

- **BOARD OF DIRECTORS :**

MR. CHANAKYA PRAKASH MANGAL

MR. BRIJESHKUMAR V RAJGOR

- **AUDITORS :**

M/s KEDIA & KEDIA ASSOCIATES,  
CHARTERED ACCOUNTANTS  
AHMEDABAD.

- **REGISTERED OFFICE :**

301, MANGALMAM CORPORATE HOUSE,  
19/B, KALYAN SOCIETY, NEAR  
M.G. INTERNATIONAL SCHOOL,  
MITHAKHALI, AHMEDABAD-380006  
GUJARAT, INDIA

- **CIN :** U74995GJ2018PTC102810

- **E Mail :** info@groupmangalam.com



### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HINDPRAKASH CASTOR DERIVATIVES PRIVATE LIMITED

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the standalone financial statements of Hindprakash Castor Derivatives Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, profit and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 on the standalone financial statements.

##### Other Information

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report but does not include the 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 standalone financial statements or our knowledge obtained during the course of our 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 for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing



and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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.



## Report on Other Legal and Regulatory Requirements

1. 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, 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting (with reference to financial statements) of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting (with reference to financial statements).financial reporting.
  - 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:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

  
**SUBODH KEDIA**  
(M. No.: 043381), Partner  
for and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
Chartered Accountants  
FRN: 104954W  
AHMEDABAD; June 29, 2019





Pramod Kedia Bcom LLB FCA ACS  
Subodh Kedia Bcom LLB FCA AICWA DISA(ICAI)  
CISA(ISACA, usa) CIPFA (Affil, uk)

**"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON  
THE FINANCIAL STATEMENTS OF HINDPRAKASH CASTOR DERIVATIVES PRIVATE LIMITED**

(Referred to in para 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting (with reference to financial statements) of Hindprakash Castor Derivatives Private Limited ("the Company") as at 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Act.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting (with reference to financial statements) based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting (with reference to financial statements). Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting (with reference to financial statements) 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 over financial reporting (with reference to financial statements) and their operating effectiveness. Our audit of internal financial controls over financial reporting (with reference to financial statements) included obtaining an understanding of internal financial controls over financial reporting (with reference to financial statements), assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 over financial reporting (with reference to financial statements).





## **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING (WITH REFERENCE TO FINANCIAL STATEMENTS)**

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

## **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING (WITH REFERENCE TO FINANCIAL STATEMENTS)**

Because of the inherent limitations of internal financial controls over financial reporting (with reference to financial statements), including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting (with reference to financial statements) to future periods are subject to the risk that the internal financial controls over financial reporting (with reference to financial statements) 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting (with reference to financial statements) and such internal financial controls over financial reporting (with reference to financial statements) were operating effectively as at 31st March, 2019, based on the internal financial controls over financial reporting (with reference to financial statements) criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

  
**SUBODH KEDIA**

(M. No.: 043381), Partner

for and on behalf of

**KEDIA & KEDIA ASSOCIATES**

Chartered Accountants

FRN: 104954W

AHMEDABAD; June 29, 2019





**Pramod Kedia** Bcom LLB FCA ACS  
**Subodh Kedia** Bcom LLB FCA AICWA DISA(ICAI)  
CISA(ISACA, usa) CIPFA (Affil, uk)

**"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON  
THE FINANCIAL STATEMENTS OF HINDPRAKASH CASTOR DERIVATIVES PRIVATE LIMITED**  
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

01. (a) In our opinion, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.  
(b) These fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. As informed to us, no material discrepancies were noticed on such physical verification.  
(c) Title deeds of immovable properties are in the name of the Company.
02. The inventories were physically verified during the year by the Management. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to the book records were, in our opinion, not material in relation to operations of the company, and have been properly dealt with in the books of account.
03. The company has not granted any loans or advances in the nature of loans to parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
04. In our opinion, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
05. The Company has not accepted any deposits within the meaning of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the rules framed there under to the extent notified. Therefore, the provision of Clause (v) of paragraph 3 of the Order is not applicable to the Company.
06. Under section 148(1), the Central Government has prescribed, the maintenance of cost records, for the activities of the company, vide Companies (Cost Records and Audit) Rules, 2014. However paragraph 3 of the said rule is not applicable to the company and hence company is not required to maintain cost records and accordingly paragraph 3 (vi) of the order is not applicable.
07. In respect of statutory dues:  
(a) Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.



- (b) No undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
- (c) There are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited as on March 31, 2019 on account of any dispute.
08. In our opinion, the Company has not defaulted in the repayment of loans or borrowings to banks. The company has not borrowed from financial institutions, government and it has not issued any debentures.
09. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). In our opinion, monies raised by way of the term loans have been applied by the Company for the purposes for which they were raised.
10. No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. The Company has paid / provided managerial remuneration. The company is a private limited company and hence reporting under clause (xi) of Paragraph 3 of the Order is not applicable
12. In our opinion, the Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13. In our opinion, the Company's transactions with its related parties are in compliance with section 177 and 188 of the Act, where applicable, and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. During the year, the company has made preferential allotment by way of private placement of equity shares and the amount raised have been used for the purposes for which the funds were raised. In our opinion, the requirement of section 42 of the Act has been complied with. The company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year.
15. In our opinion, the company has not entered into non-cash transactions with directors or persons connected with them.
16. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

  
**SUBODH KEDIA**  
(M. No.: 043381), Partner  
for and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
Chartered Accountants  
FRN: 104954W  
AHMEDABAD; June 29, 2019





# HINDPRAKASH CASTOR DERIVATIVES PRIVATE LIMITED

1st Annual Report 2018-19

*HindPrakash*

## Balance Sheet as at 31<sup>st</sup> March 2019

Particulars		Note No.	As at 31/03/19 Rupees
1		2	3
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share Capital		1	11,78,330
(b) Reserves and Surplus		2	4,24,15,177
<b>2 Share Application Money Pending Allotment</b>			-
<b>3 Non Current Liabilities</b>			
(a) Long-term Borrowings		3	18,18,32,229
(b) Deferred Tax Liabilities (Net)		4	13,98,280
(c) Other Long Term Liabilities		5	20,00,000
(d) Long-term Provisions			-
<b>4 Current Liabilities</b>			
(a) Short-term Borrowings			-
(b) Trade Payables		6	25,07,892
(c) Other Current Liabilities		7	3,75,75,380
(d) Short-term Provisions		8	3,48,413
<b>TOTAL</b>			<b>26,92,55,701</b>
<b>II. ASSETS</b>			
<b>1 Non Current Assets</b>			
(a) Property Plant and Equipment			
(i) Tangible Assets		9	17,17,13,353
(ii) Intangible Assets		9	-
(iii) Capital Work-In-Progress		9	4,20,16,323
(b) Non-current Investments		10	1,21,16,868
(c) Long Term Loans and Advances		11	1,04,43,163
<b>2 Current Assets</b>			
(a) Inventories		12	-
(b) Trade Receivables		13	2,24,035
(c) Cash and Bank Balance		14	3,54,209
(d) Short-term Loans and Advances		15	3,23,87,750
(e) Other Current Assets		16	-
<b>TOTAL</b>			<b>26,92,55,701</b>
Summary of Significant Accounting Policies and Notes Forming Part of Financial Statement		1 - 24	

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



(SUBODH KEDIA)

Partner (M.No.:043381)

For and on behalf of

**KEDIA & KEDIA ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**(FRN 104954W)**



For and on behalf of the Board



**Brijeshkumar Rajgor**  
**(Director)**  
**DIN: 08156363**



**Chanakya Prakash Mangal**  
**(Director)**  
**DIN: 06714256**

DATE : 29/06/2019

PLACE : AHMEDABAD

DATE : 29/06/2019

PLACE : AHMEDABAD

# HINDPRAKASH CASTOR DERIVATIVES PRIVATE LIMITED

1st Annual Report 2018-19

*HindPrakash*

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2019

Particulars		Note No.	2018-19 Rupees
<b>I.</b>	Revenue from operations	17	1,12,67,43,941
<b>II.</b>	Other income	18	1,877
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>1,12,67,45,818</b>
	Expenses:		
	Cost of Materials Consumed / Cost of Traded Goods Sold	19	1,06,51,50,442
	Changes in Inventories of Finished Goods / Traded Goods	20	-
	Employee Benefits Expense	21	67,14,324
	Other Expenses	22	3,18,94,666
<b>IV.</b>	<b>Total Expenses</b>		<b>1,10,37,59,432</b>
<b>V.</b>	<b>Profit Before Interest, Depreciation and Tax (III- IV)</b>		<b>2,29,86,386</b>
	Finance Costs, Depreciation and Amortisation Expenses:		
	Finance Costs	23	1,13,49,375
	Depreciation and Amortization Expense		66,43,434
<b>VI.</b>	<b>Total</b>		<b>1,79,92,809</b>
<b>VII.</b>	<b>Profit Before Tax (V - VI)</b>		<b>49,93,577</b>
<b>VIII.</b>	Tax expense:		
	(1) Current Income Tax		(9,61,000)
	(2) MAT Credit		9,61,000
	(3) Deferred Tax		(13,98,280)
<b>IX.</b>	<b>Profit (Loss) For the Year (VII + VIII)</b>		<b>35,95,297</b>
<b>X.</b>	Earnings per Equity Shares:		
	(1) Basic		418.50
	(2) Diluted		418.50
	Summary of Significant Accounting Policies and Notes Forming Part of Financial Statement	1-24	

This is the Statement of Profit and Loss referred to in our report of even date.

  
(SUBODH KEDIA)  
Partner (M.No.:043381)  
For and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
(FRN 104954W)



For and on behalf of the Board

  
Brijeshkumar Rajgor  
(Director)  
DIN: 08156363

  
Chanakya Prakash Mangal  
(Director)  
DIN: 06714256

DATE : 29/06/2019  
PLACE : AHMEDABAD



DATE : 29/06/2019  
PLACE : AHMEDABAD

**HINDPRAKASH CASTOR DERIVATIVES  
PRIVATE LIMITED**

**HindPrakash**

1st Annual Report 2018-19

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

Particulars	2018-19 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>	
<b>Net Profit before Tax (A)</b>	<b>49,93,577</b>
<u>Adjustments for :</u>	
Depreciation & Amortization	66,43,434
Interest / Finance Charges	1,13,49,375
<b>Sub Total (B)</b>	<b>1,79,92,809</b>
<b>Operating Profit Before Working Capital Changes (A + B)</b>	<b>2,29,86,386</b>
<u>Adjustments for Changes in Working Capital</u>	
(Increase) / Decrease in Trade Receivable	(2,24,035)
(Increase) / Decrease in Long Term Loans & Advances	(94,82,163)
(Increase) / Decrease in Short Term Loans & Advances	(3,23,87,750)
Increase / (Decrease) in Long Term Liabilities	20,00,000
Increase / (Decrease) in Trade Payables	25,07,892
Increase / (Decrease) in Other Current Liabilities	3,63,83,816
<b>Sub Total (C)</b>	<b>(12,02,240)</b>
<b>Cash Generated from Operations (A + B+ C)</b>	<b>2,17,84,146</b>
<b>Income tax paid during the year (D)</b>	<b>(6,12,587)</b>
<b>Net Cash Generated from Operations (A + B+ C + D)</b>	<b>2,11,71,559</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>	
Purchase of Property Plant and Equipment	(22,03,40,518)
Purchase of Investments / Investment Property	(1,21,49,460)
<b>Net Cash Generated from Investing Activities</b>	<b>(23,24,89,978)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>	
Proceeds from Share Capital Issued	3,99,98,210
Net of Repayment/ Proceeds from Long Term Borrowing	18,18,32,229
Interest/ Finance Charges Paid	(1,01,57,811)
Dividend & Dividend Tax Paid	-
<b>Net Cash Generated from Financing Activities</b>	<b>21,16,72,628</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>3,54,209</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>-</b>
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>3,54,209</b>
<b>Cash and Cash Equivalents comprise of :</b>	
Cash on Hand	17,831
Balance with Bank	3,36,378
<b>Total</b>	<b>3,54,209</b>

Notes:

(1) Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3: "Cash Flow Statements".

This is the Cash Flow Statement referred to in our report of even date.

**For and on behalf of the Board**

**(SUBODH KEDIA)**

Partner (M.No.:043381)

For and on behalf of

**KEDIA & KEDIA ASSOCIATES  
CHARTERED ACCOUNTANTS  
(FRN 104954W)**

**Brijeshkumar Rajgor  
(Director)  
DIN: 08156363**

**Chanakya Prakash Mangal  
(Director)  
DIN: 06714256**

DATE : 29/06/2019  
PLACE : AHMEDABAD

DATE : 29/06/2019  
PLACE : AHMEDABAD



# HINDPRAKASH CASTOR DERIVATIVES PRIVATE LIMITED

1st Annual Report 2018-19

*HindPrakash*

## Note 1

### Share capital

Particulars	As at 31/03/19
<b>Authorised</b>	
1,50,000 Equity Shares of Rs. 10/- each	15,00,000
<b>Issued</b>	
1,17,833 Equity Shares of Rs. 10/- each	11,78,330
<b>Subscribed &amp; Paid up</b>	
1,17,833 Equity Shares of Rs. 10/- each fully paid	11,78,330
<b>Per Balance Sheet</b>	<b>11,78,330</b>

Note:

### 1.1 Rights, preferences and restrictions attached to shares:

#### Equity Shares:

The Company has one class of equity shares having a par value of Rs 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holding.

### 1.2 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31/03/19	
	Number	Amount
<b>Equity Shares of Rs. 10/- each:</b>		
Shares outstanding at the beginning of the year	-	-
Add: Shares Issued during the year	1,17,833	11,78,330
<b>Shares outstanding at the end of the year</b>	<b>1,17,833</b>	<b>11,78,330</b>

### 1.3 Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	As at 31/03/19	
	No. of Shares held	% of Holding
Mangalam Global Enterprise Pvt Ltd (Holding Company)	60,109	51.01%
Shirshak Exim LLP	17,674	15.00%



**Note 2**

**Reserves and Surplus**

<u>Particulars</u>	<u>As at 31/03/19</u>
<b>Securities Premium on Equity Shares Account</b>	
Opening Balance	-
Add : Securities premium credited on issue of equity shares	3,88,19,880
Closing Balance <b>A</b>	<b>3,88,19,880</b>
<b>Surplus in the Statement of profit and loss</b>	
Opening Balance	-
Add: Net Profit/(Net Loss) For the current period	35,95,297
Closing Balance <b>B</b>	<b>35,95,297</b>
<b>Per Balance Sheet</b>	<b>4,24,15,177</b>

**Note 3**

**Long Term Borrowings**

<u>Particulars</u>	<u>As at 31/03/19</u>
<b><u>Secured</u></b>	
<b>From Bank (Term Loan)</b>	
Industrial Term Loan- The Mehsana Urban Co Op Bank [Refer note no. 3.1 below]	7,57,75,919
Machinery Term Loan- The Mehsana Urban Co Op Bank [Refer note no. 3.2 below]	3,14,62,521
<b><u>Unsecured</u></b>	
<b>Loan repayable on Demand</b>	
Inter Corporate Deposit	1,70,30,689
From Directors and Relative of Directors	5,75,63,100
<b>Per Balance Sheet</b>	<b>18,18,32,229</b>

**Note: 3.1**

**INDUSTRIAL TERM LOAN- THE MEHSANA URABAN CO OP BANK**

- Rate of Interest 11.50% (including 0.50% interest rebate)
- Repayment Schedule : 96 EMI starting from 1-1-2019

2019-20	73,68,863
2020-21	82,86,492
2021-22	92,91,302
2022-23	1,04,17,955
2023-24	1,16,69,519
2024-25	1,30,96,256
2025-26	1,46,84,293
2026-27	83,30,102





**Note: 3.2**

MACHINERY TERM LOAN- THE MEHSANA URABAN CO OP BANK

- Rate of Interest 11.50%

- Repayment Schedule : 72 EMI starting from 1-6-2019

2019-20	35,37,479
2020-21	47,25,420
2021-22	52,98,419
2022-23	59,40,899
2023-24	66,58,315
2024-25	74,68,665
2025-26	13,70,803

**Note: 3.3**

Above Term Loans from The Mehsana Urban Co-op Bank is secured by way of hypothecation of Stocks of Raw material, stock-in-process, finished goods, stores & spares, Book-debt, Machinery which is installed in factory premises, vehicle HP with the bank. Above Term Loans is collaterally secured by way of registered equitable mortgage of factory land and building as well as other land/building situated in Harij Taluka , Dist Patan (included in investment property). Above loans is further covered by guaranteed by two director of the company and two relative of directors of the company.

**Note 4**

**Deferred tax liabilities (Net)**

Particular of Timing Difference	Liabilities	Assets
	Current Year	Current Year
Difference between book and tax depreciation	45,79,555	-
Unabsorbed Losses	-	31,76,981
Expenses u/s 35D	-	4,294
Employee Benefit	-	-
Other Expenses on payment basis (U/s 43B/40(a)(ia) etc.	-	-
Total Deferred Tax Liabilities	45,79,555	-
Total Deferred Tax Assets	-	31,81,275
<b>Net Deferred Tax Assets/Liabilities</b>	<b>13,98,280</b>	<b>-</b>

**Note 5**

**Other Long Term Liabilities**

Particulars	As at 31/03/19
<b>Unsecured</b>	
Rent Deposit	20,00,000
<b>Per Balance Sheet</b>	<b>20,00,000</b>



**HINDPRAKASH CASTOR DERIVATIVES  
PRIVATE LIMITED**

**1st Annual Report 2018-19**

*HindPrakash*

**Note 6**

**Trade Payable (Unsecured)**

<u>Particulars</u>	<u>As at 31/03/19</u>
Total outstanding dues of micro enterprises and small enterprises (refer note 24(c)(5))	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-
Current Liability for Expenses	25,07,892
<b>Per Balance Sheet</b>	<b>25,07,892</b>

**Note 7**

**Other Current Liabilities**

<u>Particulars</u>	<u>As at 31/03/19</u>
<b><u>Secured</u></b>	
(a) Current maturities of long-term debt (See Note:3) (Secured)	
- INDUSTRIAL TERM LOAN- THE MEHSANA URABAN CO OP BANK	73,68,863
- MACHINERY TERM LOAN- THE MEHSANA URABAN CO OP BANK	35,37,479
(b) Interest Accrued but not due on Term Loans	11,91,564
<b><u>Unsecured</u></b>	
(a) Creditor for Capital Goods	2,30,74,423
(b) Advance from Customers	20,50,338
(c) Other Statutory Liability	3,52,713
<b>Per Balance Sheet</b>	<b>3,75,75,380</b>

**Note 8**

**Short Term Provisions**

<u>Particulars</u>	<u>As at 31/03/19</u>
<b>Others</b>	
Income Tax [Net of Prepaid Tax]	3,48,413
<b>Per Balance Sheet</b>	<b>3,48,413</b>



## Note 9

Property Plant and Equipment

Particulars	Gross Block			Accumulated Depreciation				Net Block
	Opening Balance	Additions	(Disposals) / Adjustments	Balance as at 31 March 2019	Opening Balance	Depreciation charge for the year	(Disposals) / Adjustments	Balance as at 31 March 2019
<b>Tangible Assets</b>								
Land	-	73,31,095	-	73,31,095	-	-	-	73,31,095
Factory Buildings	-	4,60,97,645	-	4,60,97,645	-	9,73,172	-	4,51,24,473
Plant and Equipment	-	11,68,76,149	-	11,68,76,149	-	54,08,771	-	11,14,67,378
Electrical Installation	-	68,68,861	-	68,68,861	-	2,17,514	-	66,51,347
Vehicles	-	11,50,445	-	11,50,445	-	11,385	-	11,39,060
<b>Total (a)</b>	-	<b>17,83,24,195</b>	-	<b>17,83,24,195</b>	-	<b>66,10,842</b>	-	<b>17,17,13,353</b>
<b>Intangible Assets</b>								
<b>Total (b)</b>	-	-	-	-	-	-	-	-
<b>Capital Work In Progress*</b>								
<b>Total (c)</b>	-	4,20,16,323	-	4,20,16,323	-	-	-	4,20,16,323
<b>Total (a + b + c)</b>	-	<b>22,03,40,518</b>	-	<b>22,03,40,518</b>	-	<b>66,10,842</b>	-	<b>21,37,29,676</b>

\*Note: Capital Work in Progress include expenditure incidental to the new projects which is carried forward as "Pre-operative and Project expenditure pending allocation/capitalization"



# HINDPRAKASH CASTOR DERIVATIVES PRIVATE LIMITED

1st Annual Report 2018-19

*HindPrakash*

## Note 10

**Non-current Investments** (Long Term Investment) (Non Trade at cost)

(Valued at cost less diminution (other than temporary) in value, if any)

Particulars	As at 31/03/19
<b>Non Trade Investment at Cost (Unquoted)</b>	
<b>I Investment in Shares - Others</b>	
1,20,000 Equity shares of Mehsana Urban Cooperative Bank Ltd (of Rs. 25/- each fully paid)	30,00,000
Aggregate Value of Quoted Investment: CY -Rs Nil	
Market Value of Quoted Investment: CY -Rs Nil	
Aggregate Amount of Unquoted Investment : CY -Rs 3000000	
<b>A</b>	<b>30,00,000</b>
<b>II Investment Property</b>	
(Valued at cost less accumulated depreciation)	
Cost of Free Hold Land and Building as on Opening	-
Add: Addition During the year	91,49,460
<b>SUB TOTAL (a)</b>	<b>91,49,460</b>
Depreciation as at Opening	-
Add: Depreciation for the year	(32,592)
<b>SUB TOTAL (b)</b>	<b>(32,592)</b>
<b>Net Block (a-b)</b>	<b>91,16,868</b>
<b>B</b>	
Aggregate value of Investment Property: CY Rs 9182052	
Aggregate provision for diminution in value of investment: CY -Rs Nil	
<b>Per Balance Sheet (A+B)</b>	<b>1,21,16,868</b>

## Note 11

**Long-term Loans and Advances** (Unsecured, considered good)

Particulars	As at 31/03/19
Prepaid Income Tax / Advance Tax / MAT Credit / T.D.S. (Net of Provisions, if any)	-
MAT Credit	9,61,000
Capital Advances	94,82,163
<b>Per Balance Sheet</b>	<b>1,04,43,163</b>

Particulars	As at 31/03/19
<b>Long-term Loans and Advances include due from:</b>	
Director	-
Other Officers of the Company	-
Firm in which any director is partner	-
Private Company in which director is director or member	-
<b>Total</b>	<b>-</b>



**Note 12**

**Inventories** (As taken, valued and certified by the management)

<u>Particulars</u>	<u>As at 31/03/19</u>
Stock	-
<b>Per Balance Sheet</b>	<b>-</b>

**Note 13**

**Trade Receivables** (Unsecured and Considered good)

<u>Particulars</u>	<u>As at 31/03/19</u>
Over Six Months	1,85,924
Others	38,111
<b>Per Balance Sheet</b>	<b>2,24,035</b>

<u>Particulars</u>	<u>As at 31/03/19</u>
<b>Trade Receivable include due from:</b>	
Director	-
Other Officers of the Company	-
Firm in which any director is partner	-
Private Company in which director is director or member	-

**Note 14**

**Cash and Bank Balance**

<u>Particulars</u>	<u>As at 31/03/19</u>
<b>Cash and Cash Equivalents</b>	
(a)Cash on hand	17,831
(b)Balances with banks	
(i) In Current Account	3,36,378
(ii) In Bank Deposit (original maturity of 3 months or less) (Not under lien for security)	-
<b>Per Balance Sheet</b>	<b>3,54,209</b>





**HINDPRAKASH CASTOR DERIVATIVES  
PRIVATE LIMITED****1st Annual Report 2018-19***HindPrakash***Note 15****Short-term Loans and Advances** (Unsecured and Considered good)

<b>Particulars</b>	<b>As at 31/03/19</b>
<b>a. Loans and Advance to Related parties</b>	-
<b>b. Others</b>	
Loans to Employees	-
Prepaid Expenses	1,29,550
GST Receivable	2,72,32,998
Debit Balance of Creditors	35,91,590
Others	14,33,612
<b>Per Balance Sheet</b>	<b>3,23,87,750</b>

<b>Particulars</b>	<b>As at 31/03/19</b>
<b>Short-term Loans and Advances include due from:</b>	
Director	-
Other Officers of the Company	-
Firm in which any director is partner	-
Private Company in which director is director or member	-
- Om Oil Industries	22,92,787
- Brijesh Trading Co	8,44,188
- Mangalam Global Enterprise Pvt. Ltd.	91,432

**Note 16****Other Current Assets**

<b>Particulars</b>	<b>As at 31/03/19</b>
Others	-
<b>Per Balance Sheet</b>	<b>-</b>



**Note 17**

**Revenue from Operations**

Particulars	2018-19
Sale of Products	1,12,06,18,071
Other operating revenues	61,25,870
<b>Per Statement of Profit and Loss</b>	<b>1,12,67,43,941</b>

Note:

Particulars	2018-19
(i) Sale of Product Comprises - Manufactured Goods	
- Sales of Finished Good - Castor Oil	1,01,86,58,180
- Sales of Finished Good - Doc	7,66,55,287
- Sales of Finished Good - Others	10,58,041
(ii) Sale of Product Comprises - Trading Goods	
- Sales - Castor Seeds	2,42,46,563
<b>Total</b>	<b>1,12,06,18,071</b>
(iii) Other operating revenues includes	
- Lease Rent Received	61,25,870
<b>Total</b>	<b>61,25,870</b>

**Note 18**

**Other Income**

Particulars	2018-19
Other non-operating income (net of expenses directly attributable to such income) (Refer Note 18.1 below)	1,877
<b>Per Statement of Profit and Loss</b>	<b>1,877</b>

Note: 18.1

Other Non Operating Income Comperises:

- Balance Written off	1,877
<b>Total</b>	<b>1,877</b>



**Note 19**

**Cost of Materials Consumed (including Cost of Traded Goods Sold)**

Particulars	2018-19
Opening Stock	-
Add : Purchases and incidental expenses(Net of returns, claims & discount, if any)	1,06,51,50,442
Less : Closing Stock	-
<b>Per Statement of Profit and Loss</b>	<b>1,06,51,50,442</b>

Particulars	2018-19
Purchase - Castor Oil	1,55,27,570
Purchase - Castor Seeds	1,04,19,92,924
Purchase - Others	76,29,948
<b>Total</b>	<b>1,06,51,50,442</b>

**Note 20**

**Changes in Inventories of Finished Goods / Traded Goods**

Particulars	2018-19
<b>Opening Stock :</b>	
Finished Goods	-
<b>Closing Stock :</b>	
Finished Goods	-
<b>Per Statement of Profit and Loss</b>	<b>-</b>

**Note 21**

**Employee Benefits Expense**

Particulars	2018-19
Salaries and Wages	66,98,234
Staff welfare expenses	16,090
<b>Per Statement of Profit and Loss</b>	<b>67,14,324</b>

**Note 22**

**Other Expenses**

Particulars	2018-19
<b>Manufacturing Expenses</b>	
Consumable and Stores and Spares	49,96,610
Insurance	42,755
Repairs to Building	97,525
Repairs to Machinery	11,48,522
Power and Fuel	75,17,620
Factory Lease Rent	2,00,000
Laboratory Expense	2,33,609
Loading - Unloading Expenses	12,90,950



Bank Charges etc.	2,684
Business Promotion Expenses	250
Commission on Sales	4,90,625
Conveyance Expense	22,100
Freight & Cartage etc	1,35,38,928
Preliminary Expenses	19,295
Legal Expenses	8,51,784
Consultancy Fees	10,44,980
Other Office & Misc. Expenses	34,821
Payments to Auditor	1,75,000
Printing & Stationery	39,126
Rent	48,000
Repairs to Others	61,602
Telephone, Postage & Courier Expenses	37,525
Travelling Expense	355
<b>Per Statement of Profit and Loss</b>	<b>3,18,94,666</b>

Details of Payment to Auditors

Particulars	2018-19
For Audit Fees	1,25,000
For Taxation matters and others	50,000
<b>Total</b>	<b>1,75,000</b>

**Note 23**

**Finance Costs**

Particulars	2018-19
Interest Expense:	
- on Borrowings	65,95,062
- on Term Loan	42,77,260
- on Income Tax	-
- on Others	4,77,053
Other Finance Cost	-
<b>Per Statement of Profit and Loss</b>	<b>1,13,49,375</b>



**NOTE: 24****SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENT****A) CORPORATE INFORMATION:**

Hindprakash Castor Derivatives Private Limited ('the Company') is an unlisted private limited company incorporated in India. The registered office of the Company is located at 301, Mangalam Corporate House, 19/B, Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad-380006, Gujarat, India.

The Company is engaged in activity of manufacturing/dealing/trading of Castor Seeds, Castor Oil, Castor derivative products and other merchandise etc.

**B) SIGNIFICANT ACCOUNTING POLICIES:****1) (a) BASIS OF ACCOUNTING:**

The financial statements are prepared under "historical cost convention" on a going concern assumption on "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India and comply with Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government to the extent applicable and with the applicable provisions of the Companies Act, 2013. The company has consistently applied the Accounting Policies in preparation and presentation of the financial statements.

The financial statements are presented in Indian rupees.

**(b) USE OF ESTIMATES:**

The presentation of financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and reported amount of income and expenses during the Year. Actual results/outcome could differ from these estimates. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognised prospectively in the year in which such estimates are actually materialized.

**2) PROPERTY PLANT AND EQUIPMENT:**

All Property Plant and Equipment are valued at cost less depreciation / amortization. Cost [net of Input Tax Credit available] comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. Financing costs directly attributable to the construction of qualifying Property Plant and Equipment are also included to the extent they relate to the period till such assets are ready for their intended use.

Capital work in progress is stated at cost. The cost is inclusive of directly attributable expenditure, expenditure during construction period to be allocated to the respective assets on completion of construction period, interest upto the balance sheet date in case of qualifying asset and is adjusted for Input Tax Credit availed of.

Cost of addition or extension to an existing asset, which is of a capital nature and/or which becomes an integral part of the existing asset is capitalised and added to the gross book value of that asset.

All Property Plant and Equipment are stated at their Historical Costs.





**3) DEPRECIATION:**

Depreciation is charged in the accounts on Property Plant and Equipment on straight-line method. Depreciation is provided based on useful life of the assets as prescribed in schedule II of The Companies Act, 2013 except in case of Plant and Machinery where Depreciation has been provided taking estimated useful life of 8 to 30 years based on technical evaluation.

Depreciation on assets added / disposed off during the year is charged on pro-rata basis with reference to the month of addition / disposal.

**4) EXPENDITURE DURING THE CONSTRUCTION PERIOD:**

The expenditure incidental to the expansion / new projects is carried forward as "Pre-operative and Project expenditure pending allocation/capitalization" and is allocated to Property Plant and Equipment in the period of commencement of the commercial production / respective assets being put to use.

**5) INVESTMENT:**

Long Term Investments are stated at cost. However, when there is a diminution, other than temporary, in the value of long term investments, the carrying cost is reduced to recognize the diminution.

**Investment property:**

An Investment in Land or Building, which is not intended to be occupied substantially for used by, or in operations of, the company, is classified as Investment Property. Investment Properties are stated as cost, Net of accumulated depreciation and accumulated impairment loss if any.

The cost comprise purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing investment property to its working condition for the intended use.

On disposal of investment, the difference between it's carrying amount and net disposal proceeds is charged / credited to the statement of profit and loss.

**6) INVENTORIES:**

(a) Inventories consisting of Raw Materials, Work-in-Process and Finished Goods are valued at lower of cost and net realizable value. For this purpose, the cost of raw material, finished goods and work-in-process is determined using FIFO/average cost method (net of Input Tax Credit availed) as the case may be.

(b) Inventories consisting of Stores, Consumables, Spare Parts, and Packing Materials etc. are valued at lower of cost and net realizable value. For this purpose direct costs, and appropriate relevant overheads are apportioned using the FIFO method.

**7) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

Provisions are recognised when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.



Contingent liability is disclosed for:

- (a) Possible obligations which will be confirmed by future events not wholly within the control of the Company, or
- (b) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized.

## **8) REVENUE RECOGNITION:**

- (a) Revenue is recognised to the extent it is possible that economic benefits will flow to the company and the revenue can be reliably measured and there is a reasonable certainty regarding ultimate collection.
- (b) Revenue from sale of products is recognised on transfer of all significant risks and rewards of ownership of the goods to the customers, which generally coincides with the dispatch of goods. Sales are stated exclusive of GST/ VAT, trade discounts and sales returns.
- (c) Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the rate applicable.
- (d) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realization exists.

## **9) PURCHASES:**

Purchases are inclusive of expenses on purchase, import duty etc and are net of taxes (for which credit is available), claims / discount.

## **10) GST INPUT CREDIT:**

GST input credit claimed on materials / services / capital goods is reduced from the cost of the respective materials / services / capital goods. Closing stock of inventories are valued Net of GST/ input credits.

## **11) BORROWING COST:**

Borrowing costs that are directly attributable to the acquisition/ construction of qualifying Assets are capitalized as a part of the cost of the respective asset upto the date when such assets are ready for their intended use and borrowing costs other than these costs are charged to Profit and Loss Account.

## **12) RELATED PARTY TRANSACTION :**

Disclosure of transactions with Related Parties, as required by "Accounting Standard 18-Related Party Disclosure" has been set out in the Notes on Financial Statements. Related Parties have been identified on the basis of representations made by key managerial personnel and information available with the company.



**13) OPERATING LEASE:**

Leases are classified as operating leases where the lessor effectively retains substantially all the risks and benefits of the whole ownership of the leased assets.

As Lessee:

Lease payments are recognised as an expense in the statement of profit or loss on a straight-line basis.

As Lessor:

Lease receipt are recognised as an income in the statement of profit or loss on a straight-line basis.

**14) INCOME TAX:**

Tax expenses comprise of current and deferred tax.

(a) Current tax is measured at the amount expected to be paid on the basis of relief and deductions available in accordance with the provisions of Indian Income Tax Act, 1961 and includes Minimum Alternate Tax ("MAT") paid by the company on book profits in accordance with the provisions of the IncomeTax Act, 1961. MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period and will be able to set off such MAT credit entitlement.

(b) Deferred income tax reflects the impact of the current year reversible timing differences between the taxable income and accounting income for the Year and reversal of timing differences of the earlier Year. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**15) IMPAIRMENT OF ASSETS :**

(a) If at a balance sheet date, there is an indication above impairment of any item of Property Plant and Equipment, the same is treated as impairment loss and is charged to the statement of Profit and Loss.

(b) After impairment of an asset, the depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

(c) At a balance sheet date, if there is an indication that a previously recognised impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount and previously recognised impairment loss is reversed.

**C) NOTES FORMING PART OF FINANCIAL STATEMENT:**

1. In the opinion of the board, 'Trade Receivable', 'Loans and Advances' and 'Other Current Asset' are approximately of the value stated if realized in the ordinary course of business. Confirmation Letters have not been obtained in respect of Trade Receivables, Trade Payables, loans taken and loans/advances given. Accordingly such balances are subject to confirmation, reconciliation and consequent adjustments, if any.

2. In the opinion of the Board, provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.



## 3. Directors Remuneration:

PARTICULARS	CURRENT YEAR Rupees
Remuneration	8,20,000
Total :	8,20,000

## 4. Other Money for which the company is contingently liable:

(a) Other claims against company not acknowledged as debt – Nil (PY Nil). The management of the company does not envisage any contingent liability in this regard.

(b) Estimated value of capital commitment Rs 8,06,832 (net of advances of Rs 94,82,163).

## 5. Disclosure Under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2018-19, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act:

PARTICULARS	CURRENT YEAR Rupees
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)	
Principal amount due to micro and small enterprise	-
Interest due on above	-
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



## 6. Details of Foreign Exchange Transactions:

PARTICULARS	CURRENT YEAR Rupees
A FOB Value of Export	Nil
B CIF Value of Imports:	
Direct Import of Traded Goods (paid in Foreign Currency Terms)	Nil
C Expenditure in Foreign Currency	Nil
D Earning in Foreign Currency	Nil
E Remittance in Foreign Currency	Nil

## 7. Disclosure requirement as per AS 19: Leases

**Operating Lease given (as lessor):**

Name of Assets	2018 - 19
Gross Carrying Value	178,324,195
Depreciation recognised on the leased assets	(6,610,842)
Impairment losses recognised on the leased assets	Nil
Impairment losses reversed on the leased assets	Nil
<b>Net Carrying Value</b>	<b>171,713,353</b>
Future minimum lease Receipt	
Not later than 1 year	14,702,088
Later than 1 year and not later than 5 years	58,808,352
Later than 5 years	52,682,434
Rent Income Recognised in Profit and Loss Account (On Straight Line Basis)	61,25,870
Contingent Rent recognised during the year	Nil

## Details of major agreements:

The company has entered into operating lease agreement wef 01/11/2018 for giving on lease of Castor Oil manufacturing plant (including land, building, plant and machinery etc) with Holding Company viz Mangalam Global Enterprise Pvt Ltd. The lease is non-cancelable for a total period of 108 months.





**8. Disclosure of related parties and related party transactions:**
**Name of Related Parties and description of relation:**

a) Holding Company	M/s Mangalam Global Enterprise Pvt Ltd
b) Subsidiaries	Nil
c) Fellow Subsidiaries	M/s Mangalprakash Singapore Pte Ltd M/s Farpoint Enterprise LLP
d) Associate Companies	Nil
e) Joint Ventures	Nil
f) Key Management Personnel	
Director	Mr. Chanakya Prakash Mangal
Director	Mr. Brijesh Rajgor
g) Enterprise over which Key Management Personnel exercise significant influence	M/s Shirshak Exim LLP M/s Nitex Enterprise LLP M/s Ecofine Colourchem Pvt Ltd M/s Mangalam Worldwide Pvt Ltd M/s Dev Cotton Industries M/s Om Oil Industries
h) Relative of the Key Management Personnel	Mrs. Rashmi V Mangal Mr. Vipin Prakash Mangal Mr. Chandragupt Prakash Mangal Mr. Shankarlal Rajgor Mr. Vasantkumar Shankarlal Rajgor Mrs. Induben V Rajgor Mr. Anilkumar Vasudev Rajgor Mrs. Zenishaben A Rajgor Mr. Vasudev Rajgor Mr. Maheshkumar Shankarlal Rajgor Mrs. Kiranben M Rajgor Mr. Pareshkumar Vasudev Rajgor Mrs. Jagrutiben P. Rajgor Mr. Rahul V Rajgor

**Related Party Transactions (2018 – 19):-**

Particulars	Holding Company	Fellow Subsidiaries	Key Management Personnel & Relatives	Enterprise over which KMP exercise Significant Influence	Total Amount in Rupees
Sale of Goods	456,214,266	-	-	-	456,214,266
Lease Rent Expense	48,000	-	200,000	-	248,000
Lease Rent Income	5,000,000	-	-	-	5,000,000
Purchase of Goods	62,851,423	-	444,834,496	-	507,685,919
Purchase of Property Plant and Equipment / Investment Property	-	-	174,936,129	-	174,936,129
Interest Paid	3,956,441	-	-	-	3,956,441
Consultancy Service	-	-	500,000	-	500,000



Salary	-	-	3,240,000	-	3,240,000
Loan Taken	40,450,000	-	137,463,100	-	177,913,100
Loan Repayment *	23,800,000	-	79,900,000	-	103,700,000
Loan Taken Outstanding as on 31-3-19	17,030,689	-	57,563,100	-	74,593,789
Rent Deposit Received	2,000,000	-	-	-	2,000,000
Gaurantee Given to Company's Bank	-	-	120,000,000	-	120,000,000
Issue of Share Capital including Securities Premium	20,399,950	-	13,548,290	5,949,970	39,898,210
Receivable as on 31.03.19	91,432	-	-	-	91,432
Advance From Customers	2,050,338	-	-	-	2,050,338
Debit Balance of Creditors	-	-	3,136,975	-	3,136,975

**Material Related Party Transactions (2018 - 19):-**

Particulars	Current Year
<b>Sale of Goods</b>	
Mangalam Global Enterprise Pvt Ltd	456,214,266
<b>Lease Rent Expense</b>	
Mangalam Global Enterprise Pvt Ltd	48,000
Om Oil Industries	200,000
<b>Lease Rent Income</b>	
Mangalam Global Enterprise Pvt Ltd	5,000,000
<b>Purchase of Goods</b>	
Mangalam Global Enterprise Pvt Ltd	62,851,423
Brijesh Rajgor	444,834,496
<b>Purchase of Property Plant and Equipment / Investment Property</b>	
Anil Rajgor	4,673,500
Vasant Rajgor	5,255,600
Shankarlal Rajgor	1,550,000
Maheshkumar Rajgor	3,726,500
Om Oil Industries	155,105,029
Paresh Rajgor	4,625,500
<b>Interest Paid</b>	
Mangalam Global Enterprise Pvt Ltd	3,956,441
<b>Consultancy Service</b>	
Chandragupt Prakash Mangal	500,000
<b>Salary</b>	
Brijesh Rajgor	400,000
Induben Rajgor	200,000
Anil Rajgor	200,000
Kiranben Rajgor	200,000
Vasant Rajgor	200,000
Jagrutiben Rajgor	200,000



Zenishben Rajgor	200,000
Maheshkumar Rajgor	200,000
Paresh Rajgor	200,000
Vipin Mangal	410,000
Rashmi Mangal	410,000
Chanakya Mangal	420,000
<b>Loan Taken</b>	
Brijesh Rajgor	82,752,000
Induben Rajgor	3,500,000
Kiranben Rajgor	3,500,000
Jagrutiben Rajgor	3,500,000
Zenishben Rajgor	3,500,000
Shankarlal Rajgor	1,550,000
Rahul Rajgor	4,061,100
Vipin Mangal	9,900,000
Rashmi Mangal	7,400,000
Chanakya Mangal	10,400,000
Chandragupt Prakash Mangal	7,400,000
Mangalam Global Enterprise Pvt Ltd	40,450,000
<b>Loan Repayment</b>	
Vipin Mangal	5,100,000
Rashmi Mangal	5,100,000
Chanakya Mangal	5,100,000
Chandragupt Prakash Mangal	5,100,000
Mangalam Global Enterprise Pvt Ltd	23,800,000
Brijesh Rajgor	59,500,000
<b>Loan Taken Outstanding as on 31-3-19</b>	
Mangalam Global Enterprise Pvt Ltd	17,030,689
Brijesh Rajgor	23,252,000
Chanakya Mangal	5,300,000
Induben Rajgor	3,500,000
Kiranben Rajgor	3,500,000
Jagrutiben Rajgor	3,500,000
Zenishben Rajgor	3,500,000
Vipin Mangal	4,800,000
Rashmi Mangal	2,300,000
Rahul Rajgor	4,061,100
Shankarlal Rajgor	1,550,000
Chandragupt Mangal	2,300,000
<b>Rent Deposit Received</b>	
Mangalam Global Enterprise Pvt Ltd	2,000,000
<b>Gaurantee Given to Company's Bank</b>	
The Mehsana Urban Co-Operative Bank Ltd.	
Brijeshkumar Rajgor	}
Chanakya Prakash Mangal	
	120,000,000



<b>Issue of Share Capital including Securities Premium</b>	
Mangalam Global Enterprise Pvt Ltd	20,399,950
Induben Rajgor	1,649,830
Anil Rajgor	1,699,780
Kiranben Rajgor	1,699,780
Vasant Rajgor	1,699,780
Jagrutiben Rajgor	1,699,780
Zenishben Rajgor	1,699,780
Maheshkumar Rajgor	1,699,780
Paresh Rajgor	1,699,780
Shirshak Exim LLP	5,949,970
<b>Receivable as on 31.03.19</b>	
Mangalam Global Enterprise Pvt Ltd	91,432
<b>Advance From Customer</b>	
Mangalam Global Enterprise Pvt Ltd	2,050,338
<b>Debit Balance of Creditors</b>	
Brijesh Rajgor	844,188
Om Oil Industries	2,292,787

## 9 (a) Earning per Equity Share:

PARTICULARS	CURRENT YEAR Rupees
a) Profit available for equity share holders	
- Basic	3595297
- Diluted	3595297
b) Weighted average number of equity shares	
- Basic	8591
- Diluted	8591
c) Earning per Share in rupees (Face value of Rs 10/-each)	
- Basic	418.50
- Diluted	418.50

## 9 (b) Dividend on Equity Share

PARTICULARS	2018-19
<b>Proposed dividend on equity shares (not recognized as liability for FY 2018-19)</b>	
Final dividend of Rs 0.20 per share for FY 2018-19	23,568
Dividend Distribution Tax on Final Dividend	4,846

Proposed dividend on equity shares is subject to the approval of the shareholders of the Company at the Annual General Meeting and not recognized as liability as at the Balance Sheet date (for FY 2018-19). The proposed dividend is calculated based on relevant share capital as on 31<sup>st</sup> March'2019. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date.




10. As the Company has identified manufacturing, dealing and trading of Castor seeds, Castor Oil, Castor derivative products and other merchandise etc. as its sole primary business segment, the disclosure requirements of Accounting Standard 17 – "Segment Reporting", issued by the Institute of Chartered Accountants of India are not applicable. In the opinion of the management there does not exist separate reportable geographical segment.
11. The Figures have been rounded off to the nearest rupees.
12. Company has been incorporated on 13<sup>th</sup> June 2018, hence current period details are for the period from 13-6-2018 to 31-3-2019. Since this being first year of the company comparable figures of previous year is not given.

**For and On behalf of the Board**

**DATE : 29/06/2019**  
**PLACE : AHMEDABAD**

  
**Brijeshkumar V Rajgor**  
**(Director)**  
**DIN: 08156363**

  
**Chanakya Prakash Mangal**  
**(Director)**  
**DIN: 06714256**

