

- **BOARD OF DIRECTORS :**

Mr. Chanakya Prakash Mangal

Mr. Chandragupt Prakash Mangal

Mrs. Rashmi Mangal (Up to 01/07/2017)

- **AUDITORS :**

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

- **REGISTERED OFFICE :**

**101, MANGALAM CORPORATE HOUSE,
19/B KALYAN SOCIETY,
NEAR M. G. INTERNATIONAL SCHOOL,
MITHAKHALI,
AHMEDABAD – 380 006,
GUJARAT, INDIA.**

- **CIN : U24224GJ2010PTC062434**

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



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Mangalam Global Enterprise Private Limited ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at 31st March 2019, the consolidated statement of Profit and Loss, and consolidated statement of cash flows for the year then ended, and notes to the consolidated 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, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by 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 Group as at March 31, 2019, their consolidated profit and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Holding Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report but does not include the consolidated financial statements and our auditor's report thereon.

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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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 consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. The respective Management of the companies/entity included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies/entities included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Management of the companies/entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities 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 Consolidated 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 Holding 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 ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on



the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

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.

OTHER MATTER

(a) (1) The Consolidated Ind AS financial statements includes 2 subsidiaries which reflect total assets of Rs 27,43,53,676 as at March 31, 2019, total revenues of Rs 1,12,67,70,818 and net cash inflow of Rs 4,27,184 for the year then ended, which have been audited by us.

(2) We did not audit the financial statements and other financial information, in respect of 1 foreign subsidiary whose financial statements include total assets of Rs 70,72,581 as at March 31, 2019, and total revenues of Rs Nil and net cash inflow of Rs 70,72,581 for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of such other auditors.


Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:
 - a) We / the other auditors whose report we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
 - b) (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;



- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d) In our opinion, the aforesaid Consolidated 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 of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary, none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "Annexure A" to this report;
- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
 - i. The Group does not have any pending litigations which would impact its financial position.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.


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





“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MANGALAM GLOBAL ENTERPRISE 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”)

In conjunction with our audit of the consolidated financial statements of Mangalam Global Enterprise Private Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Mangalam Global Enterprise Private Limited (hereinafter referred to as the “Holding Company”) and its subsidiaries, which are companies incorporated in India, as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective management of the Holding Company, its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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 the respective 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 Holding Company, its subsidiaries, which are companies incorporated in India, internal financial controls over financial reporting with reference to these consolidated financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 these consolidated 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 system over financial reporting with reference to these consolidated financial statements and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.



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

A company's internal financial control over financial reporting with reference to these consolidated 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 control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 (WITH REFERENCE TO FINANCIAL STATEMENTS)

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Holding Company, its subsidiaries, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding 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.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to separate financial statements of 1 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.



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



**MANGALAM GLOBAL ENTERPRISE
PRIVATE LIMITED (Consolidated)**



9th Annual Report 2018-19

Consolidated Balance Sheet as at 31st March 2019

Particulars	Note No.	As at 2018-19 Rupees
1	2	3
I. EQUITY AND LIABILITIES		
1 Shareholders' Funds		
(a) Share Capital	1	2,32,54,820
(b) Reserves and Surplus	2	32,16,85,396
2 Share Application Money Pending Allotment		-
2A Minority Interest		2,14,33,157
3 Non-current Liabilities		
(a) Long-term Borrowings	3	16,76,91,425
(b) Deferred Tax Liabilities (Net)	4	11,46,163
(c) Other Long-term Liabilities	5	16,90,210
(d) Long-term Provisions	5A	1,62,475
4 Current Liabilities		
(a) Short-term Borrowings	6	38,28,51,767
(b) Trade Payables	7	2,12,49,387
(c) Other Current Liabilities	8	4,10,63,881
(d) Short-term Provisions	9	19,47,122
TOTAL		98,41,75,803
II. ASSETS		
1 Non-current Assets		
(a) Property Plant and Equipment		
(i) Tangible Assets	10	18,78,72,453
(ii) Intangible Assets	10	63,208
(iii) Capital Work In Progress	10	4,36,25,203
(iii) Goodwill on Consolidation	10A	1,80,37,023
(b) Non-current Investments	11	7,88,48,877
(c) Long Term Loans and Advances	12	1,70,81,082
(d) Other Non-Current Assets		-
2 Current Assets		
(a) Inventories	13	14,77,24,169
(b) Trade Receivables	14	7,45,72,439
(c) Cash and Bank Balances	15	5,68,58,673
(d) Short-term Loans and Advances	16	35,94,92,676
(e) Other Current Assets		-
TOTAL		98,41,75,803
Summary of Significant Accounting Policies and Notes forming Part of Consolidated Financial Statement	1 - 24	

This is the Consolidated 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)

DATE : 29 June 2019
PLACE : AHMEDABAD



For and On behalf of the Board

Chanakya
Chanakya Prakash Mangal
(Director)
DIN: 06714256

Chandragupt
Chandragupt Prakash Mangal
(Director)
DIN: 07408422



DATE : 29 June 2019
PLACE : AHMEDABAD

**MANGALAM GLOBAL ENTERPRISE
PRIVATE LIMITED (Consolidated)**




9th Annual Report 2018-19

Consolidated Statement of Profit and Loss for the year ended 31st March 2019

Particulars	Note No.	2018-19 Rupees
I. Revenue from Operations	17	3,89,83,47,707
II. Other Income	18	11,75,345
III. Total Revenue (I + II)		3,89,95,23,052
Expenses:		
Cost of Material Consumed / Cost of Traded Goods Sold	19	3,79,09,44,052
Changes in Inventories of Finished Goods / Traded Goods	20	(8,65,80,800)
Employee Benefits Expense	21	2,54,14,501
Other Expenses	22	9,27,05,703
IV. Total Expenses		3,82,24,83,456
V. Profit Before Interest, Depreciation and Tax (III-IV)		7,70,39,596
Finance Cost, Depreciation and Amortisation Expenses:		
Finance Costs	23	3,40,62,660
Depreciation and Amortisation Expense		79,10,651
Depreciation Expense on Investment Property		2,71,457
VI. Total		4,22,44,768
VII. Profit before tax (V- VI)		3,47,94,828
VIII. Tax Expense:		
(1) Current Income Tax		(88,63,500)
(2) Income Tax (Prior Period)		(289)
(3) MAT Credit		3,13,805
(4) MAT Credit (Prior Period)		(1,78,891)
(5) Deferred Tax		(9,67,307)
IX. Profit(Loss) for the period (before adjustment for Minority Interest)		2,50,98,646
Less: Share of Profit transferred to Minority Interest		(17,64,044)
Profit (Loss) for the period (after adjustment for Minority Interest)		2,33,34,602
Less: Pre acquisition/Capital Profit transferred to Goodwill on Consolidation		(18,30,625)
Profit (Loss) for the period (attributable to Owners)		2,15,03,977
Earnings per Equity Share:		
(1) Basic		39.11
(2) Diluted		39.11
Summary of Significant Accounting Policies and Notes forming Part of Consolidated Financial Statement	1 - 24	

This is the Consolidated 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 ACCOUNTANT
(FRN 104954W)
DATE : 29 June 2019
PLACE : AHMEDABAD



For and On behalf of the Board


Chanakya Prakash Mangal
(Director)
DIN: 06714256


Chandragupt Prakash Mangal
(Director)
DIN: 07408422

DATE : 29 June 2019
PLACE : AHMEDABAD



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

Particulars	2018-19 Rupees
CASH FLOW FROM OPERATING ACTIVITIES :	
Net Profit before Tax (A)	3,47,94,828
Adjustments for :	
Depreciation & Amortization	81,82,108
Loss/(Gain) on Sale of Investment	(1,17,921)
Interest / Finance Charges	3,40,62,660
Interest & Dividend Earned	(13,76,337)
Gratuity Provision	1,82,548
Leave Encashment Provision	4,22,537
Sub Total (B)	4,13,55,595
Operating Profit Before Working Capital Changes (A + B)	7,61,50,423
Adjustments for Changes in Working Capital	
(Increase)/ Decrease in Inventories	(14,77,24,169)
(Increase)/ Decrease in Trade Receivable	(5,69,94,898)
(Increase)/ Decrease in Loans & Advances	(37,22,21,288)
Exchange Rate Fluctuation - Foreign Subsidiary	(19,048)
Increase/ (Decrease) in Trade Payables	84,87,148
Increase/ (Decrease) in Other Liabilities	3,91,10,166
Sub Total (C)	(52,93,62,089)
Cash Generated from Operations (A + B + C)	(45,32,11,666)
Income tax paid during the year (D)	(74,03,750)
Net Cash Generated from Operations (A + B + C + D)	(46,06,15,416)
CASH FLOW FROM INVESTING ACTIVITIES :	
Purchase of Property Plant & Equipment and Investment Property	(23,27,65,575)
Increase/ Decrease in other bank balance	(4,90,09,061)
Net of Purchase / Proceeds from Sale of Investment	(1,50,09,729)
Interest & Dividend Received	13,76,337
Net Cash Generated from Investing Activities	(29,54,08,028)
CASH FLOW FROM FINANCING ACTIVITIES :	
Proceeds from Share Capital Issued (Net)	24,92,18,887
Net of Repayment/ Proceeds from Short Term Borrowing	38,28,51,767
Net of Repayment/ Proceeds from Long Term Borrowing	14,52,81,971
Financing by Minority Interest	1,96,69,113
Interest/ Finance Charges Paid	(3,39,97,839)
Dividend & Dividend Tax Paid	(1,31,411)
Net Cash Generated from financing Activities	76,28,92,488
Net Increase in Cash and Cash Equivalents	68,69,044
Cash and Cash Equivalents at the beginning of the Year	9,80,568
Cash and Cash Equivalents at the end of the Year	78,49,612

Notes:

- (1) Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3: "Cash Flow Statements".
- (2) This being the first occasion of preparation of Consolidated Statement of Cash Flow, comparative figures for the previous period has not be presented.

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

(SUBODH KEDIA)

Partner (M.No.:043381)

For and on behalf of

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

DATE : 29 June 2019

PLACE : AHMEDABAD



For and On behalf of the Board

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

Omangal...
Chandragupt Prakash Mangal
(Director)
DIN: 07408422

DATE : 29 June 2019

PLACE : AHMEDABAD

**MANGALAM GLOBAL ENTERPRISE
PRIVATE LIMITED (Consolidated)**



9th Annual Report 2018-19

Note 1

Share Capital

Particulars	As at 2018-19
	Rupees
Authorised	
30,00,000 Equity Shares of Rs. 10/- each	3,00,00,000
	3,00,00,000
Issued	
23,25,482 Equity Shares of Rs. 10/- each	2,32,54,820
Subscribed & Paid up	
23,25,482 Equity Shares of Rs. 10/- each fully paid	2,32,54,820
Per Balance Sheet	2,32,54,820

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 2018-19	
	Number	Amount
Equity Shares of Rs. 10/- each:		
Shares outstanding at the beginning of the year	5,45,020	54,50,200
Add: Shares Issued during the year	17,80,462	1,78,04,620
Less: Shares bought back during the year	-	-
Shares outstanding at the end of the year	23,25,482	2,32,54,820

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

Name of Shareholder	2018-19	
	No. of Shares held	% of Holding
Equity Shares of Rs. 10/- each:		
Chanakayaprakash V Mangal	4,14,823	17.84%
Chandraguptprakash V Mangal	4,39,776	18.91%
Rashmi V Mangal	1,81,378	7.80%
Vipinprakash O Mangal	1,91,388	8.23%
Om Prakash Mangal	2,85,715	12.29%
Mangalam Worldwide Pvt Ltd	3,50,001	15.05%
Zaddoc Nutrition Pvt Ltd	4,02,872	17.32%



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED (Consolidated)



9th Annual Report 2018-19

1.4 No Bonus Shares has been issued by the Company during the period of 5 years immediately preceeding the Balance Sheet date

Note 2

Reserves and Surplus

Particulars	As at 2018-19
Securities Premium on Equity Shares Account	
Opening Balance	4,50,00,000
Add : Securities premium credited on Share issue	25,12,62,867
Closing Balance A	29,62,62,867
Surplus in the Statement of profit and loss	
Opening balance	40,49,963
Add: Net Profit/(Net Loss) For the current year	2,15,03,977
Less: Dividend on Equity Shares FY 2017 - 18	(1,09,004)
Less: Tax on Dividend FY 2017 - 18	(22,407)
Closing Balance B	2,54,22,529
Per Balance Sheet	32,16,85,396

Note 3

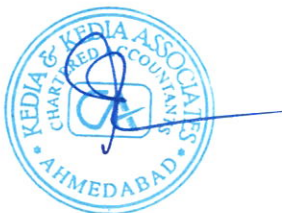
Long Term Borrowings

Particulars	As at 2018-19
Secured	
From Bank (Term Loan)	
ICICI Bank Limited (Vehicle Loans) (Secured against resp. Vehicle) (See Note 3.1)	28,89,885
Industrial Term Loan - Mehsana Urban Co op Bank Ltd. (See Note 3.2 and 3.4)	7,57,75,919
Industrial Term Loan - Mehsana Urban Co op Bank Ltd. (See Note 3.3 and 3.4)	3,14,62,521
Unsecured	
Loans repayable on demand	
from Directors / Partners	-
from Directors' Relative	5,75,63,100
Inter Corporate Deposit	-
Per Balance Sheet	16,76,91,425

Note: 3.1

Maturity Profile (Repayment) of Vehicle Loans (Repayable in monthly EMI)

2019 - 20	15,63,565
2020 - 21	16,89,106
2021 - 22	12,00,779



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED (Consolidated)



9th Annual Report 2018-19

Note: 3.2

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: 3.3

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: 3.4

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. (Hindprakash Castor Derivatives Pvt Ltd)

Note 4

Deferred Tax Liabilities (Net)

Particular of Timing Difference	Liabilities	Assets
	Current Year	Current Year
Difference between book and tax depreciation	47,13,997	-
Straightlining of Rent as per AS 19	-	41,064
Other Expenses-payment basis U/s43B/40(a)(ia) etc.	-	2,47,290
Expenses u/s 35D	-	1,02,499
Carried Forward Business Loss / Depreciation etc..	-	31,76,981
Total Deferred Tax Liabilities	47,13,997	-
Total Deferred Tax Assets	-	35,67,834
Net Deffered Tax Assets / Liabilities	11,46,163	35,67,834



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED (Consolidated)



9th Annual Report 2018-19

Note 5

Other Long-term Liabilities

Particulars	As at 2018-19
Advance Rent / Rent Deposit	14,20,000
Others	2,70,210
Per Balance Sheet	16,90,210

Note 5A

Long Term Provisions

Particulars	As at 2018-19
Gratuity (unfunded)	1,62,475
Per Balance Sheet	1,62,475

Note 6

Short Term Borrowings

Particulars	As at 2018-19
Secured (Repayable on demand)	
From Bank	
Axis Bank (Credit Line against pledge of Warehouse/Storage Receipt. (see note 6.1))	3,07,49,107
HDFC Bank CC (see note 6.2)	6,63,87,114
HDFC Bank EPC (see note 6.2)	1,00,25,855
Unsecured (Repayable on demand)	
From Bank	
HDFC Bank LCBD	27,56,89,691
Per Balance Sheet	38,28,51,767

Note: 6.1

The company has created charge in favour of Axis Bank Ltd, to the extent of RS 400 Lakhs (Previous Year Rs Nil), by way of pledge of warehouse receipt/storage receipts as security for Pledge Facility (CLWF) granted by the bank. The facility is further guarantee by two directors of the company in their personal capacity.

Note: 6.2

The Company has created a charge in favour of HDFC Bank Ltd, to the extent of Rs. 1500 Lacs (Previous Year Rs. Nil) by way of hypothecation of stock and book debts on entire exposure as a security for credit facilities granted by the bank. The above facilities are further collaterally secured by way of equitable mortgage of company's property office no 201 (entire second floor) Setu Complex, S P Nagar Road, Ahmedabad. The above facilities are guaranteed by two directors of the company and two shareholders of the company in their personal capacity. The company has given deposit of Rs 490 Lakhs (principal value) (see note 15) under lien in this regards. In addition to above property, viz. Bunglow on plot no 19/B Kalyan Society Mithakhali Ahmedabad owned by a director, is given as collateral security by way of mortgage.



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED (Consolidated)



9th Annual Report 2018-19

Note 7

Trade Payable

Particulars	As at 2018-19
Total outstanding dues of micro enterprises and small enterprises	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	59,35,651
Current Liability for Expenses	1,53,13,736
Per Balance Sheet	2,12,49,387

Note 8

Other Current Liabilities

Particulars	As at 2018-19
Secured	
Current maturities of long-term debt	
- ICICI Bank Vehicle Loan Installments repayable within 12 Months (Secured) (See Note 3)	15,63,565
Accrued Interest but not due on Vehicle Loan	28,755
Accrued Interest but not due on EPC	36,066
Accrued Interest but not due on Term Loan	11,91,564
- Industrial Term Loan Mehsana Urban Coop Bank	73,68,863
- Machinery Term Loan Mehsana Urban Coop Bank	35,37,479
Unsecured	
Advance from Customers	1,43,468
Other Statutory Liability	33,22,932
Creditor for Capital Goods	2,38,71,189
Other liabilities	-
Per Balance Sheet	4,10,63,881

Note 9

Short Term Provisions

Particulars	As at 2018-19
Provision for employee benefits	
Gratuity (unfunded)	20,073
Leave Encashment (unfunded)	4,22,537
Others	
Income Tax [net of prepaid taxes]	15,04,512
Per Balance Sheet	19,47,122



**MANGALAM GLOBAL ENTERPRISE
PRIVATE LIMITED (Consolidated)**



9th Annual Report 2018-19

Note 10

Property Plant and Equipment

Particulars	Gross Block				Accumulated Depreciation			Net Block	
	Balance as at 1 April 2018	Additions	(Disposals) / Adjustments	Balance as at 31 March 2019	Balance as at 1 April 2018	Depreciation charge for the year	(Disposals) / Adjustments	Balance as at 31 March 2019	Balance as at 31 March 2019
A Tangible Assets									
Land	82,88,100	73,31,095	-	1,56,19,195	-	-	-	-	1,56,19,195
Computer	1,14,342	9,10,705	-	10,25,047	45,796	1,96,692	-	2,42,488	7,82,559
Electrical Installation	-	68,68,861	-	68,68,861	-	2,17,514	-	2,17,514	66,51,347
Factory Buildings	-	4,60,97,645	-	4,60,97,645	-	9,73,172	-	9,73,172	4,51,24,473
Furniture & Fixture	4,50,177	1,24,618	-	5,74,795	92,928	51,464	-	1,44,392	4,30,403
Plant and Equipment	-	11,68,76,149	-	11,68,76,149	-	54,08,771	-	54,08,771	11,14,67,378
Office Equipments	8,01,339	4,23,528	-	12,24,867	1,69,939	2,16,715	-	3,86,654	8,38,213
Vehicle	69,14,220	11,50,445	-	80,64,665	2,73,688	8,32,092	-	11,05,780	69,58,885
Total (a)	1,65,68,178	17,97,83,046	-	19,63,51,224	5,82,351	78,96,420	-	84,78,771	18,78,72,453
B Intangible Assets									
Computer Software	26,678	62,866	-	89,544	12,105	14,231	-	26,336	63,208
Total (b)	26,678	62,866	-	89,544	12,105	14,231	-	26,336	63,208
C Capital Work In Progress									
	-	4,36,25,203	-	4,36,25,203	-	-	-	-	4,36,25,203
Total (c)	-	4,36,25,203	-	4,36,25,203	-	-	-	-	4,36,25,203
Total (a + b + c)	1,65,94,856	22,34,71,115	-	24,00,65,971	5,94,456	79,10,651	-	85,05,107	23,15,60,864

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"



**MANGALAM GLOBAL ENTERPRISE
PRIVATE LIMITED (Consolidated)**



9th Annual Report 2018-19

Note 10A

Goodwill on Consolidation

<u>Particulars</u>	<u>As at 2018-19</u>
Opening Balance	
Add: On acquisition of subsidiaries during the year	
Hindprakash Castor Derivatives Pvt Ltd	1,80,20,869
Mangalprakash Singapore (pte) Ltd	19,048
Farpont Enterprise LLP (capital res. on consolidation) (setoff with Goodwill)	(2,894)
Per Balance Sheet	1,80,37,023

Note 11

Non-current Investments (Long Term Investment) (Non Trade at cost)
(Valued at cost less diminution (other than temporary) in value, if any)

<u>Particulars</u>	<u>As at 2018-19</u>
Investment in Equity Instruments (Unquoted) (Others)	
1,20,000 Equity Share of Mehsana Urban Co op Bank Ltd.	30,00,000
404255 (PY Nil) Equity Shares in ECS Environment Pvt Ltd (of Rs. 10/- each Fully Paidup)	1,21,27,650
Aggregate Value of Quoted Investment: CY -Rs nil	
Market Value of Quoted Investment: CY -Rs nil	
Aggregate Amount of Unquoted Investment : CY -Rs 15127650	
A	1,51,27,650
Investment Property (Valued at cost less accumulated depreciation)	
Cost of Land and Building as on Opening	5,52,20,801
Add: Addition during the year	92,94,460
Sub total (a)	6,45,15,261
Deprecation as on Opening	(5,22,577)
Add: Depreciation for the year	(2,71,457)
Sub total (b)	(7,94,034)
Net Block (a-b) B	6,37,21,227
Aggregate value of Investment Property: CY Rs 63721277	
Aggregate provision for diminution in value of investment: CY -Rs Nil	
Per Balance Sheet (A+B)	7,88,48,877



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED (Consolidated)



9th Annual Report 2018-19

Note 12

Long-term Loans and Advances (Unsecured Considered good)

Particulars	As at 2018-19
Prepaid Income Tax / MAT Credit / TDS (Net of Prov, if any)	10,75,210
Deposit	2,75,236
Capital Advance	94,82,163
Prepaid Expenses	-
Other Receivable / Rent Receivable	62,48,473
Per Balance Sheet	1,70,81,082

Note 13

Inventories (As taken, verified, valued and certified by the Management)

Particulars	As at 2018-19
Stock of Raw Material (Valued at or below cost)	5,51,16,362
Stock of Work in Progress (Valued at or below cost)	2,29,53,716
Stock of Finished Goods (Valued at or below cost)	6,36,27,084
Stock of Packing Materials / Stores & Spares (Valued at or below cost)	60,27,007
Per Balance Sheet	14,77,24,169

Note : 1 Above includes Rs. 54,688,362.00 is under pledge with Bankers

Note 14

Trade Receivables (Unsecured and Considered good)

Particulars	As at 2018-19
Over Six Months	1,18,39,725
Others	6,27,32,714
Per Balance Sheet	7,45,72,439

Note 15

Cash and Bank Balances

Particulars	As at 2018-19
Cash and Cash Equivalents	
Cash on Hand	2,69,613
Balances with Bank	75,79,999
Total Cash and Cash Equivalents A	78,49,612
Other Bank Balances	
Other Bank Deposits (Original Maturity more than 3 months) (see note below)	4,90,09,061
Total Other Bank Balances B	4,90,09,061
Per Balance Sheet	5,68,58,673

Note : 15.1 Other bank deposit include Rs 4,90,09,061/- deposits with remaining maturity of more than 12 months from the balance sheet date

Note : 15.2 Other bank deposit includes RS Rs 4,90,09,061/- given under lien to secure working capital facilities from the bank.



**MANGALAM GLOBAL ENTERPRISE
PRIVATE LIMITED (Consolidated)**



9th Annual Report 2018-19

Note 16

Short-term Loans and Advances (Unsecured Considered good)

Particulars	As at 2018-19
Loans and Advances to related parties	
Loans Given	8,54,818
Others	
Loans to Employees	6,04,710
Prepaid Expenses	33,40,618
Advance to Suppliers	2,44,58,373
GST / VAT Receivable	2,77,68,677
Rent Receivable	9,84,000
Receivable under agency service business	29,00,73,116
Debit Balance of Creditors	35,91,590
Margin Money Given for Commodity Hedging Future Transaction	70,86,319
Other Receivable	7,30,455
Per Balance Sheet	35,94,92,676



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED (Consolidated)



9th Annual Report 2018-19

Note 17

Revenue from Operations

Particulars	2018-19
Sale of products	3,83,25,83,199
Sale of services	5,35,13,226
Rental income from Long Term Investment Property	60,54,157
Other operating revenues	61,97,125
Per Statement of Profit and Loss Account	3,89,83,47,707

Particulars	2018-19
Sale of Products Comprises - Manufactured Goods	
Castor Oil	2641510675
Castor DOC	181704666
Cotton Bales	32378627
Cotton Seeds	16230552
Others	3342498
Sale of Products Comprises - Trading goods	
Castor Oil	813305984
Castor Seeds	133471382
Others	10638815
Total	3,83,25,83,199
Sale of Services Comprises	
Agency Service Income	5,96,39,096
Total	5,96,39,096
Other operating revenues Comprises	
Export Incentive Income	46,255
Total	46,255

Note 18

Other Income

Particulars	2018-19
Interest Income (Refer Note 18.1 below)	10,42,167
Other non-operating income (net of expenses directly attributable to such income) (Refer note 18.2 below)	13,380
Profit on sale of Investment (Liquid Mutual Fund)	1,17,921
Others	1,877
Prior Period Item (Net)	-
Per Statement of Profit and Loss Account	11,75,345

Note: 18.1: Interest Income Comprises:	
-Interest on Loans and Advances	3,51,729
-Interest from banks on Deposit	10,068
-Interest from Delayed Supply of Goods	6,71,682
-Interest on Income Others	8,688
Total	10,42,167
Note: 18.2: Other Non Operating Income Comprises:	
-Sale of Scrap	13,380
-Exchange Rate difference others	-
Total	13,380



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED (Consolidated)



9th Annual Report 2018-19

Note 19

Cost of Material Consumed (including Cost of Traded Goods Sold)

Particulars	2018-19
Opening Stock	-
Add: Purchases and incidental expenses (Net of returns, claims/discount, if any)	3,84,60,60,414
Less: Closing Stock	(5,51,16,362)
Per Statement of Profit and Loss Account	3,79,09,44,052

Particulars	2018-19
Material consumed comprises:	
Castor Seeds	2,83,47,56,460
Castor Oil	82,58,41,995
Raw Cotton	8,66,34,841
Others	4,37,10,756
Total	3,79,09,44,052

Note 20

Changes in inventories of Finished Goods and Work in Progress / Traded Goods

Particulars	2018-19
Opening Stock :	
Finished Goods/Traded Goods	-
Work in Progress	-
Closing Stock :	
Finished Goods/Traded Goods	(6,36,27,084)
Work in Progress	(2,29,53,716)
Per Statement of Profit and Loss Account	(8,65,80,800)

Note 21

Employee Benefits Expense

Particulars	2018-19
Salaries and Wages	2,41,67,931
Contributions to Provident Fund and Other Fund	2,53,133
Gratuity and Leave Encashment / Reversal	6,15,172
Staff Welfare Expenses	3,78,265
Per Statement of Profit and Loss Account	2,54,14,501



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED (Consolidated)



9th Annual Report 2018-19

Note 22

Other Expenses

Particulars	2018-19
Manufacturing Expenses	
Power & Fuel	1,69,58,310
Loading-Unloading Expense	38,01,340
Lease Rent Expense	16,70,210
Laboratory Expenses	2,33,609
Factory Consumable	76,81,004
Insurance	42,755
Other Factory Expense	16,61,656
Repair & Maintenance - Plant & Machinery	40,41,945
Repair & Maintenance - Others	2,98,766
Raw Material (Commodity) Hedging Cost	12,07,946
Packing Expenses	9,11,755
A	3,85,09,296
Administrative, Selling and Other Expenses	
Advertisement Expenses	39,812
Business Promotion Expenses	6,29,921
Brokerage Expenses	4,90,625
Bank Charges	68,535
Preliminary Exp	1,48,666
Nominee Director Fees	1,55,245
Sales Commission Expenses	24,78,664
Conveyance Expenses	3,95,877
Donation	1,01,200
Electricity Expenses	2,30,759
Testing Fees	4,13,544
Legal Fees	24,38,749
Consultancy Expenses	69,97,330
Payments to the Auditor	6,88,866
Printing and Stationary Expenses	2,38,831
Postage and Angadia	43,383
Outward Freight / Loading Unloading	3,19,04,056
Office Expenses	8,09,203
Cash Discount	43,726
Handling Expenses	9,09,739
Other Expenses	3,66,225
Export Freight And Expenses	7,87,871



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED (Consolidated)



9th Annual Report 2018-19

Rent	5,000
Godown / Storage Tank Rent	4,08,500
Repairs And Maintenance - Building	2,05,027
Repairs And Maintenance - Others	10,44,228
Insurance Expenses	1,57,832
Tele Communication Expenses	1,82,597
Travelling Expenses	15,53,436
Rates & Taxes	2,58,960
B	5,41,96,407
Per Statement of Profit and Loss Account	9,27,05,703

Details of Prior Period Item

Particulars	2018-19
Prior Period Expenses	-
Prior Period Income	-
Total (Net Income)	-

Details of Payment to Auditors

Particulars	2018-19
For Audit Fees	6,29,366
For Taxation Matters (including Tax Audit Fees)	59,500
Total	6,88,866

Note 23

Finance Costs

Particulars	2018-19
Interest expense:	
On Fixed Loans from Banks	46,74,429
On CC & Other Borrowing from Banks	1,29,10,972
On Other Borrowing	1,39,75,205
On Others	534
Other Finance Cost	25,01,520
Per Statement of Profit and Loss Account	3,40,62,660



NOTE: 24

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING
PART OF CONSOLIDATED FINANCIAL STATEMENT**

A) SIGNIFICANT ACCOUNTING POLICIES:

1) (a) Basis of accounting and preparation of consolidated financial statements:

The consolidated financial statements of the Company and its subsidiaries (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees.

(a) Principles of consolidation:

The Consolidated financial statements relate to Mangalam Global Enterprise Private Limited ("the Company") and its subsidiary entities viz (i) Hindprakash Castor Derivatives Private Limited, (ii) Mangalprakash (Singapore) Pte Ltd and (iii) Farpoint Enterprise LLP. The Consolidated financial statements have been prepared on following basis:

- (i) The financial statements of the subsidiary entities, used in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2019.
- (ii) The financial statements of the Company and its subsidiary entities have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- (iii) The excess of cost to the company of its investments in the subsidiary entities over its share of equity of the subsidiary entity, at the dates on which the investments in the subsidiary entity were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis.
- (iv) Goodwill arising on consolidation is not amortised but tested for impairment.
- (v) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED [Consolidated]

9th Annual Report 2018-19



- (vi) Following subsidiary companies/entity, associates and jointly controlled entities have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of Incorporation	% of Holding and voting power either directly or indirectly through subsidiary
			As at 31 March, 2019
Hindprakash Castor Derivatives Private Limited (HCDPL)	Subsidiary	India	51.01%
Mangalprakash (Singapore) Pte Ltd (MSPL)	Subsidiary	Singapore	100.00%
Farpoint Enterprise LLP (FEL)	Subsidiary	India	51.00%

(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) FIXED ASSETS:

All Fixed Assets 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 fixed assets are also included to the extent they relate to the period till such assets are ready for their intended use.

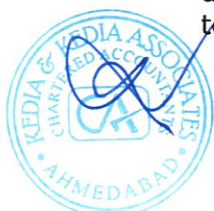
Capital work in progress is stated at cost. The cost is inclusive of directly attributable expenditure, expenditure during construction period to be allocated to the respective assets on completion of construction period, interest upto the balance sheet date in case of qualifying asset and is adjusted 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 fixed assets are stated at their Historical Costs.

3) DEPRECIATION:

Depreciation is charged in the accounts on Fixed Assets 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 of HCDPL where depreciation has been provided taking estimated useful life of 8 to 30 years based on technical evaluation. Computer software is amortised over a period of 3 years.



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 Fixed Assets 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:

Inventories consisting of Raw Materials, Work-in-Process, Finished Goods and traded 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.

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) Export benefits / incentives are accounted on accrual basis in accordance with various government schemes in respect thereof and are shown under "Other Operating Revenue". Benefits available under the Export Licenses and in the nature of duty drawback are accounted for based on eligibility and when there is no significant uncertainty as to its ultimate collection.
- (d) Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the rate applicable.
- (e) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realization exists.
- (f) Sales for the period prior to 1st July 2017 were/are reported net of Value Added Tax (VAT) / sales tax, wherever applicable. Consequent to the introduction of Goods and Service Tax (GST) with effect from 1 July 2017, VAT / Sales tax etc. have been subsumed into GST, and accordingly sales are reported net of GST, wherever applicable.

9) PURCHASES:

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

Purchases (Imports) are accounted for in the books when the goods is arrived on destination port except in case when goods are sold in transit (on highseas basis), in such cases purchases (Imports) are accounted for in the books immediately on sale. Goods in Transit (Import) is shown by way of note to Balance Sheet.

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) CUSTOM DUTY:

Liabilities on account of custom duty on imported materials in transit or in bonded warehouse are accounted only in the year in which the goods are cleared from customs.

12) FOREIGN CURRENCY TRANSACTION:

- a) The transactions in foreign currencies are converted into Indian Rupees at the rates of exchange prevailing on the date of transactions.
- b) The balances in Current Assets and Current Liabilities in foreign currencies at the date of Balance Sheet have been converted into Indian Rupees at the rate of exchange prevalent on that date as per RBI reference rate. The resultant net gain /loss arising out of such foreign exchange translations is taken to Profit and Loss Account except in respect of such differences related to acquisition of fixed assets from a country outside India which are capitalized as a part of cost of respective fixed asset.
- c) In respect of transactions covered by Foreign Exchange Forward Contracts, the difference between the forward rate and exchange rate at the inception of contract is recognised as income or expenses over the life of the contract.

13) GOVERNMENT GRANTS:

Government Grants are recognized when there is a reasonable assurance that the same will be received. Revenue grants are recognized in the Statement of Profit and Loss. Capital grants relating to specific fixed assets are reduced from the gross value of the respective Fixed Assets. Other capital grants are credited to Capital Reserve.

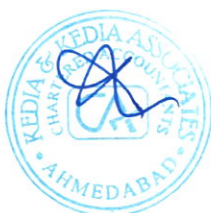
14) EMPLOYEES BENEFITS :

(a) Defined Contribution Plans:

The Company contributes on a defined contribution basis to Employees' Provident Fund towards post employment benefits, all of which are administered by the respective Government authorities, and it has no further obligation beyond making its contribution, which is expensed in the period to which it pertains.

(b) Defined Benefit Plans:

The Company administers the gratuity scheme being unfunded liability. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses, which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in the Profit and Loss Account.



15) BORROWING COST:

Borrowing costs that are directly attributable to the acquisition/ construction of qualifying Fixed 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.

16) 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.

17) 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 recognized as an expense in the statement of profit or loss on a straight-line basis.

As Lessor:

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

18) 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 Income Tax 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.



19) IMPAIRMENT OF ASSETS :

- (a) If at a balance sheet date, there is an indication about impairment of any item of fixed assets, 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.

20) DERIVATIVE AND COMMODITY HEDGING TRANSACTIONS:

In respect of derivative contracts, premium paid, gains/ losses on settlement and provision for losses on restatement are recognised along with the underlying transactions and charged to Statement of Profit and Loss.

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. Exchange rate difference (Net) :
Rs. 2,71,047/- (Net Gain) is adjusted to Sales.
4. Other Money for which the company is contingently liable:
 - (a) Outstanding amount of Foreign Letter of Credit [Net of Purchase of Rs. Nil] Rs. Nil.
 - (b) Other claims against company not acknowledged as debt – Nil. The management of the company does not envisage any contingent liability in this regard.
 - (c) Bill discounted with banks under LC received Rs. 27,56,89,691/-.
 - (d) Estimated value of capital commitment Rs 8,06,832/- net of advances of Rs 94,82,163/-)



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED [Consolidated]

9th Annual Report 2018-19



5. Disclosure requirement as per AS 19: Leases

Operating Lease given (as lessor):

Name of Assets	2018 – 19
Gross Carrying Value	55,365,801
Depreciation recognised on the leased assets	(761,442)
Impairment losses recognised on the leased assets	Nil
Impairment losses reversed on the leased assets	Nil
Net Carrying Value	54,604,359
Future minimum lease payments	
Not letter than 1 year	5,521,500
Later than 1 year and not later than 5 years	17,983,132
Later than 5 years	8,001,136
Rent Income Recognised in Profit and Loss Account (On Straight Line Basis)	6,102,156
Contingent Rent recognised during the year	Nil

Details of major agreements:

The company has entered into operating lease agreement wef 01/05/2015 for investment property being part of office premises at 201, 2nd Floor, Setu Complex. The lease is non-cancelable for a total period of 71 months (Initially for 35 months and renewable at every 36 months).

Further the company has entered into operating lease agreement wef 01/02/2017 for investment property being property at 31, Samsta Bramkshtriya Coop Housing Society Ltd. The lease is non-cancelable for a total period upto 108 months.

Operating Lease taken (as lessee):

Name of Assets	2018 – 19
Future minimum lease payments	
Not letter than 1 year	2940420
Later than 1 year and not later than 5 years	11761680
Later than 5 years	10291448
Rent Expense Recognised in Profit and Loss Account (On Straight Line Basis)	1470210

Details of major agreements:

The company has entered into operating lease agreement wef 01/10/2018 for Cotton Ginning Factory (including land, building, Plant and Machinery etc). The lease is non-cancelable for a total period of 108 months.



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED [Consolidated]

9th Annual Report 2018-19



6. Disclosure of related parties and related party transactions:

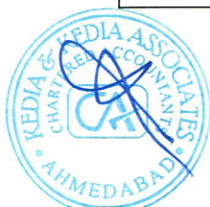
(a) With Respect to Mangalam Global Enterprise Private Limited (after elimination of intra group transaction)

Name of Related Parties and description of relation:

- | | |
|--|---|
| a) Associate Companies | Nil |
| b) Joint Ventures | Nil |
| c) Key Management Personnel | |
| Director | Mr. Chanakya Prakash Mangal |
| Director | Mr. Chandragupt Prakash Mangal |
| Director | Mrs Rashmi Mangal (upto 01-07- 2017) |
| d) Enterprise over which Key Management Personnel exercise significant influence | M/s Nitex Enterprise LLP
M/s Shirshak Exim LLP
M/s Mangalam Worldwide Pvt Ltd
M/s ECS Environment Pvt Ltd
M/s Ecofine Colourchem Pvt Ltd
Vipin Prakash Mangal HUF
Om Prakash Vipin Prakash Mangal HUF
OPVP HUF |
| h) Relative of the Key Management Personnel | Mr. Vipin Prakash Mangal
Mrs. Rashmi V Mangal
Mr Omprakash Mangal
Mrs Hemlata O Mangal |

Related Party Transactions (2018 – 19):-

Particulars	Key Management Personnel & Relatives	Enterprise over which KMP exercise Significant Influence	Total Amount in Rupees
Dividend Paid	107,924	1,080	109,004
Sale of Goods	-	10,638,815	10,638,815
Lease Rent Expense	5,000	-	5,000
Lease Rent Income	-	161,290	161,290
Purchase of Goods	-	25,852,073	25,852,073
Purchase of Fixed Assets	-	158,558	158,558
Interest Received	-	49,798	49,798
Loan Given	-	810,000	810,000
Loan Given Outstanding as on 31.03.2019	-	854,818	854,818
Loan Taken	47,541,151	-	47,541,151



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED [Consolidated]

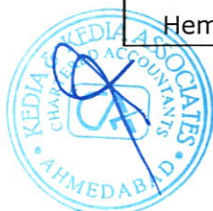
9th Annual Report 2018-19



Repayment of Loan Taken	65,497,155	-	65,497,155
Management Consultancy Service	1,025,000	-	1,025,000
Salary	4,635,000	-	4,635,000
Guarantee Given to the Company's Bank	190,000,000		190,000,000
Issue of Share Capital including Securities Premium	137,463,060	49,000,000	186,463,060
Trade Receivable as on 31.03.19	-	11,659,701	11,659,701

Material Related Party Transactions (2018 - 19): -

Particulars	Current Year
Dividend Paid	
Chanakya Prakash Mangal	32,760
Chandragupt Prakash Mangal	32,760
Vipin Prakash Mangal	7,960
Rashmi V Mangal	32,760
Hemlata O Mangal	1,684
Vipin Prakash Mangal HUF	840
Om Prakash Mangal HUF	240
Sale of Goods	
ECS Environmemnt Pvt Ltd	10,638,815
Lease Rent Expense	
Rashmi V Mangal	5,000
Lease Rent Income	
ECS Environmemnt Pvt Ltd	51,290
Mangalam Worldwide Pvt Ltd	110,000
Purchase of Goods	
Shirshak Exim LLP	25,852,073
Purchase of Fixed Assets	
ECS Environmemnt Pvt Ltd	158,558
Interest Received	
Ecofine Colourchem Pvt Ltd	49,798
Loan Given	
Ecofine Colourchem Pvt Ltd	810,000
Loan Given Outstanding as on 31-3-19	
Ecofine Colourchem Pvt Ltd	854,818
Loan Taken	
Chanakya Prakash Mangal	20,461,252
Chandragupt Prakash Mangal	6,463,312
Vipin Prakash Mangal	5,677,587
Rashmi V Mangal	4,939,000
Om Prakash Mangal	5,000,000
Hemlata O Mangal	5,000,000



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED [Consolidated]

9th Annual Report 2018-19



Repayment of Loan Taken		
Chanakya Prakash Mangal		31,420,155
Chandragupt Prakash Mangal		12,075,000
Vipin Prakash Mangal		6,401,000
Rashmi V Mangal		5,351,000
Om Prakash Mangal		5,250,000
Hemlata O Mangal		5,000,000
Management Consultancy Service		
Chandragupt Prakash Mangal		1,025,000
Salary		
Chanakya Prakash Mangal		1,555,000
Vipin Prakash Mangal		640,000
Rashmi V Mangal		1,540,000
Hemlata O Mangal		900,000
Gurantee Given by related Party to the Company's Bank		
<u>HDFC BANK LTD</u>		
Rashmi V Mangal	}	150,000,000
Vipin Prakash Mangal		
Chanakya Prakash Mangal		
Chandragupt Prakash Mangal		
<u>AXIS BANK LTD</u>		
Chanakya Prakash Mangal	}	40,000,000
Chandragupt Prakash Mangal		
Issue of Share Capital including Securities Premium		
Mangalam Worldwide Pvt Ltd		49,000,000
Chanakya Prakash Mangal		35,143,220
Chandragupt Prakash Mangal		38,636,640
Vipin Prakash Mangal		13,522,320
Rashmi V Mangal		10,160,920
Om Prakash Mangal		39,999,960
Trade Receivable As on 31.03.2019		
ECS Environmemnt Pvt Ltd		11,659,701

(b) With Respect to Hindprakash Castor Derivatives Private Limited (after elimination of intra group transaction)

Name of Related Parties and description of relation:

- | | |
|------------------------|-----|
| a) Associate Companies | Nil |
| b) Joint Ventures | Nil |



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED [Consolidated]

9th Annual Report 2018-19



- c) Key Management Personnel
Director Mr. Chanakya Prakash Mangal
Director Mr. Brijesh Rajgor
- d) 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	Key Management Personnel & Relatives	Enterprise over which KMP exercise Significant Influence	Total Amount in Rupees
Lease Rent Expense	200,000	-	200,000
Purchase of Goods	444,834,496	-	444,834,496
Purchase of Property Plant and Equipment / Investment Property	174,936,129	-	174,936,129
Consultancy Service	500,000	-	500,000
Salary	3,240,000	-	3,240,000
Loan Taken	137,463,100	-	137,463,100
Loan Repayment *	79,900,000	-	79,900,000
Loan Taken Outstanding as on 31-3-19	57,563,100	-	57,563,100
Gaurantee Given to Company's Bank	120,000,000	-	120,000,000
Issue of Share Capital including Securities Premium	13,548,290	5,949,970	19,498,260
Debit Balance of Creditors	3,136,975	-	3,136,975



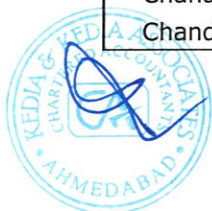
MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED [Consolidated]

9th Annual Report 2018-19



Material Related Party Transactions (2018 - 19):-

Particulars	Current Year
Lease Rent Expense	
Om Oil Industries	200,000
Purchase of Goods	
Brijesh Rajgor	444,834,496
Purchase of Property Plant and Equipment / Investment Property	
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
Consultancy Service	
Chandragupt Prakash Mangal	500,000
Salary	
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
Loan Taken	
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 PRIVATE LIMITED [Consolidated]

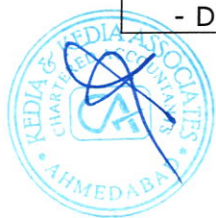
9th Annual Report 2018-19



Loan Repayment	
Vipin Mangal	5,100,000
Rashmi Mangal	5,100,000
Chanakya Mangal	5,100,000
Chandragupt Prakash Mangal	5,100,000
Brijesh Rajgor	59,500,000
Loan Taken Outstanding as on 31-3-19	
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
Gaurantee Given to Company's Bank	
The Mehsana Urban Co-Operative Bank Ltd.	
Brijeshkumar Rajgor	} 120,000,000
Chanakya Prakash Mangal	
Issue of Share Capital including Securities Premium	
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
Debit Balance of Creditors	
Brijesh Rajgor	844,188
Om Oil Industries	2,292,787

7. Earning per Equity Share:

Particulars	CURRENT YEAR Rupees
a) Profit available for equity share holders	
- Basic	2,15,03,977
- Diluted	2,15,03,977



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED [Consolidated]

9th Annual Report 2018-19



b) Weighted average number of equity shares	
- Basic	5,49,898
- Diluted	5,49,898
c) Earning per Share in rupees (Face value of Rs 10/-each)	
- Basic	39.11
- Diluted	39.11

8. As the Group has identified manufacturing/dealing/trading of castor seeds, castor derivatives products, cotton, cotton ginning, other agriculture commodities, 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.

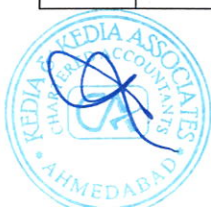
9. Employee Benefits:

a) Amount recognized as an expense in the Profit & Loss Accounts.

Particulars	CURRENT YEAR Rupees
1. Compensated Leave Absences (Privilege Leave)	4,32,624
2. Provident & Other Fund (Defined Contribution Plan)	2,53,133

b) Disclosure in respect of Gratuity (Unfunded), a defined benefit scheme based on actuarial valuation report. (Projected Unit credit Method).

Sr. No.	Particulars	CURRENT YEAR Rupees
I	<u>Changes in Present Value of Benefit Obligations</u>	
	Present value of Benefit Obligation (Opening)	-
	Current Service Cost	1,82,548
	Interest Cost	-
	Benefits Paid	-
	Actuarial losses (gains)	-
	Present value of Benefit Obligation (Closing)	1,82,548
II	<u>Details of Experience adjustment on plan assets and liabilities</u>	
	Experience adjustment on plan assets	-
	Experience adjustment on plan liabilities	-
III	<u>Bifurcation of Present Value of Benefit Obligation</u>	
	Current – Amount due within one year	20,073
	Non-Current – Amount due after one year	1,62,475
	Total	1,82,548
IV	<u>Plan Assets</u>	Nil



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED [Consolidated]

9th Annual Report 2018-19



V	Assets Category of Plan Assets	Nil
VI	Amounts recognized in Balance Sheet and Statement of Profit and Loss	
	Present Value of Benefit Obligation (Closing)	1,82,548
	Fair Value of Plan Assets (Closing)	-
	Net Liability / (Asset) recognised in Balance Sheet	1,82,548
	Current Service Cost	1,82,548
	Interest Cost	-
	Expected Return on Plan Assets	-
	Net actuarial losses (gains) recognised in the year	-
	Expenses recognised in Statement of Profit and Loss	1,82,548
VII	Actuarial Assumptions	
	Discount Rate	7.70%
	Salary Escalation Rate	8.33%
	Retirement Age	70
	Attrition Rate	See Note 1
	Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult.

Note 1: 5% at younger ages and reducing to 1% at older ages according to graduated scale.

10. Enterprises consolidated as associates and joint ventures in Consolidated Financial Statements: None.

11. Additional information as required by Paragraph 2 of the General Instruction for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the Entity	Net Assets, i.e. Total Assets minus Liabilities		Share of Profit or Loss	
	As % of Consolidated Net Assets	Amount (Rupees)	As % of Consolidated Profit or Loss	Amount (Rupees)
Parent: Mangalam Global Enterprise Pvt Ltd	88.86	325548895	87.32	21915463
Subsidiary: Indian:				
Hindprakash Castor Derivatives Pvt Ltd	11.90	43593507	14.32	3595297
Farpoint Enterprise LLP	1.39	5080475	0.02	5675
Subsidiary: Foreign:				
Mangalprakash (Singapore) Pte Ltd	1.78	6538163	(1.66)	(417789)
Minority Interest: in all Subsidiaries	5.85	21433157	7.03	1764044
Associates /Joint Ventures:	Nil	Nil	Nil	Nil
None				



**MANGALAM GLOBAL ENTERPRISE
PRIVATE LIMITED [Consolidated]**

9th Annual Report 2018-19



12. The audited financial statements of foreign subsidiary have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation. There is no material difference in accounting policies of the Parent Company and its subsidiaries.
13. The Figures have been rounded off to the nearest rupees.
14. This year being the first occasion that consolidated financial statements are presented, comparative figures for the previous period has not be presented.

For and On behalf of the Board



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


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


**Chandragupt Prakash Mangal
(Director)
DIN: 07408422**

