

Date: September 01, 2023

BSE Limited
Listing & Compliance Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai - 400001.
Scrip: 514418

The National Stock Exchange of India Limited
Listing & Compliance Department
Exchange Plaza, C-1 Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400051
Symbol: MANORG

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2022-23 as required under Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('Listing Regulations')

The 41st Annual General Meeting ('AGM') of the Company will be held **Friday, September 29, 2023** at 3.00 p.m. (IST) through Video Conferencing/ Other Audio Visual Means.

Pursuant to Regulation 34(1) of the Listing Regulations, attached herewith is the Annual Report containing the Notice of AGM for the Financial Year 2022-23, which is also being sent to the Members who have registered their e-mail addresses with the Company/ Depositories through electronic mode.

The Annual Report 2022-23 containing the Notice is also available on the website of the Company at www.mangalamorganics.com

Request you to kindly take the same on record.

Thanking you,
Yours faithfully,
For Mangalam Organics Limited

Shachi Sanghavi
Company Secretary & Compliance Officer

Encl: As above

RISING ABOVE Commodities



**WORLDS LARGEST
MANUFACTURER**



CAMPHOR



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Forward-Looking Statements

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



Commodities are made in the factory, but brands are created in the mind.

– Walter Landor

Want to shine amidst the masses? Want to rise above the noise?

Take control of the market? Seeking Equitable returns? Stability? Consistency?

Desire, something far more valuable than its physical form?

A brand is a promise, a story, and a set of distinctive qualities that differentiate it from competitors. Brands are built through consistent messaging, visual elements, and customer interactions, fostering trust, loyalty, and a lasting connection. A strong brand evokes emotions, creates meaning, and influences decision-making, ultimately shaping the perception and preference of individuals, and leaving an indelible mark in their minds.

About Mangalam Organics Limited




Who We are

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



Our Legacy

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



Our wide Footprint

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



What We manufacture

Terpene Chemistry

Camphor, Dipentene, Sodium Acetate, Isobornyl Acetate, Isborneol

Synthetic Resins

Terpene Phenolic, Alkyl Phenolic, Rosin-based Resins



Our Mission

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

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

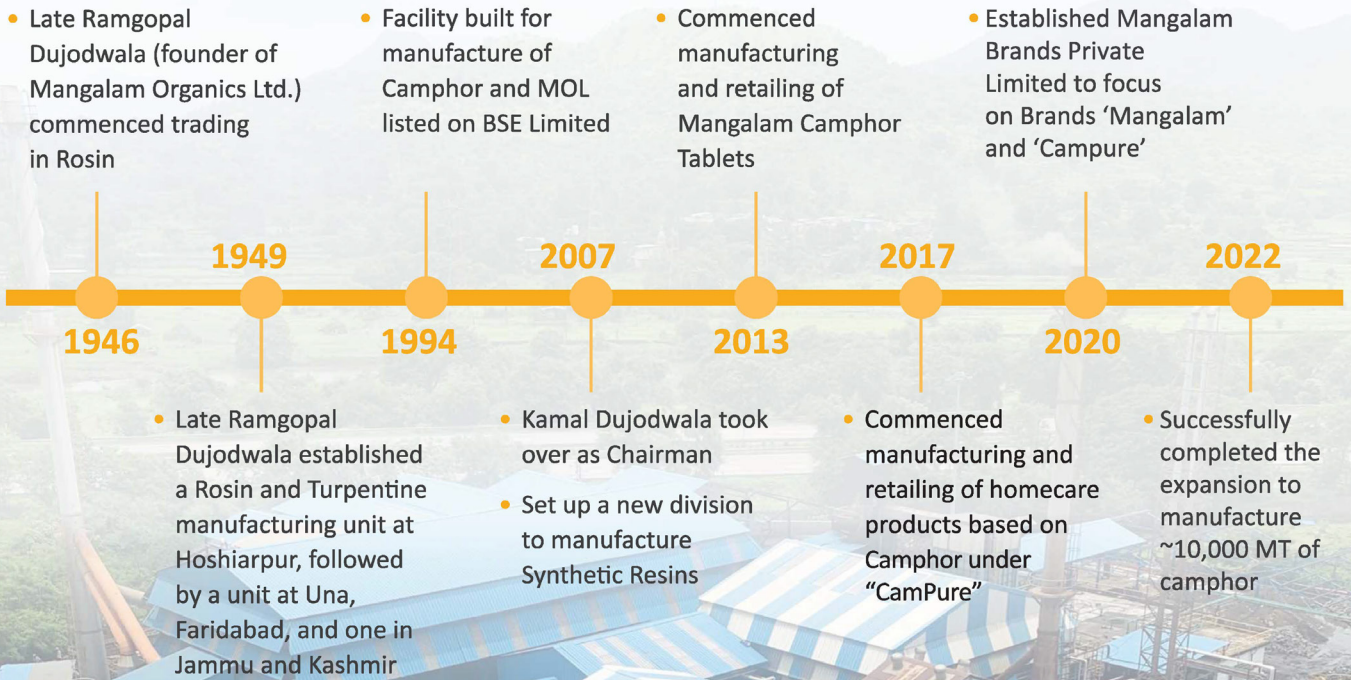


Our revenue break-up



Note: The retail percentage has reduced in the standalone revenue because the retail business of Mangalam Organics Limited has been transferred to its wholly owned subsidiary Mangalam Brands Private Limited in FY 2022-23.

Our Journey of Evolution



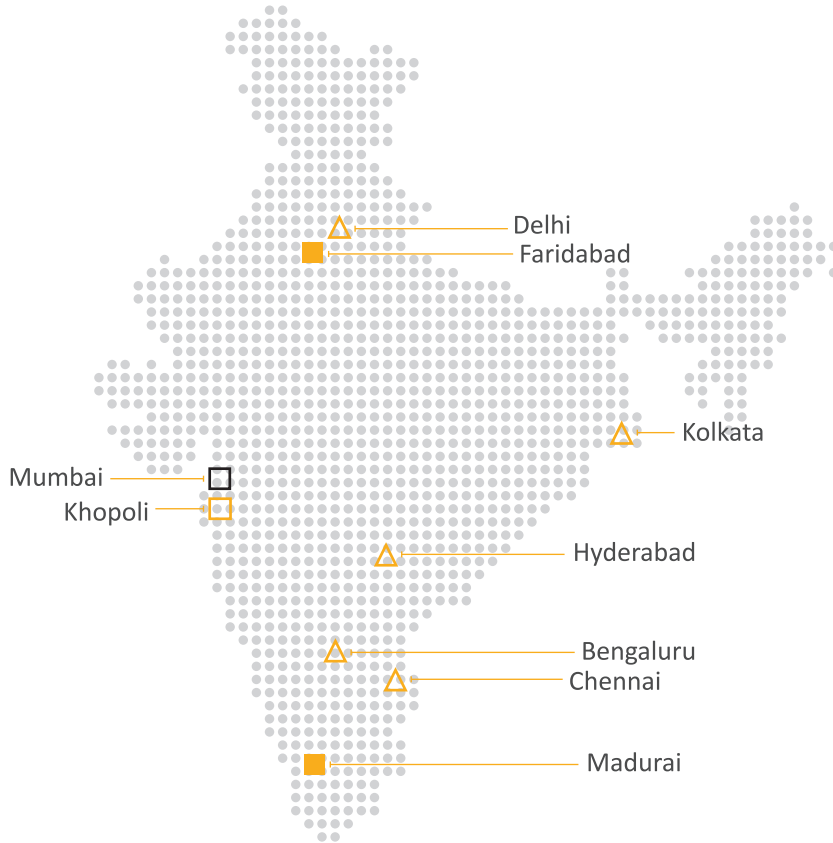
Our Products and Application Areas

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





Our Sales Network



Pin Codes serviced from e-Commerce orders

FY2021
9,000

FY2022
12,000

FY2023
18,000

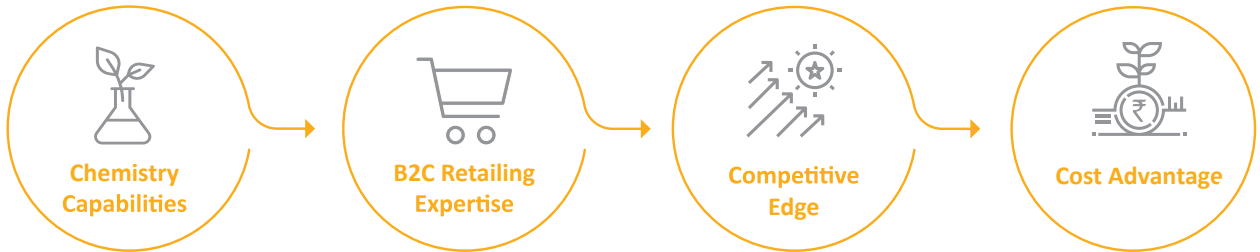
- Manufacturing Plant
- Head Office
- △ Warehouse & Marketing Office
- Marketing Office

Map not to scale. For illustrative purpose only.



Newly commissioned utilities amidst breath taking landscapes

Our Business Model



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

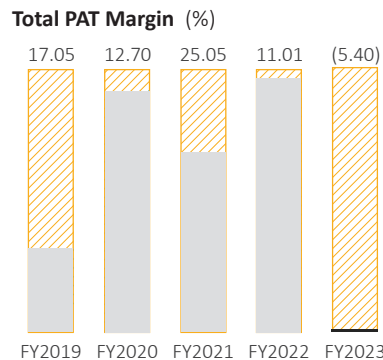
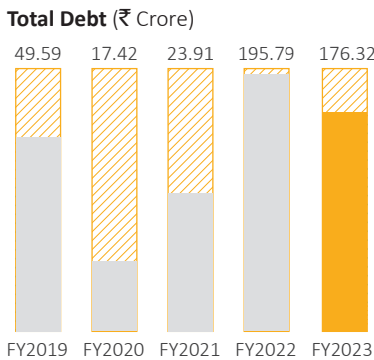
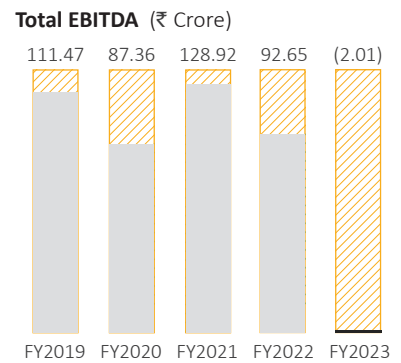
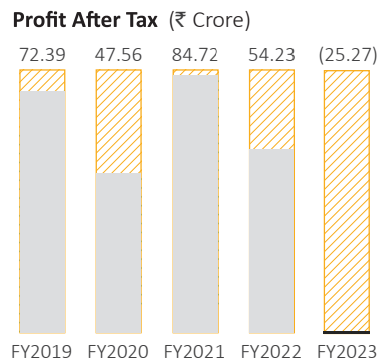
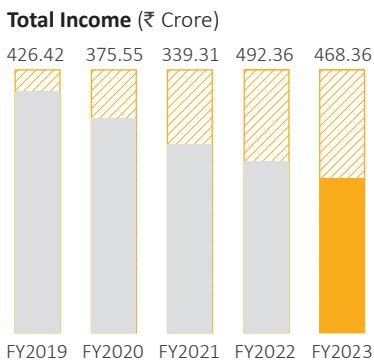
Through our Resin operations, we continue to offer closely formulated and niche solutions to our customers, enabling regular business and healthy margins.

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

Total Income
₹468.36 Crore

PAT
₹(25.27) Crore

Total EBITDA
₹(2.01) Crore





Our Key Clientele

Terpene Operations



Synthetic Resin Operations



Retail Operations





Our net sales stood at Rs. 492.53 Cr during the financial year 2022-23. It is interesting to note that despite the fall in prices, we have been able to maintain our revenue as compared to Rs. 490.65 Cr recorded in the previous financial year 2021-22 ; this is largely because of increased production through our new capacities and because the demand has grown



From The Chairman's Desk

Dear Shareholders,

It has been an extremely challenging year on account of inflation, increasing input costs, falling prices of finished goods and increased competition in the market place. From our experience of having gone through multiple commodity cycles, we believe the bottom of this challenging market is behind us and that the future is looking upwards.

Our net sales stood at Rs. 492.53 Cr during the financial year. It is interesting to note that despite the fall in prices, we have been able to maintain our revenue as compared to Rs. 490.65 Cr recorded in the previous year of FY 2021-22; this is largely because of increased production through our new capacities and because the demand has grown. Through the year, we incurred a loss of Rs. 27.09 Cr. The negative situation is largely on account of inventory losses due to fall in prices and escalated fuel & power expenses because of the Ukraine-Russia war.

Two notable positive developments. Our expansion is complete and we have received approvals from multiple F&F companies for the samples we have submitted to them, we are now eligible to participate in their half year / annual RFQs - steadily we will grow our business in intermediates to utilise our capacities. Secondly our retail foray through our 100% subsidiary Mangalam Brands Private Limited is gaining strength from strength and has generated ~25% of the overall revenue of Mangalam Organics Limited; going forward Mangalam Brands Private Limited through its wide and innovative product portfolio will play a key driver not only in revenue enhancement but also margin accretion, stability and value creation.

Our Segmental Performance

Camphor is the primary product in our "Terpene Operations" segment. As India becomes the most populous nation in the world, the consumption of camphor is bound to grow in sync. As India's population pyramid becomes more rounded towards the middle, a large number of people are entering the phase of life where one tends towards spiritualism and religion a lot more than at a younger age. New use cases of camphor, beyond puja, for aromatherapy are also picking up traction which will fuel the growth and enlarge the userbase. We have initiated sales of our terpene intermediates and look forward to growing these through the years to come which will contribute to our growth.

On the "Synthetic Resins" front, we had robust demand and good growth in terms of quantity produced – this prompted us to increase our capacities for the same portfolio of products. With growing requirements and healthy margins, our synthetic resin strategy is in place. With a general move towards greener materials, we are noticing increased requirements from domestic and foreign markets for our range of resins.

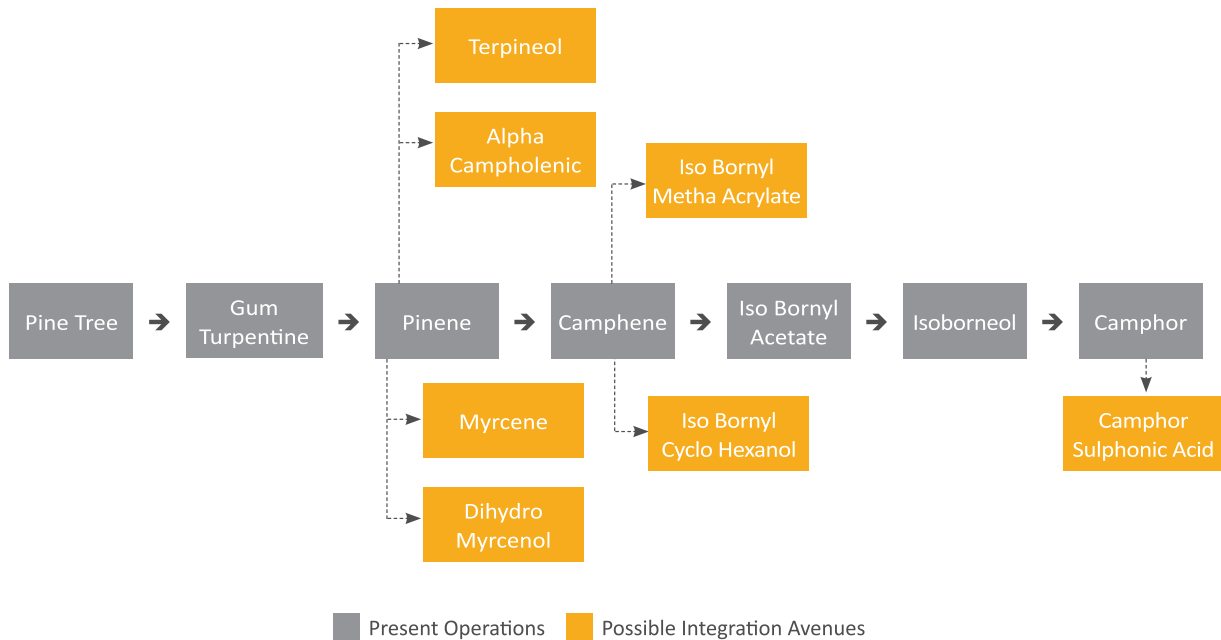
Our "Retail Operations" are redefined through the 100% subsidiary "Mangalam Brands Private Limited". This enables us to build a specific set of capabilities with a renewed effort. We have seen robust growth in all three elements of our operations – "Mangalam", "CamPure" and "Private Label". Through our General Trade channel, we are now present in shops across 18 Indian states. Our Modern Trade channel gives us access to over 4000+ organised retail stores. We continue to be the number 1 brand on E-commerce driving growth by growing the category. On the branding front, we continue to spend money astutely through digital and exhibitions with the focus on awareness and trial generation.

Once again, on behalf of the Management and Board of Directors, we would like to take this opportunity to thank all our stakeholders, our shareholders, employees, suppliers, and various government departments, for their unwavering support and trust. We are glad to have your continued support and we will endeavour to meet your expectations.

Kamalkumar Dujodwala
Executive Director and Chairman

Pannkaj Dujodwala
Executive Director and Managing Director

Our Terpene Strategy: Unlocking the Value of Intermediates



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

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

Our Synthetic Resins Strategy: Bespoke and Niche Approach

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



Bhagwan Ke Liye, Sirf Mangalam Mangalam



Why Camphor?

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

Significance of the Camphor Flame

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

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

How to check the purity of Camphor?

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

TV commercial



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

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

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

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

Choose calmness with Bhimseni Camphor



Why Bhimseni Camphor?

It contains 100% Organic ingredients that have a calming effect on the mind, repels mosquitos and provides a refreshing fragrance which fills your life with positivity and happiness.

Significance of Bhimseni Camphor?

The fragrance of the Bhimseni Camphor possesses the power to redefine your surroundings by releasing healing energies that uproot any negative energies present and magnify positive energies. It enlightens your atmosphere with grace, calm and serenity.

How to check the purity of Bhimseni Camphor?

Pure Bhimseni Camphor evaporates completely and does not leave behind any residue or ash when completely diffused.

TV commercial



Mangalam Bhimseni Camphor's TVC addresses the current sentiment of consumers and offers a solution towards keeping a positive frame of mind to endure daily woes. The film showcases a protagonist purchasing the Bhimseni Camphor diffuser for her home and how that evokes a sense of tranquility once she returns home, starts her daily routine of being at peace and plugs the diffuser into a socket. There is a touch of humor added with kids playing the Bhim ki sena co-relating to the word Bhimseni Camphor. They follow the protagonist in all her daily routine work and join her as she unwinds at home diffusing the product on a Kapur Dani.



CamPure



Air Purifier



CamPure Cone



CamPure Sticks



CamPure Camphor Power Mosquito Liquid Vaporiser



CamPure Handwash and Hand sanitiser



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

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

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

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





CamPure over the last year





Mangalam over the last year



Corporate Information

Board of Directors

Mr. Kamalkumar Dujodwala

Executive Director and Chairman

Mr. Pannkaj Dujodwala

Executive Director and Managing Director

@Mr. Rajkumar S Jatia

Non-Executive - Independent Director

Mr. Sharad Kumar Saraf

Non-Executive - Independent Director

^Mr. Shree Narayan Baheti

Non-Executive - Independent Director

Mrs. Manisha Agarwal

Non-Executive - Independent Director

#Mr. Sanjay Bhiva Kadam

Non-Executive – Independent Director

#Mr. Sidharath Singh Sekhon

Non-Executive - Independent Director

@ : Resigned w.e.f. November 02, 2022

^ : Resigned w.e.f. December 07, 2022

: Appointed w.e.f. December 30, 2022

Chief Executive Officer

Mr. Sanjay Bhardwaj

Chief Financial Officer

Mr. Shrirang V. Rajule

Company Secretary & Compliance Officer

Ms. Shachi Sanghavi

Registrar & Share Transfer Agent

Link Intime (India) Private Limited

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

Vikhroli (West), Mumbai- 400 083

Email: rnt.helpdesk@linkintime.co.in

Tel: (022) 4918 6270 /4918 6000

Fax: (022) 4918 6060

Statutory Auditors

M/s. NGST & Associates,

Chartered Accountants

B-203, Borivali Paras CHS, Rokadia Lane,

Borivali (West), Mumbai - 400 092.

Secretarial Auditor

M/s. Yogesh Sharma & Co.,

Company Secretaries

B-1, Neha Apts,

Opp. Badwaik Hospital, Off LBS Marg,

Bhandup (West), Mumbai - 400 078.

Cost Auditor

M/s. NKJ & Associates, Cost Accountants

Level 13, Platinum Techno Park,

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

Navi Mumbai - 400 705.

Bankers

The Saraswat Co-operative Bank Ltd.

(Scheduled Bank)

Corporate Banking Branch, Unit B/G01,

Ground Floor, Marathon, Innova Nextgen

Complex, Ganpatrao Kadam Marg,

Lower Parel, Mumbai- 400013

Axis Bank Ltd.

G1, Ground Floor, Maker Chamber 4,

Jamnalal Bajaj Road,

Nariman Point, Mumbai - 400 021.

HDFC Bank Ltd.

101-104 Tulsiani Chambers

Nariman Point, Mumbai - 400 021.

Registered Office and Factory Address:

Kumbhivali Village, Savroli Kharpada Road,

Taluka - Khalapur, Khopoli - 410 202.

Dist. Raigad, Maharashtra.

Tel: 02192-276140

Email: info@mangalamorganics.com

CIN: L24110MH1981PLC024742

Website: www.mangalamorganics.com

Administrative Office

812/813, Tulsiani Chambers,

212, Free Press Journal Marg,

Nariman Point, Mumbai - 400 021.

Tel: 022 - 49204089

Email: cs@mangalamorganics.com



MANGALAM ORGANICS LIMITED

CIN: L24110MH1981PLC024742

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

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

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

NOTICE

NOTICE is hereby given that the Forty-first (41st) Annual General Meeting ('AGM') of the Members of **MANGALAM ORGANICS LIMITED** will be held on Friday, September 29, 2023, at 3.00 p.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the Financial Year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors Report thereon.
2. To appoint a Director in place of Mr. Pannkaj Dujodwala (DIN: 00546353), who retires by rotation and being eligible, seeks re-appointment.

SPECIAL BUSINESS:

3. To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the financial year 2023-24 pursuant to Section 148 and all other applicable provisions of Companies Act, 2013, by passing with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with the Companies (Audit and Auditors) Rules 2014, as amended to date, payment of Rs. 50,000/- (Rupees Fifty Thousand only), reimbursement of out-of-pocket expenses at actuals plus applicable taxes thereon incurred in connection with the audit, payable to M/s. NKJ & Associates, Cost Accountants (Firm Registration No. 101893), who have been appointed by the Board as Cost Auditors of the Company for conducting the cost audit of the accounts for the Financial Year ending March 31, 2024 be and is hereby ratified."

By Order of the Board of Directors

Sd/-

Shachi Sanghavi

Company Secretary & Compliance Officer

Place: Mumbai

Date: August 11, 2023

NOTES:

1. In view of the ongoing threat posed by the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021, 2/2022 dated May 5, 2022 and 10/2022 dated December 28, 2022 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/ CIRP/P/2022/62 dated May 13, 2022 ('SEBI Circulars') has permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with these MCA and SEBI Circulars, applicable provisions of the Act (including any statutory modifications or re-enactments thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the 41st AGM of the Company is being conducted through VC/OAVM on Friday, September 29, 2023 at 3.00 P.M. (IST).
2. PURSUANT TO THE PROVISIONS OF THE COMPANIES ACT, 2013, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE 41st AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP ARE NOT ANNEXED TO THE NOTICE.
3. The relative Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the business under Item No. 3 of the Notice, is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.

4. To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent ('RTA') / their Depository Participants, in respect of shares held in physical/electronic mode, respectively.
 - For shares held in physical form: with the Registrar and Share Transfer Agent of the Company.
 - For shares held in dematerialized form: with the depository participant with whom they maintain their demat account.
5. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held in electronic form and to M/s. Link Intime (India) Private Limited, at rnt.helpdesk@linkintime.co.in in case the shares are held in physical form.
6. Members of the Company holding shares either in physical form or in electronic form as on the Record date (Cut-off date) of September 21, 2023 shall be eligible to cast their votes by remote e-voting. The Share Transfer Books and Register of Members of the Company will remain closed from September 22, 2023 to September 29, 2023 (both days inclusive).
7. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ('IEPF') established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

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

It is in the Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time. Members who have not yet encashed the dividend warrants are requested to forward their claims to the Company or its Registrar and Share Transfer Agent. Kindly refer the Directors' Report / Corporate Governance Report in respect of the unclaimed dividends.
8. Members are requested to update their bank mandate/ NECS/ Direct credit details / name / address / power of attorney and their Core Banking Solutions enabled account number
 - For shares held in physical form: with the Registrar and Share Transfer Agent of the Company.
 - For shares held in dematerialized form: with the depository participant with whom they maintain their demat account.
9. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 and January 15, 2021, December 28, 2022; Notice of the AGM along with the Annual Report for the Financial Year 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report will also be available on the Company's website at www.mangalamorganics.com, on the website of the Stock Exchanges where the shares of the Company are listed i.e. National Stock Exchange of India Limited and BSE Limited at www.nseindia.com and www.bseindia.com and on the website of Link Intime India Private Limited viz., rnt.helpdesk@linkintime.co.in.
10. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / Registrar and Transfer Agent (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H.

Members are requested to kindly note that the Company has not declared final dividend for the financial year 2022-23.
11. In all correspondence with the Company, members are requested to quote their folio numbers and in case their shares are held in dematerialized form, they must quote their DP ID and Client ID number.
12. Pursuant to Section 72 of the Companies Act, 2013 members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's Registrars & Share Transfer Agents. In respect of shares held in electronic / demat form, the members may please contact their respective depository participant.
13. Members are requested to notify immediately any change of address:
 - a. to their Depository Participants ('DPs') in respect of the shares held in electronic form, and
 - b. to the RTA of the Company, in respect of the shares held in physical form together with a proof of address of any



of the documents viz., Electricity Bill, Telephone Bill, Ration Card, Voter ID Card, Passport etc.

14. Non-Resident Indian members are requested to immediately inform their depository participant (in case of shares held in dematerialized form) or the Registrars and Transfer Agents of the Company (in case of shares held in physical form), as the case may be, about:

- a. the change in the residential status on return to India for permanent settlement;
- b. the particulars of the NRE account with a bank in India, if not furnished earlier.

15. Members are further requested to send all communications relating to shares and unclaimed dividends to the Registrar & Share Transfer Agent at the following address:

Link Intime (India) Private Limited

C 101, 0247 Park, L.B.S Marg,
Vikhroli West, Mumbai- 400083,
Maharashtra.
Email: rnt.helpdesk@linkintime.co.in
Tel: (022) 4918 6270 Fax: (022) 4918 6060

16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members by writing an e-mail to the Company Secretary at cs@mangalamorganics.com.

17. As per SEBI notification SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 & BSE circular No. List/COMP/15/2018-19 dated 5th July, 2018; no request for effecting transfer of securities (except in case of transmission of securities) has been processed after March 31, 2019 unless the securities are held in the dematerialized form with the depositories. Hence, Members who continue to hold shares in physical form, are requested to dematerialize their shares at the earliest and avail various benefits of dealing in securities in electronic / dematerialized form.

18. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

19. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or Governing Body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to csymsharma@gmail.com with copies marked to the Company at cs@mangalamorganics.com and to its RTA at rnt.helpdesk@linkintime.co.in

20. Instructions for e-voting and joining the AGM are provided in section 'Request to Members'.

REQUEST TO MEMBERS:

1. E-Voting

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

- A. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Thursday, September 21, 2023 may cast their vote by remote e-Voting. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- B. The remote e-Voting period commences on Tuesday, September 26, 2023 at 9.00 a.m. (IST) and ends on Thursday, September 28, 2023 at 5.00 p.m. (IST). Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before the AGM and remote e-Voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of Thursday, September 21, 2023.
- C. Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, the Login mechanism for Individual shareholders holding securities in demat mode has been amended. Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.
- D. Login instructions for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Instructions
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDEAS' section. A new screen will open. You will have to enter your User ID and Password.

	<ul style="list-style-type: none"> • After successful authentication, you will be able to see e-Voting services. Click on 'Access to e-Voting' under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select 'Register Online for IDeAS 'Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 	<p>Individual Shareholders (holding securities in demat mode) & login through their depository participants</p> <ul style="list-style-type: none"> • You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. • Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ul style="list-style-type: none"> • Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress. 	<p>Individual Shareholders holding securities in Physical mode & evoting service (Provider is LINKINTIME).</p> <ol style="list-style-type: none"> 1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> ▶ Click on 'Sign Up' under 'SHARE HOLDER' tab and register with your following details:- <ol style="list-style-type: none"> A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. E. Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above <ul style="list-style-type: none"> ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%*), at least one numeral, at least one alphabet and at least one capital letter). ▶ Click 'confirm' (Your password is now generated). 2. Click on 'Login' under 'SHARE HOLDER' tab. 3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'. 4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.



5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
7. After selecting the desired option i.e. Favour / Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes'**, else to change your vote, click on 'No' and accordingly modify your vote.

- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular 'Event'.

Helpdesk for Individual Shareholders holding securities in demat mode:

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

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

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

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

Institutional shareholders:

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

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

- Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **'Submit'**.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

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

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- E. Any person who becomes a member of the Company after dispatch of the Notice of 41st AGM and holding shares as on the cut-off date may obtain the User ID and Password by writing to the Company Secretary at cs@mangalamorganics.com or to Link Intime Private Limited at enotices@linkintime.co.in
- F. A copy of this notice has been/ shall be placed on the website of the Company and the website of Link Intime India Private Limited.
- G. Mr. Yogesh M Sharma, Proprietor of Yogesh Sharma & Co., Practicing Company Secretaries (Membership No. FCS 11305/ Certificate of Practice No. 12366) has been appointed as the Scrutinizer to scrutinize the voting by instapoll and remote e-voting process in a fair and transparent manner.
- H. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting and

make not later than two days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him, who shall countersign the same.

- I. The facility for e-voting shall be made available at the meeting and members attending the meeting through VC/OAVM who have not already casted their vote by remote e-Voting shall be able to exercise their voting right at the meeting.
- J. The members who have casted their votes by remote e-voting prior to the AGM may also attend the meeting but shall not be entitled to cast their vote again.
- K. The consolidated results of remote e-voting and e-voting at the AGM shall be declared after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.mangalamorganics.com within 2 (two) days of conclusion of the AGM and will be communicated to National Stock Exchange of India Limited and BSE Limited, who are required to place them on their website. The same shall also be placed on the website of Link Intime India Private Limited.

2. Video Conferencing

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

- A. Shareholders/Members are entitled to attend the AGM through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and will be available to the Members on first come first serve basis.
- B. Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the AGM. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first-serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto 1000 members only.
- C. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the AGM as under:
 1. Open the internet browser and launch the URL for InstaMeet <<<https://instameet.linkintime.co.in>>> and register with your following details

- a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
- b. PAN: Enter your 10 digit Permanent Account Number (PAN)
- c. Mobile No.
- d. Email ID

2. Click 'Go to Meeting'

Note:

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

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

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

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

Instructions for Shareholders/Members to register themselves as Speakers during AGM:

Shareholders/ Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id and mobile number at cs@mangalamorganics.com on Tuesday, September 26, 2023 from 9.00 A.M. (IST) to 5.00 P.M. (IST)

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

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

Note:

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

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



Instructions for Shareholders/Members to Vote during the AGM through InstaMeet:

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

1. On the Shareholders VC page, click on the link for e-Voting 'Cast your vote'.
2. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see 'Resolution Description' and against the same the option 'Favour/ Against' for voting.
4. Cast your vote by selecting appropriate option i.e. 'Favour/ Against' as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on 'Save'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Confirm', else to change your vote, click on 'Back' and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the AGM through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

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

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

EXPLANATORY STATEMENT

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

In conformity with the provisions of section 102 of the Companies Act, 2013 the following explanatory statements set out all material facts in respect of Item No. 3.

Item No. 3

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

At its meeting held on May 26, 2023 the Board had considered and approved appointment of Mr. Naresh Jethwani, Cost Accountants (Membership No.18869) to conduct the audit of the Company's cost records for financial year 2023-24 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) plus taxes as applicable and reimbursement of out of pocket expenses, if any. The Members are requested to approve the same.

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

By Order of the Board of Directors

Sd/-

Shachi Sanghavi

Company Secretary & Compliance Officer

Place: Mumbai

Date: August 11, 2023

ANNEXURE TO THE NOTICE DATED AUGUST 11, 2023

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

[Pursuant to the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations and Secretarial Standard-2 on General Meetings]

Particulars	Mr. Pannkaj Dujodwala
DIN	00546353
Designation	Managing Director
Date of Birth	September 28, 1963
Age	60 Years
Qualifications	Commerce graduate, MBA from Landsdown College, New Hampshire University, UK
Experience (including expertise in specific functional area)/ Brief Resume	Mr. Pannkaj has been involved in the Pine Chemicals Industry for over 32 years and brings with him wide experience to oversee day-to-day activities at Mangalam Organics Limited.
Terms and Conditions of Appointment / Re-appointment	Mr. Pannkaj Dujodwala to be re-appointed as an Executive and Managing Director at the AGM held on September 29, 2023, liable to retire by rotation.
Date of first appointment on the Board	July 03, 1987
Shareholding in the Company as on March 31, 2023	1,31,300 (1.53%)
Relationship with other Directors/ Key Managerial Personnel	Brother of Chairman, Mr. Kamalkumar Dujodwala
Directorships held in other listed companies and the membership of Committees of the board including Listed entities from which the person has resigned in the past three years	-
Membership/Chairmanship of Committees of other public companies	-
No. of Board meetings attended during the year	7
Details of remuneration last drawn (FY 2022-23)	Rs. 3.00 Crores



BOARD'S REPORT

TO THE MEMBERS OF MANGALAM ORGANICS LIMITED

Your Directors have pleasure in presenting the Forty First Annual Report on the performance of the Company together with the audited financial statements for the Financial Year ("FY") ended March 31, 2023.

FINANCIAL RESULTS

The financial performance of your Company for the year ended March 31, 2023 is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Revenue from Operations	46697.39	49091.51	49252.62	49064.87
Other Income	139.03	144.18	33.69	144.18
Total Revenue	46836.42	49235.69	49286.31	49209.05
Profit before Depreciation and Finance cost	-200.99	9264.48	-242.73	9242.55
Depreciation and Amortization expense	1663.99	1491.29	1754.46	1501.92
Finance Cost	1268.45	388.61	1378.77	419.73
Profit after Depreciation, Finance costs and Exceptional items and before Tax	-3133.43	7384.58	-3375.96	7320.89
Tax expense	-592.97	1955.30	-653.47	1946.57
Profit After Tax	-2540.46	5429.28	-2722.49	5374.32
Other comprehensive income	13.13	(6.18)	13.13	(6.17)
Total Comprehensive Income for the Year	-2527.33	5423.10	-2709.36	5368.15

NATURE OF BUSINESS AND FINANCIAL PERFORMANCE

Your Company is engaged in the business of manufacturing chemical and has Terpenes and Synthetic Resins as primary segment, which falls under a single segment of chemicals. Your Company has achieved Net Sales Turnover of Rs. 466.97 Crore with a Profit after Tax (PAT) of Rs. (25.40) Crore during FY 2022-23 as compared to Rs. 490.92 Crore and Rs. 54.29 Crore, respectively, during Financial Year 2021-22 signifying a de growth of 5.19 % in turnover. There has been decline of 146.79 % on PAT. Approximately 90% of the revenue has come from Terpenes Chemicals. There was no change in nature of the business of the Company, during the year under review.

DIVIDEND

With a view to conserve resources, the Directors have thought it prudent not to recommend any dividend for the financial year under review.

UNCLAIMED AND UNPAID DIVIDEND AND TRANSFER OF SHARES TO IEPF

As on March 31, 2023 amount of Rs. 17,39,660/-, comprising of Rs. 4,07,926/-, Rs. 4,14,142/-, Rs. 2,70,798/-, Rs. 2,66,081/- and

Rs. 3,80,714/- are lying in the unpaid equity dividend account of the Company in respect of the dividends for FY 2021-22, FY 2020-21, FY 2019-20, FY 2018-19 and FY 2017-18 respectively. Members who have not yet received/ claimed their dividend entitlements are requested to contact the Company or the Registrar and Transfer Agents of the Company. The list of such shareholders for unpaid and unclaimed dividend for FY 2021-22, FY 2020-21, FY 2019-20, FY 2018-19 and FY 2017-18 is placed on the Company's website www.mangalamorganics.com.

Pursuant Section 124 of the Companies Act, 2013 read with the Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules"), all dividends remaining unpaid or unclaimed for a period of seven years and also the shares in respect of which the dividend has not been claimed by the shareholders for seven consecutive years or more are required to be transferred to Investor Education Protection Fund in accordance with the procedure prescribed in the Rules. In this regard, all dividends remaining unpaid or unclaimed for a period of seven years and also the shares in respect of which the dividend have not been claimed by the shareholders for seven consecutive years for FY 2010-11 have been transferred to Investor Education Protection Fund (IEPF) account on November 2, 2018 and February 15, 2019 respectively. The members can claim the transfer of such shares from IEPF in accordance with the procedure and on submission of the documents as prescribed from time to

time. The list of such shareholders whose shares and dividend has been transferred to IEPF is placed on the Company's website www.mangalamorganics.com.

TRANSFER TO RESERVE

In view of the losses incurred in the FY 2022-23, the Board of Directors do not propose to transfer any amount to the General Reserve.

SHARE CAPITAL

During the year under review, there was no change in the share capital of the Company. As on March 31, 2023, the paid up share capital of the Company was Rs. 8,56,44,400 divided into 85,64,440 Equity of the face value of Rs. 10/- each.

DEPOSITS

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

SUBSIDIARY/ JOINT VENTURES/ ASSOCIATES COMPANIES

The Company has three wholly owned subsidiary Companies, viz. 'Mangalam Brands Private Limited', 'Mangalam Pooja Stores Private Limited' and 'Mangalam Speciality Chemicals Private Limited'

During the year under review, Mangalam Organics Limited acquired 40,000 equity shares of Mangalam Pooja Stores Private Limited ('MPSPL') on March 31, 2023 at a price of Rs. 10/- per equity share, out of the total 50,000 equity shares of face value of Rs. 10/- each allotted by MPSPL under Private placement. Since the Corporate Action was approved after March 31, 2023; for the FY 2022-23, MPSPL is considered as a wholly owned subsidiary of the Company.

The performance and financial position of the subsidiaries of the Company for the year ended March 31, 2023 is attached to the financial statements hereto.

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Composition

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

The Board Composition is in compliance with Section 149 of the Companies Act, 2013.

b. Appointment / Re-appointment / Resignation

In accordance with the provisions of Section 152 read with Section 149(13) of the Companies Act, 2013, **Pannkaj Dujodwala** (DIN: 00546353) is liable to retire by rotation. The said Director has offered himself for reappointment and resolution for his reappointment is incorporated in the Notice of the ensuing Annual General Meeting.

Rajkumar Jatia (DIN: 00136303) Independent Director of the Company stepped down from the post of directorship on November 02, 2022 due to personal reasons. The Board at its meeting held on November 11, 2022 took note of the same and placed on record its appreciation for the contributions made by him during his tenure as a director.

Shree Narayan Baheti (DIN: 01760198) Independent Director of the Company stepped down from the post of directorship on December 07, 2022 due to personal reasons. The Board at its meeting held on December 30, 2022 took note of the same and placed on record its appreciation for the contributions made by him during his tenure as a director.

Two Directors viz. **Sanjay Bhiva Kadam** (DIN: 09826377) and **Sidharath Singh Sekhon** (DIN: 01983046) were appointed as Additional Directors at the Board Meeting held on December 30, 2022. They were later appointed as Independent Directors by the Members of the Company via Postal Ballot activity through e-voting on February 12, 2023 for a tenure of 5 years commencing from December 30, 2022.

As required under the SEBI Listing Regulations, particulars of Directors seeking appointment/Re-appointment at the ensuing General Meeting have been given under Corporate Governance Report and in the Notice of the 41st Annual General Meeting.

None of the Directors are disqualified from being appointed as Directors, as specified in Section 164 of the Companies Act, 2013.

c. Declaration by Independent Directors:

All the Independent Directors of Company have given the declarations that they meet the criteria of Independence as prescribed pursuant to the provisions of Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) & Regulation 17(10) of SEBI Listing Regulations, as amended from time to time and are independent of the management.

d. Familiarization Program For Independent Directors:

The Company has set Familiarization programme for Independent Directors with regard to their roles, rights, responsibilities in the



Company, nature of the industry in which the Company operates, the business model of the Company etc. The details of which are available on the website of the Company.

The Weblink of the same is as: <https://www.mangalamorganics.com/post/familiarization-program-for-independent-directors>. For details of the Familiarisation programme conducted, kindly refer Corporate Governance Report which forms part of this Annual Report.

e. Annual Evaluation of Directors, Committee and Board:

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

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

f. Key Managerial Personnel:

Pursuant to the provisions of Section 203 of the Act, the KMPs of the Company as on March 31, 2023 were as follows:

1. Mr. Kamalkumar Dujodwala, Chairman and Executive Director
2. Mr. Pannkaj Dujodwala, Managing Director
3. Mr. Sanjay Bhardwaj, Chief Executive Officer
4. Mr. Shrirang V. Rajule, Chief Financial Officer
5. Ms. Shachi Sanghavi, Company Secretary & Compliance Officer

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

Board Meetings

The Board of Directors met 7 times during the financial year ended

March 31, 2023. The maximum gap between two Board meetings did not exceed 120 days. The details of the Board meetings and the attendance of Directors thereat are provided in the Corporate Governance Report forming part of the Annual Report.

Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2023, the Board of Directors hereby confirms that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures, wherever applicable;
- b) such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profits of the Company for the year ended on that date;
- c) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts of the Company have been prepared on a going concern basis;
- e) internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Committees of Board

The Company has constituted the following Committees of Board:

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

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

AUDITORS

I. STATUTORY AUDITORS

M/s. NGST & Associates, Chartered Accountants, Mumbai (Firm Registration No. 135159W) were reappointed as the statutory auditors of the Company to hold office for a term of 5 years from the conclusion of the 39th Annual General Meeting held on September 29, 2021 until the conclusion of the 44th Annual General Meeting of the Company to be held in the year 2026. As per the provisions of Section 139 of the Act, they have confirmed that they are not disqualified from continuing as Auditors of the Company.

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

II. COST AUDITORS:

The Board of Directors based on recommendation of the Audit Committee has appointed M/s. NKJ & Associates, Cost Accountants in practice, to audit the cost accounts of the Company for the FY 2023-24. In term of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the shareholders. Accordingly, a resolution seeking ratification by the members for the remuneration is listed as Item No. 3 of the AGM Notice as Ordinary Resolution.

III. SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Yogesh Sharma & Co., Practicing Company Secretary to undertake the Secretarial Audit of the Company for FY 2022-23. As required under provisions of Section 204 of the Companies Act, 2013, the report in respect of the Secretarial Audit carried out by M/s. Yogesh Sharma & Co., Company Secretaries, in Form MR-3 for the FY 2022-23 forms part to this report. The said report does not contain any adverse observation or qualification or modified opinion requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards i.e. SS-1 & SS-2, relating to 'Board of Directors Meeting' and 'Annual General Meeting', respectively, issued by the Institute of Company Secretaries of India.

Corporate Social Responsibility

The brief outline of the Corporate Social Responsibility (CSR)

policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure II** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on https://uploads-ssl.webflow.com/6173d2812ea50ef2de67463e/61d5e2efdb504707211ba8ee_Corporate%20Social%20Responsibility%20Policy.pdf

MANAGEMENT DISCUSSION AND ANALYSIS

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

CORPORATE GOVERNANCE REPORT

The Company has complied with the Corporate Governance requirements under the Act and as stipulated under the Listing Regulations. A report on the Corporate Governance along with the certificate from the statutory auditors is separately given in this Annual Report.

CREDIT RATINGS

As on March 31, 2023, the Company has following credit ratings from CRISIL:

Long Term Rating: CRISIL BBB+/Stable (Downgraded from 'CRISIL A-/Stable')

Short Term Rating: CRISIL A2 (Downgraded from 'CRISIL A2+')

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

INTERNAL FINANCIAL CONTROLS

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

RISK MANAGEMENT & INTERNAL CONTROL SYSTEMS

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



assets and resources are acquired economically, used efficiently and adequately protected.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has formulated a Policy on Related Party Transactions and manner of dealing with related party transactions which is available on the Company's website at the link: https://uploads-ssl.webflow.com/6173d2812ea50ef2de67463e/647496db3cfe3851b739ac81_Policy%20on%20Related%20Party%20Transactions.pdf

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

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS UNDER SECTION 186

The particulars of loans, guarantees and investments given/made during the financial year under review and governed by the provisions of Section 186 of the Companies Act, 2013 has been furnished in financial statements as on March 31, 2023

Fraud Reporting

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

Particulars of Employees and Remuneration

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

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

Annual Return:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft of the Annual Return as on March 31, 2023 is available on the Company's website at <https://uploads-ssl.webflow.com/6173d2812ea50ef2de67463e/649ba004be0d7edb0347673eAnnual%20Return%202023.pdf>

OTHER DISCLOSURES

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

Vigil Mechanism for the Directors and Employees

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

The Whistle Blower Policy is placed on the website of the Company at https://uploads-ssl.webflow.com/6173d2812ea50ef2de67463e/61d5e2f6cac59753f9802c49_Vigil%20Mechanism%20and%20Whistle%20Blower%20Policy.pdf

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

The Company has in place a Nomination and Remuneration Policy for the Directors, KMP and senior employees pursuant to the provisions of the Act and the SEBI Listing Regulations which is placed on the website of the Company at https://uploads-ssl.webflow.com/6173d2812ea50ef2de67463e/61d5e2f385b673d3890e879a_Nomination%20Remuneration%20and%20Evaluation%20Policy%20for%20Board%20of%20Directors.pdf

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have been furnished in **Annexure VI** with respect to the nature of activities undertaken by the Company during the year under review.

Service of documents through electronic means

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

Internal Complaints Committee

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

Neither were any complaints filed during financial year 2022-23 under the provisions of the said Act, nor were any complaints outstanding as at the beginning of the year under review.

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION

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

ACKNOWLEDGMENTS AND APPRECIATION

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

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

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: August 11, 2023



ANNEXURE I

Form AOC-1

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

(Amount in ₹)

Sl. No.	Particulars	Details		
		Mangalam Brands Private Limited (Formerly, Cam-pure Private Limited)	Mangalam Pooja Stores Private Limited	Mangalam Speciality Chemicals Private Limited
1.	Name of the subsidiary			
2.	Year of Incorporation	FY 2020-21	FY 2021-22	FY 2021-22
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2022 – 31/03/2023	01/04/2022 – 31/03/2023	01/04/2022 – 31/03/2023
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees	Indian Rupees	Indian Rupees
5.	Share capital (Rs.)	10,00,000	10,00,000**	5,00,000
6.	Reserves & surplus	(25,81,092)	(1,86,61,945)	(33,45,569)
7.	Total assets	50,31,68,519	1,89,25,367	46,695
8.	Total Liabilities	50,31,68,519	1,89,25,367	46,695
9.	Investments	Nil	Nil	Nil
10.	Turnover	100,20,78,450	35,91,636	Nil
11.	Profit before taxation	30,27,808	(2,47,69,124)	(25,11,046)
12.	Provision for taxation	43,943	(62,02,002)	1,08,631
13.	Profit after taxation	29,83,864	(1,85,67,122)	(26,19,677)
14.	Proposed Dividend	Nil	Nil	Nil
15.	% of shareholding	100%	100%	100%

** Paid up share capital consists of Rs. 5,00,000/- paid up capital and Rs. 5,00,000/- share application money.

For and on behalf of the Board of Directors

Sd/-
Kamalkumar Dujodwala
 Chairman
 DIN: 00546281

Place: Mumbai

Date: August 11, 2023

ANNEXURE II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

1) A brief outline on CSR Policy of the Company:

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

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

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

2) The composition of the CSR Committee:

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
a.	Mrs. Manisha Agarwal (Chairperson)	Independent Woman Director	2	2
b.	Mr. Sharad Kumar Saraf	Independent Director	2	2
c.	Mr. Kamalkumar Dujodwala	Executive Director	2	2

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

CSR Committee: https://uploads-ssl.webflow.com/6173d2812ea50ef2de67463e/62fcdd0c2e03aeeedc373cc60_CSR%20Committee.pdf

CSR Policy: https://uploads-ssl.webflow.com/6173d2812ea50ef2de67463e/61d5e2efdb504707211ba8ee_Corporate%20Social%20Responsibility%20Policy.pdf

CSR Projects: https://uploads-ssl.webflow.com/6173d2812ea50ef2de67463e/649ba0ddec9163d4f3bc1bea_CSR%20Projects.pdf

- 4) Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not applicable**
- 5) a) Average Net Profit of the Company as per sub-section (5) of section 135: Rs. 83,71,55,262
b) Two percent of average net profit of the company as per sub-section (5) of section 135: Rs. 1,67,43,105
c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
d) Amount required to be set off for the financial year, if any: NIL
e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 1,67,43,105
- 6) a) Amount spent on CSR projects (both Ongoing Project and other than Ongoing Project): Rs. 1,67,44,000
b) Amount spent in Administrative Overheads: NIL
c) Amount spent on Impact Assessment, if applicable: Not Applicable
d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 1,67,44,000
e) CSR amount spent or unspent for the Financial Year:



Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
1.	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1,67,44,000			NIL		

f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	1,67,43,105
(ii)	Total amount spent for the Financial Year	1,67,44,000
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	895
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	895

7) Details of Unspent CSR amount for the preceding three financial years

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
								NIL

8) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered
(1)	(2)	(3)	(4)	(5)	(6)		
NIL							

9) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

Sd/-

Pannkaj Dujodwala
Managing Director
DIN: 00546353

Sd/-

Manisha Agarwal
Chairperson, Corporate Social Responsibility Committee
DIN: 00441841

Place: Mumbai

Date: August 11, 2023



ANNEXURE III

FORM NO. AOC -2

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

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

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

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

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2023 are as follows:

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

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: August 11, 2023

ANNEXURE IV

DISCLOSURE OF REMUNERATION DETAILS

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

Ratio of the remuneration of each Director to the median remuneration of the employees for the financial year 2022-23 is as follows:

Name of Directors	Ratio
Mr. Kamalkumar Dujodwala	63.53
Mr. Pannkaj Dujodwala	63.53
Mr. Sharad Kumar Saraf	NA
@Mr. Rajkumar Jatia	NA
^Mr. Shree Narayan Baheti	NA
Mrs. Manisha Agarwal	NA
#Mr. Sanjay Bhiva Kadam	NA
#Mr. Sidharath Singh Sekhon	NA

@ Resigned w.e.f. November 02, 2022

^ Resigned w.e.f. December 07, 2022

Appointed w.e.f. December 30, 2022

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

Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2022-23, is as follows:

Mr. Kamalkumar Dujodwala	Chairman	NIL
Mr. Pannkaj Dujodwala	Managing Director	NIL
Mr. Shrirang Rajule	Chief Financial Officer	6.20%
Mr. Sanjay Bhardwaj	Chief Executive Officer	4.54%
Ms. Shachi Sanghavi	Company Secretary	15.64%

Percentage increase in the median remuneration of employees in the financial year 2022-23: 8.25%

Number of permanent employees on the rolls of the Company as on March 31, 2023: 294

Average percentage increase already made in the salaries of employees' other than the managerial personnel in the last financial year: 6.82%

Percentage increase/ (decrease) in the managerial remuneration: NIL

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

Affirmation:

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

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: August 11, 2023



ANNEXURE V

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

Sr No.	Name of Employee	Date of joining (dd-mm-yyyy)	Gross Remuneration (₹)	Educational Qualification	Age	Experience (yrs)	Last Employment	Designation
1.	Kamalkumar Dujodwala	03-07-1981	3,00,00,000	B.Sc. Graduate and extensive training at National Chemical Laboratory.	72	45	NA	Chairman
2.	Pannkaj Dujodwala	03-06-1987	3,00,00,000	Commerce graduate, MBA from Landsdown College, New Hampshire University, UK	60	36	NA	Managing Director
3.	Akshay Dujodwala	01-04-2014	3,60,00,000	Master's Degree in Business Analytics & Consulting from Warwick Business School, London and a Bachelors' Degree in Banking and Insurance from University of Mumbai.	33	10	Universal Consulting India Pvt Ltd	Chief Strategy Officer

Note:

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

ANNEXURE VI

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

FORM A

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

Power and Fuel Consumption:

		2022-23	2021-22
1.	Electricity Purchased		
	Units (Kwh/Lakh)	117.89	113.17
	Total Amounts (₹/Lakh)	1117.19	976.26
	Rate /Unit (₹)	9.48	8.63
2.	Furnace Oil / Light Diesel Oil		
	Quantity (Ltrs/Lakh)	1.19	2.21
	Total Cost (₹/Lakh)	109.20	119.34
	Average Rate (₹/Lakh)	91.76	53.94
3.	Coal		
	Quantity (MT)	25634.06	24251.00
	Total Cost (₹/Lakh)	3000.12	2124.76

Conservation of Energy

1. Steps taken for conservation of energy :-

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

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

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



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

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

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

FORM B

Form for disclosure of particulars with respect to:

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

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

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

4) Future Plan of Action

Technology absorption

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

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

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

(₹ In Lakhs)

	2022-23	2021-22
Foreign Exchange earning	5056.01	5,389.84
Foreign Exchange outflow	23388.47	34,033.23

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: August 11, 2023



SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,

The Members,

MANGALAM ORGANICS LIMITED,

Kumbhivali Village, Savroli Kharpada Road,

Taluka Khalapur, Khopoli - 410202

I have conducted the Secretarial Audit of the compliance with applicable statutory provisions and the adherence to good corporate practices by **MANGALAM ORGANICS LIMITED (CIN- L24110MH1981PLC024742)** (hereinafter called 'the Company'. The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Auditor's responsibility

My responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. I have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period from 1st April, 2022 to 31st March, 2023 ('the Audit Period' generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent and in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March 2023 according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (Overseas Direct Investment and External Commercial Borrowings- **Not Applicable to the Company during the Audit period**);
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit period)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the Audit period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the Audit period)**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit period)**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulation").

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd. ("BSE") and NSE Limited ("NSE")

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that, with regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on

test-check basis, the Company has generally complied with following laws which are applicable specifically to the Company:

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

I further report that, the Board of Directors of the Company is constituted with balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and LODR Regulations.

Adequate notice was given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance (a few meetings were convened at shorter notice for which necessary approvals were obtained as per

applicable provisions). A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decision in the board meetings and committee meetings are carried out unanimously as recorded in the minutes of the meeting of Board of Directors or committee of the Board, as the case may be.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has not undertaken any specific events / actions that can have a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

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

Prop. YOGESH M. SHARMA
Practicing Company Secretary

Yogesh M. Sharma
Proprietor
FCS No: 11305
COP No: 12366
UDIN: F011305E000680371
PR NO: 1583/2021

Place: Mumbai
Date: 26th July, 2023

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



ANNEXURE

To,

The Members,

MANGALAM ORGANICS LIMITED,

Kumbhivali Village, Savroli Kharpada Road,

Taluka Khalapur, Khopoli - 410202

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that accurate facts are reflected in secretarial records. I believed that the processes and practices that I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Prop. YOGESH M. SHARMA

Practicing Company Secretary

Yogesh M. Sharma

Proprietor

FCS No: 11305

COP No: 12366

UDIN: F011305E000680371

PR NO: 1583/2021

Place: Mumbai

Date: 26th July, 2023

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS OVERVIEW

Global Economic Overview

The global economy witnessed a recovery in 2022 following two years of a pandemic-inflicted environment. The International Monetary Fund (IMF) in their report of April 2023 estimates growth in global Real Gross Domestic Product (GDP) for 2022 to increase by 3.4% on the back of a 6.3% increase in 2021. A higher-than-usual growth in 2021 was due to a low-base effect of 2020 as a result of the global pandemic during which GDP contracted by 2.8%. 2022 saw inflationary trends across the globe, particularly in developed economies of United States of America (US), United Kingdom (UK) and Europe, which resulted in tighter monetary interventions by central banks which in turn stifled growth. Continuing invasion of Ukraine by the Russian Federation disrupted supply chains causing an increase in food, commodity and energy prices. Finally, a resurgence of COVID-19 in China weighed on the global economy in 2022.

IMF forecasts global growth for 2023 to decelerate to 2.8% from 3.4% in 2022 before rising to 3.0% in 2024. This forecast is lower than expected growth rates a year ago. The economic slowdown in 2023 is concentrated in advanced economies especially the Euro Area and UK where growth is expected to fall to 0.8% and -0.3% in 2023. A lower growth in 2023 is attributable to prevailing tight monetary and financial conditions, recent signs of stress in the banking system, rising debt levels in certain countries including lower and middle-income countries, rising geo-economic fragmentation, stickier than expected inflation and no signs of truce in the Russia-Ukraine war. In contrast, emerging and developing economies are showing stronger economic prospects than advanced economies. In the medium-term, the IMF forecasts global inflation to fall to 7.0% in 2023 and to 4.9% in 2024 on the back of gradual softening of interest rates, unwinding supply chain disruptions and a fully reopened Chinese economy putting the global economy back on the growth track.

(Source: IMF - World Economic Outlook Update, April 2023).

The World Bank's Global Economic Prospects report of January 2023 was more conservative in its estimates by forecasting global economic output to decelerate sharply to 1.7% in 2023 and thereafter grow by 2.7% in 2024. Among the advanced economies, US grew by 2.1% in 2022 and is estimated to grow at a slower pace by 1.6% in 2023 and 1.1% in 2024. The UK grew by 4.0% in 2022 but is estimated to contract by 0.3% in 2023 and thereafter grow by 1% in 2024. UK's contraction is mainly due to tighter fiscal and monetary policies, financial conditions and high energy prices. The Chinese economy grew by 3.0% in 2022 and is estimated to grow by 5.2% in 2023 and 4.5% in 2024. China's economy has been opening up since the withdrawal of its zero-tolerance policy on Covid-19. It reported a good first quarter growth of 4.5% backed by growth in exports, infrastructure investment as well as a rebound

in retail consumption and property prices. India's growth rate was 6.8% in 2022 and is estimated to grow by 5.9% in 2023 and 6.3% in 2024 supported by resilient domestic demand. The economies of Maldives and South Africa grew by 12.3% and 2.0% respectively while Sri Lanka contracted by 8.7% in 2022. In 2023 Maldives and South Africa are estimated to grow by 7.2% and 0.1% respectively while Sri Lanka is projected to contract by 3.0%.

(Source: IMF - World Economic Outlook, April 2023)

India Economic Overview

India is now the fastest growing, major economy in the world. The First Advance Estimates of National Income released by the National Statistical Office (NSO) of the Government of India in January 2023 estimates India's GDP to have grown by 7.0% in FY 2022-23 following a growth of 8.7% in FY 2021-22. Total Consumption grew by 7.0% in FY 2022-23 mainly due to private consumption. Growth in exports for FY 2022-23 seems to have plateaued at 12.5% while Imports grew by 20.9% in FY 2022-23. By sectors, agriculture grew by 3.5% during FY 2022-23 after a growth of 3.0% in FY 2021-22. Mining grew by 2.4%, manufacturing by 1.6% and construction by 9.1% while electricity, gas water supply and other utilities services grew by 9.0% in FY 2022-23. Services sector exhibited the strongest growth in FY 2022-23 at 9.1%. Within services, 'trade, hotels, transport, communication and broadcasting related services' constituting about a third of overall services, grew by 13.7%. India's service exports have nearly doubled in a decade to USD 322.72 billion for FY 2022-23 according to provisional data of the Ministry of Commerce. India's foreign currency reserves stood at USD 578.45 billion as of March 31, 2023 covering approximately 9 months of imports due to timely interventions of the Reserve Bank of India (RBI). The consensus of GDP growth for FY 2022-23 was in the range of 6.5% to 7.0%.

(Source: India Economic Survey 2022-23 – January 2023 and National Statistical Office estimates)

India's economic recovery from the pandemic exhibited a K-shaped recovery where certain sectors like information technology, e-commerce and financial services registered healthy recoveries while other sectors such as retail trade and consumer discretionary were highly impacted. Travel and hospitality remained beneficiaries of such recovery. India's service exports have risen at a staggering pace since the pre-pandemic period. Service exports have increased by more than USD 60 billion per year as India gains global market share. Exports are not only of Information Technology services but also professional management and consultancy, research and development and expanding Global Capability Centres.

This growth is expected to bring in higher employment, higher disposable income and thus a higher propensity to spend by 'white-collar' people working in such sectors. This is an important factor in making economic growth broad-based and inclusive. HSBC's Economic Research believes that there is a growth relay at play.



It reported - “The formal sector drove growth from the pandemic lows and is now passing the baton to the informal sector, which was weak for several years but has started to grow across the rural and urban sectors. As a result, for now, overall growth remains stable.”

(Source: HSBC’s Global Economic Research, March and April 2023)

The outlook for FY 2023-24 is optimistic. Retail inflation ebbed out to 5.6% in March 2023 from a peak of 7.79% in April 2022 and is expected to moderate to 5.2%. Core inflation which remained above 6% for the year eased to 5.8% in March 2023. Among the high frequency indicators, direct and indirect tax collection has shown strong momentum, bank balance sheets are strong, adequately capitalised and credit offtake during the year was highest since FY 2011-12. RBI paused increase in interest rates in April, 2023 after a 250 basis points increase during FY 2022-23 citing reasons of resilient economic activity and expected moderation in inflation. The Indian Rupee is stable, the Current Account Deficit is expected to remain moderate and consumer sentiment is high.

(Source: RBI Monetary Policy, April 2023, Revised Estimates – Ministry of Finance, April 2023).

CHEMICAL INDUSTRY

Global Chemical Industry

The disruption of 2022 has helped the chemical industry position itself to lead the coming materials transformation. The global chemicals market grew from USD 4700.13 billion in 2022 to USD 5079.29 billion in 2023 at a compound annual growth rate (CAGR) of 8.1%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, a surge in commodity prices, and supply chain disruptions, causing inflation across goods and services and affecting many markets across the globe.

The chemicals market consists of the sales of petrochemicals, industrial gas, ethyl alcohol, organic chemicals and inorganic chemicals, resins, synthetic rubber, and artificial and synthetic fibers and filaments, pesticides, fertilizers, and other agricultural chemicals. The chemicals industry establishments produce a variety of chemical products by processing raw materials such as air, water, natural gas, oil, metals and minerals.

Asia-Pacific was the largest region in the chemicals market in 2022. North America was the second-largest region in the chemicals market. Interest rates were low in most developed countries during this period. This positively impacted the growth of the chemicals market.

Chemical companies are increasingly adopting sustainable and eco-friendly processes to eliminate the negative impact of chemical manufacturing on the environment. Evolution in technology and chemical sciences enables chemical companies to utilize alternative fuels to produce chemical products.

(Source: Chemicals Global Market Report 2023)

INDIAN CHEMICAL INDUSTRY

Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16-18% of the world production of dyestuffs and dye intermediates. Indian colorants industry has emerged as a key player with a global market share of ~15%. The country’s chemicals industry is de-licensed, except for few hazardous chemicals. India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at global level (excluding pharmaceuticals).

The Indian Chemical industry has a huge role to play to make India a USD 5 Trillion economy by contributing around USD 300 Billion to the GDP by 2025. The industry is growing with CAGR of 9.3% and is expected to attract investments of Rs. 8 lakh crore by 2025. As the sector plays a significant role in enabling the growth of the Indian economy, the country needs to build a competitive landscape for the chemical industry.

The Indian chemicals industry stood at USD 178 Billion in 2019 and is expected to reach USD 304 Billion by 2025 registering a CAGR of 9.3%. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute USD 383 Billion to India’s GDP by 2030.

An investment of Rs. 8 lakh crore (USD 107.38 Billion) is estimated in the Indian chemicals and petrochemicals sector by 2025.

Moreover, according to the CRISIL report, the specialty chemicals market in India would grow faster than China, increasing its market share to 6% by 2026 from 3-4% in fiscal 2021. A shift in the global supply chain brought on by the China+1 strategy and a resurgence in domestic end-user demand will fuel significant revenue growth of 18-20% in 2022 and 14-15% in 2023.

(Source: India Brand Equity Foundation – Chemical Industry India)

INDUSTRY OVERVIEW

Pine Chemicals

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

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

Terpenes

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

The global Terpenes market was valued at USD 991 Million in 2022 and is expected to reach USD 1450 Million by 2027, growing at a CAGR of 7.9% from 2022-2027.

Synthetic Resins

Synthetic or manmade polymers, such as polyacrylamide, polymethacrylate, and polystyrene, are used as media in different chromatography applications. Synthetic copolymers, such as polystyrene divinylbenzene and methacrylate copolymers, are used as base matrices in chromatography. These resins are suitable in laboratories or analytical-scale experiments because of their high mechanical stability and ability to withstand large pH ranges. All these factors drive the market for synthetic resin.

The Synthetic Resin Market size is projected to reach a value of USD 521.6 Billion by the end of 2027 after growing at a CAGR of 4.8% during the forecast period 2022-2027

Aroma Chemicals

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

Aroma chemicals are used in various applications and are mostly found in spices, food, perfumes, soaps, wines, detergents, fragrance oils, and others. Increasing consumer demand for natural-based products over synthetic chemicals and a shift of consumers towards fragrances and exotic scents are likely to drive the market growth. The growing demand from the fragrance and food & beverage industries, along with the rise in consumer spending is driving the overall market size.

The latest report by IMARC Group, titled **“India Aroma Chemicals Market: Industry Trends, Share, Size, Growth, Opportunity and Forecast 2022-2027,”** finds that the India aroma chemicals market reached a value of USD 235.2 Million in 2021. Aroma chemicals are chemical substances that are used as ingredients in flavors and fragrances.

The global aroma chemicals market is expected to grow from USD

5.41 Billion in 2022 to USD 5.81 Billion in 2023 at a compound annual growth rate (CAGR) of 7.4%. The aroma chemicals market is expected to reach USD 7.42 Billion in 2027 at a CAGR of 6.3%.

India represents one of the leading consumers and exporters of aroma chemicals in the Asia Pacific region. Various types of chemical aromatics, such as benzene and toluene, are used to enhance the flavour of food and beverages, thereby making them more appealing to consumers.

Growing Demand from Fine Fragrances Application:

- Aroma chemicals are an important group of organic molecules used as ingredients in flavours and fragrances.
- Formulations of fragrance from aroma chemicals are used globally, for imparting attractive aroma and pleasing scents to perfumes, toiletries, and detergents.
- The growth of the fragrance industry is primarily driven by the increase in demand for natural fragrances from developing nations and significant technological advancements to meet the changing consumer demands.
- Additionally, the increasing demand for customizable and niche fragrances is driving the consumption of aroma chemicals, since consumers are looking for personalized fragrance experiences and exotic scents.
- Further, the rising importance of organic and natural fragrances in aromatherapy, which influences the emotional and psychological wellbeing, is expected to drive the demand for the market studied

Opportunities and Threats

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



SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The key operational segment of the Company is Chemical manufacturing.

COMPANY OVERVIEW

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

Applications and uses

The Company's products have applications in a number of sectors such as religion and worship, pharmaceuticals, flavour and fragrance, rubber & tyre chemicals, paints and varnishes, among others. The Company caters to both domestic and the international market. In addition to having a wide reach and strong footprint in the domestic market, it is expanding its global operations. As its products have a variety of industrial applications, it has established a strong B2B and B2C presence, despite facing competition from domestic and international players.

Geographical presence

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

Products and Applications

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

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

Manufacturing Capabilities

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

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

Product Portfolio

1. TERPENES

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

Camphor

Camphor is the primary product of the Company which contributes 80% of total sales in Terpenes. Due to its ability to impart a sense of complete purity to the religious devotees, it finds the widest application in religious use in the domestic market. This is a naturally derived product that completely burns off with no residue. Camphor was earlier sold as a commodity. However, as it presents a large retail opportunity, it enables the Company to forward integrate and diversify into the FMCG space by retailing the products through Modern Trade, General Trade and E-Commerce. The Company continues to leverage the growing retail opportunity

and is confident of continuing growth in the years ahead. It continues to grow capacities and grades offered from the same unit to capture a larger market share in the domestic and export markets. MOL has the following registered brands.

Retail Portfolio

Mangalam	Camphor tablets for religious purposes and Bhimseni Camphor for Aroma therapy
CamPure	Home care products based on camphor such as Camphor Cone, Camphor Sticks, Camphor Air Purifiers, Camphor Hand Wash, Camphor Soap Bar, Camphor Hand Sanitizer, Camphor Liquid Vaporiser.

Isobornyl Acetate

With the expansion coming online MOL is able to expand its product offering by also supplying intermediate product Isobornyl Acetate to leading fragrance and flavour companies across the world. Presently the product is in approval stage at various companies and we look forward to the time when the product will be a major driver for growth

Isoborneol

Isoborneol finds application in fragrance and flavour industries across the world. The product has also got accelerated growth in the last few years on account of increased consumption of isoborneol flakes used for aromatherapy and well-being.

Dipentene

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

Sodium Acetate

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

2. SYNTHETIC RESINS

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

Terpene Phenolic Resin

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

Alkyl Phenolic Resin

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

Rosin Esters

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

FINANCIAL PERFORMANCE

During the year under review, Standalone Revenue from operations for FY 2022-23 stood at Rs. 466.97 crore, as against Rs. 490.92 crore in FY 2021-22 a negative growth of 4.88%. At consolidated level Revenue from operations for FY 2022-23 stood at Rs. 492.53 crore, as against Rs. 490.65 crore in FY 2021-22 a growth of 0.38%. Flat Growth in revenue was due to continuous corrections in sales price of camphor in FY 2022-23 and increased competition in domestic market. In FY 2022-23 Retail operations have been demerged and transferred to wholly owned subsidiary of the Company.

Further, on Standalone basis, Company registered a Net Loss of Rs. 25.27 crore for FY 2022-23, a decline of 146.60% as compared to Rs. 54.23 crore profit for FY 2021-22. At Consolidated level, Company registered a Net Loss of Rs. 27.09 crore for FY 2022-23, a decline of 150.47% as compared to Rs. 53.68 crore profit for FY 2021-22. The substantially decrease in profit ratio was due to continuous price corrections in Camphor. On Standalone basis, Company's EBIDT declined to Rs.-2.01 crore in FY 2022-23, from Rs. 92.65 crore for previous year, a decline of 102.17%. On Consolidated level also EBIDT declined to Rs.-2.43 from Rs. 92.43 crore in FY 2021-22.

Details of Significant Changes in Key Financial Ratios

Key Financial Ratios for FY 2022-23 are as under:

1. Interest Coverage Ratio

FY 2022-23	FY 2021-22
-1.47x	20.00x

Decrease in Interest Coverage Ratio was due to loss on account of lower selling price of finished goods vs higher priced, well stocked up raw material by the Company as compared to FY 2021-22.

2. Current Ratio

FY 2022-23	FY 2021-22
1.41x	1.76x

Company has availed substantial working capital facility which resulted in lower Current ratio as compared to FY 2021-22.



3. Debt Equity Ratio

FY 2022-23	FY 2021-22
0.76%	0.78%

Increase in Debt Equity Ratio as compared to FY 2021-22 was due to considerable increase in short term and long term liability.

4. Operating Profit Margin (%)

FY 2022-23	FY 2021-22
-3.99%	15.83%

Decrease in Operating profit margin was due to lower sales realisation and increase in raw material prices during the year as compared to FY 2021-22.

5. Net Profit Margin (%)

FY 2022-23	FY 2021-22
-5.41%	11.04%

Decrease in Net profit margin and loss was due to lower selling price of finished goods vs higher priced, well stocked up raw material by the Company as compared to FY 2021-22.

6. Return on Net Worth

FY 2022-23	FY 2021-22
-9.09%	17.80%

Profitability has been decreased resulting in loss due to lower sales realisation and increase in raw material prices during the year, which resulted in lower net worth as compared to FY 2021-22.

RISKS AND CONCERNS

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

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

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

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

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

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

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

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

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

INDUSTRY & MANAGEMENT OUTLOOK

For the year 2023-24, the Company will further continue to look at sustainable growth by focusing on:

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

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

During the year 2023-24, the Company further expects its investments in various projects to add to the top and bottom-line.

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

INTERNAL CONTROLS

The Company has a well-established system of internal control and internal audit, commensurate with its size and complexity of the business, with regards to efficiency of operations, financial reporting, compliance with applicable laws and regulations. The Company continually upgrades internal control systems by adding better process control, various audit trails and use of external

management assurance services, whenever required. The internal control system is supplemented by extensive internal audits, conducted internally by the finance and account department. The findings of Audit Team are discussed internally as well as in audit committee meetings. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them.

HUMAN RESOURCES

In the current age of dynamic, challenging and changing business environment, the Company believes that its 'People' i.e. 'Human Capital' are its important and vital assets. Skills acquired by the employees through training are assets for the Company. Thus, training and development strategy aims to build coherent workforce capabilities, skills or competencies required to ensure sustainable and successful organisation. The Company always

strives on maintaining healthy and strong employee relations by devising strategies that ensure high productivity and employee's satisfaction. A positive atmosphere of trust has been created. The headcount as on March 31, 2023 was 294 employees on the payrolls of the Company.

CAUTIONARY STATEMENT

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



CORPORATE GOVERNANCE REPORT

"Be the change you want to see in the world"

- Mahatma Gandhi

CORPORATE GOVERNANCE

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

The fundamental principle of Corporate Governance is achieving sustained growth ethically and in the best interest of all stakeholders. It is not a mere compliance of laws, rules and regulations but a commitment to values, best management practices and adherence to the highest ethical principles in all its dealings to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility. Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company.

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

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company believes that corporate governance is not only a principle that the organization follows but it's a way of life that is embedded in its behavior & culture. It is essential for achieving long-term corporate goals and enhancing stakeholders' value. It abides by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders viz., the employees, shareholders, customers, vendors and the society at large.

Your Company's philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Your Company firmly believes that maintaining the highest standards of Corporate Governance is the implicit rule that determines a management's ability to make sound decisions and to perform efficiently and ethically in the best interest of its shareholders and other stakeholders to create value for all.

The philosophy of Corporate Governance is a principle based approach as codified in Regulation 4(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), encompassing the fundamentals of rights and roles of various stakeholders of the Company, timely information, equitable treatment, role of stakeholders disclosure and transparency and board responsibility.

Your Company is in compliance with the requirements on Corporate Governance during FY 2022-23. A report on the compliances of Corporate Governance requirements under the Listing Regulations and the practices/procedures followed by your Company for the year ended March 31, 2023 is detailed below:

BOARD OF DIRECTORS AND ITS COMMITTEES

1. Composition and Category of Directors/Attendance at Meetings/Directorships and Committee Memberships in other companies as on March 31, 2023

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

The composition of Board of Directors as on March 31, 2023 and other relevant details are as follows:

Directors	Category	Directors' Identification Number (DIN)	Total Number of Directorships, Committee Chairmanships and Memberships of public limited companies*, as on 31st March, 2022			Names of the listed entities and category of directorship
			Directorships \$	Committee Chairmanships+	Committee Memberships+	
Mr. Kamalkumar Dujodwala	Promoter-Executive Director/Chairman	00546281	5	-	2	-
Mr. Pannkaj Dujodwala	Promoter-Managing Director	00546353	5	-	-	-
@Mr. Rajkumar Jatia	Independent Director	00136303	1	-	-	-
Mr. Sharad Kumar Saraf	Independent Director	00035843	3	-	3	Technocraft Industries (India) Ltd. – Chairman and Managing Director
^Mr. Shree Narayan Baheti	Independent Director	01760198	1	-	0	-
Mrs. Manisha Agarwal	Independent Woman Director	00441841	1	2	2	-
#Mr. Sanjay Bhiva Kadam	Independent Director	09826377	1	-	-	-
#Sidharath Singh Sekhon	Independent Director	01983046	1	-	-	-

@	Resigned w.e.f. November 02, 2022
^	Resigned w.e.f. December 07, 2022
#	Appointed w.e.f. December 30, 2022
*	Excludes private limited companies, foreign companies and companies registered under section 8 of the Act and Government Bodies.
\$	Includes Additional Directorship and Directorship in your Company.
+	Committees considered are Audit Committee and Stakeholders' Relationship Committee, including that of your Company Committee Membership(s) excludes Chairmanship(s).

During FY 2022-23, a separate meeting of Independent Directors was held on January 27, 2023, which was attended by all the Independent Directors.

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

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

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

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

Your Board meets at least four times a year and the interval between any such two meetings does not exceed 120 days. The Company Secretary under the direction of the Chairman and in consultation with Chief Financial Officer prepares the agenda for the meetings along with the notes thereto and circulates it to the Directors, along with the notice of the meeting. During FY 2022-23, 7 (Seven) meetings of the Board of Directors were held on:

- May 14, 2022
- May 27, 2022
- June 29, 2022
- August 13, 2022
- November 11, 2022
- December 30, 2022
- January 27, 2023



The necessary quorum was present for all the meetings.

The attendance of the Directors at these Meetings was as under:

Directors	Number of Board Meetings attended	Attendance at the Last AGM
Mr. Kamalkumar Dujodwala	7	Yes
Mr. Pannkaj Dujodwala	7	Yes
@Mr. Rajkumar S Jatia	4	No
Mr. Sharad Kumar Saraf	6	No
^Mr. Shree Narayan Baheti	4	No
Mrs. Manisha Agarwal	7	Yes
#Mr. Sanjay Bhiva Kadam	1	NA
#Mr. Sidharath Singh Sekhon	1	NA

@ Resigned w.e.f. November 02, 2022

^ Resigned w.e.f. December 07, 2022

Appointed w.e.f. December 30, 2022

3. Procedure of Board/ Committee Meeting

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

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

- Annual business plans, budgets and strategy.
- Quarterly results and update on operations.
- Financial results for the relevant period along with limited review/audit report thereon.
- Minutes of various committee meetings of the Company and minutes of board meetings
- Statement of investments/ Disinvestments /Borrowings.
- Review of Internal Audit Report/s.
- Annual operating plans and budgets and any updates.
- Capital budgets and any updates
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

4. Shareholding of Directors in the Company as on March 31, 2023

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

@ Resigned w.e.f. November 02, 2022

^ Resigned w.e.f. December 07, 2022

Appointed w.e.f. December 30, 2022

5. Familiarization Programme for Independent Directors

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

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

The familiarization programme for the new and continuing Independent Directors of the Company ensures valuable participation and inputs from them which helps in bringing forth the best practices into the organization and helps in taking informed decision(s) at the Board Level. The details of the same can be viewed on the Website of the Company. The Weblink of the same is as: <https://www.mangalamorganics.com/post/familiarization-program-for-independent-directors>.

6. Subsidiary Monitoring Mechanism

The Minutes of Board Meetings of the subsidiary companies are placed before the Meetings of Board of Directors of the Company.

During the year under review:

- Mangalam Organics Limited acquired 40,000 equity shares of Mangalam Pooja Stores Private Limited ('MPSPL') on March 31, 2023 at a price of Rs. 10/- per equity share, out of the total 50,000 equity shares of face value of Rs. 10/- each allotted by MPSPL under Private placement. Since the Corporate Action was approved after March 31, 2023; for the FY 2022-23, MPSPL is considered as a wholly owned subsidiary of the Company.
- None of the subsidiaries of the Company fall under the criteria of 'Material Subsidiary'.

As per the requirement of the Listing Regulations, the Company has formulated a policy for determining 'Material Subsidiaries' and the same has been posted on Company's website at https://uploads-ssl.webflow.com/6173d2812ea50ef2de67463e/61d5e2f46e44be83d0bc84dd_Policy%20for%20determining%20Material%20Subsidiary.pdf

7. Board Evaluation

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

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

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

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

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

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

Sr. No	Name of the Directors	Business	Technology	Finance	Leadership	Strategy
1.	Kamalkumar Dujodwala	✓	-	✓	✓	✓
2.	Pannkaj Dujodwala	✓	✓	-	✓	✓
3.	Sharad Kumar Saraf	✓	✓	✓	-	-
4.	Rajkumar Jatia	✓	-	✓	-	-
5.	Shree Narayan Baheti	✓	-	✓	-	-
6.	Manisha Agarwal	✓	✓	✓	-	✓
7.	Sanjay Bhiva Kadam	✓	-	✓	-	-
8.	Sidharath Singh Sekhon	✓	-	✓	-	✓



9. Committees of the Board

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

Audit Committee

During the year under review, 4 (four) Meetings of Audit Committee were held on the following dates:

- May 27, 2022
- August 13, 2022
- November 11, 2022
- January 27, 2023

Composition and Attendance:

Name of Members	Category	Number of Meetings	
		Held	Attended
Mrs. Manisha Agarwal, Chairperson	Independent Woman Director	4	4
Mr. Sharad Kumar Saraf, Member	Independent Director	4	4
Mr. Kamalkumar Dujodwala, Member	Executive Director	4	4

The time interval between any two Audit Committee meetings did not exceed 120 days.

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

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

10. Nomination and Remuneration Committee

During the year under review, 3 (three) Meetings of the Nomination and Remuneration Committee were held on the following dates:

- May 14, 2022
- June 29, 2022
- December 30, 2022

Composition and Attendance:

Name of Members	Category	Number of Meetings	
		Held	Attended
Mrs. Manisha Agarwal, Chairperson	Independent Woman Director	3	3
Mr. Sharad Kumar Saraf, Member	Independent Director	3	3
@Mr. Rajkumar Jatia, Member	Independent Director	3	2
#Mr. Sanjay Bhiva Kadam, Member	Independent Director	3	NA

@ Resigned w.e.f. November 02, 2022

Appointed w.e.f. December 30, 2022

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

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

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

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all the Directors. The criteria for performance evaluation of the Board included aspects such as Board composition and structure, effectiveness of Board processes, contribution in the long-term strategic planning, etc. The performance of the

Committees was evaluated by the Board after seeking inputs from the Committee Members. The criteria for performance evaluation are broadly based on the Guidance Note issued by SEBI on Board Evaluation which included aspects such as structure and composition of Committees, effectiveness of Committee Meetings, etc.

11. Stakeholders Relationship Committee

During the year under review, 4 (four) Meetings of the Stakeholders Relationship Committee were held on the following dates:

- May 27, 2022
- August 13, 2022
- November 11, 2022
- January 27, 2023

Composition and Attendance:

Name of Members	Category	Number of Meetings	
		Held	Attended
Mrs. Manisha Agarwal, Chairperson	Independent Woman Director	4	4
Mr. Sharad Kumar Saraf, Member	Independent Director	4	4
Mr. Kamalkumar Dujodwala, Member	Executive Director	4	4

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

Number of Investor Complaints	
Pending at the beginning of the financial year	Nil
Received during the financial year	7
Resolved during the financial year	7
Pending at the end of the financial year	Nil

Name, designation and address of Compliance Officer:

Ms. Shachi Singhavi

Company Secretary & Compliance Officer
Mangalam Organics Limited
812/813, Tulsiani Chambers,
212, Nariman point, Mumbai- 400021
Tel: +91 (22)- 49204089
Email: cs@mangalamorganics.com

12. Corporate Social Responsibility Committee

During the year under review, 2 (two) Meetings of the Corporate Social Responsibility Committee were held on the following dates:

- November 11, 2022
- January 27, 2023

Composition and Attendance:

Name of Members	Category	Number of Meetings	
		Held	Attended
Mrs. Manisha Agarwal, Chairperson	Independent Woman Director	2	2
Mr. Sharad Kumar Saraf, Member	Independent Director	2	2
Mr. Kamalkumar Dujodwala, Member	Executive Director	2	2

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



DIRECTORS' REMUNERATION

The remuneration paid to Mr. Kamalkumar Dujodwala, Executive Chairman and Mr. Pannkaj Dujodwala, Managing Director of the Company for the financial year ended March 31, 2023 is in accordance with the terms and conditions contained as agreed between them and the Company and approved by the shareholders.

The Independent Directors are paid sitting fees for attending the Board and Committee Meetings.

Details of remuneration / sitting fees paid to Executive and Non-Executive Directors for the year ended March 31, 2023 is as follows:

(Amount in ₹)

Name	Remuneration	Allowances	Performance Incentive	Perquisite	Sitting Fee	Commission
Executive Director						
Mr. Kamalkumar Dujodwala	3,00,00,000	-	-	-	-	-
Mr. Pannkaj Dujodwala	3,00,00,000	-	-	-	-	-
Non – Executive Director						
Mr. Sharad Kumar Saraf	-	-	-	-	18,000	-
@Mr. Rajkumar S Jatia	-	-	-	-	12,000	-
^Mr. Shree Narayan Baheti	-	-	-	-	12,000	-
Mrs. Manisha Agarwal	-	-	-	-	21,000	-
#Mr. Sanjay Bhiva Kadam	-	-	-	-	15,000	-
#Mr. Sidharath Singh Sekhon	-	-	-	-	3,000	-

@ Resigned w.e.f. November 02, 2022

^ Resigned w.e.f. December 07, 2022

Appointed w.e.f. December 30, 2022

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

Brief about Remuneration Policy:

Your Company has formulated a policy on Nomination and Remuneration of Directors and Senior Managerial Personnel including the criteria for making payment to non-executive directors and the same has been posted on Company's website at <https://www.mangalamorganics.com/post/nomination-remuneration-and-evaluation-policy-for-board-of-directors>

Service contracts, notice period, severance fees

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

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

During the year under review, the Company has not issued or granted any stock options.

DISCLOSURES

- There are no materially significant related party transactions that have potential conflict with the interest of the Company. The disclosure of all related party transactions are set out in notes forming part of the financial statements. The policy framed by your Company on dealing with Related Party Transactions is posted on the Company's website at https://uploads-ssl.webflow.com/6173d2812ea50ef2de67463e/61d5e2f3e48783d0a8bec1ab_Policy%20on%20Materiality%20of%20Related%20Party%20Transactions.pdf
- There have been no instances of non-compliance by the Company and no penalties, strictures have been imposed on the Company by the stock exchange(s) or the board or any other statutory authority, on any matter related to capital markets, during the previous 3 (three) financial years.
- The Company has adopted a Whistle Blower Policy, as a part of Vigil Mechanism to provide appropriate avenues to Directors and Employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the Code of Business Principles of the Company. The employees are encouraged to voice their concerns by way of whistle blowing and all the employees have been given access to the Audit Committee. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy. This Policy has also been posted on the website

of the Company at https://uploads-ssl.webflow.com/6173d2812ea50ef2de67463e/61d5e2f6cac59753f9802c49_Vigil%20Mechanism%20and%20Whistle%20Blower%20Policy.pdf

4. Your Company has formulated a Policy for determining 'Material' Subsidiaries as defined in Regulation 16 of the Listing Regulations. This Policy has also been posted on the website of the Company at https://uploads-ssl.webflow.com/6173d2812ea50ef2de67463e/61d5e2f3e48783d0a8bec1ab_Policy%20on%20Materiality%20of%20Related%20Party%20Transactions.pdf
5. The Company adopted Indian Accounting Standards ('Ind AS') from 1st April, 2016. Accordingly, the Financial statements have been prepared in accordance with Ind-AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Act and other relevant provisions of the Act.
6. Code for Prevention of Insider Trading Practices: The Company has formulated and adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Code of Conduct for Prevention of Insider Trading in Securities of Mangalam Organics Limited' ('Code of Conduct of Insider Trading') in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('the Regulations').

Code of Conduct for prevention of Insider Trading has been formulated to regulate, monitor and ensure reporting of trading by the Employees and Connected Persons designated on the basis of their functional role in the Company towards achieving compliance with the Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable. Code of Conduct of Insider Trading lays down Guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations.
7. Your Company has complied with all the mandatory requirements of the Listing Regulations relating to corporate governance. The Company has also complied with the requirement specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, as may be applicable. Further, your Company has adopted three non-mandatory corporate governance requirements relating to (i) endeavor to have unmodified financial statements, (ii) direct reporting of the Internal Auditor to the Audit Committee, (iii) Separate posts of Chairman, CEO and MD.
8. A certificate has been received from M/s. NGST & Associates, Chartered Accountants, regarding compliance with the conditions of Corporate Governance, as stipulated in Listing Regulations is annexed to this report and forms part of the Annual Report.

9. The Company has also received certificate from M/s. Yogesh Sharma & Co., Company Secretaries and appended hereto, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.
10. The particulars about the total amount of fees paid to the Statutory Auditors of the Company and its subsidiaries, during the financial year 2022-23, is as follows: Rs. 4,50,000/- for the Statutory Audit and Rs. 1,00,000/- for Tax Audit.
11. The CEO/CFO certification in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations forms part of the Annual Report.
12. Disclosure of commodity price risks and commodity hedging activities: The Company is subject to commodity price risk like any other industry. Moreover, since the Company procures all the input commodities used in the production of goods from third parties, it is all the more subject to risk and rewards of price variations.
13. Your Company has not raised funds through preferential allotment or qualified institutions placement in FY 2022-23 as specified under Regulation 32 (7A).
14. Your Company has accepted all the recommendation received from any committee of the Board which is mandatorily required, in FY 2022-23.
15. Disclosure of Complaints during the year under review pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

The disclosures with respect to demat suspense account / unclaimed suspense account is not applicable to the Company during the year under review.



GENERAL SHAREHOLDERS INFORMATION

1. General Body Meeting

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

Financial Year Ended	Date & Time	Venue	Special Resolutions passed, if any
March 31, 2022	September 28, 2022 3.00 p.m.	Meeting through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	- To approve the variation of terms of appointment of Mr. Kamalkumar Dujodwala. - To make loans or investments in excess of limit prescribed in section 186 of Companies Act, 2013 subject to a maximum limit of Rs. 1000 Crore.
March 31, 2021	September 29, 2021 3.00 p.m.		- Approval under section 180(1)(a) of the Companies Act, 2013 for creation of Charge and Hypothecation of Assets.
March 31, 2020	September 29, 2020 3.00 p.m.		- Approval of re-appointment of Mr. Pannkaj Dujodwala as a Managing Director.

2. Extraordinary General Meeting:

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

3. Postal Ballot:

During the period under review two Postal Ballot activities were conducted by the Company:

- The Company had sought the approval of the shareholders by way of a Special Resolution through Notice of Postal ballot dated May 14, 2022 for the resolutions as given below:

Resolution no.	Particulars of Resolutions
i.	To approve Mangalam Employee Stock Option Plan 2022
ii.	To extend approval of 'Mangalam Employee Stock Option Plan 2022' to the employees of Holding Company, Associate Company(ies), Group Company(ies) and its Subsidiary Company (ies) [present and future]
iii.	To approve continuation of Directorship of Mr. Sharad Kumar Saraf
iv.	To approve Re-appointment of Mr. Shree Narayan Baheti for second term of 5 (Five) years, as Non-Executive Independent Director
v.	To alter existing Clause III A, Main object clause, of the Memorandum of Association of the Company

The above resolutions were duly passed and the results were announced on June 21, 2022. Mr. Yogesh M. Sharma, Proprietor of Yogesh Sharma & Co., Practicing Company Secretaries (Membership No. 11305 / CP. No. 12366) was appointed as the Scrutinizer ("Scrutinizer") for conducting the Postal Ballot, through the e-Voting process, in a fair and transparent manner.

Voting Results:

Resolution no.	Votes in favor of the Resolution			Votes against the Resolution		
	No. of Members voted	No. of Votes cast by them	% of total no. of votes cast	No. of Members voted	No. of Votes cast by them	% of total no. of votes cast
i.	28	4780026	99.99	1	70	0.01
ii.	28	4780026	99.99	1	70	0.01
iii.	29	4780056	99.99	1	70	0.01
iv.	29	4780056	99.99	1	70	0.01
v.	27	4780021	99.99	2	75	0.01

- ii. The Company had sought the approval of the shareholders by way of a Special Resolution through Notice of postal ballot dated December 30, 2022 for the resolutions as given below:

Resolution no	Particulars of Resolutions
i.	To approve the appointment of Mr. Sanjay Bhiva Kadam (DIN: 09826377) as an Independent Director
ii.	To approve the appointment of Mr. Sidharath Singh Sekhon, (DIN: 01983046) as an Independent Director

The above resolutions were duly passed and the results were announced on February 12, 2023. Mr. Yogesh M. Sharma, Proprietor of Yogesh Sharma & Co., Practicing Company Secretaries (Membership No. 11305 / CP. No. 12366) was appointed as the Scrutinizer ("Scrutinizer") for conducting the Postal Ballot, through the e-Voting process, in a fair and transparent manner.

Voting Results:

Resolution no.	Votes in favor of the Resolution			Votes against the Resolution		
	No. of Members voted	No. of Votes cast by them	% of total no. of votes cast	No. of Members voted	No. of Votes cast by them	% of total no. of votes cast
i.	50	5148385	100	--	--	--
ii.	50	5148385	100	--	--	--

Company's Means of Communication

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

4. Other Information

CIN	L24110MH1981PLC024742
Registered office address	Kumbhivali Village, Savroli Kharpada Road, Taluka – Khalapur, Khopoli – 410 202, District - Raigad.
Administrative Office/ Correspondence Address	812, Tulsiani Chambers, Free Press Journal Marg, 212 Nariman Point, Mumbai – 400 021, Maharashtra.
Date, Time and Venue of Annual General Meeting	The Company has decided to hold its 41st Annual General Meeting (the "AGM") on Friday, September 29, 2023 at 3.00 P.M. through Video Conferencing ("VC") and/or Other Audio Visual Means ("OAVM"). The shareholders may note that the Ministry of Corporate Affairs, vide its General Circular No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2020, Circular No. 02/2022 dated May 5, 2022 and Circular No. 10/2022 dated December 28, 2022 has permitted the companies to conduct their AGMs, through VC/OAVM.



	Guidelines for participation in the Company's 41st Annual General Meeting are laid out in the Notice convening the meeting and have also been uploaded on the website of the Company viz. www.mangalamorganics.com .																		
Financial Year	The financial year of the Company starts from April 1st and ends on March 31st of the succeeding year. Our tentative calendar for declaration of results for the financial year 2023-24 are as given below:																		
	<table border="1"> <thead> <tr> <th>Quarter Ended</th> <th>Release of Results</th> </tr> </thead> <tbody> <tr> <td>First Quarter Results</td> <td>on or before August 14, 2023</td> </tr> <tr> <td>Second Quarter and Half Yearly Results</td> <td>on or before November 14, 2023</td> </tr> <tr> <td>Third Quarter Results</td> <td>on or before February 14, 2024</td> </tr> <tr> <td>Annual Results</td> <td>on or before May 30, 2024</td> </tr> </tbody> </table>	Quarter Ended	Release of Results	First Quarter Results	on or before August 14, 2023	Second Quarter and Half Yearly Results	on or before November 14, 2023	Third Quarter Results	on or before February 14, 2024	Annual Results	on or before May 30, 2024								
Quarter Ended	Release of Results																		
First Quarter Results	on or before August 14, 2023																		
Second Quarter and Half Yearly Results	on or before November 14, 2023																		
Third Quarter Results	on or before February 14, 2024																		
Annual Results	on or before May 30, 2024																		
Dividend Payment Date and Date of Book Closure	The Directors have thought it prudent not to recommend any dividend for the financial year under review.																		
Dividend History	<table border="1"> <thead> <tr> <th>Financial Year</th> <th>Rate of Dividend</th> <th>Dividend (in Rs.) per share of Rs.10 each</th> </tr> </thead> <tbody> <tr> <td>2021-22</td> <td>15%</td> <td>Rs. 1.5</td> </tr> <tr> <td>2020-21</td> <td>15%</td> <td>Rs. 1.5</td> </tr> <tr> <td>2019-20</td> <td>10%</td> <td>Re. 1</td> </tr> <tr> <td>2018-19</td> <td>10%</td> <td>Re. 1</td> </tr> <tr> <td>2017-18</td> <td>10%</td> <td>Re. 1</td> </tr> </tbody> </table>	Financial Year	Rate of Dividend	Dividend (in Rs.) per share of Rs.10 each	2021-22	15%	Rs. 1.5	2020-21	15%	Rs. 1.5	2019-20	10%	Re. 1	2018-19	10%	Re. 1	2017-18	10%	Re. 1
Financial Year	Rate of Dividend	Dividend (in Rs.) per share of Rs.10 each																	
2021-22	15%	Rs. 1.5																	
2020-21	15%	Rs. 1.5																	
2019-20	10%	Re. 1																	
2018-19	10%	Re. 1																	
2017-18	10%	Re. 1																	
Listing on stock exchanges	The Equity Shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited																		
Listing fees	The listing fees of National Stock Exchange of India Limited and BSE Limited for FY 2023-24 has been paid.																		
Stock code	BSE Scrip Code: 514418 NSE Symbol: MANORG																		
ISIN Number	INE370D01013																		
Suspension of trading in Securities	There was no suspension of trading in securities of the Company during the year under review.																		
Suspension of trading in Securities	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Email: rnt.helpdesk@linkintime.co.in Tel: (022) 4918 6270 Fax: (022) 4918 6060																		
Share Transfer system	All the work related to Share registry in terms of both physical and electronic segment has been allotted to M/s. Link Intime India Private Limited, in view of the directive issued by SEBI in this regard i.e. for handling both physical as well as electronic transfer at a single point. For any queries relating to equity share of the Company the shareholders/investors may contact them at above address. As the Company's shares are compulsorily to be traded in the dematerialized form. Members holding shares in physical Form are requested to dematerialise their shares. Further, as per Regulation 40 of SEBI Listing Regulation securities of Listed Companies can be transfer only in dematerialised form w.e.f. 1st April, 2019.																		
Outstanding GDRs/ADRs/Warrants/ Convertible Instruments and their impact on Equity	As on March 31, 2023, the Company have not issued any outstanding GDRs / ADRs /Warrants/ Convertible Instruments, including stock options.																		
Commodity price risk or foreign exchange risk and hedging activities	The Company is subject to commodity price risk like any other industry. Moreover, since the Company procures all the input commodities used in the production of goods, it is all the more subject to risk and rewards of price variations. In respect of contract for raw materials for Camphor production, the commodity/ hedging market for these items is not fully developed and the Company keeps on evaluating on continuous basis opportunities for price risk minimization. In respect of inward remittances from eligible overseas buyers of the Camphor, all billing is in INR and hence the Company is immune to foreign exchange risk on this account.																		

Plant locations	The Company has its Manufacturing plant at: Kumbhivali Village, Savroli Kharpada Road, Taluka – Khalapur, Khopoli – 410 202, Raigad, Maharashtra.
List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	Your Company has obtained revised Credit Rating from CRISIL as on March 20, 2023 as follows: Long Term Rating: CRISIL BBB+/Stable (Downgraded from 'CRISIL A-/Stable') Short Term Rating: CRISIL A2 (Downgraded from 'CRISIL A2+')

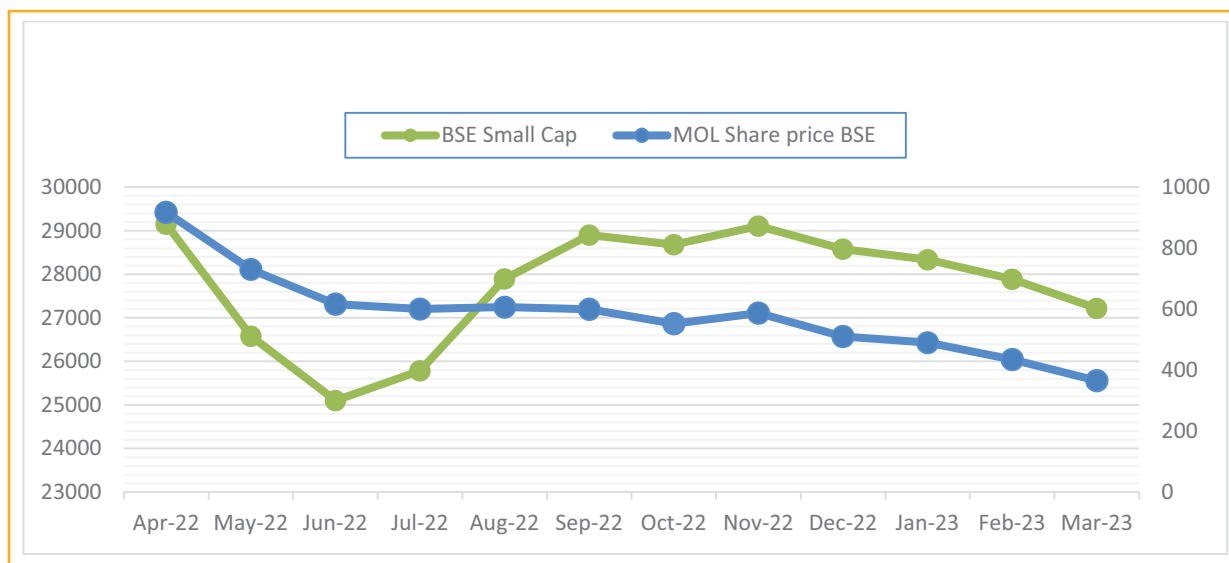
5. Market Price Data

The market price data and the volume of your Company's shares traded on NSE and BSE during the year ended March 31, 2023 are as follows:

Month	BSE			NSE		
	High (₹)	Low (₹)	Total no. of equity shares traded	High (₹)	Low (₹)	Total no. of equity shares traded
Apr-22	985.05	849.7	61,022	982	850	312,116
May-22	871	590	86,147	874.90	585.70	396,420
June-22	704	528.05	69,236	708	529.85	479,839
July-22	650.05	550.05	34,007	660	549.95	263,408
Aug-22	660	552.6	46,899	656	556.30	205,190
Sept-22	657.8	540.5	44,867	659	548.10	301,241
Oct-22	588	517	19,004	588.30	515.50	108,383
Nov-22	664	510	66,927	665	511	372,823
Dec-22	558	461.75	36,953	560	431	241,267
Jan-23	535	444.55	22,655	528.75	445.05	108,021
Feb-23	469.6	399.5	35,181	469.35	397.80	124,237
Mar-23	423.95	307.3	65,599	425	306.95	487,571

6. Performance of share price of the Company in comparison to S&P BSE Small Cap Sensex

Month	MOL Share price BSE	BSE Small Cap
Apr-22	917.375	29150.045
May-22	730.5	26582.56
Jun-22	616.025	25102.99
Jul-22	600.05	25785.6
Aug-22	606.3	27893.355
Sep-22	599.15	28901.37
Oct-22	552.5	28680.525
Nov-22	587	29105.005
Dec-22	509.875	28578.33
Jan-23	489.775	28332.235
Feb-23	434.55	27887.045
Mar-23	365.625	27220.84



7. Distribution of Shareholding as on March 31, 2023

Description	No. of Shareholders	% to Total Shareholders	Shares	% of Total Share Capital
1 to 500	21458	96.7972	1388565	16.2131
501 to 1000	394	1.7773	299302	3.4947
1001 to 2000	179	0.8075	259938	3.0351
2001 to 3000	37	0.1669	93213	1.0884
3001 to 4000	31	0.1398	111456	1.3014
4001 to 5000	18	0.0812	81699	0.9539
5001 to 10000	25	0.1128	188538	2.2014
10001 to 9999999999	26	0.1173	6141729	71.712
Total	22168	100	8564440	100

8. Shareholding pattern as on March 31, 2023

Category code	Category of Shareholder	No. of shares held at the end of the year			
		Demat	Physical	Total	% of Total Shares
(A)	Promoters				
1	Indian				
(a)	Individuals/ Hindu Undivided Family	2700953	-	2700953	31.54
(b)	Central Govt(s)	-	-	-	-
(c)	State Govt(s)	-	-	-	-
(d)	Bodies Corporate	-	-	-	-
(e)	Banks / FI	-	-	-	-
(f)	Any Others(Specify)	2001849	-	2001849	23.37
	Sub Total(A)(1)	4702802	-	4702802	54.91
2	Foreign				
(a)	NRIs – Individuals	-	-	-	-
(b)	Other Individuals	-	-	-	-
(c)	Bodies Corporate	-	-	-	-
(d)	Banks / FI	-	-	-	-

Category code	Category of Shareholder	No. of shares held at the end of the year			
		Demat	Physical	Total	% of Total Shares
(e)	Any Others(Specify)	-	-	-	-
	Sub Total(A)(2)	-	-	-	-
	Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	4702802	-	4702802	54.91
(B)	Public shareholding				
1	Institutions				
(a)	Mutual Funds	-	-	-	-
(b)	Banks / FI	-	-	-	-
(c)	Central Govt(s)	-	-	-	-
(d)	State Govt(s)	-	-	-	-
(e)	Alternate Investment Funds	-	-	-	-
(f)	Insurance Companies	-	-	-	-
(g)	FIs	-	-	-	-
(h)	Foreign Portfolio Investors	1301	-	1301	0.02
(i)	Any Other (specify)	-	-	-	-
	Sub-Total (B)(1)	1301	-	1301	0.02
B2	Non-institutions				
(a)	Bodies Corporate	-	-	-	-
(i)	Indian	-	-	-	-
(ii)	Overseas	-	-	-	-
(b)	Individuals	-	-	-	-
(i)	Resident Individuals holding nominal share capital up to Rs 2 lakh	1988273	283399	2271672	26.52
(ii)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakh.	756149	-	756149	8.83
(iii)	KMP	-	2	2	0.00
(c)	Others (specify)				
(i)	Clearing Members	4241	-	4241	0.05
(ii)	HUF	64735	-	64735	0.76
(iii)	NRI	83710	58800	142510	1.66
(iv)	Bodies Corporate	134320	3700	138020	1.61
(v)	IEPF	461628	-	461628	5.39
(vi)	LLP	14380	-	14380	0.17
(vii)	Foreign Portfolio Investors	7000	-	7000	0.08
	Sub-Total (B)(2)	3514437	345900	3860337	45.07
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	3515738	345900	3861638	45.09
	TOTAL (A)+(B)	8218540	345900	8564440	100.00
(C)	Shares held by Custodians for GDRs & ADRs	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	8218540	345900	8564440	100.00



9. Status of dematerialisation of shares

As on March 31, 2023, all except 3,45,900 equity shares of the Company are held in dematerialised form. The breakup of the equity shares held in dematerialised and physical form as on March 31, 2023 is as follows:

Particulars	No. of Shares	Percent of Equity (%)
NSDL	69,12,056	80.71
CDSL	13,06,484	15.25
Physical	3,45,900	4.04
Total	85,64,440	100

10. Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The report, inter alia, confirms that the number of shares issued, listed on the Stock exchanges and that held in demat and physical mode are in agreement with each other.

11. Unclaimed Dividend

As on March 31, 2023 following amounts of dividends remained unclaimed and liable to transfer to Investor Education and Protection Fund (IEPF):

Financial year	Amount (in ₹)	Transferred to IEPF	Date of Transfer to IEPF
FY 2009-10	5,36,401.00	Yes	October 24, 2017
FY 2010-11	5,55,157.00	Yes	November 02, 2018
FY 2011-12	-	-	-
FY 2012-13	-	-	-
FY 2013-14	-	-	-
FY 2014-15	-	-	-
FY 2015-16	-	-	-
FY 2016-17	-	-	-
FY 2017-18	3,80,714.00	No	-
FY 2018-19	2,66,081.00	No	-
FY 2019-20	2,70,798.00	No	-
FY 2020-21	4,14,141.50	No	-
FY 2021-22	4,08,542.00	No	-

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

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

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

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

12. Address for correspondence

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

Mangalam Organics Limited

812, Tulsiani Chambers, 212 Nariman Point, Mumbai- 400 021, Maharashtra.
Email: cs@mangalamorganics.com
Phone: (022) 22824089

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: August 11, 2023

DECLARATION ON CODE OF CONDUCT

This is to certify that your Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management Personnel and that the same has been hosted on the Company's website. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the FY 2022-23.

Sd/-

Pannkaj Dujodwala
Managing Director

Mumbai, August 11, 2023

CERTIFICATE FROM CEO AND CFO

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

This is to certify that, we have reviewed audited financial statements and the cash flow statement for the quarter and year ended 31st March, 2023 and that to the best of our knowledge and belief that:

1. the said financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. the said statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
4. the Company has established and is maintaining internal controls for financial reporting and on this basis we have evaluated the effectiveness of internal control systems pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps have been taken or propose to be taken to rectify these deficiencies.
5. we have indicated to the auditors and the Audit committee:
 - a. significant changes in internal control over financial reporting during the year;
 - b. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

Mr. Shrirang Rajule

Chief Financial Officer

Mumbai, August 11, 2023

Sd/-

Mr. Sanjay Bhardwaj

Chief Executive Officer



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Mangalam Organics Limited

Kumbhivali Village, Savroli Kharpada Road,
Taluka Khalapur, Khopoli 410202

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **MANGALAM ORGANICS LIMITED** having **CIN L24110MH1981PLC024742** and having registered office at Kumbhivali Village, Savroli Kharpada Road, Taluka Khalapur, Khopoli- 410202 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or by any other regulatory authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Sharad Kumar Saraf	00035843	29/01/2011
2	Mrs. Manisha Agarwal	00441841	20/03/2020
3	Mr. Kamalkumar Ramgopal Dujodwala	00546281	03/07/1981
4	Mr. Pannkaj Dujodwala	00546353	03/06/1987
5	Mr. Sanjay Kadam	09826377	12/02/2023
6	Mr. Sidharath Sekhon	01983046	12/02/2023

***Note:** Independent Directors Mr. Rajkumar Subhkaran Jatia (DIN: 00136303) and Shree Narayan Baheti (DIN: 01760198) resigned from the Board of Directors on 2nd November, 2022 and 7th December, 2022 respectively.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: July 26, 2023

Place: Mumbai

UDIN: F011305E000680261

Peer Review Certificate No.: 1583/2021

Yogesh M. Sharma

Proprietor

FCS No. 11305

COP No. 12366

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

The Members of

Mangalam Organics Limited

We have examined all the relevant records of Mangalam Organics Limited (“the Company”) for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 (except Regulation 21), clauses (a) to (r) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) for the financial year ended on 31st March, 2023. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation process adopted by Company for ensuring the compliance of the conditions of Corporate Governance.

This certificate is neither an assurance as to the future viability of the Company nor the efficacy of effectiveness with which the management has conducted the affairs of the Company.

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

For NGST & Associates

Chartered Accountants

(Registration No. 135159W)

(Bhupendra Gandhi)

Partner

Membership No. 122296

Place: Mumbai

Date: June 29, 2023



INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying standalone financial statements of **Mangalam Organics Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have nothing to report in this regard.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going

concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24 to the financial statements;
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
 4. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries to the financial statements); and
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- h) With respect to the matter to be included in the Auditors’ Report under Section 197(16) of the Act:

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

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

Sd/-
Bhupendra S Gandhi
Partner
M. No. 122296
UDIN - 23122296BGUOHY7847

Place: Mumbai

Date: May 26, 2023

ANNEXURE - A TO THE AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of Mangalam Organics Limited ("the Company") on the Financial Statements for the year ended 31st March, 2023, we report that:

- i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) According to the information and explanation given to us, all the property, plant and equipment have been physically verified by the management during the year and we are informed that the management on such verification has noticed no material discrepancies. In our opinion the frequency of verification is reasonable.
- (c) The title deeds of immovable properties are held in the name of the company except that they are mortgaged to bank as per the report given by the external valuer during the year and as per the management and we have relied upon the same.
- (d) The Company has not revalued its property, plant and equipment or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. As explained to us, there is no material discrepancy noticed on physical verification of inventory as compared to book records.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account
- iii) (a) During the year the Company has provided loans and stood guarantee to the companies as follows:

Aggregate amount granted / provided during the year	Guarantees	Security	Loans	Advances in nature of loans
- Wholly owned Subsidiaries	3800.00	Nil	1344.34	Nil
Balance outstanding as at balance sheet date in respect of above cases				
- Wholly owned Subsidiaries	3800.00	Nil	1,876.67	Nil

- (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies are not prejudicial to the Company's interest.
- iv) The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v) In our opinion and according to the information and explanation given to us by the management, the company has not accepted any deposit from the public and therefore the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable.
- vi) The Central Government has prescribed maintenance of the cost records under sub section (1) of section 148 of the Companies Act, 2013 in respect to the company's products. We have broadly reviewed the books of accounts & records maintained by the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made & maintained. We have however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii) (a) According to the records of the Company, undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, custom duty and goods and service tax and other material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities and no undisputed amounts payable in respect of these were outstanding, at the year end, for a period of more than six months from the date they became payable.



- (b) According to the information and explanation given to us, there are no dues outstanding of income-tax, sales-tax, service tax, customs duty, excise duty and cess on account of any dispute.
- viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. Further, the Company has not issued any debenture.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi) (a) During the course of our examination of the books and records of the company and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the company or any fraud on the company by its officers or employees, which has been noticed or reported during the current year, nor we have been informed of such case by the management.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv) The Company has not entered into non-cash transactions with directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable.

- xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted non-banking financial activities or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) The Group does not have any CIC. Accordingly, clauses xvi(d) are not applicable to the Company.
- xvii) The Company has incurred cash losses of Rs. 1,469.45 Lakhs in the current year and but has not incurred any cash losses in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx) As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

For NGST & Associates
Chartered Accountants
Registration No. 135159W

Sd/-
Bhupendra Gandhi
Partner
M. Ship No. 122296
UDIN - 23122296BGUOHY7847

Place: Mumbai

Date: May 26, 2023



ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Mangalam Organics Limited ('the company')**, as of 31 March 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For NGST & Associates

Chartered Accountants

Firm Reg No. 135159W

Sd/-

Bhupendra Gandhi

Partner

Membership No. 122296

UDIN - 23122296BGUOHY7847

Place: Mumbai

Date: May 26, 2023



STANDALONE BALANCE SHEET

as at 31st March 2023

Amounts in (₹)

	Particulars	Note No	As at 31st March, 2023	As at 31st March, 2022
	ASSETS			
(1)	Non-current assets			
	- Property, Plant and Equipment	1	2,04,68,01,916	1,80,98,07,321
	- Capital work-in-progress	1	-	7,65,66,150
	- Financial Assets			
	Investments	2.1	54,24,800	20,24,800
	Loans	2.2	18,76,66,937	5,14,11,215
	Other financial assets	2.3	9,95,48,248	10,15,84,202
	Deferred tax assets (net)	9	2,34,66,934	-
(2)	Current assets			
	- Inventories	3	1,71,68,44,691	2,42,85,74,762
	- Financial Assets			
	Trade receivables	4.1	57,59,60,618	43,95,46,704
	Cash and cash equivalents	4.2	78,62,563	22,49,894
	Bank balances & other than cash and cash equivalents	4.3	17,40,277	89,80,104
	Other financial assets	4.4	6,34,16,869	12,29,50,350
	Current tax assets (net)	4.5	3,29,83,763	5,35,42,371
	- Other current assets	5	12,59,91,900	33,34,59,014
	Total Assets		4,88,77,09,516	5,43,06,96,887
	EQUITY AND LIABILITIES			
	Equity	6		
	- Equity Share capital	A)	8,56,44,400	8,56,44,400
	- Other Equity	B)	2,69,58,72,649	2,96,14,52,169
			2,78,15,17,049	3,04,70,96,569
	Liabilities			
(1)	Non-current liabilities			
	- Financial Liabilities			
	- Borrowings	7	28,94,70,690	37,71,26,898
	- Provisions	8	2,46,06,591	2,95,67,529
	- Deferred tax liabilities (Net)	9	-	5,04,20,083
			31,40,77,281	45,71,14,510
(2)	Current liabilities			
	- Financial Liabilities			
	Borrowings	10	1,47,36,73,087	1,58,08,37,058
	Trade payables	11	28,29,66,168	30,94,89,312
	Other financial liabilities	12	17,39,660	13,33,915
	- Other current liabilities	13	2,11,31,482	2,42,21,341
	- Provisions	14	1,26,04,789	1,06,04,182
			1,79,21,15,186	1,92,64,85,808
	Total Equity and Liabilities		4,88,77,09,516	5,43,06,96,887

Notes forming integral part of the financial statements

As per our report of even date attached

NGST & Associates

Chartered Accountants

Firm Reg. No.: 135159W

Sd/-

Bhupendra Gandhi

Partner

Membership No. 122296

Place: Mumbai

Dated: May 26, 2023

For and on behalf of Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Shachi Sanghavi

Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2023

Amounts in (₹)

	Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
I	Revenue from Operations	15	4,66,97,38,811	4,90,91,50,383
II	Other Income	16	1,39,02,886	1,44,18,284
III	TOTAL INCOME (I+II)		4,68,36,41,697	4,92,35,68,667
IV	Expenses			
	Cost of materials consumed	17	4,15,26,72,551	2,84,31,22,400
	Purchases of Stock-in-trade	18	5,82,01,673	5,21,70,370
	Changes in inventories of finished goods and work-in-progress	19	(60,20,16,851)	(11,60,88,572)
	Employee benefits expenses	20	22,70,16,903	29,62,91,859
	Finance costs	21	12,68,45,463	3,88,61,130
	Depreciation and amortization expense		16,63,98,819	14,91,28,959
	Other expenses	22	86,78,66,518	92,16,24,829
	TOTAL EXPENSES (IV)		4,99,69,85,076	4,18,51,10,975
V	(Loss)/ Profit before exceptional items and tax (III - IV)		(31,33,43,379)	73,84,57,692
VI	Exceptional Items		-	-
VII	(Loss)/ Profit before tax (V-VI)		(31,33,43,379)	73,84,57,692
VIII	Tax expense:			
	(1) Current tax		-	18,00,00,000
	(2) Deferred tax (income/expense)		(7,43,28,688)	1,55,29,856
	(3) Tax adjustment of earlier years		1,50,31,389	-
IX	(Loss)/ Profit for the period (VII-VIII)		(25,40,46,080)	54,29,27,836
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	Remeasurment of defined benefit plan		17,54,891	(8,25,018)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(4,41,671)	2,07,641
	- Defined benefit plans			
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Total Comprehensive Income for the period (IX + X) (Comprising Profit and Other Comprehensive Income for the period)		(25,27,32,860)	54,23,10,459
XII	Earnings per equity share:			
	(1) Basic and Diluted		(29.51)	63.32

Notes forming integral part of the financial statements

As per our report of even date attached

NGST & Associates
Chartered Accountants
Firm Reg. No.: 135159W

Sd/-
Bhupendra Gandhi
Partner
Membership No. 122296

Place: Mumbai
Dated: May 26, 2023

For and on behalf of Board of Directors

Sd/-
Kamalkumar Dujodwala
Chairman
DIN- 00546281

Sd/-
Pannkaj Dujodwala
Managing Director
DIN- 00546353

Sd/-
Shrirang V. Rajule
Chief Financial Officer

Sd/-
Shachi Sanghavi
Company Secretary



STANDALONE CASH FLOW STATEMENT

for the year ended 31st March 2023

Amounts in (₹)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
A. Cash flow from operating activities :		
Net (Loss)/ profit before tax	(31,33,43,379)	73,84,57,692
Adjustment For :		
Depreciation	16,63,98,819	14,91,28,959
Interest Income	(1,08,24,089)	(43,49,217)
Dividend received	(5,000)	(5,000)
Interest paid	12,68,45,463	3,88,61,130
Loss on sale of fixed assets	1,22,130	1,79,849
Operating (Loss)/ profit before working capital changes	(3,08,06,056)	92,22,73,413
Adjustment For :		
Trade & other receivables	36,06,740	(23,86,01,900)
Inventories	71,17,30,071	(1,36,72,75,425)
Trade and other payables	(3,21,67,589)	5,83,53,806
Cash generated from/ (used in) operations	65,23,63,166	(62,52,50,106)
Income tax paid	44,04,529	(22,08,67,111)
Net cash generated from/(used in) operating activities - I	65,67,67,695	(84,61,17,217)
B. Cash flow from investing activities :		
Payments for property, plant and equipment	(32,40,71,813)	(82,88,04,975)
Interest income	1,08,24,089	43,49,217
Dividend received	5,000	5,000
Proceeds from property, plant and equipment	-	-
Purchase of non current investments	(34,00,000)	(9,99,800)
Net cash (used) in investing activities- II	(31,66,42,724)	(82,54,50,558)
C. Cash flow from financing activities		
Proceeds/(Repayment) form/of short term borrowings	(10,71,63,971)	1,33,79,67,251
Dividend and dividend distribution tax paid	(1,28,46,660)	(1,28,46,660)
(Repayment)/ proceed of/ from long term borrowings	(8,76,56,208)	37,71,26,898
Interest paid	(12,68,45,463)	(3,88,61,130)
Net cash (used) in/ generated from financing activities - III	(33,45,12,302)	1,66,33,86,359
Net increase/ (decrease) in cash and cash equivalents	56,12,669	(81,81,416)
Opening balance of cash & cash equivalents	22,49,894	1,04,31,310
Closing balance of cash & cash equivalents	78,62,563	22,49,894

Notes:

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

As per our report of even date

NGST & Associates

Chartered Accountants
Firm Reg. No.: 135159W

Sd/-

Bhupendra Gandhi

Partner

Membership No. 122296

Place: Mumbai

Dated: May 26, 2023

For and on behalf of Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Shachi Sanghavi

Company Secretary

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March 2023

Amounts in (₹)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
(a) Equity share capital		
Balance at the beginning of the year	8,56,44,400	8,56,44,400
Changes in equity share capital during the year	-	-
Balance at the end of the year	8,56,44,400	8,56,44,400

Amounts in (₹)

Particulars	Reserves and surplus					Total other equity
	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Retained earnings	
(b) Other equity (refer note 6B)						
As at 1 April 2021	-	-	-	1,49,91,838	2,41,69,96,532	2,43,19,88,370
Profit for the year	-	-	-	-	54,29,27,836	54,29,27,836
Other comprehensive income	-	-	-	-	(6,17,377)	(6,17,377)
Dividend paid during the year (including DDT)	-	-	-	-	(1,28,46,660)	(1,28,46,660)
Balance as at 31 March 2022	-	-	-	1,49,91,838	2,94,64,60,331	2,96,14,52,169
Profit for the year	-	-	-	-	(25,40,46,080)	(25,40,46,080)
Other comprehensive income	-	-	-	-	13,13,220	13,13,220
Dividend paid during the year (including DDT)	-	-	-	-	1,28,46,660	1,28,46,660
Balance as at 31 March 2023	-	-	-	1,49,91,838	2,68,08,80,811	2,69,58,72,649

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

NGST & Associates
Chartered Accountants
Firm Reg. No.: 135159W

Sd/-
Bhupendra Gandhi
Partner
Membership No. 122296

Place: Mumbai
Dated: May 26, 2023

For and on behalf of Board of Directors

Sd/-
Kamalkumar Dujodwala
Chairman
DIN- 00546281

Sd/-
Shrirang V. Rajule
Chief Financial Officer

Sd/-
Pannkaj Dujodwala
Managing Director
DIN- 00546353

Sd/-
Shachi Sanghavi
Company Secretary

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2023

Corporate Overview

Statutory Reports

Financial Statements



1. Property, Plant & Equipment and Intangible Assets

Amount in (₹)

Particular	Freehold Land	Residential Colony	Office Premises	Building	Plant & Machinery	Computer	Furniture & Fixture	Vehicle	Office Equipment	Total
Gross Carrying value as on 01.04.2022	11,97,96,586	62,99,533	3,66,131	20,55,32,342	2,42,10,05,337	1,05,44,771	3,64,37,265	4,06,55,452	1,57,43,174	2,85,63,80,591
Additions	4,80,22,809	-	-	2,89,87,492	29,10,38,002	11,17,467	2,14,13,865	77,93,764	22,64,564	40,06,37,963
Deletions	-	-	-	-	-	-	-	-	-	-
Gross Carrying value as on 31.03.2023	16,78,19,395	62,99,533	3,66,131	23,45,19,834	2,71,20,43,339	1,16,62,238	5,78,51,130	4,84,49,216	1,80,07,738	3,25,70,18,554
Accumulated depreciation as on 01.04.2022	-	37,16,650	3,38,445	8,14,53,624	89,34,54,314	1,01,68,916	1,33,50,900	2,99,58,343	1,41,32,079	1,04,65,73,270
Depreciation charge for the year	-	1,99,695	-	67,43,122	14,67,24,689	2,55,623	40,95,528	52,57,788	31,22,374	16,63,98,819
Depreciation adjustment	-	-	-	-	27,55,451	-	-	-	-	27,55,451
Depreciation on deletion	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as on 31.03.2023	-	39,16,345	3,38,445	8,81,96,746	1,03,74,23,553	1,04,24,539	1,74,46,428	3,52,16,131	1,72,54,453	1,21,02,16,638
Net Book Value:-										
At 31st March 2023	16,78,19,395	23,83,188	27,686	14,63,23,088	1,67,46,19,786	12,37,699	4,04,04,702	1,32,33,085	7,53,285	2,04,68,01,916
At 31st March 2022	11,97,96,586	25,82,883	27,686	12,40,78,718	1,52,75,51,023	3,75,855	2,30,86,365	1,06,97,109	16,11,095	1,80,98,07,321

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2023

2.1 Non current investment

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investment in Equity Shares		
Unquoted - carried at FVTPL		
a) Equity instrument of subsidiary companies:		
- 10000 shares of Mangalam Brands Private Limited	10,00,000	10,00,000
- 49990 shares of Mangalam Pooja Stores Private Limited	4,99,900	4,99,900
- 49990 shares of Mangalam Speciality Chemicals Private Limited	4,99,900	4,99,900
- Share Application money paid to Mangalam Pooja Stores Private Limited	4,00,000	NIL
b) 2500 shares of Saraswat Co-Op Bank Ltd.	25,000	25,000
Investment in debentures:		
a) Investment in debentures of Yeshoda Rose Bazaar Retail Private Limited	30,00,000	-
Total	54,24,800	20,24,800
Aggregate carrying value of unquoted investments	54,24,800	20,24,800

Note:

The Company has invested in 30,000 (Thirty Thousand) compulsorily convertible debentures having face value of Rs. 100 each totalling to Rs. 30,00,000. The seed series CCD are issued at minimum non-cumulative preferential dividend rate of 0.01% p.a. The preferential dividend shall be due only when declared by the Board. In addition, each series 1 CCP's would be entitled to participate pari passu in any cash or non-cash dividends paid to the holders of shares of all other classes, on as-if converted basis.

2.2 Loans

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
(Carried at amortised cost, unless otherwise stated)		
(Unsecured, considered good)		
Loans to Related Parties (Refer note 27)	18,76,66,937	5,14,11,215
Total	18,76,66,937	5,14,11,215

Disclosure under Regulation 53(f) and 34(3) read together with paragraph A Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Loans and advances in the nature of loans given to Subsidiaries

Name of the Company	Relationship	Amount Outstanding as at the year end	
		As at 31st March, 2023	As at 31st March, 2022
Mangalam Brands Private Limited (Formerly Campure Private Limited)	Wholly Owned Subsidiary	15,00,00,000	5,02,75,825
Mangalam Speciality Chemical Private Limited	Wholly Owned Subsidiary	28,34,763	10,13,876
Mangalam Pooja Stores Private Limited	Wholly Owned Subsidiary	3,48,32,174	1,21,514
Total		18,76,66,937	5,14,11,215



NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2023

2.3 Other non-current financial asset At Amortised Cost

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security deposits	9,82,52,387	10,03,20,033
Fixed deposits with remaining maturity for more than 12 months	12,95,861	12,64,170
Total	9,95,48,248	10,15,84,202

Fixed deposits held for margin against letter of credit and bank guarantees

3 Inventories

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw materials	31,95,36,330	1,55,69,73,778
Work-in-progress	74,60,29,149	40,89,77,201
Finished goods	59,28,95,744	32,79,30,841
Stores and spares	3,71,28,743	6,45,34,749
Power & fuel	83,71,288	3,90,21,497
Packing materials	1,28,83,437	3,11,36,696
Total	1,71,68,44,691	2,42,85,74,762

4.1 Trade receivables (Carried at amortised cost, except otherwise stated)

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good*	57,59,60,618	43,95,46,704
Unsecured, considered doubtful	-	-
Less : Allowance for expected credit loss	-	-
Total	57,59,60,618	43,95,46,704
Break up of security details		
Secured, considered good	-	-
Unsecured, considered good	57,59,60,618	43,95,46,704
Doubtful	-	-
Total	57,59,60,618	43,95,46,704

Trade receivables with a carrying amount of Rs. 57,59,60,618 (March 31, 2022: Rs. 43,95,46,704) have been pledged as security against current bank borrowings.

*Includes amounts due from related parties (refer note 27)

- For ageing analysis of trade receivables, refer note 4.1.1

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2023

4.1.1 Trade receivables ageing schedule as at 31st March 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payments					Total
			Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 years	
a) Undisputed trade receivables								
- Considered good	-	-	38,99,18,159	15,42,62,946	1,97,84,218	33,25,196	86,70,099	57,59,60,618
- Considered doubtful	-	-	-	-	-	-	-	-
b) Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Considered doubtful	-	-	-	-	-	-	-	-
Total	-	-	38,99,18,159	15,42,62,946	1,97,84,218	33,25,196	86,70,099	57,59,60,618

Trade receivables ageing schedule as at 31st March 2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payments					Total
			Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 years	
a) Undisputed trade receivables								
- Considered good	-	-	39,74,37,890	3,59,76,432	40,88,998	19,05,936	1,37,448	43,95,46,704
- Considered doubtful	-	-	-	-	-	-	-	-
b) Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Considered doubtful	-	-	-	-	-	-	-	-
Total	-	-	39,74,37,890	3,59,76,432	40,88,998	19,05,936	1,37,448	43,95,46,704

- Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components when they are recognized at fair value. The Company hold the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method less loss allowance.

- There are no trade receivables which have significant increase in credit risk and trade receivables which are credit impaired.



NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2023

4.2 Cash & cash equivalents

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash and cash equivalents		
Balances with banks		
In Current account	74,75,548	16,55,921
Cash on hand	3,87,015	5,93,973
Total	78,62,563	22,49,894

4.3 Bank balances & other than cash and cash equivalents (Carried at amortised cost, except otherwise stated)

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
In Earmarked Accounts-		
Balance in unpaid dividend account	17,40,277	13,33,915
In Deposit Accounts -		
Fixed deposits with remaining maturity for less than 12 months	-	76,46,189
Total	17,40,277	89,80,104

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

4.4 Other Financial Assets (Carried at amortised cost, except otherwise stated)

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
GST refund receivable	6,34,16,869	12,29,50,350
Total	6,34,16,869	12,29,50,350

4.5 Current tax assets (net)

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance income tax & TDS (net of provision for tax)	3,29,83,763	5,35,42,371
Total	3,29,83,763	5,35,42,371

5 Other Current Assets (Carried at amortised cost, except otherwise stated)

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance to suppliers	6,81,83,011	17,83,05,232
Balance with revenue authorities	4,45,89,260	14,35,46,760
Prepaid expenses	18,83,160	16,84,307
Other advance	1,13,36,469	99,22,715
Total	12,59,91,900	33,34,59,014

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2023

6 Equity

(A) Equity Share Capital

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised		
12,000,000 (As at 31st March, 2022: 12,000,000) Equity Shares of Rs 10 each	12,00,00,000	12,00,00,000
Issued, Subscribed and Paid up		
85,64,440 (As at 31st March, 2022: 85,64,440) Equity Shares of Rs 10 each	8,56,44,400	8,56,44,400
Total	8,56,44,400	8,56,44,400

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

(Amount in '₹')

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

6.2 Terms / Rights attached to Equity Shares

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

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

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

As at 31st March 2023

Shareholders	No. of shares	% of holding
Tradechem Organics Limited	18,29,417	21.36
Manisha Dujodwala	8,53,250	9.96
Akshay Dujodwala	8,07,965	9.43
Alka Dujodwala	5,78,790	6.76

As at 31st March 2022

Shareholders	No. of shares	% of holding
Tradechem Organics Limited	18,29,417	21.36
Manisha Dujodwala	8,53,250	9.96
Akshay Dujodwala	8,07,965	9.43
Alka Dujodwala	5,78,790	6.76



NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2023

Shares held by promoters at the end of the year

As at 31st March 2023

Promoter's Name	No. of shares	% of holding	% Change during the year
Manisha Dujodwala	8,53,250	9.96	Nil
Akshay Kamalkumar Dujodwala	8,07,965	9.43	Nil
Alka Dujodwala	5,78,790	6.76	Nil
Pankaj Dujodwala HUF	1,72,432	2.01	Nil
Kamalkumar Dujodwala	1,57,216	1.84	Nil
Pannkaj Dujodwala	1,31,300	1.53	Nil
Tradechem Organics Limited	18,29,417	21.36	Nil
Dujodwala Exports Pvt Ltd	1,72,432	2.01	Nil

Shares held by promoters at the end of the year

As at 31st March 2022

Promoter's Name	No. of shares	% of holding	% Change during the year
Manisha Dujodwala	8,53,250	9.96	Nil
Akshay Kamalkumar Dujodwala	8,07,965	9.43	Nil
Alka Dujodwala	5,78,790	6.76	Nil
Pankaj Dujodwala HUF	1,72,432	2.01	Nil
Kamalkumar Dujodwala	1,57,216	1.84	Nil
Pannkaj Dujodwala	1,31,300	1.53	Nil
Tradechem Organics Limited	18,29,417	21.36	Nil
Dujodwala Exports Pvt Ltd	1,72,432	2.01	Nil

Shares held by promoters at the end of the year

As at 31st March 2021

Promoter's Name	No. of shares	% of holding	% Change during the year
Manisha Dujodwala	8,53,250	9.96	Nil
Akshay Kamalkumar Dujodwala	8,07,965	9.43	Nil
Alka Dujodwala	5,78,790	6.76	Nil
Pankaj Dujodwala HUF	1,72,432	2.01	Nil
Kamalkumar Dujodwala	1,57,216	1.84	Nil
Pannkaj Dujodwala	1,31,300	1.53	Nil
Tradechem Organics Limited	18,29,417	21.36	Nil
Dujodwala Exports Pvt Ltd	1,72,432	2.01	Nil

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2023

(B) Other Equity

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
General Reserve	1,49,91,838	1,49,91,838
(a)	1,49,91,838	1,49,91,838
Surplus/(Deficit) as per Statement of Profit & Loss		
Opening balance	2,94,64,60,331	24,169,96,532
Total Comprehensive income for the period	(25,27,32,860)	54,23,10,459
Less : Dividend paid	1,28,46,660	1,28,46,660
Less : Dividend Distribution Tax	-	-
(b)	2,68,08,80,811	2,94,64,60,331
Total: (a + b)	2,69,58,72,649	2,96,14,52,169

7 Non -Current borrowings

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
(Carried at amortised cost, unless otherwise stated)		
Secured Loans - From Bank		
Corporate Loan- HDFC Bank Limited	28,66,70,810	37,70,33,323
Vehicle Loan	27,99,880	93,575
[Vehicle loan is secured against vehicles financed]		
Total	28,94,70,690	37,71,26,898

Refer note 11 below for securities

8 Provisions

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits		
Provision for gratuity	2,40,91,293	2,48,35,508
Provision for leave encashment	5,15,298	47,32,021
Total	2,46,06,591	2,95,67,529

9 Deferred tax (assets)/ Liabilities

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Tax effect of items constituting deferred tax liability		
Depreciation	8,29,02,988	6,05,30,499
Total DTL	8,29,02,988	6,05,30,499
Tax effect of items constituting deferred tax assets		
Provision for doubtful debts and employee benefits	93,65,360	1,01,10,416
Carry forward losses as per Income Tax Act	9,70,04,562	-
Total DTA	10,63,69,922	1,01,10,416
Net (DTA) / DTL	(2,34,66,934)	5,04,20,083
Net deferred tax (assets)/ Liabilities	(2,34,66,934)	5,04,20,083



NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2023

10 Short Term Borrowings

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured		
Working capital loan from banks:		
Buyers Credit, pre-shipment / post shipment credit	72,17,49,550	52,59,72,390
Cash Credit from banks	11,52,65,317	97,97,71,093
Current liabilities of long term borrowings	13,66,58,220	7,50,93,575
Working Capital Demand Loan- Axis Bank Limited	50,00,00,000	-
The rate of interest for term loans from banks ranges from 8.5 % to 9.15 % [All the above working capital facilities are secured against all the current assets (present and future) of the company]. Term loan is secured against first charge on the present and future fixed assets of the Company (Land & Building, Plant & Machinery) Secured against equitable mortgage of factory land & building at Kumbhivali village, Savroli Kharpada Road, Taluka Khalapur, Khopoli-410202, Dist: Raigad, and hypothecation of Plant and Machinery. (These facilities are further secured by Personal guarantee of Mr. Kamal Dujodwala, Chairman & Mr. Pannkaj Dujodwala, Managing Director of the Company.		
Total	1,47,36,73,087	1,58,08,37,058

11 Trade payables

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	28,29,66,168	30,94,89,312
Total	28,29,66,168	30,94,89,312

*- includes related party dues payable. Refer note 27

For ageing analysis of trade payable, Refer note 11.1.

11.1 Trade payables ageing schedule as at 31st March 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payments					Total
			Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 years	
a) Undisputed trade payable								
- MSME	-	-	-	-	-	-	-	-
- Others	-	-	25,17,53,655	1,26,57,760	77,75,961	54,85,560	52,93,232	28,29,66,168
b) Disputed trade payable								
- MSME	-	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-	-
Total	-	-	25,17,53,655	1,26,57,760	77,75,961	54,85,560	52,93,232	28,29,66,168

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2023

Trade payables ageing schedule as at 31st March 2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payments					Total
			Less than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 years	
a) Undisputed trade payable								
- MSME	-	-	-	-	-	-	-	-
- Others	-	-	30,11,85,409	8,96,516	23,34,544	15,34,577	35,38,266	30,94,89,312
b) Disputed trade payable								
- MSME	-	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-	-
Total	-	-	30,11,85,409	8,96,516	23,34,544	15,34,577	35,38,266	30,94,89,312

There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31 March, 2023, and no interest payment made during the year to any Micro and Small Enterprises. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

12 Other financial liabilities

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unpaid dividend	17,39,660	13,33,915
Total	17,39,660	13,33,915

13 Other current liabilities

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance from customers	1,46,55,401	1,24,94,943
Other liabilities	11,75,300	21,90,997
Statutory Payables		
TDS payable	41,45,365	74,19,886
Other statutory dues payable	11,55,416	21,15,515
Total	2,11,31,482	2,42,21,341

14 Provisions

(Amount in '₹')

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits		
Gratuity	1,24,81,247	1,02,25,613
Leave Encashment	1,23,542	3,78,569
Total	1,26,04,789	1,06,04,182



NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2023

15 Revenue From Operations

(Amount in ₹)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
(a) Sale of Products/ Services:		
- Local Sales	4,04,16,70,781	4,26,84,27,148
- Export Sales	55,89,97,029	57,83,67,711
- Trading Sales	6,90,71,001	6,23,55,524
Total	4,66,97,38,811	4,90,91,50,383
Revenue from operations	4,66,97,38,811	4,90,91,50,383

16 Other Income

(Amount in ₹)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
- Dividend Income on Non-Current investments	5,000	5,000
- Miscellaneous Income	30,73,797	1,00,64,067
- Interest Income		
- Others- carried at amortised cost	1,08,24,089	43,49,217
Total	1,39,02,886	1,44,18,284

17 Cost of material consumed

(Amount in ₹)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Inventory at the beginning of the year	1,55,69,73,778	38,10,67,298
Add: Purchase	2,91,52,35,103	4,01,90,28,880
Less: Inventory at the end of the year	31,95,36,330	1,55,69,73,778
Total Cost of materials consumed	4,15,26,72,551	2,84,31,22,400

18 Purchase of stock-in-trade

(Amount in ₹)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Trading Purchase	5,82,01,673	5,21,70,370
Total	5,82,01,673	5,21,70,370

19 Changes in inventories of finished goods and work in progress

(Amount in ₹)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Closing stock		
Work-in-progress	74,60,29,149	40,89,77,201
Finished goods	59,28,95,744	32,79,30,841
Opening stock		
Work-in-progress	40,89,77,201	16,77,02,704
Finished goods	32,79,30,841	45,31,16,766
Total	(60,20,16,851)	(11,60,88,572)

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2023

20 Employee benefit expenses

(Amount in '₹')

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Salaries, wages and bonus	21,03,27,620	27,26,22,512
Contribution to provident and other funds	65,86,014	82,26,784
Gratuity & leave expenses	21,57,186	66,88,685
Staff welfare expenses	79,46,083	87,53,878
Total	22,70,16,903	29,62,91,859

21 Finance cost

(Amount in '₹')

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Interest expenses	11,88,82,694	2,96,94,399
Bank charges	79,62,769	91,66,731
Total	12,68,45,463	3,88,61,130

22 Other expenses

(Amount in '₹')

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Manufacturing expenses:		
Consumption of stores and spare parts	2,93,66,244	1,30,94,685
Power and fuel	42,26,50,618	32,24,05,534
Consumption of packing materials	6,52,21,603	10,62,17,479
Advertisement expenses	3,12,68,284	13,68,13,878
Boiler and plant expenses	63,15,678	64,35,376
Repairs and Maintenance:		
- Building & others	1,55,58,467	3,59,42,951
- Machinery	76,83,169	4,07,87,247
Administrative and selling expenses:		
Insurance	1,49,77,841	1,05,28,163
Rates and taxes	68,99,105	55,91,600
Director sitting fees	87,000	48,000
Legal and professional fees	1,83,59,484	2,35,60,220
Miscellaneous expenses	7,18,96,661	4,92,84,038
Payment to auditor:		
As auditors:		
- Audit fee	5,50,000	5,50,000
- Tax audit fees	-	-
In other capacity:		
- Other services (certification fees)	-	-
Freight and forwarding charges	13,29,63,902	13,33,54,624
Loss on sales of fixed assets	1,22,130	1,79,849
Corporate Social Responsibility Exp	1,67,44,000	1,96,37,669
Security Charges	64,34,439	74,79,711
Travelling & Conveyance Expenses	1,24,51,757	85,81,645
Exchange rate difference (Net)	83,16,136	11,32,160
Total	86,78,66,518	92,16,24,829



NOTE TO ACCOUNTS

23. Corporate Information

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

Note – 1

1. Significant Accounting Policies:-

Basis of Preparation of Financial Statements:-

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

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

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

1.1 Authorization of Financial Statements:-

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

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

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

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

1.2 Property, Plant and Equipment

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

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

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

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

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

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

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

1.3. Depreciation

Depreciation on Property, Plant and Equipment are provided on straight line basis, over the estimated useful

lives of assets (after retaining the estimated residual value of 5%). These useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act.

1.3.1 Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.

1.3.2 Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.

1.3.3 Depreciation is charged on additions/deletions on pro-rata daily basis of addition/deletion.

1.4 Intangible Assets

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

1.5 Investment Property

1.5.1 Investment property is property (land or a building – or part of building – or both) held either to earn rental income or a capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes.

1.5.2 Any gain or loss on disposal of investment property calculated as the difference between the net proceeds and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

1.6 Borrowing Costs

1.6.1 Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.6.2 Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

1.7 Impairment of Non-financial Assets

1.7.1 Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less

costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

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

1.8 Inventories

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

The mode of valuing closing stock is as under:

→ Raw Materials, Packing goods and General Stores are valued at cost or net realizable value, whichever is less, excluding CENVAT, and VAT/GST credit, by FIFO method.

→ Work-in-Process is valued at raw material cost plus estimated overheads or net realizable value; whichever is less but excluding CENVAT, VAT/GST credit.

→ Finished Goods valued at cost including estimated overheads or net realizable value whichever is less.

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

1.9 Revenue Recognition

1.9.1 Sale of Goods

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

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

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

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



1.10 Classification of Income/ Expenses

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

1.11 Employee benefits

1.11.1 Short term employment benefits

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

1.11.2 Defined Contribution Plans

→ Employee's Family Pension:

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

→ Provident Fund:

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

1.11.3 Defined Benefit Plans

→ Gratuity:

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

→ Compensated Absences :

Liability for Compensated Absences is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The Actuarial valuation method used for measuring the liability is the Projected Unit Credit method. Under this method, the Defined Benefit Obligation is calculated taking into account pattern of availment of leave whilst in service and qualifying

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

1.11.4 Termination Benefits:

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

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

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

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

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

1.12 Foreign Currency Transactions

1.12.1 Monetary Items

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

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

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

1.12.2 Non – Monetary items:

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

1.13 Provisions, Contingent Liabilities and Capital Commitments

1.13.1 Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying

economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.13.2 The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

1.13.3 Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

1.13.4 Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.14 Fair Value measurement

1.14.1 The Company measures certain financial instruments at fair value at each reporting date.

1.14.2 Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

1.14.3 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.

1.14.4 The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.15 Financial Assets

1.15.1 Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All

financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.15.2 Subsequent measurement

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

1.15.3 Impairment of financial assets

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

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

1.16 Offsetting of financial instruments

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

1.17 Taxes on Income

1.17.1 Current Tax

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

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



1.17.2 Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

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

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

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

1.18 Earnings per share

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

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

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

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

1.20 Cash and Cash equivalents

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

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

1.21 Cash Flows

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

NOTES TO ACCOUNTS

24. Contingent liabilities - Not provided for in respect of

	31st March 2023 (₹)	31st March 2022 (₹)
Bank Guarantee	4,13,55,160	3,15,56,840

i. Bank guarantees issued by banks on behalf of the Company ₹413.55 Lacs (Previous Year ₹315.57 Lacs). These are secured by the charge created in favour of the Company's bankers by way of pledge of Fixed Deposit Receipts.

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

iii. Letter of credit issued by the bankers of the Company ₹98,60,29,659 /- (P.Y. ₹62,97,36,618/-)

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

25. Segment reporting

The Company is mainly engaged in the business of Manufacturing of Chemicals. Considering the nature of business and financial reporting of Company, the Company has only one segment viz “Chemicals” product as reportable segment. The Company operates in Local/Export segment geographically of which the exports have amounted to Rs. 5,589.97 Lacs (P.Y.Rs. 5,783.68 Lacs) out of Total Turnover of Rs. 46,697.38 Lacs (P.Y.Rs. 49,091.50 Lacs). But due to the nature of business, the assets/ liabilities and expenses for these activities cannot be bifurcated separately.

26. Earnings per share (EPS)

Sl. No.	Description	31st March 2023	31st March 2022
a)	Weighted average number of equity Shares of Rs.10/- each		
	a) Number of shares at the Beginning of the year	85,64,440	85,64,440
	ii) Number of shares at the End of the year	85,64,440	85,64,440
	Weighted average number of Equity Shares – Basic	85,64,440	85,64,440
	Weighted average number of Equity Shares – Diluted	85,64,440	85,64,440
b)	Net Profit after tax available for Equity share-holders	(25,27,32,860)	54,23,10,459
c)	- Basic Earnings per Equity Share (in Rupees)	(29.51)	63.32
	- Diluted Earning per Equity Share (in Rupees)	(29.51)	63.32

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

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

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

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

- Balaji Pine Chemicals Ltd
 - Speciality Chemicals,
 - Chemexcil Corporation
 - Dujodwala Resin & Terpenes Ltd.
 - Tradechem Organics Limited
 - Dujodwala Exports Pvt. Ltd.
 - Mangalam Brands Private Limited – Wholly Owned Subsidiary Company
 - Pine Forest Products & Investment Pvt. Ltd.
 - Mangalam Pooja Stores Private Limited – Wholly Owned Subsidiary Company
 - Mangalam Speciality Chemicals Private Limited – Wholly Owned Subsidiary Company
 - Infinity Enterprises
- The directors are the Key Management Personal (KMP) who has the authority and controlling the activities of the Company.

[C] Information on related party transactions as required by Ind AS-24 for the year ended 31st March 2023

Nature of transactions	Relationship	Total ₹ In Lakhs	
		2022-2023	2021-2022
Remuneration			
Kamal Dujodwala	Key management personnel	300.00	300.00
Pannkaj Dujodwala	Key management personnel	300.00	300.00
Akshay Dujodwala	Key management personnel	360.00	360.00
TOTAL		960.00	960.00



Name of party	Nature of transaction	Amount in Lakhs	
		2022-2023	2021-2022
Details of transactions:			
Mrs. Alka K Dujodwala	Rent for office premises	0.60	0.30
Akshay Dujodwala	Land purchase	213.68	-
Mrs. Alka K Dujodwala	Rent for house accommodation for director	285.02	115.00
Dujodwala Resin & Terpenes Ltd.	Purchase of goods and services	26.78	466.32
Infinity Enterprises	Purchase of goods and services	-	362.57
Dujodwala Resin & Terpenes Ltd.	Rent paid for office premises	0.60	0.60
Tradechem Organics Limited	Purchase of goods and services	213.32	359.78
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Sale of goods	6700.36	254.57
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Unsecured loan given during the year	997.24	502.76
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Interest recovered on unsecured loan	91.55	-
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Purchase of goods and services	792.76	-
Mangalam Pooja Stores Private Limited – Wholly Owned Subsidiary Company	Unsecured loan given during the year	347.10	1.22
Mangalam Pooja Stores Private Limited – Wholly Owned Subsidiary Company	Interest recovered on unsecured loan	13.78	-
Closing balances:			
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Equity investments	10.00	10.00
Mangalam Speciality Chemicals Private Limited – Wholly Owned Subsidiary Company	Equity investments	5.00	5.00
Mrs. Alka K Dujodwala	Security deposit	150.00	150.00
Mangalam Speciality Chemicals Private Limited – Wholly Owned Subsidiary Company	Unsecured loans	28.35	10.14
Tradechem Organics Limited	Receivable	3.08	-
Dujodwala Resin & Terpenes Ltd.	Deposit/advance given against commercial property	879.44	1050.00
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Corporate guarantee	3800.00	3800.00
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Unsecured loans	1500.00	502.76
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Trade Receivable	1598.17	-
Mangalam Pooja Stores Private Limited – Wholly Owned Subsidiary Company	Equity investments	9.00	5.00
Mangalam Pooja Stores Private Limited – Wholly Owned Subsidiary Company	Unsecured loans	348.32	1.22

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

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

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

(i) Defined Contribution Plans

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

	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Employers Contribution to Provident Fund	65,86,014	82,26,784

(ii) Defined Benefit Plan

Gratuity Fund:

a. Major Assumptions	For the year ended March 31, 2023	For the year ended March 31, 2022
	(% p.a.)	(% p.a.)
Discount Rate	7.35	6.70
Salary Escalation Rate	5.00	5.00
Attrition Rate	2.00	2.00

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

b. Change in the Present Value of Obligation	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Opening Present Value of Obligation	3,50,61,121	3,09,24,341
Current Service Cost	26,18,562	27,80,547
Interest Cost	20,06,537	16,98,724
Benefit Paid	(13,58,789)	(11,67,509)
Past Service Cost	-	-
Actuarial Loss on Obligations	(17,54,891)	8,25,018
Closing Present Value of Obligation	3,65,72,540	3,50,61,121

c. Change in Fair Value of Plan Assets	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Present Value of Plan Assets	-	-
Expected Return on Plan Assets	-	-
Actuarial (Loss) on Plan Assets	-	-
Contributions	-	-
Benefits paid	-	-
Closing Present Value of Plan Assets	-	-

d. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Present value of Funded Obligation as at March 31, 2023	-	-
Fair Value of Plan Assets as at March 31, 2023	-	-
Funded Status	-	-
Present Value of Unfunded Obligation as at March 31, 2023	3,65,72,540	3,50,61,121
Unfunded Net Liability Recognized in the Balance Sheet Disclosed in provisions	3,65,72,540	3,50,61,121

e. Amount Recognized in the Balance Sheet	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Present Value of Obligation as at March 31, 2023	3,65,72,540	3,50,61,121
Fair Value of Plan Assets as at March 31, 2023	-	-
Liability Recognized in the Balance Sheet and disclosed under provisions	3,65,72,540	3,50,61,121



f. Expenses Recognized in the Statement of Profit and Loss	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Current Service Cost	26,18,562	27,80,547
Interest Cost	20,06,537	16,98,724
Expected Return on Plan Assets	-	-
Past Service Cost	-	-
Total expenses Recognized in the Statement of Profit and Loss	46,25,099	44,79,271
Actual Return on Plan Assets	Nil	Nil

g. Other Comprehensive Income for the year	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Components of actuarial gain/losses on obligations:		
- Due to Change in financial assumptions	(13,34,882)	(4,34,763)
- Due to experience adjustments	(4,20,009)	12,59,781
- Due to change in demographic assumptions	-	-
- Return on plan assets excluding amounts included in interest income	-	-
Amounts recognized in Other Comprehensive Income	(17,54,891)	8,25,018

Sensitivity Analysis

Particulars	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Projected Benefit Obligation on Current Assumptions	3,65,72,540	3,50,61,121
Delta Effect of +0.5% Change in Rate of Discounting	- 9,53,833	-10,36,464
Delta Effect of -0.5% Change in Rate of Discounting	10,16,742	11,09,918
Delta Effect of +0.5% Change in Rate of Salary Increase	9,48,358	10,24,541
Delta Effect of -0.5% Change in Rate of Salary Increase	- 8,96,130	-9,63,646
Delta Effect of +0.5% Change in Rate of Employee Turnover	1,03,516	84,226
Delta Effect of -0.5% Change in Rate of Employee Turnover	- 1,06,087	-86,776

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

iii) Defined Benefit Plan for Leave Encashment Benefits

Valuation Method

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

Valuation Results

Actuarial Value of Leave Encashment Benefits as on 31st March, 2023 ₹ 6,38,840/-

Break-up of above:	Current Liability	₹ 1,23,542/-
	Non-Current Liability	₹ 5,15,298/-

29. Expenditure in Foreign Currency on account of

	Current Year (₹ In Lakhs)	Previous Year (₹ In Lakhs)
- Raw Material (CIF)	23323.03	33947.91
- Traveling Expenses	34.11	7.29
- Brokerage and Commission	7.09	4.03
- Membership and Consultancy Fees	21.87	59.22
- Stores and Spares	4.29	14.78

30. Earning in Foreign Currency on account of

	Current Year (₹ In Lakhs)	Previous Year (₹ In Lakhs)
Exports made on FOB Basis	5056.01	5389.84

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

34. Corporate Social Responsibility

Expenditure related to Corporate Social Responsibility is Rs. 167.44 Lakhs (Previous Year Rs. 196.38 Lakhs).

Details of Amount spent towards CSR given below:

Particulars	Current Year (₹ In Lakhs)	Previous Year (₹ In Lakhs)
Setting of homes for women and orphans, for education and healthcare, etc.	107.00	-
Education, Health & Nutrition for Girl Child	0.25	-
Education, Medical Relief and Advancement of any other objects of general public utility	28.00	-
Education & Literacy, Environment & Forests, Health & Family Welfare, Human Rights, Legal Awareness & Aid, Panchayati Raj	32.00	-
Promoting education by providing general construction work at a School	0.19	-
Contribution to Vishwaniketan iMEET College-Khalapur, Dist: Raigad, for construction of Sport Complex and playground & Radium Stickers, LED Board structure and fabrication work	-	36.71
Grocery & Food Packets, Water Bottles donated to Mahad villagers during heavy rain flood relief	-	1.04
Contribution paid to Bhatia General Hospital for Health care support	-	35.00
Contribution paid to Shree Hazarimal Somani Memorial Trust	-	50.00
Donation paid to Omkar Andh Apang Samajik Santha	-	20.00
Renovation of Vaccine Room, Furniture, Pump House, Water Tanks, Compound walls and fixing sheds at Primary Health Centre-Khalapur	-	20.52
Providing & Fixing wall compound, Toilet repairs, Water tank, Doors and windows repairing and paintings, radium sticker board at Thakurwad and Kumbhivali School.	-	33.11
Total:-	167.44	196.38



35. Income Tax Expense

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

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

Particulars	Year Ended March 31, 2023 (₹)	Year Ended March 31, 2022 (₹)
Current tax		
Current tax on profits for the year*	-	18,00,00,000
Adjustments for current tax of prior periods	1,50,31,389	-
Current tax (A)	-	18,00,00,000
Deferred tax	(7,43,28,688)	1,55,29,856
Decrease/(increase) in deferred tax assets#	9,67,01,177	(8,48,554)
(Decrease)/increase in deferred tax liabilities	2,23,72,489	1,63,78,410
Deferred tax (B)	(7,43,28,688)	1,55,29,856
Income tax expense charged to profit or loss (C) = (A) + (B)	(5,92,97,299)	19,55,29,856

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

Current tax (A)	Year Ended March 31, 2023 (₹)	Year Ended March 31, 2022 (₹)
Current tax		
Deferred tax on remeasurement gains/(losses) on defined benefit plan	(4,41,671)	2,07,641
Adjustments for current tax of prior periods	-	-
Current tax (A)	-	-
Deferred tax	(4,41,671)	2,07,641

36. Fair Value Measurements

Financial instruments by category:

Financial assets	Note	As at 31 March 2023		As at 31 March 2022	
		Amortised cost	FVTPL	Amortised cost	FVTPL
Trade receivables		57,59,60,618	57,59,60,618	43,95,46,704	43,95,46,704
Margin money deposits with banks		12,95,861	12,95,861	12,64,170	12,64,170
Cash and cash equivalents		78,62,563	78,62,563	22,49,894	22,49,894
Bank balances other than cash and cash equivalents above		17,40,277	17,40,277	89,80,104	89,80,104
Security deposits		9,82,52,387	9,82,52,387	10,03,20,033	10,03,20,033
Non-current investment		54,24,800	54,24,800	20,24,800	20,24,800
Loans		18,76,66,937	18,76,66,937	5,14,11,215	5,14,11,215
Total financial assets		87,82,03,443	87,82,03,443	60,57,96,919	60,57,96,919

Financial assets	Note	As at 31 March 2023		As at 31 March 2022	
		Amortised cost	FVTPL	Amortised cost	FVTPL
Borrowings		1,76,31,43,777	1,76,31,43,777	1,95,79,63,956	1,95,79,63,956
Trade payables		28,29,66,168	28,29,66,168	30,94,89,312	30,94,89,312
Unclaimed dividend		17,39,660	17,39,660	13,33,915	13,33,915
Total financial liabilities		2,04,78,49,604	2,04,78,49,604	2,26,87,87,183	2,26,87,87,183

Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Ind AS. An explanation for each level is given below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Assets Value (NAV), NAV represents the price at which, the issuer will issue further units and will redeem such units of mutual funds to and from the investors.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments in the level 2 category for the Company include foreign exchange forward contracts.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in this level.

There are no internal transfers of financial assets and financial liabilities between Level 1, Level 2, Level 3 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of the reporting period.

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	As at 31 March 2023			As at 31 March 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Margin money deposits with banks			12,95,861			12,64,170
Security deposits			9,82,52,387			10,03,20,033
Loans			18,76,66,937			5,14,11,215
Non-current investment			54,24,800			20,24,800
Financial liabilities						
Borrowings			1,76,31,43,777			1,95,79,63,956

The carrying amounts of trade receivables, cash and cash equivalents, fixed deposit having maturity period upto 12 months and its interest accrued, export benefits receivable, current loans, current borrowings, trade payables and other financial liabilities are considered to be approximately same as their value, due to the short-term maturities of these financial assets/liabilities.

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

37. Capital Management

Risk management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company determines the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and other long-term borrowings. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements.

For the purpose of the Company's capital management, equity includes paid up capital, securities premium and other reserves. Net debt are long term and short term liabilities. The Company's strategy is to maintain a gearing ratio within 2:1.

Particulars	As at March 31, 2023	As at March 31, 2022
Gross debt (inclusive of long term and short-term liabilities)	2,10,61,92,467	2,38,36,00,318
Total equity	2,78,15,17,049	3,04,70,96,569
Net debt to equity ratio	0.76	0.78



38. Financial Risk Management

The Company's activities are exposed to market risk, liquidity risk and credit risk which may adversely impact the fair value of its financial instruments. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purpose and not as trading or speculative instruments.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk-foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian Rupee	Cash flow forecasting Sensitivity analysis	Forward Foreign Exchange Contracts

The Company's risk management is carried out by a central treasury department under policies approved by the Board of Directors. Company's treasury team identifies, evaluates and hedges financial risks in close cooperation with the Company's respective department heads. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and nonderivative financial instruments, and investment of excess liquidity.

A. Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, investments in mutual funds, foreign exchange transactions and other financial instruments. The credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. To manage this, the Company periodically assesses the financial reliability of counter party, taking into account the financial condition, current economic trends, analysing the risk profile of the counter party and the analysis of historical bad debts and ageing of accounts receivable etc. Individual risk limits are set accordingly.

The Company determines default by considering the business environment in which the Company operates and other macro-economic factors. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business;
- ii) Actual or expected significant changes in the operating results of the counterparty;
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- iv) Significant increase in credit risk on other financial instruments of the same counterparty;
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees.

None of the financial instruments of the Company result in material concentration of credit risk. The carrying value of financial assets represent the maximum credit risk. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company.

- i) Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. Credit risk is managed through credit approvals, establishing credit limits, payment track record, monitoring financial position of the customer and other relevant factors. Outstanding customer receivables are regularly monitored and reviewed.

The Company evaluates the concentration of risk with respect to trade receivables as limited, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The exposure to customers is diversified and no

substantial concentration of risk as no single customer contributes more than 10% of revenue and of the outstanding receivables. Sales made in domestic market predominantly are through agents appointed by the Company, the agents being del credere agents most of the credit risk emanating thereto is borne by agents and the Company's exposure to risk is limited to sales made to customers directly. In case of direct sale, the Company has a policy of dealing only with credit worthy counter parties. The credit risk related to such sales are mitigated by taking advance, security deposit, letter of credit, setting and monitoring internal limits on exposure to individual customers as and where considered necessary.

An impairment analysis which includes assessment for indicators of impairment is performed at each reporting date on an individual basis for all major customers and provision for impairment taken. The allowance reduces the net carrying amount.

ii) **Financial Instruments and Cash Deposits**

The Company maintains exposure in Cash and Cash equivalents, term deposits with banks and investments in mutual funds, the same is done after considering factors such as track record, size of the institution, market reputation and service standards. Generally, the balances are maintained with the institutions from whom the Company has also availed borrowings. Individual risk limits are set for each counter party based on financial position, credit rating and past experience. Credit risk and concentration of exposure are actively monitored by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

iii) The ageing analysis of the trade receivables (other than due from related parties) has been considered from the date the Invoice falls due.

B. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations, by delivering cash or other financial assets, on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade and other payables, derivative instruments and other financial liabilities.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate cash and drawable reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. The Company regularly monitors liquidity position through rolling forecast based on estimated free cash flow generated from business. The Company invests its surplus funds in bank fixed deposits and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

i) **Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2023	As at March 31, 2022
Floating rate		
- Expiring within one year (Packing credit, cash credit, post shipment credit and term loans)	28,29,85,135	11,42,56,517
- Expiring beyond one year (Term Loans)	Nil	Nil

The working capital facilities may be drawn at any time and may be terminated by the bank without notice.

ii) **Maturities of Financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows:



As at March 31, 2023

	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Maturities of non – derivative financial liabilities				
Long term borrowings	13,66,58,220	28,94,70,690		42,61,28,910
Short term borrowings	1,33,70,14,867	-		1,33,70,14,867
Interest accrued and not due	-	-		-
Lease liabilities	-	-		-
Trade payables	28,29,66,168	-		28,29,66,168
Other financial liabilities	17,39,660	-		17,39,660
Total	1,75,83,78,915	28,94,70,690		2,04,78,49,605

As at March 31, 2022

	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Maturities of non – derivative financial liabilities				
Long term borrowings	7,50,93,575	37,71,26,898	-	45,22,20,473
Short term borrowings	1,50,57,43,483	-	-	1,50,57,43,483
Interest accrued and not due	-	-	-	-
Lease liabilities	-	-	-	-
Trade payables	30,94,89,312	-	-	30,94,89,312
Other financial liabilities	13,33,915	-	-	13,33,915
Total	1,89,16,60,285	37,71,26,898	-	2,26,87,87,183

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity or commodity prices will affect the Company's income/cash flows or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of postemployment benefit obligations provisions and on the non-financial assets and liabilities. Financial instruments affected by market risk include receivables, loans and borrowings, advances, deposits, investments and derivative financial instruments. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks.

The Company's activities expose it to risks on account of changes in foreign currency exchange rates and interest rates.

The Company uses derivative financial instruments such as foreign exchange forward contracts of varying maturity depending upon the underlying contract as a risk management strategy to manage its exposures to foreign exchange fluctuations and interest rate.

Foreign currency risk

Currency risk is the risk that the fair value of a financial instrument or future cash flows fluctuate because of changes in market price of the functional currency. The Company is exposed to foreign exchange risk on their receivables and payables which are mainly held in the United State Dollar ("USD"), the Euro ("EUR") and British Pound ("GBP"). Consequently, the Company is exposed primarily to the risk that the exchange rate of the Indian Rupees ("Rs.") relative to the USD, the EUR, and the GBP may change in a manner that has a material effect on the reported values of the Company's assets and liabilities that are denominated in these foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policy wherein exposure is identified, a benchmark is set and monitored closely for suitable hedges, including minimizing cross currency transactions, using natural hedge and the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

39. Relationship with Struck off Companies

Sr. No.	Name of struck off Company	Nature of transactions with struck off Company	Transaction during the year ended March 31, 2023	Balance outstanding as on March 31, 2023	Balance outstanding as on March 31, 2022	Relationship with the Struck off company
1	Shree Vansh Marine & Logistics Pvt. Ltd.	Purchase of services	-	1,416	1,416	Creditor

40. The Code on Social Security, 2020

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on September 29, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

41. Other Statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).
- (vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

42. Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

43. Approval of Standalone Financial Statements

The Standalone financial statements were approved for issue by the Board of Directors on May 26, 2023.

As per Annexed Report of Even Date

NGST & Associates

Chartered Accountants
Firm Reg. No. 135159W

Sd/-

Bhupendra Gandhi

Partner
Membership No. 122296

Place: Mumbai

Dated: May 26, 2023

For and on behalf of Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman
DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director
DIN- 00546353

Sd/-

Shachi Sanghavi

Company Secretary



INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying consolidated financial statements of **Mangalam Organics Limited ("the Company")** and its subsidiary (refer Note (1)) to the attached consolidated financial statements which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the company and its subsidiary as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have nothing to report in this regard.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

Other Matters

The accompanying statement includes the audited financial results and the other financial information, in respect of 3 (three) wholly owned subsidiary companies, whose financial statements reflect total assets of Rs. 52,21,40,580/- as at March 31, 2023, total revenues of Rs. 100,56,70,086/-, Net Loss of Rs. 1,82,02,935/- and net cashflow of Rs. 44,942/- for the year ended on that date.



Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24 to the financial statements;
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

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

For NGST & Associates

Chartered Accountants
Firm Regn. No 135159W

Sd/-

Bhupendra Gandhi

Partner

Membership No. 122296

UDIN- 23122296BGUOHZ9117

Place: Mumbai

Date: May 26, 2023

ANNEXURE - A TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Mangalam Organics Limited ('the company')**, as of 31 March 2023, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For NGST & Associates

Chartered Accountants

Firm Reg. No. 135159W

Sd/-

Bhupendra Gandhi

Partner

Membership No. 122296

UDIN- 23122296BGUOHZ9117

Place: Mumbai

Date: May 26, 2023

CONSOLIDATED BALANCE SHEET

as at 31st March 2023

Amounts in (₹)

	Particulars	Note No	As at 31st March, 2023	As at 31st March, 2022
	ASSETS			
(1)	Non-current assets			
	- Property, Plant and Equipment	1	2,27,43,71,724	1,97,95,45,899
	- Capital work-in-progress	1	1,41,49,703	7,65,66,157
	- Financial Assets			
	Investments	2.1	30,25,000	25,000
	Other financial assets	2.2	10,17,59,248	10,16,01,202
	Deferred tax assets (net)	9	3,03,89,450	-
(2)	Current assets			
	- Inventories	3	1,89,46,21,927	2,43,83,62,663
	- Financial Assets			
	Trade receivables	4.1	47,48,98,558	44,08,21,183
	Cash and cash equivalents	4.2	1,07,92,299	51,34,686
	Bank balances & other than cash and cash equivalents	4.3	37,40,277	89,80,104
	Other financial assets	4.4	6,34,16,869	12,29,50,350
	Current tax assets (net)	4.5	3,43,69,020	5,35,79,465
	- Other current assets	5	15,44,32,371	37,24,26,028
	Total Assets		5,05,99,66,446	5,59,99,92,737
	EQUITY AND LIABILITIES			
	Equity	6		
	- Equity Share capital	A)	8,56,44,400	8,56,44,400
	- Other Equity	B)	2,67,18,79,043	2,95,50,66,496
			2,75,75,23,443	3,04,07,10,896
	Liabilities			
(1)	Non-current liabilities			
	- Financial Liabilities			
	- Borrowings	7	41,47,33,263	52,10,07,510
	- Provisions	8	2,54,25,818	2,95,67,529
	- Deferred tax liabilities (Net)	9	-	4,95,46,995
			44,01,59,081	60,01,22,034
(2)	Current liabilities			
	- Financial Liabilities			
	Borrowings	10	1,49,00,14,832	1,59,75,85,976
	Trade payables	11	33,08,33,056	32,48,36,930
	Other financial liabilities	12	17,39,660	13,33,915
	- Other current liabilities	13	2,70,88,289	2,47,98,804
	- Provisions	14	1,26,08,085	1,06,04,182
			1,86,22,83,922	1,95,91,59,807
	Total Equity and Liabilities		5,05,99,66,446	5,59,99,92,737

Notes forming integral part of the financial statements

As per our report of even date attached

NGST & Associates

Chartered Accountants

Firm Reg. No.: 135159W

Sd/-

Bhupendra Gandhi

Partner

Membership No. 122296

Place: Mumbai

Dated: May 26, 2023

For and on behalf of Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Shachi Sanghavi

Company Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2023

Amounts in (₹)

	Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
I	Revenue from Operations	15	4,92,52,61,555	4,90,64,87,241
II	Other Income	16	33,69,416	1,44,18,284
III	TOTAL INCOME (I+II)		4,92,86,30,971	4,92,09,05,525
IV	Expenses			
	Cost of materials consumed	17	4,09,40,99,005	2,84,31,22,400
	Purchases of Stock-in-trade	18	6,46,06,959	5,21,70,370
	Changes in inventories of finished goods and work-in-progress	19	(72,64,83,155)	(12,55,96,887)
	Employee benefits expenses	20	34,69,58,561	29,73,52,885
	Finance costs	21	13,78,76,620	4,19,73,459
	Depreciation and amortization expense		17,54,46,429	15,01,92,373
	Other expenses	22	1,17,37,22,292	92,96,01,816
	TOTAL EXPENSES (IV)		5,26,62,26,711	4,18,88,16,416
V	Profit before exceptional items and tax (III - IV)		(33,75,95,740)	73,20,89,109
VI	Exceptional Items		-	-
VII	Profit before tax (V-VI)		(33,75,95,740)	73,20,89,109
VIII	Tax expense:			
	(1) Current tax		-	18,00,00,000
	(2) Deferred tax (income)/ expense		(8,03,78,115)	1,46,56,768
	(3) Tax adjustment of earlier years		1,50,31,389	-
IX	Profit for the period (VII-VIII)		(27,22,49,014)	53,74,32,341
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	Remeasurment of defined benefit plan		17,54,891	(8,25,018)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(4,41,671)	2,07,641
	- Defined benefit plans			
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Total Comprehensive Income for the period (IX + X) (Comprising Profit and Other Comprehensive Income for the period)		(27,09,35,794)	53,68,14,964
XII	Earnings per equity share:			
	(1) Basic and Diluted		(31.63)	62.68

Notes forming integral part of the financial statements

As per our report of even date attached

NGST & Associates

Chartered Accountants

Firm Reg. No.: 135159W

Sd/-

Bhupendra Gandhi

Partner

Membership No. 122296

Place: Mumbai

Dated: May 26, 2023

For and on behalf of Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Shachi Sanghavi

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March 2023

Amounts in (₹)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
A. Cash flow from operating activities :		
Net (Loss)/ profit before tax	(33,75,95,740)	73,12,64,092
Adjustment For :		
Depreciation	17,54,46,429	15,01,92,373
Interest Income	(2,90,619)	(43,49,217)
Dividend received	(5,000)	(5,000)
Interest paid	12,96,75,170	3,16,55,921
Loss on sale of fixed assets	1,22,130	1,79,849
Operating (Loss)/ profit before working capital changes	(3,26,47,630)	90,89,38,018
Adjustment For :		
Trade & other receivables	24,85,31,544	(22,73,96,553)
Inventories	54,37,40,736	(1,37,67,83,740)
Trade and other payables	65,53,548	7,19,80,292
Cash generated from/ (used in) operations	76,61,78,198	(62,32,61,983)
Income tax paid	30,56,366	(21,77,80,587)
Net cash generated from/(used in) operating activities - I	76,92,34,564	(84,10,42,570)
B. Cash flow from investing activities :		
Payments for property, plant and equipment	(40,76,60,299)	(99,96,06,980)
Interest income	2,90,619	43,49,217
Dividend received	5,000	5,000
Proceeds from property, plant and equipment	25,59,948	-
Purchase of non current investments	(30,00,000)	-
Net cash (used) in investing activities- II	(40,78,04,732)	(99,52,52,763)
C. Cash flow from financing activities		
Proceeds/(Repayment) form/of short term borrowings	(10,75,71,144)	1,35,47,16,169
Proceeds from issue of shares/warrants	4,95,000	-
Share application money received	1,00,000	-
Dividend and dividend distribution tax paid	(1,28,46,660)	(1,28,46,660)
(Repayment)/ proceed of/ from long term borrowings	(10,62,74,247)	52,07,67,510
Interest paid	(12,96,75,170)	(3,16,55,921)
Net cash (used) in/ generated from financing activities - III	(35,57,72,221)	1,83,09,81,098
Net increase/ (decrease) in cash and cash equivalents	56,57,611	(53,14,235)
Opening balance of cash & cash equivalents	51,34,686	1,04,48,921
Closing balance of cash & cash equivalents	1,07,92,299	51,34,686

Notes:

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

As per our report of even date

NGST & Associates
Chartered Accountants
Firm Reg. No.: 135159W

Sd/-
Bhupendra Gandhi
Partner
Membership No. 122296

Place: Mumbai
Dated: May 26, 2023

For and on behalf of Board of Directors

Sd/-
Kamalkumar Dujodwala
Chairman
DIN- 00546281

Sd/-
Shrirang V. Rajule
Chief Financial Officer

Sd/-
Pannkaj Dujodwala
Managing Director
DIN- 00546353

Sd/-
Shachi Sanghavi
Company Secretary



STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March 2023

Amounts in (₹)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
(a) Equity share capital		
Balance at the beginning of the year	8,56,44,400	8,56,44,400
Changes in equity share capital during the year	-	-
Balance at the end of the year	8,56,44,400	8,56,44,400

Amounts in (₹)

Particulars	Share Warrants	Share application money pending allotment	Reserves and surplus			Total other equity
			Securities premium	General reserve	Retained earnings	
(b) Other equity (refer note 6B)						
As at 1 April 2021	-	-	-	1,49,91,838	2,41,61,06,354	2,43,19,88,192
Profit for the year	-	-	-	-	53,74,32,341	53,74,32,341
Other comprehensive income	-	-	-	-	(6,17,377)	(6,17,377)
Dividend paid during the year (including DDT)	-	-	-	-	(1,28,46,660)	(1,28,46,660)
Balance as at 31 March 2022	-	-	-	1,49,91,838	2,94,00,74,657	2,95,50,66,495
Profit for the year	-	-	-	-	(27,22,49,014)	(27,22,49,014)
Other comprehensive income	-	-	-	-	13,13,220	13,13,220
Dividend paid during the year (including DDT)	-	-	-	-	1,28,46,660	1,28,46,660
Addition during the year	4,95,000	1,00,000	-	-	-	5,95,000
Balance as at 31 March 2023	4,95,000	1,00,000	-	1,49,91,838	2,65,62,92,203	2,67,18,79,041

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

NGST & Associates

Chartered Accountants

Firm Reg. No.: 135159W

Sd/-

Bhupendra Gandhi

Partner

Membership No. 122296

Place: Mumbai

Dated: May 26, 2023

For and on behalf of Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Shachi Sanghavi

Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2023

1. Property, Plant & Equipment and Intangible Assets

Amount in (₹)

Particular	Freehold Land	Residential Colony	Office Premises	Building	Plant & Machinery	Computer	Furniture & Fixture	Vehicle	Office Equipment	Total
Gross Carrying value as on 01.04.2022	17,38,37,023	62,99,533	3,66,131	22,32,89,409	2,51,19,66,887	1,09,97,864	4,05,75,465	4,41,07,104	1,57,43,174	3,02,71,82,590
Additions	5,07,83,477	-	-	4,10,62,853	34,31,49,498	12,68,696	2,29,72,295	78,71,755	29,68,178	47,00,76,752
Deletions								27,64,346		27,64,346
Gross Carrying value as on 31.03.2023	22,46,20,500	62,99,533	3,66,131	26,43,52,262	2,85,51,16,385	1,22,66,560	6,35,47,760	4,92,14,513	1,87,11,352	3,49,44,94,996
Accumulated depreciation as on 01.04.2022	-	37,16,650	3,38,445	8,14,53,624	89,44,69,712	1,01,93,104	1,33,50,900	2,99,82,178	1,41,32,079	1,04,76,36,691
Depreciation charge for the year	-	1,99,695	-	74,86,830	15,34,83,629	4,09,212	50,89,729	55,52,732	32,24,602	17,54,46,429
Depreciation adjustment					27,55,451					27,55,451
Depreciation on deletion	-	-	-	-	-	-	-	2,04,398	-	2,04,398
Accumulated depreciation as on 31.03.2023	-	39,16,345	3,38,445	8,89,40,454	1,04,51,97,891	1,06,02,316	1,84,40,629	3,53,30,512	1,73,56,681	1,22,01,23,272
Net Book Value:-										
At 31st March 2023	22,46,20,500	23,83,188	27,686	17,54,11,808	1,80,99,18,494	16,64,244	4,51,07,132	1,38,84,001	13,54,671	2,27,43,71,724
At 31st March 2022	17,38,37,023	25,82,883	27,686	14,18,35,785	1,61,74,97,175	8,04,760	2,72,24,565	1,41,24,926	16,11,095	1,97,95,45,899



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2023

2.1 Non current investment

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
Investment in Equity Shares		
Unquoted - carried at FVTPL		
a) 2500 shares of Saraswat Co-Op Bank Ltd.	25,000	25,000
Investment in debentures:		
a) Investment in debentures of Yeshoda Rose Bazaar Retail Private Limited	30,00,000	-
Total	30,25,000	25,000
Aggregate carrying value of unquoted investments	30,25,000	25,000

Note:

The company has invested in 30,000 (Thirty Thousand) compulsorily convertible debentures having face value of Rs. 100 each totalling to Rs. 30,00,000. The seed series CCD are issued at minimum non-cumulative preferential dividend rate of 0.01% p.a. The preferential dividend shall be due only when declared by the board. In addition each series 1 CCP's would be entitled to participate pari passu in any cash or non-cash dividends paid to the holders of shares of all other classes, on as-if-converted basis.

2.2 Other non-current financial asset

Amount in (₹)

At Amortised Cost

Particular	As at 31st March, 2023	As at 31st March, 2022
Security deposits	1,04,63,387	10,03,37,033
Fixed deposits with remaining maturity for more than 12 months	12,95,861	12,64,170
Total	101,759,248	101,601,202
Fixed deposits held for margin against letter of credit and bank guarantees		

3 Inventories

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
Raw materials	33,98,21,544	1,55,69,73,778
Work-in-progress	74,60,29,149	40,89,77,201
Finished goods	72,15,29,440	33,77,18,742
Stores and spares	3,71,28,743	6,45,34,749
Power & fuel	83,71,288	3,90,21,497
Packing materials	3,61,21,254	3,11,36,696
Stock in trade	56,20,509	-
Total	1,89,46,21,927	2,43,83,62,663

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2023

4.1 Trade receivables (Carried at amortised cost, except otherwise stated)

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good*	47,48,98,558	44,08,21,183
Unsecured, considered doubtful	-	-
Less : Allowance for expected credit loss	-	-
Total	47,48,98,558	44,08,21,183
Break up of security details		
Secured, considered good	-	-
Unsecured, considered good	47,48,98,558	44,08,21,183
Doubtful	-	-
Total	47,48,98,558	44,08,21,183

Trade receivables with a carrying amount of Rs. 47,48,98,558 (March 31, 2022: Rs. 44,08,21,183) have been pledged as security against current bank borrowings.

*Includes amounts due from related parties (refer note 27)

- For ageing analysis of trade receivables, refer note 4.1.1

4.1.1 Trade receivables ageing schedule as at 31st March 2023

Particular	Unbilled	Not Due	Outstanding for following periods from due date of payments					Total
			Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
a) Undisputed trade receivables								
- Considered good	-	-	33,63,95,721	12,07,40,084	57,67,458	33,25,196	86,70,099	47,48,98,558
- Considered doubtful	-	-	-	-	-	-	-	-
b) Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Considered doubtful	-	-	-	-	-	-	-	-
Total	-	-	33,63,95,721	12,07,40,084	57,67,458	33,25,196	86,70,099	47,48,98,558

Trade receivables ageing schedule as at 31st March 2022

Particular	Unbilled	Not Due	Outstanding for following periods from due date of payments					Total
			Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
a) Undisputed trade receivables								
- Considered good	-	-	39,87,12,369	3,59,76,432	40,88,998	19,05,936	1,37,448	44,08,21,183
- Considered doubtful	-	-	-	-	-	-	-	-
b) Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Considered doubtful	-	-	-	-	-	-	-	-
Total	-	-	39,87,12,369	3,59,76,432	40,88,998	19,05,936	1,37,448	44,08,21,183



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2023

-Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowances

-There are no trade receivables which have significant increase in credit risk and trade receivables which are credit impaired.

4.2 Cash & cash equivalents

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
Cash and cash equivalents		
Balances with banks		
In Current account	1,01,91,134	44,23,278
Cash on hand	6,01,165	7,11,408
Total	1,07,92,299	51,34,686

4.3 Bank balances & other than cash and cash equivalents (Carried at amortised cost, except otherwise stated)

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
In Earmarked Accounts-		
Balance in unpaid dividend account	17,40,277	13,33,915
In Deposit Accounts -		
Fixed deposits with remaining maturity for less than 12 months	20,00,000	76,46,189
Total	37,40,277	89,80,104

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

4.4 Other Financial Assets (Carried at amortised cost, except otherwise stated)

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
GST refund receivable	6,34,16,869	12,29,50,350
Total	6,34,16,869	12,29,50,350

4.5 Current tax assets (net)

Amount in (₹)

Particular	MOL - As at 31st March, 2023	As at 31st March, 2022
Advance income tax & TDS (net of provision for tax)	3,43,69,020	5,35,79,465
Total	3,43,69,020	5,35,79,465

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2023

5 Other Current Assets (Carried at amortised cost, except otherwise stated)

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
Advance to suppliers	7,97,36,711	19,53,69,613
Balance with revenue authorities	6,14,55,622	16,51,28,030
Prepaid expenses	18,83,160	20,05,671
Other advance	1,13,56,878	99,22,715
Total	15,44,32,371	37,24,26,028

6 Equity

A) Equity Share Capital

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
Authorised		
12,000,000 (As at 31st March, 2022: 12,000,000) Equity Shares of Rs 10 each	12,00,00,000	12,00,00,000
Issued, Subscribed and Paid up		
85,64,440 (As at 31st March, 2022: 85,64,440) Equity Shares of Rs 10 each	8,56,44,400	8,56,44,400
Share Application Money	-	-
Total	8,56,44,400	8,56,44,400

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

Amount in (₹)

Issued, subscribed and paid up share capital	No of shares	Amount of shares
Balance as at 1st April	85,64,440	8,56,44,400
Add / (Less): Changes during the year	-	-
Balance as at 31st March	85,64,440	8,56,44,400

6.2 Terms / Rights attached to Equity Shares

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

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

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

As at 31st March 2023

Amount in (₹)

Shareholders	No. of shares	% of holding
Tradechem Organics Limited	18,29,417	21.36
Manisha Dujodwala	8,53,250	9.96
Akshay Dujodwala	8,07,965	9.43
Alka Dujodwala	5,78,790	6.76



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2023

As at 31st March 2022

Amount in (₹)

Shareholders	No. of shares	% of holding
Tradechem Organics Limited	18,29,417	21.36
Manisha Dujodwala	8,53,250	9.96
Akshay Dujodwala	8,07,965	9.43
Alka Dujodwala	5,78,790	6.76

Shares held by promoters at the end of the year

As at 31st March 2023

Amount in (₹)

Promoter's Name	No. of shares	% of holding	% Change during the year
Manisha Dujodwala	8,53,250	9.96	Nil
Akshay Kamalkumar Dujodwala	8,07,965	9.43	Nil
Alka Dujodwala	5,78,790	6.76	Nil
Pankaj Dujodwala HUF	1,72,432	2.01	Nil
Kamalkumar Dujodwala	1,57,216	1.84	Nil
Pannkaj Dujodwala	1,31,300	1.53	Nil
Tradechem Organics Limited (Formerly Indo Euro Securities Limited)	18,29,417	21.36	Nil
Dujodwala Exports Pvt Ltd	1,72,432	2.01	Nil

Shares held by promoters at the end of the year

As at 31st March 2022

Amount in (₹)

Promoter's Name	No. of shares	% of holding	% Change during the year
Manisha Dujodwala	8,53,250	9.96	Nil
Akshay Kamalkumar Dujodwala	8,07,965	9.43	Nil
Alka Dujodwala	5,78,790	6.76	Nil
Pankaj Dujodwala HUF	1,72,432	2.01	Nil
Kamalkumar Dujodwala	1,57,216	1.84	Nil
Pannkaj Dujodwala	1,31,300	1.53	Nil
Tradechem Organics Limited (Formerly Indo Euro Securities Limited)	18,29,417	21.36	Nil
Dujodwala Exports Pvt Ltd	1,72,432	2.01	Nil

Shares held by promoters at the end of the year

As at 31st March 2021

Amount in (₹)

Promoter's Name	No. of shares	% of holding	% Change during the year
Manisha Dujodwala	8,53,250	9.96	Nil
Akshay Kamalkumar Dujodwala	8,07,965	9.43	Nil
Alka Dujodwala	5,78,790	6.76	Nil
Pankaj Dujodwala HUF	1,72,432	2.01	Nil
Kamalkumar Dujodwala	1,57,216	1.84	Nil
Pannkaj Dujodwala	1,31,300	1.53	Nil
Tradechem Organics Limited (Formerly Indo Euro Securities Limited)	18,29,417	21.36	Nil
Dujodwala Exports Pvt Ltd	1,72,432	2.01	Nil

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2023

B) Other Equity

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
General Reserve	1,49,91,838	1,49,91,838
(a)	1,49,91,838	1,49,91,838
Surplus/(Deficit) as per Statement of Profit & Loss		
Opening balance	2,94,00,74,659	2,41,61,06,354
Total Comprehensive income for the period	(27,09,35,794)	53,68,14,964
Less : Dividend paid	1,28,46,660	1,28,46,660
Less : Dividend Distribution Tax	0	0
(b)	2,65,62,92,205	2,94,00,74,658
Add : share application	1,00,000	0
Add: Money recd against share warrants	4,95,000	0
(c)	5,95,000	0
Total: (a + b + c)	2,67,18,79,043	2,95,50,66,496

7 Non -Current borrowings

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
(Carried at amortised cost, unless otherwise stated)		
Secured Loans - From Bank		
Corporate Loan- HDFC Bank Limited	41,18,19,385	51,83,31,828
Vehicle Loan	28,61,378	23,33,282
[Vehicle loan is secured against vehicles financed]		
Unsecured Loans		
Unsecured loans from directors	52,500	3,42,400
Total	41,47,33,263	52,10,07,510

Refer note 11 below for securities

8 Provisions

Particular	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits		
Provision for gratuity	2,49,10,520	2,48,35,508
Provision for leave encashment	5,15,298	47,32,021
Total	2,54,25,818	2,95,67,529



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2023

9 Deferred tax (assets)/ Liabilities

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
Tax effect of items constituting deferred tax liability		
Depreciation	8,65,26,289	6,05,30,499
Total DTL	8,65,26,289	6,05,30,499
Tax effect of items constituting deferred tax assets		
Provision for doubtful debts and employee benefits	95,06,505	1,09,83,504
Carry forward losses as per Income Tax Act	10,74,09,234	-
Total DTA	11,69,15,739	1,09,83,504
Net (DTA) / DTL	(3,03,89,450)	4,95,46,995
Total	(3,03,89,450)	4,95,46,995

10 Short Term Borrowings

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
Secured		
Working capital loan from banks:		
Buyers Credit, pre-shipment / post shipment credit	72,17,49,550	52,59,72,391
Cash Credit from banks	11,52,65,317	97,97,71,093
Current liabilities of long term borrowings	15,29,99,965	9,18,42,493
Working Capital Demand Loan- Axis Bank Limited	50,00,00,000	-
The rate of interest for term loans from banks ranges from 8.5 % to 9.15 %		
[All the above working capital facilities are secured against all the current assets (present and future) of the company].		
Term loan is secured against first charge on the present and future fixed assets of the Company (Land & Building, Plant & Machinery)		
Secured against equitable mortgage of factory land & building at Kumbhivali village, Savroli Kharpada Road, Taluka Khalapur, Khopoli-410202, Dist: Raigad, and hypothecation of Plant and Machinery.		
(These facilities are further secured by Personal guarantee of Mr. Kamal Dujodwala, Chairman & Mr. Pannkaj Dujodwala, Managing Director of the Company.		
Total	1,49,00,14,832	1,59,75,85,976

11 Trade payables

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	33,08,33,056	32,48,36,930
Total	33,08,33,056	32,48,36,930

*- includes related party dues payable. Refer note 27

For ageing analysis of trade payable, Refer note 11.1.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2023

11.1 Trade payables ageing schedule as at 31st March 2023

Particular	Unbilled	Not Due	Outstanding for following periods from due date of payments					Total
			Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
a) Undisputed trade payable								
- MSME	-	-	-	-	-	-	-	-
- Others	-	-	30,00,16,847	1,32,51,451	67,85,966	54,85,560	52,93,232	33,08,33,056
b) Disputed trade payable								
- MSME	-	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-	-
Total	-	-	30,00,16,847	1,32,51,451	67,85,966	54,85,560	52,93,232	33,08,33,056

Trade payables ageing schedule as at 31st March 2022

Particular	Unbilled	Not Due	Outstanding for following periods from due date of payments					Total
			Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
a) Undisputed trade payable								
- MSME	-	-	-	-	-	-	-	-
- Others	-	-	31,65,33,027	8,96,516	23,34,544	15,34,577	35,38,266	32,48,36,930
b) Disputed trade payable								
- MSME	-	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-	-
Total	-	-	31,65,33,027	8,96,516	23,34,544	15,34,577	35,38,266	32,48,36,930

- There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31 March, 2023, and no interest payment made during the year to any Micro and Small Enterprises. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

12 Other financial liabilities

Particular	As at	As at
	31st March, 2023	31st March, 2022
Unpaid dividend	17,39,660	13,33,915
Total	17,39,660	13,33,915



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2023

13 Other current liabilities

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
Advance from customers	1,46,55,401	1,24,94,943
Other liabilities	51,75,806	21,78,997
Statutory Payables		
TDS payable	48,21,914	80,08,549
Other statutory dues payable	24,35,168	21,16,315
Total	2,70,88,289	2,47,98,804

14 Provisions

Amount in (₹)

Particular	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits		
Gratuity	1,24,84,543	1,02,25,613
Leave Encashment	1,23,542	3,78,569
Total	1,26,08,085	1,06,04,182

15 Revenue From Operations

Amount in (₹)

Particular	For the year 31st March, 2023	For the year 31st March, 2022
(a) Sale of Products/ Services:		
- Local Sales	4,29,36,01,889	4,26,57,64,006
- Export Sales	55,89,97,029	57,83,67,711
- Trading Sales	7,26,62,638	6,23,55,524
Revenue from operations	4,92,52,61,555	4,90,64,87,241

16 Other Income

Amount in (₹)

Particular	For the year 31st March, 2023	For the year 31st March, 2022
- Dividend Income on Non-Current investments	5,000	5,000
- Miscellaneous Income	30,73,797	1,00,64,067
- Interest Income		
- Others- carried at amortised cost	2,90,619	43,49,217
Total	33,69,416	1,44,18,284

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2023

17 Cost of material consumed

Amount in (₹)

Particular	For the year 31st March, 2023	For the year 31st March, 2022
Inventory at the beginning of the year	1,55,69,73,778	38,10,67,298
Add: Purchase	2,87,69,46,771	4,01,90,28,880
Less: Inventory at the end of the year	33,98,21,544	1,55,69,73,778
Total Cost of materials consumed	4,09,40,99,005	2,84,31,22,400

18 Purchase of stock-in-trade

Amount in (₹)

Particular	For the year 31st March, 2023	For the year 31st March, 2022
Trading Purchase	6,46,06,959	5,21,70,370
Total	6,46,06,959	5,21,70,370

19 Changes in inventories of finished goods and work in progress

Amount in (₹)

Particular	For the year 31st March, 2023	For the year 31st March, 2022
Closing stock		
Work-in-progress	74,60,29,149	40,89,77,201
Finished goods	72,15,29,440	33,77,18,742
Stock in trade	56,20,509	-
Opening stock		
Work-in-progress	40,89,77,201	16,77,02,704
Finished goods	33,77,18,742	45,31,16,766
Stock in trade	-	2,79,586
Total	(72,64,83,155)	(12,55,96,887)

20 Employee benefit expenses

Amount in (₹)

Particular	For the year 31st March, 2023	For the year 31st March, 2022
Salaries, wages and bonus	32,40,95,085	27,36,83,538
Contribution to provident and other funds	1,12,80,907	82,26,784
Gratuity & leave expenses	29,79,709	66,88,685
Staff welfare expenses	86,02,860	87,53,878
Total	34,69,58,561	29,73,52,885

21 Finance cost

Amount in (₹)

Particular	For the year 31st March, 2023	For the year 31st March, 2022
Interest expenses	12,96,75,170	3,16,55,921
Bank charges	82,01,451	1,03,17,538
Total	13,78,76,620	4,19,73,459



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March 2023

22 Other expenses

Amount in (₹)

Particular	For the year 31st March, 2023	For the year 31st March, 2022
Manufacturing expenses:		
Consumption of stores and spare parts	3,53,21,616	1,31,70,109
Power and fuel	45,82,70,276	32,24,05,534
Consumption of packing materials	22,64,44,701	11,06,05,410
Advertisement expenses	3,45,67,382	13,68,13,878
Boiler and plant expenses	63,15,678	64,35,376
<u>Repairs and Maintenance:</u>		
- Building & others	2,29,79,943	3,65,74,603
- Machinery	79,35,086	4,08,85,945
Administrative and selling expenses:		
Insurance	1,62,19,863	1,08,26,886
Rates and taxes	1,28,01,352	63,03,549
Director sitting fees	87,000	48,000
Legal and professional fees	2,20,18,865	2,39,57,220
Miscellaneous expenses	10,42,21,593	5,04,31,497
Payment to auditor:		
<u>As auditors:</u>		
- Audit fee	5,90,000	5,70,000
- Tax audit fees	-	-
<u>In other capacity:</u>		
- Other services (certification fees)	-	-
Freight and forwarding charges	16,51,20,761	13,34,77,284
Loss on sales of fixed assets	1,22,130	1,79,849
Corporate Social Responsibility Exp	1,67,44,000	1,96,37,669
Security Charges	64,34,439	74,79,711
Travelling & Conveyance Expenses	2,92,11,471	86,67,135
Exchange rate difference (Net)	83,16,136	11,32,160
Total	1,17,37,22,292	92,96,01,816

NOTE TO ACCOUNTS

23. Corporate Information

The Consolidated Financial Statements comprise financial statements of “**Mangalam Organics Limited**” (“**the Holding Company**”) or “**The Company**”) and its subsidiaries (collectively referred to as “**the Group**”) for the year ended 31st March, 2023.

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

Note – 1

1. Significant Accounting Policies:-

Basis of Preparation of Financial Statements:-

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

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

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

Principles of Consolidation

The financial statements of the Holding Company and its subsidiary companies are combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intragroup transactions.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The carrying amount of the parent’s investment in subsidiary companies are offset (eliminated) against the parent’s portion of equity in the subsidiaries.

1.1 Authorization of Financial Statements:-

The preparation of Company’s financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue,

expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amounts of the assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

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

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

1.2 Property, Plant and Equipment

- 1.2.1 Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.
- 1.2.2 The initial costs of an asset comprises its purchase price or construction costs (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).
- 1.2.3 Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- 1.2.4 Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part is inventorised on procurement and charged to Statement of Profit and Loss on consumption.
- 1.2.5 An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is de-recognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is de-recognized.



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

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

1.3. Depreciation

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

1.3.1 Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.

1.3.2 Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.

1.3.3 Depreciation is charged on additions/deletions on pro-rata daily basis of addition/deletion.

1.4 Intangible Assets

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

1.5 Investment Property

1.5.1 Investment property is property (land or a building – or part of building – or both) held either to earn rental income or a capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes.

1.5.2 Any gain or loss on disposal of investment property calculated as the difference between the net proceeds and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

1.6 Borrowing Costs

1.6.1 Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.6.2 Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of

such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

1.7 Impairment of Non-financial Assets

1.7.1 Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

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

1.8 Inventories

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

The mode of valuing closing stock is as under:

→ Raw Materials, Packing goods and General Stores are valued at cost or net realizable value, whichever is less, excluding CENVAT, and VAT/GST credit, by FIFO method.

→ Work-in-Process is valued at raw material cost plus estimated overheads or net realizable value; whichever is less but excluding CENVAT, VAT/GST credit.

→ Finished Goods valued at cost including estimated overheads or net realizable value whichever is less.

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

1.9 Revenue Recognition

1.9.1 Sale of Goods

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

Revenue from sale of goods excludes GST and is measured

at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates, net of returns, taxes or duties collected on behalf of the government.

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

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

1.10 Classification of Income/ Expenses

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

1.11 Employee benefits

1.11.1 Short term employment benefits

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

1.11.2 Defined Contribution Plans

→ **Employee's Family Pension:**

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

→ **Provident Fund:**

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

1.11.3 Defined Benefit Plans

→ **Gratuity:**

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

→ **Compensated Absences :**

Liability for Compensated Absences is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The Actuarial valuation method used for measuring the liability is the Projected Unit Credit method. Under this method, the Defined Benefit Obligation is calculated taking into account pattern of avilment of leave whilst in service and qualifying salary on the date of avilment of leave. In respect of encashment of leave, the Defined Benefit obligation is calculated taking into account all types of the increment, salary growth, attrition rate and qualifying salary projected up to the assumed date of encashment.

1.11.4 Termination Benefits:

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

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

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

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

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

1.12 Foreign Currency Transactions

1.12.1 Monetary Items

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

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

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

1.12.2 Non – Monetary items:

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



1.13 Provisions, Contingent Liabilities and Capital Commitments

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

1.14 Fair Value measurement

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

1.15 Financial Assets

1.15.1 Initial recognition and measurement

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

1.15.2 Subsequent measurement

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

1.15.3 Impairment of financial assets

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

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

1.16 Offsetting of financial instruments

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

1.17 Taxes on Income

1.17.1 Current Tax

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

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

1.17.2 Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

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

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

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

1.18 Earnings per share

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

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

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

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle

(determined at 12 months) and other criteria set out in Schedule III of the Act.

1.20 Cash and Cash equivalents

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

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

1.21 Cash Flows

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

NOTES TO ACCOUNTS

24. Contingent liabilities - Not provided for in respect of

I.

	31st March 2023 (₹)	31st March 2022 (₹)
Bank Guarantee	4,13,55,160	3,15,56,840

Bank guarantees issued by banks on behalf of the Company ₹ 413.55 Lacs (Previous Year ₹ 315.57 Lacs). These are secured by the charge created in favour of the Company's bankers by way of pledge of Fixed Deposit Receipts.

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

III. Letter of credit issued by the bankers of the Company ₹ 98,60,29,659 /- (P.Y. ₹ 62,97,36,618/-)

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



25. Segment reporting

The Company is mainly engaged in the business of Manufacturing of Chemicals. Considering the nature of business and financial reporting of Company, the Company has only one segment viz “Chemicals” product as reportable segment. The Company operates in Local/Export segment geographically of which the exports have amounted to Rs. 5,589.97 Lacs (P.Y.Rs. 5,783.68 Lacs) out of Total Turnover of Rs. 49,252.62 Lacs (P.Y.Rs. 49,064.87 Lacs). But due to the nature of business, the assets/ liabilities and expenses for these activities cannot be bifurcated separately.

26. Earnings per share (EPS)

Sl. No.	Description	31st March 2023	31st March 2022
a)	Weighted average number of equity Shares of Rs.10/- each		
	i) Number of shares at the Beginning of the year	85,64,440	85,64,440
	ii) Number of shares at the End of the year	85,64,440	85,64,440
	Weighted average number of Equity Shares – Basic	85,64,440	85,64,440
	Weighted average number of Equity Shares – Diluted	85,64,440	85,64,440
b)	Net Profit after tax available for Equity share-holders	(27,09,35,794)	53,68,14,964
c)	- Basic Earnings per Equity Share (in Rupees)	(31.63)	62.68
	- Diluted Earning per Equity Share (in Rupees)	(31.63)	62.68

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

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

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

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

- Balaji Pine Chemicals Ltd
- Speciality Chemicals,
- Chemexcil Corporation
- Dujodwala Resin & Terpenes Ltd.
- Tradechem Organics Limited
- Dujodwala Exports Pvt. Ltd.
- Mangalam Brands Private Limited – Wholly Owned Subsidiary Company
- Pine Forest Products & Investment Pvt. Ltd.
- Mangalam Pooja Stores Private Limited – Wholly Owned Subsidiary Company
- Mangalam Speciality Chemicals Private Limited – Wholly Owned Subsidiary Company
- Infinity Enterprises
- The directors are the Key Management Personal (KMP) who has the authority and controlling the activities of the Company.

[C] Information on related party transactions as required by Ind AS-24 for the year ended 31st March 2023

Nature of transactions	Relationship	Total ₹ In Lakhs	
		2022-2023	2021-2022
Remuneration			
Kamal Dujodwala	Key management personnel	300.00	300.00
Pannkaj Dujodwala	Key management personnel	300.00	300.00
Akshay Dujodwala	Key management personnel	360.00	360.00
TOTAL		960.00	960.00

Name of party	Nature of transaction	Amount in Lakhs	
		2022-2023	2021-2022
Details of transactions:			
Mrs. Alka K Dujodwala	Rent for office premises	0.60	0.30
Akshay Dujodwala	Land purchase	213.68	-
Mrs. Alka K Dujodwala	Rent for house accommodation for director	285.02	115.00
Dujodwala Resin & Terpenes Ltd.	Purchase of goods and services	26.78	466.32
Infinity Enterprises	Purchase of goods and services	-	362.57
Dujodwala Resin & Terpenes Ltd.	Rent paid for office premises	0.60	0.60
Tradechem Organics Limited	Purchase of goods and services	213.32	359.78
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Sale of goods	6700.36	254.57
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Unsecured loan given during the year	997.24	502.76
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Interest recovered on unsecured loan	91.55	-
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Purchase of goods and services	792.76	-
Mangalam Pooja Stores Private Limited – Wholly Owned Subsidiary Company	Unsecured loan given during the year	347.10	1.22
Mangalam Pooja Stores Private Limited – Wholly Owned Subsidiary Company	Interest recovered on unsecured loan	13.78	-
Closing balances:			
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Equity investments	10.00	10.00
Mangalam Speciality Chemicals Private Limited – Wholly Owned Subsidiary Company	Equity investments	5.00	5.00
Mrs. Alka K Dujodwala	Security deposit	150.00	150.00
Mangalam Speciality Chemicals Private Limited – Wholly Owned Subsidiary Company	Unsecured loans	28.35	10.14
Tradechem Organics Limited	Receivable	3.08	-
Dujodwala Resin & Terpenes Ltd.	Deposit/advance given against commercial property	879.44	1050.00
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Corporate guarantee	3800.00	3800.00
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Unsecured loans	1500.00	502.76
Mangalam Brands Private Limited – Wholly Owned Subsidiary Company	Trade Receivable	1598.17	-
Mangalam Pooja Stores Private Limited – Wholly Owned Subsidiary Company	Equity investments	9.00	5.00
Mangalam Pooja Stores Private Limited – Wholly Owned Subsidiary Company	Unsecured loans	348.32	1.22

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



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

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

(i) Defined Contribution Plans

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

	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Employers Contribution to Provident Fund	65,86,014	82,26,784

(ii) Defined Benefit Plan

Gratuity Fund:

a. Major Assumptions	For the year ended March 31, 2023	For the year ended March 31, 2022
	(% p.a.)	(% p.a.)
Discount Rate	7.35	6.70
Salary Escalation Rate	5.00	5.00
Attrition Rate	2.00	2.00

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

b. Change in the Present Value of Obligation	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Opening Present Value of Obligation	3,50,61,121	3,09,24,341
Current Service Cost	26,18,562	27,80,547
Interest Cost	20,06,537	16,98,724
Benefit Paid	(13,58,789)	(11,67,509)
Past Service Cost	-	-
Actuarial Loss on Obligations	(17,54,891)	8,25,018
Closing Present Value of Obligation	3,65,72,540	3,50,61,121

c. Change in Fair Value of Plan Assets	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Present Value of Plan Assets	-	-
Expected Return on Plan Assets	-	-
Actuarial (Loss) on Plan Assets	-	-
Contributions	-	-
Benefits paid	-	-
Closing Present Value of Plan Assets	-	-

d. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Present value of Funded Obligation as at March 31, 2023	-	-
Fair Value of Plan Assets as at March 31, 2023	-	-
Funded Status	-	-
Present Value of Unfunded Obligation as at March 31, 2023	3,65,72,540	3,50,61,121
Unfunded Net Liability Recognized in the Balance Sheet Disclosed in provisions	3,65,72,540	3,50,61,121

e. Amount Recognized in the Balance Sheet	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Present Value of Obligation as at March 31, 2023	3,65,72,540	3,50,61,121
Fair Value of Plan Assets as at March 31, 2023	-	-
Liability Recognized in the Balance Sheet and disclosed under provisions	3,65,72,540	3,50,61,121

f. Expenses Recognized in the Statement of Profit and Loss	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Current Service Cost	26,18,562	27,80,547
Interest Cost	20,06,537	16,98,724
Expected Return on Plan Assets	-	-
Past Service Cost	-	-
Total expenses Recognized in the Statement of Profit and Loss	46,25,099	44,79,271
Actual Return on Plan Assets	Nil	Nil

g. Other Comprehensive Income for the year	For the year ended March 31, 2023 (₹)	For the year ended March 31, 2022 (₹)
Components of actuarial gain/losses on obligations:		
- Due to Change in financial assumptions	(13,34,882)	(4,34,763)
- Due to experience adjustments	(4,20,009)	12,59,781
- Due to change in demographic assumptions	-	-
- Return on plan assets excluding amounts included in interest income	-	-
Amounts recognized in Other Comprehensive Income	(17,54,891)	8,25,018

Sensitivity Analysis

Particulars	year ended March 31, 2023 (₹)	year ended March 31, 2022 (₹)
Projected Benefit Obligation on Current Assumptions	3,65,72,540	3,50,61,121
Delta Effect of +0.5% Change in Rate of Discounting	- 9,53,833	-10,36,464
Delta Effect of -0.5% Change in Rate of Discounting	10,16,742	11,09,918
Delta Effect of +0.5% Change in Rate of Salary Increase	9,48,358	10,24,541
Delta Effect of -0.5% Change in Rate of Salary Increase	- 8,96,130	-9,63,646
Delta Effect of +0.5% Change in Rate of Employee Turnover	1,03,516	84,226
Delta Effect of -0.5% Change in Rate of Employee Turnover	- 1,06,087	-86,776

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

iii) Defined Benefit Plan for Leave Encashment Benefits

Valuation Method

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

Valuation Results

Actuarial Value of Leave Encashment Benefits as on 31st March, 2023 ₹ 6,38,840/-

Break-up of above:	Current Liability	₹ 1,23,542/-
	Non-Current Liability	₹ 5,15,298/-



29. Expenditure in Foreign Currency on account of

	Current Year (₹ In Lakhs)	Previous Year (₹ In Lakhs)
- Raw Material (CIF)	23323.03	33947.91
- Traveling Expenses	34.11	7.29
- Brokerage and Commission	7.09	4.03
- Membership and Consultancy Fees	21.87	59.22
- Stores and Spares	4.29	14.78

30. Earning in Foreign Currency on account of

	Current Year (₹ In Lakhs)	Previous Year (₹ In Lakhs)
Exports made on FOB Basis	5056.01	5389.84

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

34. Corporate Social Responsibility

Expenditure related to Corporate Social Responsibility is ₹ 167.44 Lakhs (Previous Year ₹ 196.38 Lakhs).

Details of Amount spent towards CSR given below:

Particulars	Current Year (₹ In Lakhs)	Previous Year (₹ In Lakhs)
Setting of homes for women and orphans, for education and healthcare, etc.	107.00	-
Education, Health & Nutrition for Girl Child	0.25	-
Education, Medical Relief and Advancement of any other objects of general public utility	28.00	-
Education & Literacy, Environment & Forests, Health & Family Welfare, Human Rights, Legal Awareness & Aid, Panchayati Raj	32.00	-
Promoting education by providing general construction work at a School	0.19	-
Contribution to Vishwaniketan iMEET College-Khalapur, Dist: Raigad, for construction of Sport Complex and playground & Radium Stickers, LED Board structure and fabrication work	-	36.71
Grocery & Food Packets, Water Bottles donated to Mahad villagers during heavy rain flood relief	-	1.04
Contribution paid to Bhatia General Hospital for Health care support	-	35.00
Contribution paid to Shree Hazarimal Somani Memorial Trust	-	50.00
Donation paid to Omkar Andh Apang Samajik Santha	-	20.00
Renovation of Vaccine Room, Furniture, Pump House, Water Tanks, Compound walls and fixing sheds at Primary Health Centre-Khalapur	-	20.52
Providing & Fixing wall compound, Toilet repairs, Waterr tank, Doors and windows repairing and paintings, radium sticker board at Thakurwad and Kumbhivali School.	-	33.11
Total:-	167.44	196.38

35. Income Tax Expense

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

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

Particulars	Year Ended March 31, 2023 (₹)	Year Ended March 31, 2022 (₹)
Current tax		
Current tax on profits for the year	-	18,00,00,000
Adjustments for current tax of prior periods	1,50,31,389	-
Current tax (A)	-	18,00,00,000
Deferred tax	(8,03,78,115)	1,46,56,768
Decrease/(increase) in deferred tax assets	10,63,73,905	(17,21,642)
(Decrease)/increase in deferred tax liabilities	2,59,95,790	1,63,78,410
Deferred tax (B)	(8,03,78,115)	1,46,56,768
Income tax expense charged to profit or loss (C) = (A) + (B)	(6,53,46,726)	19,46,56,768

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

Current tax (A)	Year Ended March 31, 2023 (₹)	Year Ended March 31, 2022 (₹)
Current tax		
Deferred tax on remeasurement gains/(losses) on defined benefit plan	(4,41,671)	2,07,641
Adjustments for current tax of prior periods	-	-
Current tax (A)	-	-
Deferred tax	(4,41,671)	2,07,641

36. Fair Value Measurements

Financial instruments by category:

Financial assets	Note	As at 31 March 2023		As at 31 March 2022	
		Amortised cost	FVTPL	Amortised cost	FVTPL
Trade receivables		47,48,98,558	47,48,98,558	44,08,21,183	44,08,21,183
Margin money deposits with banks		12,95,861	12,95,861	12,64,170	12,64,170
Cash and cash equivalents		1,07,92,299	1,07,92,299	51,34,686	51,34,686
Bank balances other than cash and cash equivalents above		37,40,277	37,40,277	89,80,104	89,80,104
Security deposits		10,04,63,387	10,04,63,387	10,03,37,033	10,03,37,033
Non-current investment		30,25,000	30,25,000	25,000	25,000
Total financial assets		59,42,15,382	59,42,15,382	55,65,62,176	55,65,62,176

Financial assets	Note	As at 31 March 2023		As at 31 March 2022	
		Amortised cost	FVTPL	Amortised cost	FVTPL
Borrowings		1,90,47,48,095	1,90,47,48,095	2,11,85,93,486	2,11,85,93,486
Trade payables		33,08,33,056	33,08,33,056	32,48,36,930	32,48,36,930
Unclaimed dividend		17,39,660	17,39,660	13,33,915	13,33,915
Total financial liabilities		2,23,73,20,811	2,23,73,20,811	2,44,47,64,331	2,44,47,64,331

Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Ind AS. An explanation for each level is given below.



Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Assets Value (NAV), NAV represents the price at which, the issuer will issue further units and will redeem such units of mutual funds to and from the investors.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments in the level 2 category for the Company include foreign exchange forward contracts.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in this level.

There are no internal transfers of financial assets and financial liabilities between Level 1, Level 2, Level 3 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of the reporting period.

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	As at 31 March 2023			As at 31 March 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Margin money deposits with banks			12,95,861			12,64,170
Security deposits			10,04,63,387			10,03,37,033
Non-current investment			30,25,000			25,000
Financial liabilities						
Borrowings			1,90,47,48,095			2,11,85,93,486

The carrying amounts of trade receivables, cash and cash equivalents, fixed deposit having maturity period upto 12 months and its interest accrued, export benefits receivable, current loans, current borrowings, trade payables and other financial liabilities are considered to be approximately same as their value, due to the short-term maturities of these financial assets/liabilities.

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

37. Capital Management

Risk management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company determines the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and other long-term borrowings. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements.

For the purpose of the Company's capital management, equity includes paid up capital, securities premium and other reserves. Net debt are long term and short term liabilities. The Company's strategy is to maintain a gearing ratio within 2:1.

The capital composition is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Gross debt (inclusive of long term and short-term liabilities)	2,30,24,43,003	2,55,92,81,841
Total equity	2,75,75,23,443	3,04,07,10,896
Net debt to equity ratio	0.83	0.84

38. Financial Risk Management

The Company's activities are exposed to market risk, liquidity risk and credit risk which may adversely impact the fair value of its financial instruments. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purpose and not as trading or speculative instruments.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk-foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian Rupee	Cash flow forecasting Sensitivity analysis	Forward Foreign Exchange Contracts

The Company's risk management is carried out by a central treasury department under policies approved by the Board of Directors. Company's treasury team identifies, evaluates and hedges financial risks in close cooperation with the Company's respective department heads. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and nonderivative financial instruments, and investment of excess liquidity.

A. Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, investments in mutual funds, foreign exchange transactions and other financial instruments. The credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. To manage this, the Company periodically assesses the financial reliability of counter party, taking into account the financial condition, current economic trends, analysing the risk profile of the counter party and the analysis of historical bad debts and ageing of accounts receivable etc. Individual risk limits are set accordingly.

The Company determines default by considering the business environment in which the Company operates and other macro-economic factors. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) i) Actual or expected significant adverse changes in business;
- ii) Actual or expected significant changes in the operating results of the counterparty;
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- iv) Significant increase in credit risk on other financial instruments of the same counterparty;
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees

None of the financial instruments of the Company result in material concentration of credit risk. The carrying value of financial assets represent the maximum credit risk. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company.

i) Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. Credit risk is managed through credit approvals, establishing credit limits, payment track record, monitoring financial position of the customer and other relevant factors. Outstanding customer receivables are regularly monitored and reviewed.

The Company evaluates the concentration of risk with respect to trade receivables as limited, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The exposure to customers is diversified and no substantial concentration of risk as no single customer contributes more than 10% of revenue and of the outstanding receivables. Sales made in domestic market predominantly are through agents appointed by the Company, the agents being del credere agents most of the credit risk emanating thereto is borne by agents and the Company's exposure to risk is limited to sales made to customers directly. In case of direct sale, the Company has a policy of dealing only with credit worthy counter parties. The credit risk related to such sales are mitigated by taking advance, security deposit, letter of credit, setting and monitoring internal limits on exposure to individual customers as and where considered necessary.

An impairment analysis which includes assessment for indicators of impairment is performed at each reporting date on an individual basis for all major customers and provision for impairment taken. The allowance reduces the net carrying amount.



ii) Financial Instruments and Cash Deposits

The Company maintains exposure in Cash and Cash equivalents, term deposits with banks and investments in mutual funds, the same is done after considering factors such as track record, size of the institution, market reputation and service standards. Generally, the balances are maintained with the institutions from whom the Company has also availed borrowings. Individual risk limits are set for each counter party based on financial position, credit rating and past experience. Credit risk and concentration of exposure are actively monitored by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

iii) The ageing analysis of the trade receivables (other than due from related parties) has been considered from the date the Invoice falls due.

B. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations, by delivering cash or other financial assets, on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade and other payables, derivative instruments and other financial liabilities.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate cash and drawable reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. The Company regularly monitors liquidity position through rolling forecast based on estimated free cash flow generated from business. The Company invests its surplus funds in bank fixed deposits and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

i) **Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2023	As at March 31, 2022
Floating rate		
- Expiring within one year (Packing credit, cash credit, post shipment credit and term loans)	28,29,85,135	11,42,56,517
- Expiring beyond one year (Term Loans)	Nil	Nil

The working capital facilities may be drawn at any time and may be terminated by the bank without notice.

ii) **Maturities of Financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at March 31, 2023

	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Maturities of non – derivative financial liabilities				
Long term borrowings	15,29,99,965	41,47,33,263		56,77,33,228
Short term borrowings	1,33,70,14,867	-		1,33,70,14,867
Interest accrued and not due	-	-		-
Lease liabilities	-	-		-
Trade payables	33,08,33,056	-		33,08,33,056
Other financial liabilities	17,39,660	-		17,39,660
Total	1,82,25,87,548	41,47,33,263		2,23,73,20,811

As at March 31, 2022

	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Maturities of non – derivative financial liabilities				
Long term borrowings	9,18,42,493	52,10,07,510	-	61,28,50,003
Short term borrowings	1,50,57,43,483	-	-	1,50,57,43,483
Interest accrued and not due	-	-	-	-
Lease liabilities	-	-	-	-
Trade payables	32,48,36,930	-	-	32,48,36,930
Other financial liabilities	13,33,915	-	-	13,33,915
Total	1,89,16,60,285	37,71,26,898	-	2,26,87,87,183

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity or commodity prices will affect the Company's income/cash flows or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of postemployment benefit obligations provisions and on the non-financial assets and liabilities. Financial instruments affected by market risk include receivables, loans and borrowings, advances, deposits, investments and derivative financial instruments. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks.

The Company's activities expose it to risks on account of changes in foreign currency exchange rates and interest rates.

The Company uses derivative financial instruments such as foreign exchange forward contracts of varying maturity depending upon the underlying contract as a risk management strategy to manage its exposures to foreign exchange fluctuations and interest rate.

Foreign currency risk

Currency risk is the risk that the fair value of a financial instrument or future cash flows fluctuate because of changes in market price of the functional currency. The Company is exposed to foreign exchange risk on their receivables and payables which are mainly held in the United State Dollar ("USD"), the Euro ("EUR") and British Pound ("GBP"). Consequently, the Company is exposed primarily to the risk that the exchange rate of the Indian Rupees ("Rs.") relative to the USD, the EUR, and the GBP may change in a manner that has a material effect on the reported values of the Company's assets and liabilities that are denominated in these foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policy wherein exposure is identified, a benchmark is set and monitored closely for suitable hedges, including minimizing cross currency transactions, using natural hedge and the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

39. Relationship with Struck off Companies

Sr. No.	Name of struck off Company	Nature of transactions with struck off Company	Transaction during the year ended March 31, 2023	Balance outstanding as on March 31, 2023	Balance outstanding as on March 31, 2022	Relationship with the Struck off company
1	Shree Vansh Marine & Logistics Pvt. Ltd.	Purchase of services	-	1,416	1,416	Creditor

40. The Code on Social Security, 2020

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on September 29, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

41. Other Statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.



- (ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).
- (vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

42. Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

43. Approval of Consolidated Financial Statements

The Consolidated financial statements were approved for issue by the Board of Directors on May 26, 2023.

As per Annexed Report of Even Date

For and on behalf of Board of Directors

NGST & Associates

Chartered Accountants
Firm Reg. No. 135159W

Sd/-

Bhupendra Gandhi

Partner

Mem. No. 122296

Place: Mumbai

Dated: May 26, 2023

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Shachi Sanghavi

Company Secretary



MAKE MANGALAM CAMPHOR

A PART OF EVERY BIG OR SMALL PUJA YOU PERFORM!

Padi
Camphor



Slab
Camphor



Camphor
Tablet



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Block
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