

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

For the 1st Quarter FY 2019-20



- **BOARD OF DIRECTORS :**

Mr. Chanakya Prakash Mangal

Mr. Chandragupt Prakash Mangal

- **AUDITORS :**

**M/s KEYUR SHAH & Co.,
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 AUDITOR'S REPORT

To
The Members of
MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED

Opinion

We have audited the financial statements of **MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at 30th June 2019, and the statement of Profit and Loss for the period ended 30th June 2019, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 June 30, 2019, and profit/loss for the period ended June 30, 2019.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.

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, of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,



misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss, 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 30th June, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 30th June, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has not any pending litigation which should require to disclose on 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

For Keyur Shah & Co.
Chartered Accountants
Firm's Registration No.: 141173W



Keyur Shah
Proprietor
Membership No.: 153774
UDIN - 19153774AAAADG6087



Date: 18/10/2019
Place: Ahmedabad

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & 'Regulatory Requirement' of our report of even date to the financial statements of the Company for the period ended June 30, 2019:

Fixed Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the Period and no material discrepancies between the books records and the physical fixed assets have been noticed.
- c) The Title deed of immovable properties are held in the name of the company.

Inventory:

- a) The management has conducted the physical verification of inventory at reasonable intervals.
- b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

Loans given by the Company:

The company has not granted loans & advances to parties covered under section 189 of the Act.

Loans to directors & Investment by the Company:

In our opinion and according to the information and explanations given to us, the company has not granted ant Loans or provided any guarantee or given any security or made any investments to which the provision of section 185 & 186 of the Companies Act, 2013.

Deposits

The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

Cost records

As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



Statutory dues:

- a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Goods & Service Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts are payable in respect of the above wherein arrears as at June 30, 2019 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, Goods & Service Tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

Repayment of Loans:

In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan from the government and has not issued any debentures. The Loans taken from financial institutions have been properly disclosed in Financial Statements & are repaid at regular intervals.

Utilization of IPO & FPO:

Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised monies by way of initial public offer or further public offer including debt instruments.

Reporting of Fraud:

Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period.

Approval of Managerial Remuneration:

Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

NIDHI Company:

In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

Related Party Transaction:

In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.



Private Placement or Preferential Issues:

Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares during the period.

Non Cash Transaction:

The company has not entered into non cash transaction with the directors or their relatives and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

Register under RBI Act, 1934:

In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Keyur Shah & Co.
Chartered Accountants
Firm's Registration No.: 141173W



Keyur Shah
Proprietor
Membership No.: 153774
UDIN - 19153774AAAADG6087



Date: 18/10/2019
Place: Ahmedabad

“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED** (“the Company”) as of June 30, 2019 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.



Meaning of Internal Financial Controls over Financial Reporting

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

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at June 30, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Keyur Shah & Co.
Chartered Accountants
Firm's Registration No.: 141173W



Keyur Shah
Proprietor
Membership No.: 153774
UDIN - 19153774AAAADG6087



Date: 18/10/2019
Place: Ahmedabad

MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED



Balance Sheet as at 30 June 2019

Particulars		Note No.	As at 30-06-2019 Rupees	As at 2018-19 Rupees
I. EQUITY AND LIABILITIES				
1 Shareholders' Funds				
(a) Share Capital		1	2,32,54,820	2,32,54,820
(b) Reserves and Surplus		2	31,16,15,761	30,22,94,075
2 Share Application Money Pending Allotment			-	-
3 Non-current Liabilities				
(a) Long-term Borrowings		3	24,43,164	28,89,885
(b) Deferred Tax Liabilities (Net)		4	9,84,311	-
(c) Other Long-term Liabilities		5	41,54,455	28,16,080
(d) Long-term Provisions		5A	2,26,987	1,62,475
4 Current Liabilities				
(a) Short-term Borrowings		6	52,66,32,741	10,71,62,076
(b) Trade Payables		7	2,87,67,044	1,83,96,096
(c) Other Current Liabilities		8	74,31,221	55,38,839
(d) Short-term Provisions		9	40,46,164	14,83,622
TOTAL			90,95,56,668	46,39,97,968
II. ASSETS				
1 Non-current Assets				
(a) Property Plant and Equipment				
(i) Tangible Assets		10	7,08,19,376	7,07,63,459
(ii) Intangible Assets		10	2,21,319	63,208
(iii) Capital Work In Progress		10	40,38,331	16,08,880
(b) Non-current Investments		11	5,16,85,090	3,95,57,440
(c) Deferred Tax Assets (Net)		4	-	2,52,117
(d) Long Term Loans and Advances		12	39,96,351	35,23,709
2 Current Assets				
(a) Inventories		13	54,18,18,777	14,77,24,169
(b) Trade Receivables		14	10,30,01,017	7,43,23,404
(c) Cash and Bank Balances		15	5,25,495	3,49,847
(d) Short-term Loans and Advances		16	13,34,50,912	12,58,31,735
TOTAL			90,95,56,668	46,39,97,968
Summary of Significant Accounting Policies and Notes forming Part of Financial Statement		1 - 24		

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

Keyur Shah & Co.
CHARTERED ACCOUNTANTS
FRN 141173W

For and On behalf of the Board


Keyur Shah
Proprietor
M.N. 153774


Chanakya Prakash Mangal
(Director)
DIN: 06714256


Chandragupt Prakash Mangal
(Director)
DIN: 07408422

Date : 18/10/2019
Place : Ahmedabad



Statement of Profit and Loss for the Period 1st April 2019 to 30th June 2019

Particulars	Note No.	01-04-2019 To 30-06-2019	2018-19 Rupees
I. Revenue from Operations	17	1,457,098,093	3,294,972,279
II. Other Income	18	2,179,199	5,400,956
III. Total Revenue (I + II)		1,459,277,292	3,300,373,235
Expenses:			
Cost of Material Consumed / Cost of Traded Goods Sold	19	1,396,620,209	3,243,284,300
Changes in Inventories of Finished Goods / Traded Goods	20	(25,291,332)	(86,580,800)
Employee Benefits Expense	21	12,368,548	18,700,177
Other Expenses	22	50,398,346	66,550,293
IV. Total Expenses		1,434,095,771	3,241,953,970
V. Profit Before Interest, Depreciation and Tax (III-IV)		25,181,521	58,419,265
Finance Cost, Depreciation and Amortisation Expenses:			
Finance Costs	23	10,578,264	26,669,726
Depreciation and Amortisation Expense		440,038	1,299,809
Depreciation Expense on Investment Property			238,865
VI. Total		11,018,302	28,208,400
VII. Profit before tax (V- VI)		14,163,219	30,210,865
VIII. Tax Expense:			
(1) Current Income Tax		3,576,323	(7,900,000)
(2) Income Tax (Prior Period)		-	(289)
(3) MAT Credit		-	(647,195)
(4) MAT Credit (Prior Period)		-	(178,891)
(5) Deferred Tax		48,217	430,973
IX. Profit (Loss) for the period (VII - VIII)		10,538,679	21,915,463
X Earnings per Equity Share:			
(1) Basic		4.53	39.85
(2) Diluted		4.53	39.85
Summary of Significant Accounting Policies and Notes Forming Part of Financial Statement	1 - 24		

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

For and on behalf of the Board

Keyur Shah & Co.
CHARTERED ACCOUNTANTS
FRN 141173W

Keyur Shah
Proprietor
M.N. 153774

Chanakya Prakash angal
(Director)
DIN: 06714256

Chandragupt Prakash Mangal
(Director)
DIN: 07408422

DATE : 18/10/2019
PLACE : AHMEDABAD



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED



Note 1

Share Capital

Share Capital	Upto 30-06-2019	As at 2018-19
	Rupees	Rupees
Authorised		
30,00,000 Equity Shares of Rs. 10/- each	3,00,00,000	3,00,00,000
	3,00,00,000	3,00,00,000
Issued		
23,25,482 Equity Shares of Rs. 10/- each	2,32,54,820	2,32,54,820
Subscribed & Paid up		
23,25,482 Equity Shares of Rs. 10/- each fully paid	2,32,54,820	2,32,54,820
Per Balance Sheet	2,32,54,820	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	Upto 30-06-2019		As at 2018-19	
	Number	Amount	Number	Amount
Equity Shares of Rs. 10/- each:				
Shares outstanding at the beginning of the year	23,25,482	2,32,54,820	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	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	Upto 30-06-2019	
	No. of Shares held	% of Holding
Equity Shares of Rs. 10/- each:		
Chanakayaprakash V Mangal	4,14,820	17.84%
Chandraguptprakash V Mangal	4,39,775	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%

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%

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	Upto 30-06-2019	As at 2018-19
Securities Premium on Equity Shares Account		
Opening Balance	27,64,60,060	4,50,00,000
Add : Securities premium credited on Share issue	-	23,14,60,060
Closing Balance A	27,64,60,060	27,64,60,060
Surplus in the Statement of profit and loss		
Opening balance	2,58,34,015	40,49,963
Add: Net Profit/(Net Loss) For the current year	1,05,38,679	2,19,15,463
Less: Dividend on Equity Shares FY 2017 - 18 (PY 2016 - 17)	-	(1,09,004)
Less: DDT on Dividend (PY 2016 - 17)	-	(22,407)
Less: Prior Period Restated Adjustment A/c.	(12,16,992)	-
Closing Balance B	3,51,55,701	2,58,34,015
Per Balance Sheet	31,16,15,761	30,22,94,075



MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED



Note 3

Long Term Borrowings

Particulars	Upto 30-06-2019	As at 2018-19
Secured		
From Bank (Term Loan)		
ICICI Bank Limited (Vehicle Loans) (Secured against resp. Vehicle)	2,443,164	2,889,885
Per Balance Sheet	2,443,164	2,889,885

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
Net Deferred Tax Assets / Liabilities	984,311	252,117

Note 5

Other Long-term Liabilities

Particulars	Upto 30-06-2019	As at 2018-19
Advance Rent / Rent Deposit	1,420,000	1,420,000
Others	2,734,455	1,396,080.00
Per Balance Sheet	4,154,455	2,816,080

Note 5A

Long Term Provisions

Particulars	Upto 30-06-2019	As at 2018-19
Gratuity	226,987	162,475
Per Balance Sheet	226,987	162,475

Note 6

Short Term Borrowings

Particulars	Upto 30-06-2019	As at 2018-19
Secured (Repayable on demand)		
From Bank		
Axis Bank (Credit Line against pledge of Warehouse/Storage Receipt. (see note 6.1)	30,405,656	30,749,107
HDFC Bank CC (see note 6.2)	160,518,147	66,387,114
HDFC Bank EPC (see note 6.2)	20,000,000	10,025,855
ECL Finance Ltd.-Commodity Loan	91,147,000	-
HDFC Bank Ltd.-Short Term Loan Pledge	99,789,400	-
IndusInd Bank Ltd.-Commodity Pledge Loan	15,257,254	-
Kotak Mahindra Bank Ltd. Commodity Pledge Loan	25,782,424	-
From Others		
Inter Corporate Deposit	16,078,492	-
Director & Relative	59,727,264	-
Share Holders	7,927,104	-
Per Balance Sheet	526,632,741	107,162,076

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.

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. Bungalow 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**



Note 7

Trade Payable

Particulars	Upto 30-06-2019	As at 2018-19
Total outstanding dues of micro enterprises and small enterprises (refer note 24 C 7)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	9,358,127	5,935,651
Current Liability for Expenses	19,408,917	12,460,445
Per Balance Sheet	28,767,044	18,396,096

Note 8

Other Current Liabilities

Particulars	Upto 30-06-2019	As at 2018-19
Secured		
Current maturities of long-term debt		
- ICICI Bank Vehicle Loan Installments repayable with in 12 Months (Secured) (See Note 3)	1,604,339	1,563,565
Accrued Interest but not due on Vehicle Loan	-	28,755
Accrued Interest but not due on EPC	-	36,066
Interest Accrued But Not Due	2,170,850	-
Unsecured		
Advance from Customers	41,742	143,468
Other Statutory Liability	3,463,764	2,970,219
Creditor for Capital Goods	150,526	796,766
Per Balance Sheet	7,431,221	5,538,839

Note 9

Short Term Provisions

Particulars	Upto 30-06-2019	As at 2018-19
Provision for employee benefits		
Gratuity	47,304	20,073
Leave Encashment	422,537	422,537
Others		
Income Tax	3,576,323	1,041,012
Per Balance Sheet	4,046,164	1,483,622



MANGALAM GLOBAL ENTERPRISE PVT LTD
(Formerly known as HINDPRAKASH COLOURCHEM PVT LTD)

Note - 10 FIXED ASSETS

Fixed Assets as at 30.06.2019

ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2019 RS.	ADDITIONS DURING THE YEAR RS.	ADJUSTMENTS DURING THE YEAR RS.	AS AT 30.06.2019 RS.	AS AT 01.04.2019 RS.	PROVIDED DURING THE YEAR RS.	ADJUSTMENTS DURING THE YEAR RS.	AS AT 30.06.2019 RS.	AS AT 30.06.2019 RS.	AS AT 31.03.2019 RS.
Tangible Assets										
LAND	4,94,61,799	-	-	4,94,61,799	-	-	-	-	4,94,61,799	4,94,61,799
BUILDING	1,41,92,102	-	-	1,41,92,102	7,61,442	61,015	28,782	8,51,239	1,33,40,863	1,34,30,660
COMPUTER	10,25,047	5,08,529	-	15,33,576	2,42,488	93,754	-	3,36,242	11,97,334	7,82,559
FURNITURE & FIXTURE	5,74,795	-	-	5,74,795	1,44,392	13,648	-	1,58,040	4,16,755	4,30,403
OFFICE EQUIPMENTS	12,24,867	5,509	-	12,30,376	3,86,654	55,745	-	4,42,399	7,87,977	8,38,213
VEHICLE	69,14,220	-	-	69,14,220	10,94,395	2,05,177	-	12,99,572	56,14,648	58,19,825
Total (A)	7,33,92,830	5,14,038	-	7,39,06,868	26,29,371	4,29,339	28,782	30,87,492	7,08,19,376	7,07,63,459
COMPUTER SOFTWARE	89,544	1,68,810	-	2,58,354	26,336	10,699	-	37,035	2,21,319	63,208
Total (B)	89,544	1,68,810	-	2,58,354	26,336	10,699	-	37,035	2,21,319	63,208
CAPITAL WORK IN PROGRESS	16,08,880	24,29,451	-	40,38,331	-	-	-	-	40,38,331	16,08,880
Total (C)	16,08,880	24,29,451	-	40,38,331	-	-	-	-	40,38,331	16,08,880
Total (A+B+C)	7,50,91,254	31,12,299	-	7,82,03,554	26,55,707	4,40,038	28,782	31,24,527	7,50,79,027	7,24,35,547



**MANGALAM GLOBAL ENTERPRISE
PRIVATE LIMITED**



Note 11

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

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

Particulars	Upto 30-06-2019	As at 2018-19
Investment in Equity Instruments (Unquoted)		
(i) of subsidiaries		
100000 (PY Nil) ordinary shares - Mangalprakash (Singapore) Pte. Ltd (Fully Paidup)	6,975,000	6,975,000
60109 (PY Nil) Equity Shares in Hindprakash Castor Derivatives Pvt Ltd (of Rs. 10/- each Fully Paidup)	20,449,690	20,449,690
(ii) of associates		
(iii) of others		
Equity Shares in ECS Environment Pvt Ltd	24,255,300	12,127,650
Aggregate Value of Quoted Investment: CY -Rs nil (PY Rs Nil)		
Market Value of Quoted Investment: CY -Rs nil (PY Rs Nil)		
Aggregate Amount of Unquoted Investment : CY -Rs 5,16,79,990(PY Rs 3,95,52,340)		
A	51,679,990	39,552,340
Investment in Partnership Firm		
Farpoint Enterprise LLP - Capital Account	5,100	5,100
Partners of the Farpoint Enterprise LLP		
Mangalam Global Ent Pvt Ltd	Share 51.00%	
Vipinprakash Mangal	0.50%	
Rashmi Mangal	0.50%	
Anilkumar V Rajgor	6.00%	
Induben V Rajgor	6.00%	
Jagrutiben P Rajgor	6.00%	
Kiranben M Rajgor	6.00%	
Maheshkumar S Rajgor	6.00%	
Pareshkumar V Rajgor	6.00%	
Vasantkumar S Rajgor	6.00%	
Zenishaben A Rajgor	6.00%	
Total Capital of the LLP	Rs 10000/-	
B	5,100	5,100
Per Balance Sheet (A+B)	51,685,090	39,557,440

Note 12

Long-term Loans and Advances (Unsecured Considered good)

Particulars	Upto 30-06-2019	As at 2018-19
Deposit	2,545,236	2,275,236
Other Receivable / Rent Receivable	1,451,115	1,248,473
Per Balance Sheet	3,996,351	3,523,709

Particulars	As at 2018-19	As at 2018-19
Long Term Loans and Advances include due from:		
Private Company in which director is director or member		
- Hindprakash Castor Derivatives Pvt. Ltd.	2,000,000	2,000,000
Total	2,000,000	2,000,000

Note 13

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

Particulars	Upto 30-06-2019	As at 2018-19
Stock of Raw Material (Valued at or below cost)	421,327,451	55,116,362
Stock of Work in Progress (Valued at or below cost)	48,045,688	22,953,716
Stock of Finished Goods (Valued at or below cost)	63,826,444	63,627,084
Stock of Packing Materials / Stores & Spares (Valued at or below cost)	8,619,194	6,027,007
Per Balance Sheet	541,818,777	147,724,169



**MANGALAM GLOBAL ENTERPRISE
PRIVATE LIMITED**



Note 14

Trade Receivables (Unsecured and Considered good)

Particulars	Upto 30-06-2019	As at 2018-19
Over Six Months	9,363,786	11,653,801
Others	93,637,231	62,669,603
Per Balance Sheet	103,001,017	74,323,404

Particulars	Upto 30-06-2019	As at 2018-19
Trade Receivable include due from: Private Company in which director is director or member - ECS Environment Pvt. Ltd.	9,353,801	11,659,701
Total	9,353,801	11,659,701

Note 15

Cash and Bank Balances

Particulars	Upto 30-06-2019	As at 2018-19
Cash and Cash Equivalents		
Cash on Hand	420,465	242,739
Balances with Bank	105,030	107,108
Total Cash and Cash Equivalents	525,495	349,847
Per Balance Sheet	525,495	349,847

Note 16

Short-term Loans and Advances (Unsecured Considered good)

Particulars	Upto 30-06-2019	As at 2018-19
Loans and Advances to related parties		
Loans Given	19,292,938	22,880,407
Others		
Loans to Employees	569,944	604,710
Prepaid Expenses	2,949,299	3,211,068
Advance to Suppliers	10,199,868	26,508,711
GST / VAT Receivable	21,394,857	535,679
Rent Receivable	984,000	984,000
Receivable under agency service business	-	14,383,425
Margin Money Given for Commodity Hedging Future Transaction	10,339,456	7,086,319
Prepaid Income Tax / MAT Credit / TDS (Net of Prov, if any)	278,523	114,210
Other Receivable	17,617,248	514,145
Bank Deposit	49,824,779	49,009,061
Per Balance Sheet	133,450,912	125,831,735

16.1 Other bank deposit include Rs 4,98,24,779/- (Previous Year Rs 4,90,09,061) deposits with remaining maturity of more than 12 months from the balance sheet date

16.2 Other bank deposit includes RS Rs 4,98,24,779/- (Previous Year Rs 4,90,09,061/-) given under lien to secure working capital facilities from the bank.



Note 17

Revenue from Operations

Particulars	Upto 30-06-2019	2018-19
Sale of products	1,442,764,272	3,229,184,771
Sale of services	12,703,156	59,639,096
Rental income from Long Term Investment Property	1,562,392	6,102,157
Other operating revenues	68,273	46,255
Per Statement of Profit and Loss Account	1,457,098,093	3,294,972,279

Particulars	Upto 30-06-2019	2018-19
Sale of Products Comprises - Manufactured Goods		
Castor Oil	1,263,599,121	1,644,314,375
Castor DOC	77,780,109	109,156,515
Cotton Bales	30,449,423	32,378,627
Cotton Seeds	6,820,162	16,230,552
Others	3,557,403	2,313,629
Sale of Products Comprises - Trading goods		
Castor Oil	54,106,187	1,218,348,069
Castor Seeds	6,451,867	195,804,189
Others	-	10,638,815
Total	1,442,764,272	3,229,184,771
Sale of Services Comprises		
Agency Service Income	12,703,156	59,639,096
Total	12,703,156	59,639,096
Other operating revenues Comprises		
Export Incentive Income	68,273	46,255
Total	68,273	46,255

Note 18

Other Income

Particulars	Upto 30-06-2019	2018-19
Interest Income (Refer Note 18.1 below)	1,349,393	4,998,608
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)	-	117,921
Gain/(loss) on Foreign Exchange	829,806	271,047
Per Statement of Profit and Loss Account	2,179,199	5,400,956

Note: 18.1

Interest Income Comprises:		
-Interest on Loans and Advances	425,034	3,831,117
-Interest from banks on Deposit	906,334	10,068
-Interest from Delayed Supply of Goods	4,405	1,063,256
-Interest on Income Others	13,620	94,167
Total	1,349,393	4,998,608

Note: 18.2

Other Non Operating Income Comprises:		
-Sale of Scrap	-	13,380
Total	-	13,380

Note 19

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

Particulars	Upto 30-06-2019	2018-19
Opening Stock	55,116,362	-
Add: Purchases and incidental expenses (Net of returns, claims/discount, if any)	1,762,831,298	3,298,400,662
Less: Closing Stock	(421,327,451)	(55,116,362)
Per Statement of Profit and Loss Account	1,396,620,209	3,243,284,300



**MANGALAM GLOBAL ENTERPRISE
PRIVATE LIMITED**



Note 20

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

Particulars	Upto 30-06-2019	2018-19
Opening Stock :		
Finished Goods/Traded Goods	63,627,084	-
Work in Progress	22,953,716	-
Closing Stock :		
Finished Goods/Traded Goods	(63,826,444)	(63,627,084)
Work in Progress	(48,045,688)	(22,953,716)
Per Statement of Profit and Loss Account	(25,291,332)	(86,580,800)

Note 21

Employee Benefits Expense

Particulars	Upto 30-06-2019	2018-19
Salaries and Wages	11,555,811	17,469,697
Contributions to Provident Fund and Other Fund	132,350	253,133
Gratuity and Leave Encashment / Reversal	91,743	615,172
Staff Welfare Expenses	588,644	362,175
Per Statement of Profit and Loss Account	12,368,548	18,700,177

Note 22

Other Expenses

Particulars	Upto 30-06-2019	2018-19
Manufacturing Expenses		
Power & Fuel	5,817,768	9,440,690
Loading-Unloading Expense	2,289,744	2,510,390
Lease Rent Expense	7,877,565	7,596,080
Factory Consumable	1,684,131	2,684,394
Other Factory Expense	10,666	1,661,656
Repair & Maintenance - Plant & Machinery	2,707,739	2,893,423
Repair & Maintenance - Others	65,940	201,241
Raw Material (Commodity) Hedging Cost	2,501,391	1,207,946
Packing Expenses	529,524	911,755
A	23,484,468	29,107,575
Administrative, Selling and Other Expenses		
Advertisement Expenses	-	39,812
Business Promotion Expenses	107,014	629,671
Brokerage Expenses	57,111	-
Bank Charges	65,208	61,926
Sales Commission Expenses	121,050	2,478,664
Conveyance Expenses	80,293	373,777
Donation	500,000	101,200
Electricity Expenses	110,871	230,759
Testing Fees	294,274	413,544
Legal Fees	769,132	1,586,008
Consultancy Expenses	4,662,100	5,937,350
Payments to the Auditor	93,750	384,500
Printing and Stationary Expenses	63,559	199,505
Postage and Angadia	18,985	42,833
Outward Freight / Loading Unloading	14,374,060	18,365,128
Office Expenses	177,887	774,382
Cash Discount	121,560	43,726
Handling Expenses	-	909,739
Other Expenses	633,367	366,225
Export Freight And Expenses	1,073,180	787,871
Rent	465,810	5,000
Godown / Storage Tank Rent	591,042	408,500
Repairs And Maintenance - Building	-	205,027
Repairs And Maintenance - Others	120,298	982,626
Insurance Expenses	348,416	157,832
Tele Communication Expenses	156,874	145,072
Travelling Expenses	1,829,129	1,553,081
Rates & Taxes	78,908	258,960
B	26,913,878	37,442,718
Per Statement of Profit and Loss Account	50,398,346	66,550,293



**MANGALAM GLOBAL ENTERPRISE
PRIVATE LIMITED**



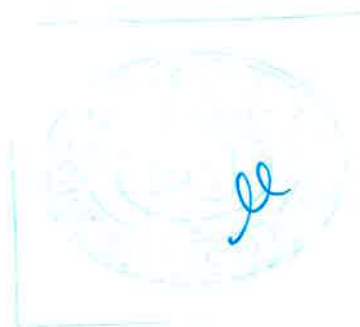
Details of Payment to Auditors

Particulars	Upto 30-06-2019	2018-19
For Audit Fees	93,750	3,75,000
For Taxation Matters (including Tax Audit Fees)	-	9,500
Total	93,750	3,84,500

Note 23

Finance Costs

Particulars	Upto 30-06-2019	2018-19
Interest expense:		
On Fixed Loans from Banks	55,069	3,97,169
On CC & Other Borrowing from Banks	88,37,745	1,29,10,972
On Other Borrowing	16,75,400	1,08,59,531
On Others	400	534
Other Finance Cost	9,650	25,01,520
Per Statement of Profit and Loss Account	1,05,78,264	2,66,69,726



NOTE: 24

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

A) CORPORATE INFORMATION:

Mangalam Global Enterprise Private Limited ('the Company') is an unlisted private limited company incorporated in India. The registered office of the Company is located at 101, Mangalam Corporate House, 19/B Kalyan Society, Near M.G International School, Mithakhali, Ahmedabad-380006 Gujarat, India.

The Company is engaged in activity of manufacturing/dealing/trading of Castor Seeds, Castor derivative products, cotton, cotton ginning, other agriculture commodities, other merchandise and agency service activity.

B) SIGNIFICANT ACCOUNTING POLICIES:

1) (a) BASIS OF ACCOUNTING:

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

The financial statements are presented in Indian rupees.

(b) USE OF ESTIMATES:

The presentation of financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and reported amount of income and expenses during the period. 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 period 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. Computer software is amortised over a period of 3 years.

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

4) EXPENDITURE DURING THE CONSTRUCTION PERIOD:

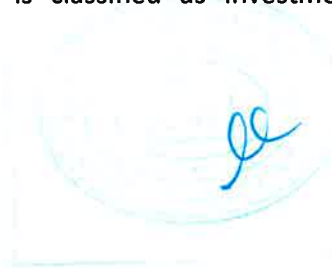
The expenditure incidental to the expansion / new projects is carried forward as "Pre-operative and Project expenditure pending allocation/capitalization" and is allocated to Fixed Assets in the period of commencement of the commercial production / respective assets being put to use.

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

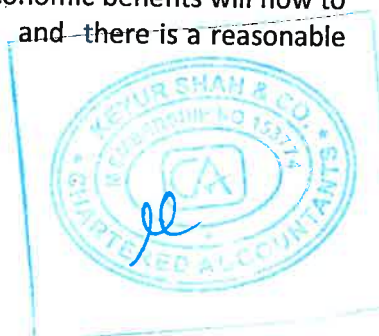
(b) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

(c) Bill discounted with banks under LC received Rs. 7,91,39,429/-

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 period 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.

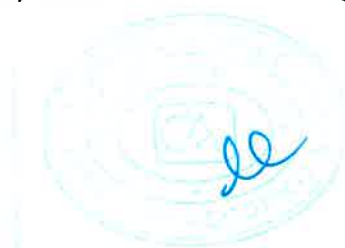
14) EMPLOYEES BENEFITS :

(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 period 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:

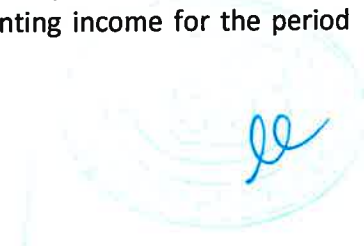
Lease receipts are recognized as an income in the statement of profit or loss on a straight-line basis.

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 period reversible timing differences between the taxable income and accounting income for the period

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and reversal of timing differences of the earlier years. 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. 8,29,806/- (Net Gain)



4. Directors Remuneration:

Particulars	CURRENT PERIOD Rupees
Remuneration	18,12,500

5. Other Money for which the company is contingently liable:

- (a) Outstanding amount of Foreign Letter of Credit [Net of Purchase of Rs. Nil (Previous Year Rs. Nil)] Rs. Nil (Previous Year Rs Nil)
- (b) Other claims against company not acknowledged as debt – Nil (Previous Year - Nil).
The management of the company does not envisage any contingent liability in this regard.

6. Disclosure Under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the period 30.06.2019, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act:

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



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(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
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Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

7. Details of Foreign Exchange Transactions:

Particulars	CURRENT PERIOD Rupees	PREVIOUS YEAR Rupees
A FOB Value of Export	4,55,14,912	3,08,36,521
B CIF Value of Imports: Direct Import of Traded Goods (paid in Foreign Currency Terms)	-	-
C Expenditure in Foreign Currency	8,47,050	5,41,906
D Earning in Foreign Currency	Nil	Nil
E Remittance in Foreign Currency	Nil	Nil

**8. Disclosure requirement as per AS 19: Leases
Operating Lease given (as lessor):**

Name of Assets	30.06.2019	2018 - 19
Gross Carrying Value	55,365,801	55,365,801
Depreciation recognised on the leased assets	(851,239)	(761,442)
Impairment losses recognised on the leased assets	Nil	Nil
Impairment losses reversed on the leased assets	Nil	Nil
Net Carrying Value	56,217,040	54,604,359
Future minimum lease payments		
Not letter than 1 year	5,645,250	5,521,500
Later than 1 year and not later than 5 years	21,776,702	17,983,132
Later than 5 years	2,545,816	8,001,136
Rent Income Recognised in Profit and Loss Account (On Straight Line Basis)	1,562,392	6,102,156
Contingent Rent recognised during the year	Nil	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	30-06-2019	2018 – 19
Future minimum lease payments		
Not letter than 1 year	25,948,350	17,642,508
Later than 1 year and not later than 5 years	148,249,362	70,570,032
Later than 5 years	87,441,272	62,973,882
Rent Expense Recognised in Profit and Loss Account (On Straight Line Basis)	77,43,375	7,601,080
Contingent Rent recognised during the year	Nil	Nil

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.

Further the company has entered into operating lease agreement wef 01/11/2018 for Castor Oil manufacturing plant (including land, building, plant and machinery etc). The lease is non-cancelable for a total period of 108 months.

9. Disclosure of related parties and related party transactions:

Name of Related Parties and description of relation:

- | | |
|-----------------------|--|
| a) Holding Company | Nil |
| b) Subsidiary Company | M/s Mangalprakash (Singapore) Pte Ltd
M/s Hindprakash Castor Derivatives Pvt Ltd
M/s Farpoint Enterprise LLP |



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- c) Fellow Subsidiaries Nil
- d) Associate Companies Nil
- e) Joint Ventures Nil
- f) Key Management Personnel
 Director Mr. Chanakya Prakash Mangal
 Director Mr. Chandragupt Prakash Mangal
 Director Mrs Rashmi Mangal (upto 01-07- 2017)
- g) 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 for the period 30.06.2019:-

Particulars	Subsidiary Company	Key Management Personnel & Relatives	Enterprise over which KMP exercise Significant Influence	Total Amount in Rupees
Dividend Paid	-	-	-	-
Sale of Goods	-	-	-	-
Lease Rent Expense	7,277,565	465,810	-	7,743,375
Lease Rent Income	-	-	-	-
Purchase of Goods	15,221,388	-	-	15,221,388
Purchase of Fixed Assets	-	-	-	-
Interest Received	425,034	-	-	425,034
Loan Given	3,280,000	-	-	3,280,000

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Repayment of Loan Given	19,000,000	-	-	19,000,000
Loan Given Outstanding as on 30.06.2019	1,693,220	-	854,818	2,548,038
Loan Taken	-	82,000,000	-	82,000,000
Repayment of Loan Taken	-	23,625,000	-	23,625,000
Loan Taken Outstanding as on 30-6-19	-	59,727,264	-	59,272,264
Management Consultancy Service	-	650,000	-	6,50,000
Salary	-	3,025,000	-	3,025,000
Rent Deposit Given	-	2,70,000	-	2,70,000
Gurantee Given to the Company's Bank	-	190,000,000	-	190,000,000
Issue of Share Capital including Securities Premium	-	-	-	186,463,060
Trade Receivable As on 30.06.2019	-	-	9,353,801	9,353,801
Advance to Suppliers	2,050,338	-	-	2,050,338

Material Related Party Transactions for the period 30.06.2019: -

Particulars	Current Period
Lease Rent Expense	
Hindprakash Castor Derivatives Pvt Ltd	7,277,565
Chanakya Prakash Mangal	465810
Purchase of Goods	
Hindprakash Castor Derivatives Pvt Ltd	15,221,388
Interest Received	
Hindprakash Castor Derivatives Pvt Ltd	4,25,034
Loan Given	
Hindprakash Castor Derivatives Pvt Ltd	3,280,000
Repayment of Loan Given	
Hindprakash Castor Derivatives Pvt Ltd	19,000,000
Loan Taken	
Chanakya Prakash Mangal	10,00,000

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Chandragupt Prakash Mangal	13,00,000	
Vipin Prakash Mangal	74,950,000	
Rashmi V Mangal	4750,000	
Repayment of Loan Taken		
Chanakya Prakash Mangal	7,00,000	
Vipin Prakash Mangal	22,925,000	
Management Consultancy Service		
Chandragupt Prakash Mangal	650,000	
Salary		
Chanakya Prakash Mangal	931,250	
Chandragupt Prakash Mangal	231,250	
Vipin Prakash Mangal	631,250	
Rashmi V Mangal	931,250	
Hemlata O Mangal	300,000	
Rent Deposit Given	270,000	
Chanakya Prakash Mangal		
Outstanding Balance of Loans		
<u>Loan Given</u>	854,818	
Ecofine Colouechem Pvt Ltd	16,93,220	
Hindprakash Castor Derivatives Pvt Ltd		
	306,905	
<u>Loans Taken</u>	13,10,357	
Chanakya Prakash Mangal	53,299,732	
Chandragupt Prakash Mangal	4,810,270	
Vipin Prakash Mangal		
Hemlata O Mangal		
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		
Trade Receivable As on 30-06-19		
ECS Environmemnt Pvt Ltd		9,533,801
Advance To Suppliers		
Hindprakash Castor Derivatives Pvt Ltd		2,050,338



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10. (a) Earning per Equity Share:

Particulars	CURRENT PERIOD Rupees	PREVIOUS YEAR Rupees
a) Profit available for equity share holders		
- Basic	10,538,679	2,19,15,463
- Diluted	10,538,679	2,19,15,463
b) Weighted average number of equity shares		
- Basic	23,25,428	5,49,898
- Diluted	23,25,428	5,49,898
c) Earning per Share in rupees (Face value of Rs 10/-each)		
- Basic	4.53	39.85
- Diluted	4.53	39.85

10 (b) Dividend on Equity Share:

Particulars	30-06-2019	2018-19
Dividend on equity shares declared and paid during the year:		
Final dividend of Rs0.20 per share for FY2017-18 (2016-17: Nil)	Nil	1,09,004
Dividend Distribution Tax on Final Dividend	Nil	22,407
Proposed dividend on equity shares (not recognized as liability for FY 2018-19)		
Final dividend of Rs 0.20 per share for FY 2018-19 (2017-18: Rs 0.20 per share)	Nil	4,65,097
Dividend Distribution Tax on Final Dividend	Nil	95,606

11. As the Company 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.



12. Employee Benefits:

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

Sr. No.	Particulars	CURRENT PERIOD Rupees	PREVIOUS YEAR Rupees
I	<u>Changes in Present Value of Benefit Obligations</u>		
	Present value of Benefit Obligation (Opening)	-	-
	Current Service Cost	2,74,921	1,82,548
	Interest Cost	-	-
	Benefits Paid	-	-
	Actuarial losses (gains)	-	-
	Present value of Benefit Obligation (Closing)	2,74,921	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	47,304	20,073
	Non-Current – Amount due after one year	2,26,987	1,62,475
	Total	2,74,291	1,82,548
IV	<u>Plan Assets</u>	Nil	Nil
V	<u>Assets Category of Plan Assets</u>	Nil	Nil
VI	<u>Amounts recognized in Balance Sheet and Statement of Profit and Loss</u>		
	Present Value of Benefit Obligation (Closing)	2,74,291	1,82,548
	Fair Value of Plan Assets (Closing)	-	-
	Net Liability / (Asset) recognised in Balance Sheet	2,74,291	1,82,548
	Current Service Cost	2,74,291	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	2,74,291	1,82,548
VII	<u>Actuarial Assumptions</u>		
	Discount Rate	7.70%	7.70%
	Salary Escalation Rate	8.33%	8.33%
	Retirement Age	70s	70

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	Attrition Rate	See Note 1	See Note 1
	Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult

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

13. The Figures have been rounded off to the nearest rupees.

14. The previous year's figures have been reworked, regrouped, rearranged and reclassified whenever necessary. Accordingly, amount and other disclosures for the preceding year are included as an integral part of the current Period 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

Chanakya

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

Chandragupt

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

DATE : 18/10/2019
PLACE : AHMEDABAD

