

- **BOARD OF DIRECTORS :**

Mr. Chanakya Prakash Mangal  
Mrs. Rashmi Mangal (Upto 01/07/2017)  
Mr. Chandragupt Prakash Mangal

- **AUDITORS :**

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

- **REGISTERED OFFICE :**

201, SETU COMPLEX,  
GIRISH COLDDRINKS CROSS ROAD,  
OFF C G ROAD,  
NAVRANGPURA,  
AHMEDABAD – 380 009

- **CIN : U24224GJ2010PTC062434**

- **E Mail : [info@groupmangalam.com](mailto:info@groupmangalam.com)**

# MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED

## DIRECTORS' REPORT

To,  
THE MEMBERS

Your Directors are present herewith the 8<sup>th</sup> **ANNUAL REPORT** together with the Audited Financial Statements and Auditors' report thereon for the year ended 31<sup>st</sup> March, 2018.

### FINANCIAL RESULTS/ STATE OF COMPANY AFFAIRS:

The Financial Results of the Company for the year ended on 31<sup>st</sup> March, 2018 are as follows:-

Particulars	(Amt. in Lacs)(Rs.)	
	Year 2017-2018	Year 2016-2017
<b>Total Revenue</b>	<b>2689.86</b>	<b>268.69</b>
Profit / (loss) Before Depreciation, Amortization and Taxation	<b>40.75</b>	<b>16.67</b>
Depreciation and Amortization	6.64	3.55
<b>Profit / (Loss) before Taxation</b>	<b>34.11</b>	<b>13.12</b>
<b>Extra Ordinary Item</b>	<b>NIL</b>	<b>NIL</b>
Provision for taxation - For Current Tax	6.54	2.50
Provision for taxation - For Deferred Tax	1.79	NIL
MAT credit Entitlement	(8.26)	NIL
<b>Profit / (Loss) after Taxation</b>	<b>34.04</b>	<b>10.62</b>

### DIVIDEND AND TRANSFER TO RESERVES:

Considering the Company's performance, the Board of Directors of the Company have recommended dividend of Re 0.10 paise per equity share of face value of Rs. 10/- each for the year ended on 31<sup>st</sup> March, 2018. The final dividend is subject to the approval of the Shareholders.

Further the Company has not transferred any amount to reserves during the year.

As per the Financial Statement the Profit and Loss statement of the Company is projecting the profits:

### DIRECTORS

During the Financial year under review, Mrs. Rashmi Mangal (DIN: 02541884) resigned as a Director with effect from 1<sup>st</sup> July, 2017. The Board places the appreciation for the services rendered by her during her tenure with the Company.

### MATERIAL CHANGES AFFECTING FINANCIAL POSITION OF THE COMPANY:

No material changes or commitments, affecting the financial position of the Company have occurred between the end of the financial year of the company under review and the date of the Board's Report.



## DIRECTORS' RESPONSIBILITY STATEMENT:

It is hereby stated that:

- (a) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the Company for that period.
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on going concern basis.
- (e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## NUMBER OF BOARD MEETINGS OF THE BOARD:

During the year under review, the Board of Directors duly met 10 times and the details of attendance of directors / members are as follows:

Date of Board Meeting	Name of Director		
	Mr. Chanakya Prakash Mangal	Mrs. Rashmi V Mangal*	Mr. Chandragupt Prakash Mangal
01/04/2017	✓	✓	✓
14/06/2017	✓	✓	✓
26/06/2017	✓	✓	✓
14/08/2017	✓	N.A.	✓
17/11/2017	✓	N.A.	✓
22/11/2017	✓	N.A.	✓
26/11/2017	✓	N.A.	✓
28/12/2017	✓	N.A.	✓
09/03/2018	✓	N.A.	✓
31/03/2018	✓	N.A.	✓
<b>Total No. of Meetings attended</b>	10/10	3/3	10/10

\* Ceased to be a director w.e.f. 01.07.2017

## ALLOTMENT OF SHARES:

The Company has allotted 5,00,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 90/- each for cash on Right basis on 31.03.2018.



**DEPOSITS:**

The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 during the period under review.

**LOANS FROM DIRECTOR/RELATIVE OF DIRECTOR:**

The balances of monies accepted by the Company from Directors / relatives of Directors at the beginning of the year were Rs. 5,70,65,187/- and at the close of year was Rs. 1,79,56,004/-

**LOANS, GUARANTEES & INVESTMENTS U/S 186:**

The Company has not advanced any loan, given any guarantee or provided any security and has not made any investment under section 186 of the Companies Act, 2013 during the year under review.

**CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

Details of contracts or arrangements with related parties referred to in section 188 (1) of the Companies Act, 2013 are as per **Annexure - I**.

**EXTRACTS OF ANNUAL RETURN:**

Extract of the Annual Return for the financial year ended under review in the prescribed form MGT - 9, pursuant to provisions of Section 92(3) of the Companies Act, 2013 is annexed to this report as **Annexure II**.

**STATUTORY AUDITORS AND THEIR OBSERVATION:**

M/s. Kedia & Kedia Associates, Chartered Accountants (Firm Registration No. 104954W) were appointed as Statutory Auditors, for a term of five years to hold office till the conclusion of the Annual general Meeting to be held for the financial year ending on 31<sup>st</sup> March, 2019, subject to the ratification by the members at every Annual general Meeting. Hence necessary approval for ratification of appointment of said statutory auditors is placed for approval by the members of the Company.

The Auditors' Report to the members for the year under review does not contain any qualification.

**Secretarial Standards:**

The company has complied with the applicable secretarial standards for the financial year under review.

**INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY:**

The Company has an adequate Internal Financial Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Financial Control function is well defined.



## **PARTICULARS OF EMPLOYEES:**

During the year under review, there are no employees drawing remuneration which is in excess of the limit as prescribed under Section 197 of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **RISK MANAGEMENT POLICY:**

The Management regularly reviews the risk and took appropriate steps to mitigate the risk. The company has in place the Risk Management policy. The Company has a robust Business Risk Management (BRM) frame work to identify, evaluate, business risks, Financial risk, Competition risk, Human resource risk. In the opinion of the Board, no risk has been identified that may threaten the existence of the Company.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated hereunder:-

### **Conservation of Energy:**

#### **1. The steps taken or impact on conservation of energy:-**

The Company has taken measures and applied strict control system to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum extent possible wastage as far as possible. The day to day consumption is monitored and various ways and means are adopted to reduce the power consumption in an effort to save energy.

#### **2. The steps taken by the company for utilizing alternate sources of energy.**

Company has not taken any step for utilizing alternate sources of energy.

#### **3. The capital investment on energy conservation equipments.**

Company has not made any capital investment on energy conservation equipments.

### **Technology Absorption**

Company has not imported any technology and hence there is nothing to be reported here.

### **Foreign Exchange Earning and Outgo:**

The details of Foreign exchange Earnings and outgo during the year are as follows:

Particulars	2017-2018	2016-2017
Foreign Exchange Earnings (Rs.)	NIL	NIL
Foreign Exchange Outgo(Rs.)	NIL	NIL

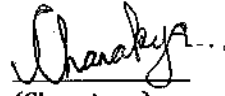


## ACKNOWLEDGMENT:

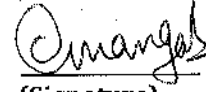
Your Directors are thankful to regulatory and Government authorities, bankers and clients of the Company.

For and on Behalf of Board  
For Mangalam Global Enterprise Private Limited

Place: Ahmedabad  
Date: 07/05/2018



(Signature)  
Chanakya Prakash Mangal  
Director  
DIN: 06714256



(Signature)  
Chandragupt Prakash Mangal  
Director  
DIN: 07408422



**Annexure – I**

**FORM NO. AOC -2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

All contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are at arms' length basis.

**2. Details of material contracts or arrangements or transactions at Arm's length basis.**

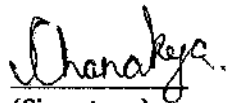
Name (s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any*	Date of approval by the Board	Amount paid as advances, if any
Chanakya Prakash Mangal	Director	Lease Rent paid	01/04/2017 to 31/03/2018	Rs. 1,34,358/-	As per note below	As per note below
Rashmi V Mangal	Relative of Director	Lease Rent paid	01/04/2017 to 31/03/2018	Rs. 62,250/-	As per note below	w

\* At prevailing prices on arms length basis and on Industry practice terms.

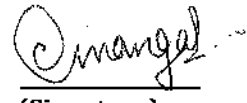
Note:

Appropriate approvals have been taken for related party transactions wherever necessary. No amount was paid as advance.

**For and on Behalf of Board  
For Mangalam Global Enterprise Private Limited**



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



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

**Place: Ahmedabad  
Date: 07/05/2018**



**Annexure - II**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on financial year ended on 31.03.2018**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014.**

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U24224GJ2010PTC062434
ii	Registration Date	27-Sep-10
iii	Name of the Company	Mangalam Global Enterprise Pvt Ltd
iv	Category/Sub-category of the Company	Company limited by shares / Indian Non-Government
v	Address of the Registered office & contact details	201, Setu Complex, Girish Cold Drinks Cross Road, Off C G Road, Navrangpura, Ahmedabad - 380 009
vi	Whether listed company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Edible Oil	4630	44.21%
1	Retail sale of Textile and Textile Merchandise	4751	29.71%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1	Not Applicable				



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoters</b>										
(1) Indian										
a) Individual / HUF	-	45,020	45,020	100.00%	-	545,020	545,020	100.00%	500,000	1110.62%
b) Central Government or State Government	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
c) Bodies Corporates	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
d) Bank / FI	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
e) Any other (TRUST)	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
<b>SUB TOTAL: (A) (1)</b>	-	45,020	45,020	100.00%	-	545,020	545,020	100.00%	500,000	1110.62%
(2) Foreign										
a) NRI- Individuals	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
d) Bank / FI	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
e) Any other...	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
<b>SUB TOTAL (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	-	45,020	45,020	100.00%	-	545,020	545,020	100.00%	500,000	1110.62%
<b>B. PUBLIC SHAREHOLDING</b>										
(1) Institutions										
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
d) Bank / FI	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
c) Central Government	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
d) State Government	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
e) Venture Capital Fund	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
g) FIIS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
<b>SUB TOTAL (B)(1):</b>	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
(2) Non Institutions										
a) Bodies corporates	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
i) Indian	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
b) Individuals	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
c) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
<b>SUB TOTAL (B)(2):</b>	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
<b>Grand Total (A+B+C)</b>	-	45,020	45,020	100.00%	-	545,020	545,020	100.00%	500,000	1110.62%



(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Hemlata O Mangal	4,420	9.82%	0.00%	8,420	1.54%	0.00%	90.50%
2	Vipinprakash O Mangal	8,800	19.55%	0.00%	39,800	7.30%	0.00%	352.27%
3	Rashmi V Mangal	8,800	19.55%	0.00%	163,800	30.05%	0.00%	1761.36%
4	Chankayaparakash V Mangal	8,800	19.55%	0.00%	163,800	30.05%	0.00%	1761.36%
5	Chandraguptprakash V Mangal	8,800	19.55%	0.00%	163,800	30.05%	0.00%	1761.36%
6	Vipinprakash HUF	4,200	9.33%	0.00%	4,200	0.77%	0.00%	0.00%
7	Omprakash Vipinprakash HUF	1,200	2.67%	0.00%	1,200	0.22%	0.00%	0.00%
	<b>Total</b>	<b>45,020</b>	<b>100.00%</b>	<b>0.00%</b>	<b>545,020</b>	<b>100.00%</b>	<b>0.00%</b>	<b>5726.86%</b>



## (iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1</b>	<b>Hemlata O Mangal</b>				
	At the beginning of the year	4,420	9.8200%	4,420	9.8200%
	Allotment of shares on 31.03.2018 on conversion of unsecured loan	4000		4000	
	At the end of the year	8,420	1.5400%	8,420	1.5400%
<b>2</b>	<b>Vipinprakash O Mangal</b>				
	At the beginning of the year	8,800	19.5500%	8,800	19.5500%
	Allotment of shares on 31.03.2018 on conversion of unsecured loan	31000		31000	
	At the end of the year	39,800	7.3000%	39,800	7.3000%
<b>3</b>	<b>Rashmi V Mangal</b>				
	At the beginning of the year	8,800	19.5500%	8,800	19.5500%
	Allotment of shares on 31.03.2018 on conversion of unsecured loan	155000		155000	
	At the end of the year	163,800	30.0500%	163,800	30.0500%
<b>4</b>	<b>Chankayaprakash V Mangal</b>				
	At the beginning of the year	8,800	19.5500%	8,800	19.5500%
	Allotment of shares on 31.03.2018 on conversion of unsecured loan	155000		155000	
	At the end of the year	163,800	30.0500%	163,800	30.0500%
<b>5</b>	<b>Chandraguptprakash V Mangal</b>				
	At the beginning of the year	8,800	19.5500%	8,800	19.5500%
	Allotment of shares on 31.03.2018 on conversion of unsecured loan	155000		155000	
	At the end of the year	163,800	30.0500%	163,800	30.0500%
<b>6</b>	<b>Vipinprakash HUF</b>				
	At the beginning of the year	4,200	9.3300%	4,200	9.3300%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc)	No change during the year			
	At the end of the year	4,200	9.3300%	4,200	0.7700%
<b>7</b>	<b>Omprakash Vipinprakash HUF</b>				
	At the beginning of the year	1,200	2.6700%	1,200	2.6700%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc)	No change during the year			
	At the end of the year	1,200	2.6700%	1,200	0.2200%



(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs) : NA**

(v) **Shareholding of Directors & KMP**

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	<b>Rashmi V Mangal*</b>				
	At the beginning of the year	8,800	19.5500%	8,800	19.5500%
	Allotment of shares on 31.03.2018 on conversion of unsecured loan	155000		155000	
	At the end of the year	163,800	30.0500%	163,800	30.0500%

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
2	<b>Chankayaprakash V Mangal</b>				
	At the beginning of the year	8,800	19.5500%	8,800	19.5500%
	Allotment of shares on 31.03.2018 on conversion of unsecured loan	155000		155000	
	At the end of the year	163,800	30.0500%	163,800	30.0500%

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
3	<b>Chandraguptprakash V Mangal</b>				
	At the beginning of the year	8,800	19.5500%	8,800	19.5500%
	Allotment of shares on 31.03.2018 on conversion of unsecured loan	155000		155000	
	At the end of the year	163,800	30.0500%	163,800	30.0500%

\* Resigned as a Director of the Company w.e.f. 1st July, 2017.



## V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	61,965,187	-	61,965,187
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>61,965,187</b>	-	<b>61,965,187</b>
<b>Change in Indebtedness during the financial year</b>				
Additions (Net)	-	-	-	-
Reduction	-	(39,555,733)	-	(39,555,733)
<b>Net Change</b>	-	<b>(39,555,733)</b>	-	<b>(39,555,733)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	22,409,454	-	22,409,454
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>22,409,454</b>	-	<b>22,409,454</b>

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	<b>Gross salary</b>	Chankaya Prakash Mangal* *Rashmi Mangal#	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	600,000	600,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	6,600	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-
2	Stock option		-
3	Sweat Equity		-
4	Commission		-
	as % of profit		-
	others (specify)		-
5	Others, please specify		-
	<b>Total (A)</b>	<b>606,600</b>	<b>600,000</b>
	<b>Ceiling as per the Act</b>		

\* Designated as Director of the Company

\*# Remuneration given for part of the year as ceased to be director w.e.f. 01.07.2017.


### B. Remuneration to other directors : N.A.

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :

## VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties/ punishment/ compounding of offences for the year ended on 31st March, 2018.

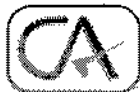
FOR AND ON BEHALF OF THE BOARD  
For MANGALAM GLOBAL ENTERPRISE PRIVATE LIM

  
Signature  
Chanakya Prakash Mangal  
Director  
DIN:06714256

  
Signature  
Chandragupt Prakash  
Director  
DIN:07408422

Date: 07/05/2018  
Place: Ahmedabad





**KEDIA & KEDIA ASSOCIATES**

Chartered Accountants

205, KALING, 2<sup>nd</sup> Floor, Near Mount Carmel School,  
B/h B. J. House, Off Ashram Road, Ahmedabad 380 009  
Telephone : 2658 99 41, 4030 46 10  
Web: www.kediaca.com  
E-mail: kediaca@kediaca.com; kediaca@bsnl.in

Framod Kedia Bcom LLB FCA ACS  
Subodh Kedia Bcom LLB FCA AICWA DISA(ICAI)  
CISA(ISACA usa) CIPFA (AHL uk)  
Kunal Kedia Bcom FCA DISA(ICAI)

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of **MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

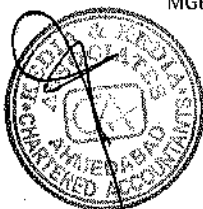
Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



## OPINION

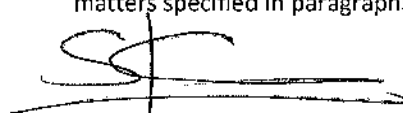
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit and its cash flows for the year ended on that date.

## 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 purpose 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 & 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 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 March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. 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 in terms of Section 143(11) of the Act, We give in "Annexure A" a Statement on the matters specified in paragraphs 3 and 4 of the Order.

  
**SUBODH KEDIA**  
(M. No.: 043381), Partner  
for and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
Chartered Accountants  
FRN: 104954W  
AHMEDABAD; May 7, 2018





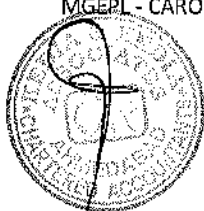
Pramod Kedia Bcom LLB FCA ACS  
Subodh Kedia Bcom LLB FCA AICWA DISA(ICAI)  
CISA (ISACA usa) CIPFA (AIFI, uk)  
Kunal Kedia Bcom FCA DISA(ICAI)

**"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON  
THE FINANCIAL STATEMENTS OF MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' 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")**

- (i)(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (i)(b) As explained to us, 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.
- (i)(c) As per the information and explanations provided to us, title deeds of immovable properties are in the name of the Company.
- (ii) As explained to us, the inventories were physically verified during the year by the Management. In our opinion, the frequency of the verification is reasonable. As explained to us, the discrepancies noticed on physical verification of inventory as compared to the book records were not material in relation to operations of the company, and have been properly dealt with in the books of account.
- (iii) 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. Hence, the question of reporting whether the terms and conditions of such loans are prejudicial to the interests of the company, whether reasonable steps for recovery of over-dues of such loans are taken does not arise.
- (iv) According to the information and explanations given to us, in our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities.
- (v) According to the information and explanations given to us, 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.
- (vi) According to the information and explanations given to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act for the activities carried on by the Company.
- (vii)(a) According to the records of the Company and information given to us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Duty of Customs, Value Added Tax, Cess and other applicable statutory dues with the appropriate authorities during the year. There are no arrears of outstanding undisputed statutory dues in respect of above taxes / dues as at March 31, 2018 for a period of more than six months from the date they become payable.
- (vii)(b) Details of dues of Income Tax, Sales Tax, Service Tax, duty of customs, duty of excise and Value Added Tax which have not been deposited as on March 31, 2018 on account of disputes are given below:



Name of the statute	Nature of Dues	Amount (Rupees)	Period to which the amount relates	Forum where dispute is pending
NIL				

- (viii) In our opinion and according to the information and explanations given to us, 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.
- (ix) The Company has not raised monies by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, monies raised by way of the term loans have been applied by the Company for the purposes for which they were raised.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) 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
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of Paragraph 3 of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Act, where applicable, and details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Paragraph 3 of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company
- (xvi) In our opinion and according to information and explanations provided to us, 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; May 7, 2018



**MANGALAM GLOBAL ENTERPRISE  
PRIVATE LIMITED**

8th Annual Report 2017-18

**Balance Sheet as at 31<sup>st</sup> March 2018**

Particulars	Note No.	As at 2017-18 Rupees	As at 2016-17 Rupees
1	2	3	4
<b>I. EQUITY AND LIABILITIES</b>			
1 Shareholders' Funds			
(a) Share Capital	1	5,450,200	450,200
(b) Reserves and Surplus	2	49,049,963	645,659
2 Share Application Money Pending Allotment		-	-
3 Non-current Liabilities			
(a) Long-term Borrowings	3	22,409,454	57,065,187
(b) Deferred Tax Liabilities (Net)	4	178,856	-
(c) Other Long-term Liabilities	5	1,420,000	1,420,000
4 Current Liabilities			
(a) Short-term Borrowings	6	-	4,900,000
(b) Trade Payables	7	12,762,239	266,371
(c) Other Current Liabilities	8	1,888,894	4,623,000
(d) Short-term Provisions	9	43,823	-
<b>TOTAL</b>		<b>93,203,429</b>	<b>69,370,417</b>
<b>II. ASSETS</b>			
1 Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	15,985,827	309,872
(ii) Intangible Assets	10	14,573	1,760
(b) Non-current Investments	11	54,698,224	54,934,013
(c) Long Term Loans and Advances	12	2,381,084	1,753,730
(d) Other Non-Current Assets		-	-
2 Current Assets			
(a) Inventories	13	-	210,549
(b) Trade Receivables	14	17,577,541	1,533,465
(c) Cash and Bank Balances	15	980,568	1,069,210
(d) Short-term Loans and Advances	16	1,565,612	9,557,818
(e) Other Current Assets		-	-
<b>TOTAL</b>		<b>93,203,429</b>	<b>69,370,417</b>
Accounting Policies and Notes forming part of the financial statements	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)

DATE : 07/05/2018

PLACE : AHMEDABAD



For and on behalf of the Board

*Chanakya*  
Chanakya Prakash  
Mangal

(DIRECTOR)  
DIN:06714256

*Omangal*  
Chandragupt  
Prakash Mangal

(DIRECTOR)  
DIN:07408422

DATE : 07/05/2018

PLACE : AHMEDABAD

**Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2018**

Particulars	Note No.	2017-18 Rupees	2016-17 Rupees
I. Revenue from Operations	17	268,936,207	26,851,083
II. Other Income	18	50,788	18,114
<b>III. Total Revenue (I + II)</b>		<b>268,986,995</b>	<b>26,869,197</b>
IV. Expenses:			
Purchases of Stock-in-Trade	19	257,864,848	18,217,390
Changes in Inventories of Stock-in-Trade	20	210,549	3,589,915
Employee Benefits Expense	21	1,800,494	422,068
Finance Costs	22	159,276	662
Depreciation on Tangible Assets		428,047	68,303
Depreciation on Investment Property		235,789	286,788
Other Expenses	23	4,876,800	2,972,118
<b>Total Expenses</b>		<b>265,575,803</b>	<b>25,557,244</b>
<b>V. Profit before tax (III- IV)</b>		<b>3,411,192</b>	<b>1,311,953</b>
VI Tax Expense:			
(1) Current Income Tax		(654,000)	(250,000)
(2) Income Tax (Prior Period)		(118)	-
(3) MAT Credit		654,000	-
(4) MAT Credit (Prior Period)		172,086	-
(5) Deferred Tax		(178,856)	-
<b>VII Profit (Loss) for the period (V - VI)</b>		<b>3,404,304</b>	<b>1,061,953</b>
VIII Earnings per Equity Share:			
(1) Basic		73.38	23.59
(2) Diluted		73.38	23.59
Accounting Policies and Notes forming part of the financial statements	1 - 24		

This is the Statement of Profit and Loss 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 ACCOUNTANT**

(FRN 104954W)

DATE : 07/05/2018

PLACE : AHMEDABAD



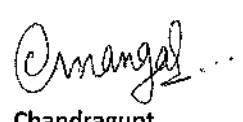


Chanakya Prakash

Mangal

(DIRECTOR)

DIN:06714256



Chandragupt

Prakash Mangal

(DIRECTOR)

DIN:07408422

DATE : 07/05/2018

PLACE : AHMEDABAD

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018**

Particulars	2017-18 Rupees	2016-17 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before Tax (A)	3,411,192	1,311,953
Adjustments for :		
Depreciation & Amortization	663,836	355,091
Loss/(Gain) on Sale of Investment	(42,072)	-
Interest / Finance Charges	159,276	662
Interest & Dividend Earned	(4,685)	(18,114)
Rental Income Straightlining Provision	(897,465)	(267,465)
<b>Sub Total (B)</b>	<b>(121,110)</b>	<b>70,174</b>
<b>Operating Profit Before Working Capital Changes (A + B)</b>	<b>3,290,082</b>	<b>1,382,127</b>
Adjustments for Changes in Working Capital		
(Increase)/ Decrease in Inventories	210,549	3,589,915
(Increase)/ Decrease in Trade Receivable	(16,044,076)	(1,533,465)
(Increase)/ Decrease in Loans & Advances	9,092,885	(10,544,210)
Increase/ (Decrease) in Trade Payables	12,495,868	149,375
Increase/ (Decrease) in Other Liabilities	(2,734,106)	5,381,959
<b>Sub Total (C)</b>	<b>3,021,120</b>	<b>(2,956,426)</b>
<b>Cash Generated from Operations (A + B+ C)</b>	<b>6,311,202</b>	<b>(1,574,299)</b>
Income tax paid during the year (D)	(614,777)	(192,995)
<b>Net Cash Generated from Operations (A + B+ C + D)</b>	<b>5,696,425</b>	<b>(1,767,294)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(16,116,815)	(50,900)
Net of Purchase / Proceeds from Sale of Investment	42,072	(31,571,801)
Interest & Dividend Received	4,685	18,114
<b>Net Cash Generated from Investing Activities</b>	<b>(16,070,058)</b>	<b>(31,604,587)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Share Capital Issued (Net)	50,000,000	-
Net of Repayment/ Proceeds from Unsecured Short Term Borrowing	(4,900,000)	(23,465,187)
Net of Repayment/ Proceeds from Long Term Borrowing	(34,655,733)	57,065,187
Interest/ Finance Charges Paid	(159,276)	(662)
Dividend & Dividend Tax Paid	-	-
<b>Net Cash Generated from financing Activities</b>	<b>10,284,991</b>	<b>33,599,338</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(88,642)</b>	<b>227,457</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>1,069,210</b>	<b>841,753</b>
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>980,568</b>	<b>1,069,210</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".
- (2) Previous year's figures have been regrouped/reclassified wherever applicable

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

(SUBODH KEDIA)

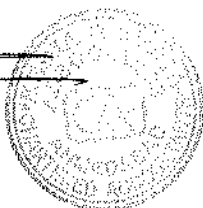
Partner (M.No.:043381)

For and on behalf of

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

DATE : 07/05/2018

PLACE : AHMEDABAD



For and on behalf of the Board

Chanakya Prakash  
Mangal  
(DIRECTOR)  
DIN:06714256

Chandragupt  
Prakash Mangal  
(DIRECTOR)  
DIN:07408422

DATE : 07/05/2018

PLACE : AHMEDABAD

# MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED

8th Annual Report 2017-18

## Note 1

### Share Capital

Share Capital	As at 2017-18	As at 2016-17
	Rupees	Rupees
<b>Authorised</b>		
5,50,000 (50,000) Equity Shares of Rs. 10/- each	5,500,000	500,000
	<b>5,500,000</b>	<b>500,000</b>
<b>Issued</b>		
5,45,020 (45,020) Equity Shares of Rs. 10/- each	5,450,200	450,200
<b>Subscribed &amp; Paid up</b>		
5,45,020 (45,020) Equity Shares of Rs. 10/- each fully paid	5,450,200	450,200
<b>Per Balance Sheet</b>	<b>5,450,200</b>	<b>450,200</b>

#### 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.

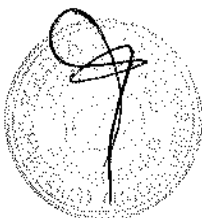
#### 1.2 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 2017-18		As at 2016-17	
	Number	Amount	Number	Amount
<b>Equity Shares of Rs. 10/- each:</b>				
Shares outstanding at the beginning of the year	45,020	450,200	45,020	450,200
Add: Shares Issued during the year	500,000	5,000,000	-	-
Less: Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>545,020</b>	<b>5,450,200</b>	<b>45,020</b>	<b>450,200</b>

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

Name of Shareholder	2017-18	
	No. of Shares held	% of Holding
<b>Equity Shares of Rs. 10/- each:</b>		
Chanakayaprakash V Mangal	163,800	30.05%
Chandraguptprakash V Mangal	163,800	30.05%
Rashmi V Mangal	163,800	30.05%
Vipinprakash O Mangal	39,800	7.30%

Name of Shareholder	2016-17	
	No. of Shares held	% of Holding
<b>Equity Shares of Rs. 10/- each:</b>		
Chandraguptprakash V Mangal	8,800	19.55%
Chanakayaprakash V Mangal	8,800	19.55%
Hemlata O Mangal	4,420	9.82%
Rashmi V Mangal	8,800	19.55%
Vipinprakash HUF	4,200	9.33%
Vipinprakash O Mangal	8,800	19.55%



# MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED

8th Annual Report 2017-18

## Note 2

### Reserves and Surplus

Particulars	As at 2017-18	As at 2016-17
<b>Securities Premium on Equity Shares Account</b>		
Opening Balance	-	-
Add : Securities premium credited on Share issue	45,000,000	-
Closing Balance	45,000,000	-
<b>Surplus</b>		
Opening balance	645,659	(416,294)
Add: Net Profit/(Net Loss) For the current year	3,404,304	1,061,953
Closing Balance	4,049,963	645,659
<b>Per Balance Sheet</b>	<b>49,049,963</b>	<b>645,659</b>

## Note 3

### Long Term Borrowings

Particulars	As at 2017-18	As at 2016-17
<b>Secured</b>		
<b>From Bank</b>		
ICICI Bank Limited (Vehicle Loans) (Secured against respective Vehicle)	4,453,450	-
<b>Unsecured</b>		
<b>Loans repayable on demand</b>		
from Directors	16,570,591	54,437,987
from Directors' Relative	1,385,413	2,627,200
<b>Per Balance Sheet</b>	<b>22,409,454</b>	<b>57,065,187</b>

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

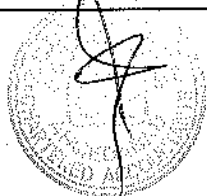
2019 - 20	1,563,565
2020 - 21	1,689,106
2021 - 22	1,200,779

3.2 The rate of interest applicable to the vehicle loan is 7.75% per annum.

## Note 4

### Deferred Tax Liabilities (Net)

Particular of Timing Difference	Liabilities		Assets	
	Current Year	Previous Year	Current Year	Previous Year
Difference between book and tax depreciation	403,191	2,322	-	-
Other Expenses on payment basis (U/s 43B/40(a)(ia) etc.	-	-	15,814	-
Expenses u/s 35D	-	-	34,320	-
Carried Forward Business Loss / Depreciation etc..	-	-	174,201	2,322
<b>Total Deferred Tax Liabilities</b>	<b>403,191</b>	<b>2,322</b>		
<b>Total Deferred Tax Assets</b>			<b>224,335</b>	<b>2,322</b>
<b>Net Deferred Tax Assets / Liabilities</b>	<b>178,856</b>			



# MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED

8th Annual Report 2017-18

## Note 5

### Other Long-term Liabilities

Particulars	As at 2017-18	As at 2016-17
Advance Rent / Rent Deposit	1,420,000	1,420,000
Per Balance Sheet	1,420,000	1,420,000

## Note 6

### Short Term Borrowings

Particulars	As at 2017-18	As at 2016-17
<u>Unsecured</u>		
(a) Loans repayable on demand		
Inter Corporate Deposit	-	4,900,000
Per Balance Sheet	-	4,900,000

## Note 7

### Trade Payable

Particulars	As at 2017-18	As at 2016-17
Due to Micro & Small Enterprise	-	-
Due to Others	12,592,763	210,549
Current Liability for Expenses	169,476	55,822
Per Balance Sheet	12,762,239	266,371

7.1 The amount payable to Micro, Small & Medium units disclosed is based on the status of the parties as available with the Company.

7.2 None of the supplier of goods and services has confirmed their status as micro, small & medium enterprises under Micro, Small & Medium Enterprise Development (MSMED) Act, 2006. Hence company has no details to disclose under section 22 of the MSMED Act.

## Note 8

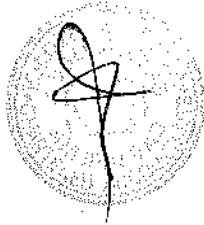
### Other Current Liabilities

Particulars	As at 2017-18	As at 2016-17
<u>Secured</u>		
Current maturities of long-term debt		
- ICICI Bank Vehicle Loan Installments repayable with in 12 Months (Secured) (See Note 3)	1,447,354	-
<u>Unsecured</u>		
(a) Advance from Customers	-	4,600,000
(b) Other Statutory Liability	441,540	23,000
Per Balance Sheet	1,888,894	4,623,000

## Note 9

### Short Term Provisions

	As at 2017-18	As at 2016-17
(a) Others		
Income Tax [Net of Prepaid Tax]	43,823	-
Per Balance Sheet	43,823	-



# MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED

Note 10

## FIXED ASSETS

8TH ANNUAL REPORT FY : 2017-18

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 1 April 2017	Additions	(Disposals) / Adjustments	Balance as at 31 March 2018	Depreciation charge for the year	(Disposals) / Adjustments	Balance as at 31 March 2018	Balance as at 31 March 2017
<b>a Tangible Assets</b>								
Land	-	8,288,100	-	8,288,100	-	-	8,288,100	-
Computer	32,242	82,100	-	114,342	18,714	-	68,546	5,160
Furniture & Fixture	236,562	213,615	-	450,177	34,196	-	357,249	177,830
Office Equipments	198,237	603,102	-	801,339	98,584	-	631,400	126,882
Vehicle	-	6,914,220	-	6,914,220	273,688	-	6,640,532	-
<b>Total</b>	<b>467,041</b>	<b>16,101,137</b>	<b>-</b>	<b>16,568,178</b>	<b>425,182</b>	<b>-</b>	<b>15,985,827</b>	<b>309,872</b>
<b>Previous Year</b>	<b>416,141</b>	<b>50,900</b>	<b>-</b>	<b>467,041</b>	<b>64,844</b>	<b>-</b>	<b>309,872</b>	<b>323,816</b>
<b>b Intangible Assets</b>								
Computer Software	11,000	15,678	-	26,678	2,865	-	14,573	1,760
<b>Total</b>	<b>11,000</b>	<b>15,678</b>	<b>-</b>	<b>26,678</b>	<b>2,865</b>	<b>-</b>	<b>14,573</b>	<b>1,760</b>
<b>Previous Year</b>	<b>11,000</b>	<b>-</b>	<b>-</b>	<b>11,000</b>	<b>3,459</b>	<b>-</b>	<b>1,760</b>	<b>5,219</b>
<b>Total</b>	<b>478,041</b>	<b>16,116,815</b>	<b>-</b>	<b>16,594,856</b>	<b>428,047</b>	<b>-</b>	<b>16,000,400</b>	<b>311,632</b>
<b>Previous Year</b>	<b>427,141</b>	<b>50,900</b>	<b>-</b>	<b>478,041</b>	<b>68,303</b>	<b>-</b>	<b>311,632</b>	<b>329,035</b>



# MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED

8th Annual Report 2017-18

## Note 11

### Non-current Investments (Long Term Investment)

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

	As at 2017-18	As at 2016-17
<b>Non Trade Investment at Cost (Unquoted)</b>		
Investment Property (Valued at cost less accumulated depreciation)		
Cost of Land and Building given on Operating Lease	55,220,801	23,649,000
Add: Addition during the year	-	31,571,801
<b>Sub total (A)</b>	<b>55,220,801</b>	<b>55,220,801</b>
Deprecation as at 01/04/2017	286,788	-
Add: Depreciation for the year	235,789	286,788
<b>Sub total (B)</b>	<b>522,577</b>	<b>286,788</b>
<b>Net Block (A-B)</b>	<b>54,698,224</b>	<b>54,934,013</b>
<b>Per Balance Sheet</b>	<b>54,698,224</b>	<b>54,934,013</b>

	As at 2017-18	As at 2016-17
Aggregate value of Investment Property	54,698,224	54,934,013
Aggregate Value of Quoted Investment	-	-
Aggregate Amount of Unquoted Investment	-	-
Market Value of Quoted Investment	-	-

## Note 12

### Long-term Loans and Advances

Particulars	As at 2017-18	As at 2016-17
Prepaid Income Tax / MAT Credit / TDS (Net of Provisions, if any)	939,646	109,078
Deposit	146,140	143,140
Advance for Capital Goods / Investment Property	-	1,100,000
Prepaid Expenses	692	4,371
Other Receivable / Rent Receivable	1,294,606	397,141
<b>Per Balance Sheet</b>	<b>2,381,084</b>	<b>1,753,730</b>

Particulars	As at 2017-18	As at 2016-17
<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>	<b>-</b>

## Note 13

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

Particulars	As at 2017-18	As at 2016-17
Stock-in-trade (Valued at or Below Cost)	-	210,549
<b>Per Balance Sheet</b>	<b>-</b>	<b>210,549</b>



# MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED

8th Annual Report 2017-18

## Note 14

### Trade Receivables (Unsecured and Considered good)

Particulars	As at 2017-18	As at 2016-17
Over Six Months	8,894,350	-
Others	8,683,191	1,533,465
<b>Per Balance Sheet</b>	<b>17,577,541</b>	<b>1,533,465</b>

Particulars	As at 2017-18	As at 2016-17
<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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Note 15

### Cash and Bank Balances

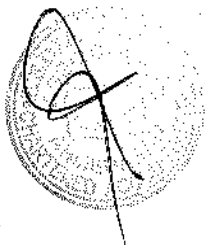
Particulars	As at 2017-18	As at 2016-17
<b>A. Cash and Cash Equivalents</b>		
(a) Cash on Hand	220,410	172,069
(b) Balances with Bank	760,158	897,141
<b>Total Cash and Cash Equivalents</b>	<b>980,568</b>	<b>1,069,210</b>
<b>B. Other Bank Balances</b>		
(a) Other Bank Deposits (Original Maturity more than 3 months)	-	-
<b>Total Other Bank Balances</b>	<b>-</b>	<b>-</b>
<b>Per Balance Sheet</b>	<b>980,568</b>	<b>1,069,210</b>

## Note 16

### Short-term Loans and Advances

Particulars	As at 2017-18	As at 2016-17
Loans Given	-	9,500,000
Prepaid Expenses	115,806	4,872
Advance to Suppliers	8,255	22,946
GST / VAT Receivable	20,551	-
Rent Receivable	1,416,000	-
Other Receivable	5,000	30,000
<b>Per Balance Sheet</b>	<b>1,565,612</b>	<b>9,557,818</b>

Particulars	As at 2017-18	As at 2016-17
<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	-	-
- Hindprakash Tradelink Pvt Ltd	-	9,500,000
<b>Total</b>	<b>-</b>	<b>9,500,000</b>



# MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED

8th Annual Report 2017-18

## Note 17

### Revenue from Operations

Particulars	2017-18	2016-17
Sale of products	261,378,742	23,007,843
Sale of services	-	75,775
Rental income from Long Term Investment Property	7,557,465	3,767,465
<b>Per Statement of Profit and Loss Account</b>	<b>268,936,207</b>	<b>26,851,083</b>

Particulars	2017-18	2016-17
(i) Sale of Products Comprise - Trading goods		
- Textile and Textile Merchandise	762,010	3,246,204
- Dyes	36,548,225	-
- Intermedidate	31,619,444	-
- Edible Oil	115,550,214	-
- Cloth	76,898,849	19,761,639
<b>Total</b>	<b>261,378,742</b>	<b>23,007,843</b>

## Note 18

### Other Income

Particulars	2017-18	2016-17
Interest on Income Tax Refund	-	7,341
Interest on Income Others	-	10,773
Interest on Loans and Advances	4,685	-
Gain on sale of Investment	42,072	-
Prior Period Item (Net)	4,031	-
<b>Per Statement of Profit and Loss Account</b>	<b>50,788</b>	<b>18,114</b>

## Note 19

### Purchases of Stock-in-Trade

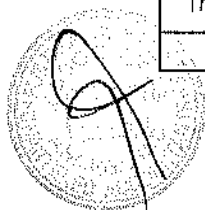
Particulars	2017-18	2016-17
Purchases (Net of returns, claims & Discount)	257,864,848	18,217,390
<b>Per Statement of Profit and Loss Account</b>	<b>257,864,848</b>	<b>18,217,390</b>

Particulars	2017-18	2016-17
- Textile and Textile Merchandise	414,747	18,217,390
- Dyes	36,347,750	-
- Intermedidate	30,389,721	-
- Edible Oil	114,349,952	-
- Cloth	76,362,678	-
<b>Total</b>	<b>257,864,848</b>	<b>18,217,390</b>

## Note 20

### Changes in inventories of Stock-in-Trade

Particulars	2017-18	2016-17
<b>Opening Stock :</b>		
Traded Items	210,549	3,800,464
<b>Closing Stock :</b>		
Traded Items	-	(210,549)
<b>Per Statement of Profit and Loss Account</b>	<b>210,549</b>	<b>3,589,915</b>



# MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED

8th Annual Report 2017-18

## Note 21

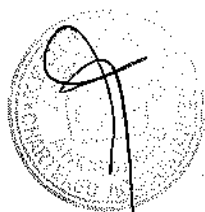
### Employee Benefits Expense

Particulars	2017-18	2016-17
Salaries and Incentives	1,800,000	410,834
Staff Welfare Expenses	494	11,234
<b>Per Statement of Profit and Loss Account</b>	<b>1,800,494</b>	<b>422,068</b>

## Note 22

### Finance Costs

Particulars	2017-18	2016-17
Interest expense:		
- On Fixed Loans	156,860	-
- On Borrowing	2,416	-
- On TDS	-	662
<b>Per Statement of Profit and Loss Account</b>	<b>159,276</b>	<b>662</b>



# MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED

8th Annual Report 2017-18

## Note 23

### Other Expenses

Particulars	2017-18	2016-17
Advertisement Expenses	28,665	311,500
Bank Charges etc.	8,683	25,184
Business Promotion Expenses	255,361	181,824
Brokerage Expenses	62,500	-
Conveyance Expenses	164,496	290,015
Electricity Expenses	122,407	129,947
Legal Consultancy Expenses	280,495	738,819
Consultancy Expenses	1,680,000	-
Office Expenses	401,655	228,721
Other Expenses	110,072	26,629
Insurance Expenses	76,000	-
Payments to the Auditor	85,000	25,000
Postage and Angadia	5,000	2,970
Printing and Stationary Expenses	7,368	4,535
Rates & Taxes	148,335	196,639
Royalty Expenses	-	60,000
Rent	196,608	180,000
Repairs and Maintenance	238,849	120,201
Sales Commission Expenses	733,000	-
Tele Communication Expenses	45,978	62,534
Travelling Expenses	226,328	387,600
<b>Per Statement of Profit and Loss Account</b>	<b>4,876,800</b>	<b>2,972,118</b>

### Details of Prior Period Item

Particulars	2017-18	2016-17
Prior Period Expenses	5,254	-
Prior Period Income	(9,285)	-
<b>Total (Net Income)</b>	<b>(4,031)</b>	<b>-</b>

### Details of Payment to Auditors

Particulars	2017-18	2016-17
For Audit Fees	30,000	20,000
For Taxation Matters (including Tax Audit Fees)	55,000	5,000
<b>Total</b>	<b>85,000</b>	<b>25,000</b>



**NOTE: 24**

**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

**A) SIGNIFICANT ACCOUNTING POLICIES:**

**1) (a) BASIS OF ACCOUNTING:**

The financial statements have been prepared to comply 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 financial statements are prepared on accrual basis under the historical cost convention. 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 estimates and assumptions to be made that may affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual result could differ from those estimated.

**2) FIXED ASSETS:**

Fixed Assets are stated at cost less accumulated depreciation. The cost is inclusive of directly attributable incidental expenditure.

**3) DEPRECIATION:**

Depreciation on fixed assets (Including Assets under Investment Property) is charged in the accounts on straight-line method. Depreciation is provided based on useful life of the assets as prescribed in schedule II of The Companies Act, 2013. 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.

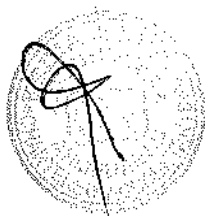
**4) INVESTMENT:**

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 use 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 its carrying amount and net disposal proceeds is charged / credited to the statement of profit and loss.

**5) INVENTORIES:**

Traded goods are valued at or below cost. The cost is assigned on the basis of specific identification method/FIFO method, as the case may be.

**6) REVENUE RECOGNITION (SALE OF GOODS):**

Revenue from sale of goods is recognised when significant risks and rewards in respect of ownership of the goods are transferred to the customers, as per the terms of the respective sales order. Sales are recorded exclusive of GST/ Sales Tax (VAT), recoveries in the nature of octroi, freight etc.

**7) PURCHASES:**

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

**8) PROVISIONS AND CONTINGENT LIABILITIES:**

- a) Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimates can be made of the amount of the obligation.
- b) Contingent liabilities are disclosed by way of a note to the Financial Statement, after careful evaluation by the management of the facts and legal aspects of the matter involved.

**9) OPERATING LEASE:**

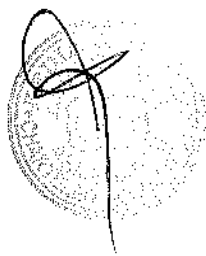
Assets taken / given on lease under which all significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments made / received under Operating Leases are recognised on straight line basis as expenditure / income in accordance with respective Lease Agreements.

**10) INCOME TAX:**

The Provision for income tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for the timing differences capable of reversal in subsequent period between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognised subject to consideration of prudence.

**11) 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 Accounts. Related Parties have been identified on the basis of representations made by key managerial personnel and information available with the company.



**B) NOTES FORMING PART OF ACCOUNTS :**

1. The Company is a small and medium sized company (SMC) as defined in the general instructions in respect of Accounting Standards as notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a small and medium sized company.
2. In the opinion of the Board, 'Trade Receivable', 'Loans and Advances' and 'Other current Assets' are approximately of the value stated if realised in the ordinary course of business.
3. In the opinion of the Board, provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.
4. The company has entered into operating lease agreement wef 01/05/2015 for investment property being part of office premises at 201, 2<sup>nd</sup> Floor, Setu Complex. The lease is non-cancelable for a total period of 72 months (Initially for 36 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 of 108 months (Initially for 36 months and renewable at every 36 months).

<b>Name of Assets</b>	<b>2017 - 18</b>	<b>2016 - 17</b>
Gross Carrying Value	55,220,801	55,220,801
Depreciation recognised on the leased assets	(522,577)	(286,788)
Impairment losses recognised on the leased assets	Nil	Nil
Impairment losses reversed on the leased assets	Nil	Nil
<b>Net Carrying Value</b>	<b>54,698,224</b>	<b>54,934,013</b>
Future minimum lease payments		
Not later than 1 year	6,939,000	6,660,000
Later than 1 year and not later than 5 years	25,896,000	2,71,77,000
Later than 5 years	17,986,000	2,36,44,000
Rent Income Recognised in Profit and Loss Account (On Straight Line Basis)	7,557,465	3,767,465
Contingent Rent recognised during the year	Nil	Nil

5. Disclosure of related parties related party transactions:

**Name of Related Parties and description of relation :**

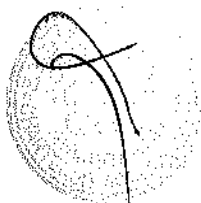
- |                        |     |
|------------------------|-----|
| a) Holding Companies   | Nil |
| b) Fellow Subsidiaries | Nil |
| c) Associate Companies | Nil |
| d) Joint Ventures      | Nil |



- <sup>a</sup> (Related party relationship is as identified by the company)

Particulars	Enterprise over which KMP exercise Significant Influence	Key Management Personnel & Relatives	Total Amount in Rupees
Equity Share Issued (including Security Premium)	-	50,000,000	50,000,000
Salary	-	1,806,600	1,806,600
Lease Rent Paid	-	196,608	196,608
<b>Outstanding As at Closing</b>			
Loan Taken	-	17,956,004	17,956,004

Particulars	Current Year
<b>Equity Share Issued (including Security Premium)</b>	
Chanakya Prakash Mangal	15,500,000
Chandragupt Prakash Mangal	15,500,000
Rashmi Mangal	15,500,000
Vipin Prakash Mangal	3,100,000
<b>Salary (including perquisite)</b>	
Chanakya Prakash Mangal	606,600
Rashmi Mangal	600,000
Hemlata Mangal	600,000
<b>Lease Rent Paid</b>	
Chanakya Prakash Mangal	134,358
Rashmi Mangal	62,250
<b>Outstanding As at Closing</b>	
<b>Loan Taken</b>	
Chanakya Prakash Mangal	10,958,903
Chandragupt Prakash Mangal	5,611,688



**Related Party Transactions (2016 - 17) :-**

Particulars	Enterprise over which KMP exercise Significant Influence	Key Management Personnel & Relatives	Total Amount in Rupees
Lease Rent Paid	-	180,000	180,000
Royalty Paid	-	60,000	60,000
<b>Outstanding As at Closing</b>			
Loan Taken	-	57,065,187	57,065,187

**Material Related Party Transactions (2016 - 17):-**

Particulars	Current Year
<b>Lease Rent Paid</b>	
Chanakya Prakash Mangal	180,000
<b>Royalty Paid</b>	
Rashmi Mangal	60,000
<b>Outstanding As at Closing</b>	
<b>Loan Taken</b>	
Rashmi Mangal	17,462,000
Chanakya Prakash Mangal	22,175,987
Chandragupt Prakash Mangal	14,800,000
Vipin Prakash Mangal	2,627,200

**6. Earning per Equity Share:**

	CURRENT YEAR Rupees	PREVIOUS YEAR Rupees
a) Profit / (Loss) available for equity share holders	3404304	1061953
b) Weighted average number of equity shares outstanding	46390	45020
c) Basic and Diluted Earning per Share in rupees (Face value of Rs 10/-each)	73.38	23.59

7. Figures have been rounded off to the nearest rupees.

8. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amount and other disclosures relating to the current year.

**For and On behalf of the Board**

**DATE : 07/05/2018  
PLACE : AHMEDABAD**

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

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

