Obligation as at March 31, 2021	-	-
Fair Value of Plan Assets as at March 31, 2021	-	-
Funded Status	-	-
Present Value of Unfunded Obligation as at March 31, 2021	3,09,24,341	2,52,85,536
Unfunded Net Liability Recognized in the Balance Sheet Disclosed in long term provisions	3,09,24,341	2,52,85,536

e. Amount Recognized in the Balance Sheet	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Present Value of Obligation as at March 31, 2021	3,09,24,341	2,52,85,536
Fair Value of Plan Assets as at March 31, 2021	-	-
Liability Recognized in the Balance Sheet and disclosed under provisions	3,09,24,341	2,52,85,536

f. Expenses Recognized in the Statement of Profit and Loss	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Current Service Cost	23,54,623	21,60,359
Interest Cost	15,17,724	13,99,950
Expected Return on Plan Assets	-	-
Past Service Cost	-	-
Total expenses Recognized in the Statement of Profit and Loss	38,72,347	35,60,309
Actual Return on Plan Assets	Nil	Nil

g. Other Comprehensive Income for the year	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Components of actuarial gain/losses on obligations:		
- Due to Change in financial assumptions	1,95,762	11,04,546
- Due to experience adjustments	17,30,985	(10,355)
- Due to change in demographic assumptions	-	(12,398)



- Return on plan assets excluding amounts included in interest income	-	-
Amounts recognized in Other Comprehensive Income	19,26,747	10,81,793

Sensitivity Analysis

Particulars	For the year ended March 31, 2021 (₹)	For the year ended March 31, 2020 (₹)
Projected Benefit Obligation on Current Assumptions	3,09,24,341	2,52,85,536
Delta Effect of +0.5% Change in Rate of Discounting	-9,52,774	-7,99,319
Delta Effect of -0.5% Change in Rate of Discounting	10,20,343	8,55,008
Delta Effect of +0.5% Change in Rate of Salary Increase	9,18,860	7,49,178
Delta Effect of -0.5% Change in Rate of Salary Increase	-8,66,197	-7,07,670
Delta Effect of +0.5% Change in Rate of Employee Turnover	79,277	71,661
Delta Effect of -0.5% Change in Rate of Employee Turnover	-81,472	-73,624

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period

iii) Defined Benefit Plan for Leave Encashment Benefits

Valuation Method

The method of Valuation adopted was the Projected Unit Credit Method as specified in Ind AS-19.

Valuation Results

Actuarial Value of Leave Encashment Benefits as on 31st March, 2021 ₹ 41,52,551/-

Break-up of above:	Current Liability	₹ 3,52,740/-
	Non-Current Liability	₹ 37,99,811/-

29. Expenditure in Foreign Currency on account of

	Current Year (₹ In Lakhs)	Previous Year (₹ In Lakhs)
- Raw Material (CIF)	12834.84	17526.42
- Traveling Expenses	0.00	42.75
- Brokerage and Commission	0.00	0.00
- Consultancy Fees	2.89	0.00
- Stores and Spares	14.50	0.00

30. Earning in Foreign Currency on account of

	Current Year (₹ In Lakhs)	Previous Year (₹ In Lakhs)
Exports made on FOB Basis	2821.52	3448.73

31. The balance of Sundry Debtors, Sundry Creditors, Loans & Advances and others are shown net of advances from/to Customers/Suppliers of the same party and are as per books and subject to confirmations and reconciliation if any.
32. In the opinion of the Board and to the best of their knowledge the value of realization of current assets, loans & advances in the ordinary course of business, would not be less than the amount at which they are stated in the Balance Sheet.
33. Payments to Micro, Small and Medium Enterprises are made in accordance with the agreed credit terms and to the extent ascertained from available information, there is no overdue payable to MSME units beyond the period specified in Micro, Small and Medium Enterprises Development Act, 2006

34. The operations of the Company were impacted, due to shutdown of both the plant and the offices at various locations following lockdown imposed by the government authorities to contain spread of COVID-19 pandemic. The Company has resumed operations in a phased manner in the month of April 2020 as per the directives from the respective government authorities. The Company has evaluated the impact of this pandemic on its business operations and financial position and made an assessment of its liquidity position for the foreseeable future and of the recoverability and carrying values of its assets as at the balance sheet date, and has concluded that there are no adjustments required in the financial statements for the year ended March 31, 2021. However, the impact assessment of COVID-19 is a continuous process given the uncertainty associated with its nature and duration.

35. Corporate Social Responsibility

Expenditure related to Corporate Social Responsibility is ₹ 121.99 Lakhs (Previous Year ₹ 82.00 Lakhs).

Details of the amount spent towards CSR for the period is given below:

Particulars	Current Year (₹ In Lakhs)	Previous Year (₹ In Lakhs)
Contribution to Vishwaniketan iMEET College-Khalapur, Dist.: Raigad for Construction of Sports Complex and playground.	60.00	0.00
Contribution paid in support to Covid-19 relief activities through Swaminarayan Temple Trust (Bocha Sanvasi Shri Charitable Trust).	10.10	0.00
Direct contribution for Star Care Cardiac Ambulance for the use of Group Gram Panchayat Kumbhivali, Dist.: Raigad for their Health Care Support.	3.40	0.00
Direct contribution paid for "Ghanta Gadi" for the use of Grampanchayat- Kumbhivali, Dist.: Raigad for their Sanitization Policy & awareness on sanitization programme.	5.34	0.00
Direct Contribution paid for COVID-19 related Medical Expenses, as Health Care Support	2.58	0.00
Direct contribution for renovation of Police Community Hall for Police Vocational Training (Promoting Vocational training and enhancing skills).	2.03	0.00
Direct contribution for Construction Open Stage in Grampanchayat Primary School (Anganwadi)- Karsundi, Dist.: Raigad (for Promoting Education)	23.49	0.00
Direct contribution for the expenditure on project and programme for Khalapur Primary Health Care Centre, Dist. Raigad for Medical Equipment's and fixtures for Health Care Support.	15.05	0.00
Contribution paid to IIT Mumbai to promote educational academic pursuit & scientific research.	0.00	82.00
Total:-	121.99	82.00

36. Income Tax Expense

a) This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by nonassessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

i) Income tax related to items recognised directly in profit or loss of the Statement of Profit and Loss:

Particulars	Year Ended March 31, 2021 (₹)	Year Ended March 31, 2020 (₹)
Current tax		
Current tax on profits for the year*	29,00,00,000	14,78,78,496
Adjustments for current tax of prior periods	-	-
Current tax (A)	29,00,00,000	14,78,78,496
Deferred tax	47,13,269	26,33,357
Decrease/(increase) in deferred tax assets#	(57,12,850)	(16,45,074)
(Decrease)/increase in deferred tax liabilities	9,99,581	42,78,431
Deferred tax (B)	47,13,269	26,33,357
Income tax expense charged to profit or loss (C) = (A) + (B)	29,47,13,269	15,05,11,853



ii) Deferred tax related to items recognized in other comprehensive income (OCI):

Particulars	Year Ended March 31, 2021 (₹)	Year Ended March 31, 2020 (₹)
Current tax		
Deferred tax on remeasurement gains/(losses) on defined benefit plan	4,94,735	7,57,129
Adjustments for current tax of prior periods -	-	-
Current tax (A)	-	-
Deferred tax	4,94,735	7,57,129

37. Previous year figures have been regrouped and reclassified to conform with current year's presentation and classification.

As per Annexed Report of Even Date

For and on behalf of Board of Directors

NGST & Associates

Chartered Accountants

FRN: 135159W

Sd/-

Bhupendra Gandhi

Partner

Mem. No. 122296

Place: Mumbai

Dated: May 27, 2021

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Heena Tank

Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2021

Corporate Information

The Consolidated Financial Statements comprise financial statements of “Mangalam Organics Limited” (“the Holding Company” or “The Company”) and its subsidiary (collectively referred to as “the Group”) for the year ended 31st March, 2021.

Mangalam Organics Limited is Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number L24110MH1981PLC024742. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the business of manufacturing of **Camphor, Resin and Sodium Acetate. The Company has a strong foothold in the pine chemicals industry.** The principal place of business of the Company is at Kumbhivali, Maharashtra. The Company caters to both domestic and international markets.

Note – 1

1. Significant Accounting Policies:-

Basis of Preparation of Financial Statements:-

The consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The consolidated Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Company’s presentation and functional currency is Indian Rupees (Rs.). All figures appearing the financial statements are rounded off to the Rupee, except where otherwise indicated.

Principles of Consolidation

The financial statements of the Holding Company and its subsidiary are combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intragroup transactions.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The carrying amount of the parent’s investment in subsidiary is offset (eliminated) against the parent’s portion of equity in the subsidiary.

1.1 Authorization of Financial Statements:-

The preparation of Company’s financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amounts of the assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets;
- Valuation of Inventories
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions;
- Evaluation of recoverability deferred tax assets; and
- Contingencies.

Revisions to accounting estimates are recognised prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.2 Property, Plant and Equipment

1.2.1 Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.2.2 The initial costs of an asset comprises its purchase price or construction costs (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

1.2.3 Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

1.2.4 Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare parts are



inventoried on procurement and charged to Statement of Profit and Loss on consumption.

- 1.2.5 An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is de-recognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is de-recognized.
- 1.2.6 The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any are accounted in line with revisions to accounting estimates.
- 1.2.7 Cost of assets not ready for use at the balance sheet date is disclosed under Capital Work-in-Progress. Expenditure during Construction period is included under Capital Work-in-Progress & the same is allocated to the respective Property, Plant and equipment on the completion of its Construction.

1.3. Depreciation

Depreciation on Property, Plant and Equipment are provided on straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of 5%). These useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act.

- 1.3.1 Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.
- 1.3.2 Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 1.3.3 Depreciation is charged on additions/deletions on pro-rata daily basis of addition/deletion.

1.4 Intangible Assets

- 1.4.1 Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.

1.5 Investment Property

- 1.5.1 Investment property is property (land or a building – or part of building – or both) held either to earn rental income or a capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes.
- 1.5.2 Any gain or loss on disposal of investment property calculated as the difference between the net proceeds and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

1.6 Borrowing Costs

- 1.6.1 Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.
- 1.6.2 Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

1.7 Impairment of Non-financial Assets

- 1.7.1 Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.
- 1.7.2 When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.8 Inventories

- 1.8.1 The cost for the purpose of valuation of goods is arrived at on FIFO basis and includes estimated Cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

The mode of valuing closing stock is as under:

- Raw Materials, Packing goods and General Stores are valued at cost or net realizable value, whichever is less, excluding CENVAT, and VAT/GST credit, by FIFO method.
 - Work-in-Process is valued at raw material cost plus estimated overheads or net realizable value; whichever is less but excluding CENVAT, VAT/GST input credit.
 - Finished Goods valued at cost including estimated overheads or net realizable value whichever is less.
- 1.8.2 Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.9 Revenue Recognition

1.9.1 Sale of Goods

Revenue from the sale of goods is recognized when the significant risks and rewards of the ownership of the goods have passed to the buyer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, revenue and the associated costs can be estimated reliably and it is probable that economic benefits associated with the transaction will flow to the Company.

Revenue from sale of goods excludes GST and is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates, net of returns, taxes or duties collected on behalf of the government.

Export Sales are accounted for on the basis of the date of Bill of Lading.

1.9.2 Interest income is recognized using Effective Interest Rate (EIR) method.

1.10 Classification of Income/ Expenses

1.10.1 Incomes and expenditures are recognized on accrual basis except in case of significant uncertainty like claims payable & receivable, which have been accounted on acceptance basis. Purchases are reported of net of trade discounts, returns and GST (to the extent refundable/ adjustable)

1.11 Employee benefits

1.11.1 Short term employment benefits

Short term employee benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

1.11.2 Defined Contribution Plans

➤ Employee's Family Pension:

The Company has Defined Contribution Plan for Post-employment benefits in the form of family pension for all eligible employees, which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligation beyond its monthly contributions.

➤ Provident Fund:

The Company has Defined Contribution Plan for Post-employment benefits in the form of Provident Fund for all eligible employees; which is administered by the Regional Provident Fund

Commissioner and is charged to revenue every year. Company has no further obligations beyond its monthly contributions.

1.11.3 Defined Benefit Plans

➤ Gratuity:

The Company has defined benefit plan for Post-employment benefit in the form of Gratuity for all employees. Liability for above defined benefit plan is provided on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

➤ Compensated Absences :

Liability for Compensated Absences is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The Actuarial valuation method used for measuring the liability is the Projected Unit Credit method. Under this method, the Defined Benefit Obligation is calculated taking into account pattern of avilment of leave whilst in service and qualifying salary on the date of avilment of leave. In respect of encashment of leave, the Defined Benefit obligation is calculated taking into account all types of the increment, salary growth, attrition rate and qualifying salary projected up to the assumed date of encashment.

1.11.4 Termination Benefits:

➤ Termination benefits are recognised as an expense as and when incurred.

1.11.5 The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

1.11.6 The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss.

1.11.7 Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

1.11.8 Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.



1.12 Foreign Currency Transactions

1.12.1 Monetary Items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

1.12.2 Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.13 Provisions, Contingent Liabilities and Capital Commitments

1.13.1 Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.13.2 The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

1.13.3 Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

1.13.4 Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.14 Fair Value measurement

1.14.1 The Company measures certain financial instruments at fair value at each reporting date.

1.14.2 Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

1.14.3 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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The

fair value of a liability also reflects its non-performance risk.

1.14.4 The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.15 Financial Assets

1.15.1 Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.15.2 Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

1.15.3 Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (“ECL”) model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the ‘simplified approach’ at an amount equal to the lifetime ECL at each reporting date. The application of simplified approach does not require the Company to track changes in credit risk. Based on the past history and track records the Company has assessed the risk of default by the customer and expects the credit loss to be insignificant. In respect of other financial assets such as

debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.16 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

1.17 Taxes on Income

1.17.1 Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

1.17.2 Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.18 Earnings per share

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.19 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

1.20 Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.21 Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.



BHIMSENI CAMPHOR



Dispels
Negativity



Refreshing
Fragrance



Improves
Concentration



Relaxes
mind



BUY NOW

AIR FRESHENER




100% organic
fragrance


Preserves
fabric




Elevates
mood


Repels
mosquito

BUY NOW



If undelivered, please return to:

Head Office:

812 Tulsiani Chambers, 212, Free Press Journal Marg, Nariman Point, Mumbai - 400021, Maharashtra, India.

Tel: +91 - 22 - 49204089 | Email: info@mangalamorganics.com