

Date: September 5, 2020

To
BSE Limited
Compliance Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai - 400001.

Dear Sir/Madam,

Sub: Intimation under Regulation 30 and 34(1) of SEBI (Listing Obligations and Disclosure Requirements), 2015 - Notice and Annual Report of Thirty Eighth (38th) Annual General Meeting of Mangalam Organics Limited (the Company)

Ref: Security Code: 514418

With reference to captioned subject, we wish to inform that the 38th Annual General Meeting ("AGM") of the Company is scheduled to be held on Tuesday, September 29, 2020 at 3.00 p.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in compliance with the General Circular No. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and 20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs ('MCA circulars'), and other applicable provisions of the Companies Act, 2013 and SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, to transact the businesses as set forth in the Notice of AGM.

Pursuant to the provisions of Regulation 30 and 34(1) of the SEBI LODR Regulations, 2015 please find enclosed the Notice of the 38th AGM along with the Annual Report of the Company for the FY 2019-20.

In compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice of the 38th AGM along with the Annual Report for the FY 2019-20 have been sent only through electronic mode to those members whose email IDs are registered with the Company/ Depositories.

The Notice of 38th AGM and the Annual Report for the FY 2019-20 are also available on the website of the Company at www.mangalamorganics.com.

We request you to disseminate the above information on your website.

Thanking you,

Yours faithfully,

For Mangalam Organics Limited



Heena Tank

Company Secretary



Encl: As stated above

2019-20
Annual Report



Future in Focus



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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 is 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.

Future in Focus



*The best way to
predict the future
is to create it*

Abraham Lincoln

What does the future hold?

Infinite opportunities. Though, which to pursue? how to pursue? which to prioritise?

The future is the outcome of persistent questions and answers.

The future is the outcome of meticulous analysis and course adjustments.

The future is anchored on a foundation in the past and built real time, in the present.

Our future is based on our vision. A vision to reach a billion Indians.

As we build our way towards this vision, our “Future is focussed”!

About Mangalam Organics Limited



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



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



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.



Terpene Chemistry

Camphor, Dipentene, Sodium Acetate

Synthetic Resins

Terpene Phenolic, Alkyl Phenolic, Rosin-based Resins



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

90%

B2B - Terpene
Operations

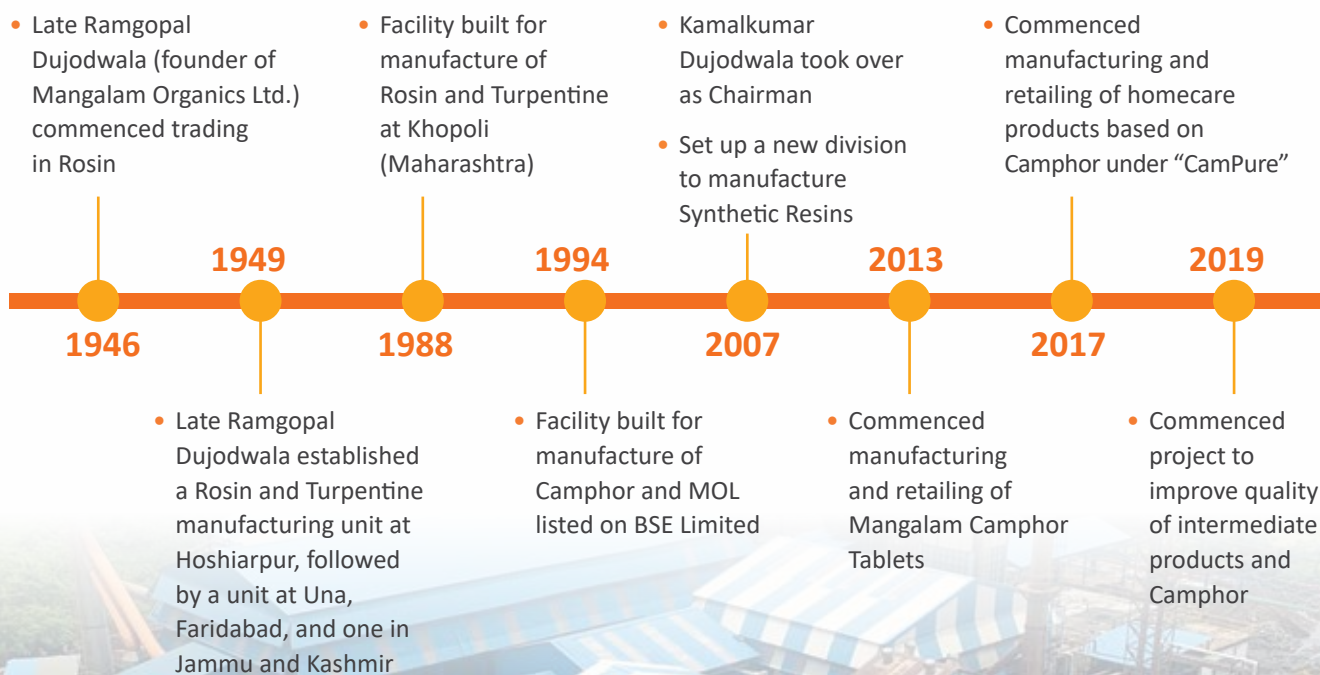
5%

B2B - Synthetic Resin
Operations

5%

B2C - Retail Operations

Our Journey of Evolution

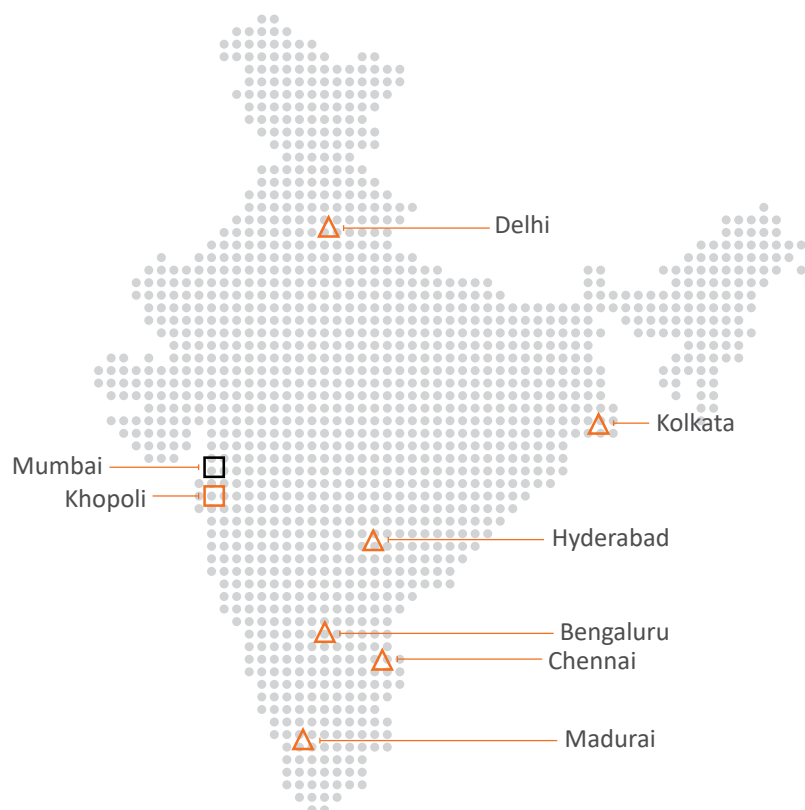


Our Products and Application Areas

Business Segments	Products	Applications
B2B - Terpene	• Camphor • Dipentene • Sodium Acetate	Camphor: Religious use, healthcare products, hygiene products Dipentene: Paints, cleaning and degreasing agents Sodium Acetate: Textile and dyes industry, Leather tanning
B2B - Synthetic Resin	• Terpene Phenolic Resin • Alkyl Phenolic Resin • Rosin Esters	Adhesives, Tyres, Rubbers, Chewing Gum, Printing Ink
B2C - Retail Operations	• CamPure - Homecare and personal care products based on Camphor • Mangalam - Camphor tablets for pious uses • Private Labelling Initiatives	



Our Sales Network



Pin Codes serviced
from e-Commerce
orders

FY2019

2,500

FY2020

3,700

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

Map not to scale. For illustrative purpose only.



Recently constructed QC and R&D Lab spanning over 3,000 Sq Ft



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

₹**375.55** Crore

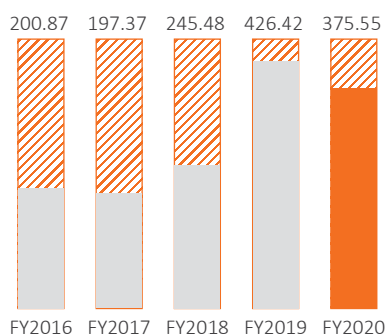
PAT

₹**47.56** Crore

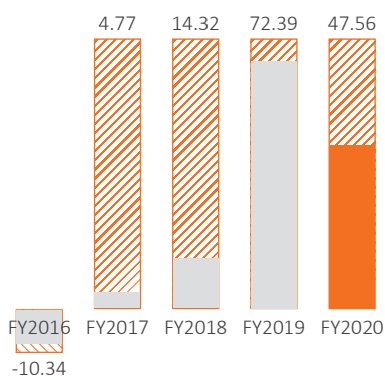
Total EBITDA

₹**87.36** Crore

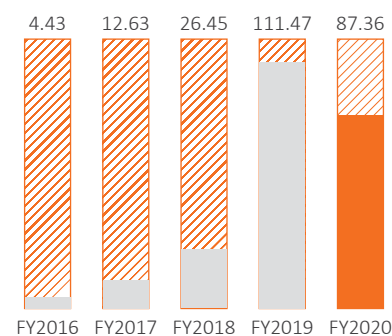
Total Income (₹ Crore)



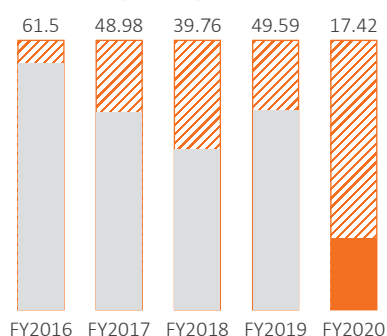
Profit After Tax (₹ Crore)



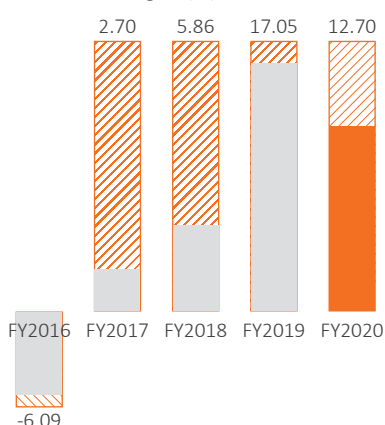
Total EBITDA (₹ Crore)



Total Debt (₹ Crore)



Total PAT Margin (%)



Our Key Clientele

Terpene Operations



Synthetic Resin Operations



Retail Operations





Our endeavour to unlock the saleable value of intermediates and improve the quality of Camphor is on track. This will enable us to reduce our dependence on market dynamics of a single product, “Camphor” and a single industry, the pious market

From The MD's Desk

Dear Shareholders,

I am pleased to write to you in what has been a satisfying year. Amid an uncertain global environment and challenging industry dynamics, we continued on our path towards improving quality and improving margins.

Our net sales stood at ₹ 374.52 crore during FY 2019-20, while our Profit After Tax (PAT) was at ₹ 47.56 crore. Although we maintained our sales volume, a reduction in the marketable prices of finished goods, mainly Camphor, has led to a de-growth in sales turnover.

As you are aware, we are working towards deleveraging our dependency on Camphor by developing the sale of intermediate products and delinking ourselves from pure commodity play by focussing on our brands "Mangalam" and "CamPure". We look ahead to the future when we are less affected by vagaries of commodity cycles.

A major positive development has been that we opted in for settlement under the "Sabka Sath Sabka Vikas" scheme for tax dues under the Central Excise Act, 1944 and we have settled all the associated dues amounting to ₹ 10.24 crore. This concludes a matter spanning over 15 years for which we have invested significant time and resources and also insulates the Company from the outcome of various litigations.

Our Segmental Performance

Camphor is the primary product in our "Terpene Operations" segment. The product continues to have strong demand from the pious uses point of view and is experiencing additional increasing requirements from OTC pharmaceutical formulations and homecare products such as air fresheners. We have strengthened our quality and range which enables us to cater to a wider category of customers with different applications. Other products in "Terpene Operations" such as Dipentene and Sodium Acetate also continue to solicit robust demand with stable pricing.

On the "Synthetic Resins" front, our alliance with M/s. Les Derives Resiniques et Terpeniques did not materialise as had been envisaged, accordingly the alliance has been terminated. Going forward, we will be marketing our portfolio of Terpene Phenolic Resins in our own capacity on a worldwide basis. On the whole, our "Synthetic Resin" business continues to have stable demand with suitable margins.

Our "Retail Operations" continue to take some more shape as the revenue contribution increases. Over the last year, we have registered our brands with few more Modern Trades such as MORE and Star Bazaar and continue to push existing accounts for faster growth rates. We have also expanded our general trade distribution team and will continue to do so more aggressively in the years to come.

We are also well positioned on E-Commerce platforms which are

experiencing high growth rates. A major notable development has also been the creation of our first TV Commercial for Mangalam Camphor Tablets. This has been well received and has helped us increase traction for the product. Going forward, we intend to spend increasing sums of money on ATL Communications.

Our endeavour to unlock the saleable value of intermediates and improve the quality of Camphor is on track. This will enable us to reduce our dependence on market dynamics of a single product, "Camphor" and a single industry, the pious market. We are hopeful that the Company will have the option to sell these intermediate products towards the later part of FY 2020-21 as a result of the work.

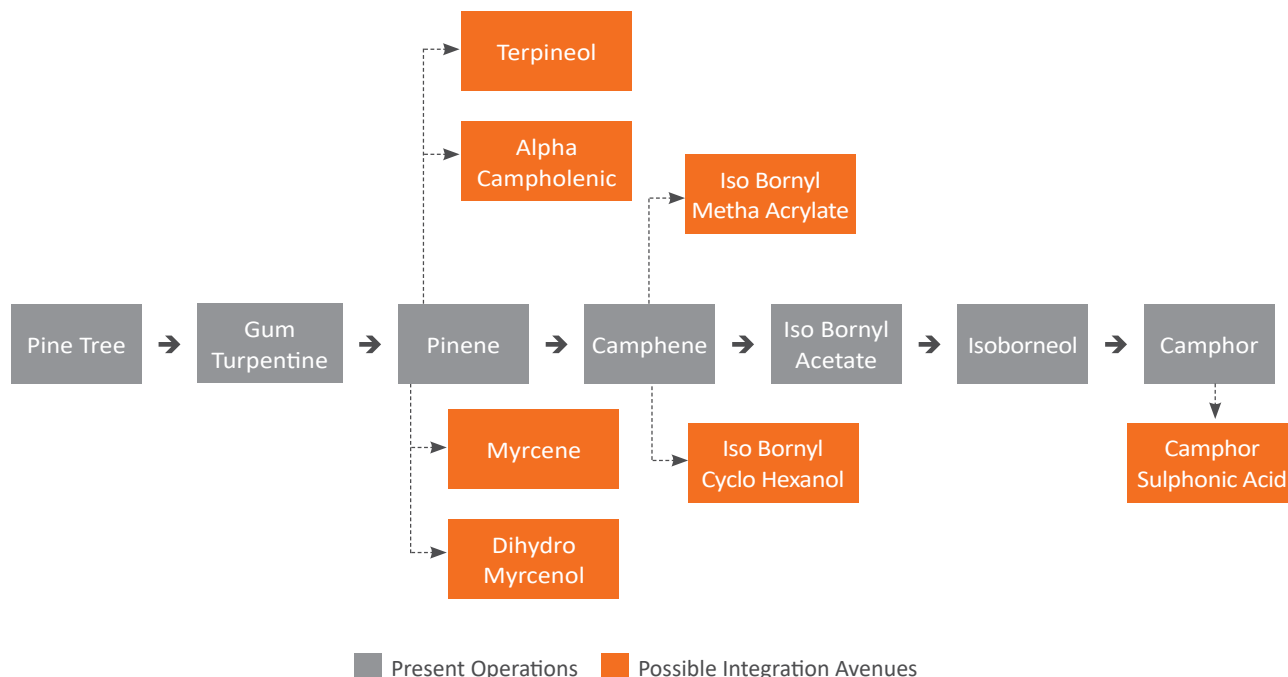
Once again, on behalf of the Management and Board of Directors, I would like to take this opportunity to thank all our stakeholders, our shareholders, employees, suppliers, and various government departments, for their unwavering support and trust.

We are glad to have your continued support and we will endeavour to meet your expectations.

Regards,

Pannkaj Dujodwala
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
• 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	• Understand customer pain points and provide tailor-made products • Introduce wide range of quality products to enable registration with key distributors	• 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.

CamPure



Air Purifier



CamPure Cone



CamPure Sticks



CamPure Soap



CamPure Handwash



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.

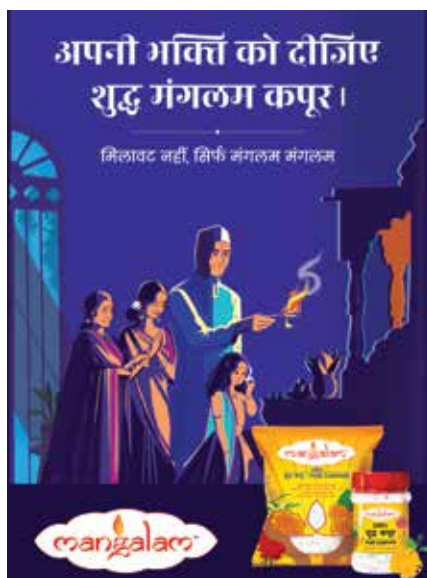
Various Branding and Promotional Activities



CamPure over the last year



Mangalam over the last year



Corporate Information

Board of Directors

Mr. Kamalkumar Dujodwala

Executive Chairman

Mr. Pannkaj Dujodwala

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. Anita Sandeep Shriya

(Resigned w.e.f. October 30, 2019)

Ms. Sonal Dandekar

(Appointed w.e.f. October 30, 2019,

Resigned w.e.f. February 11, 2020)

Mrs. Manisha Agarwal

Non-Executive - Independent Director

(Appointed w.e.f. March 20, 2020)

Chief Executive Officer

Mr. Sanjay Bhardwaj

Chief Financial Officer

Mr. Shrirang V. Rajule

Compliance Officer & Company Secretary

Ms. Heena Tank

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.

Registrar & Share Transfer Agent

Link Intime (India) Private Limited

(Appointed w.e.f. July 1, 2019)

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

Bankers

The Saraswat Co-operative Bank Ltd. (Scheduled Bank)

SME Nariman Point Branch, A Wing,
1st Floor, Mittal Court,
Mumbai - 400 021.

Axis Bank

G1, Ground Floor, Maker Chamber 4,
Jamnalal Bajaj Road,
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,
Free Press Journal Marg, 212,
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, 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 Thirty Eighth Annual General Meeting of the Members of **MANGALAM ORGANICS LIMITED** will be held on Tuesday, September 29, 2020, 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, 2020 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares for the financial year ended March 31, 2020.
3. To appoint a Director in place of Mr. Kamalkumar Dujodwala (DIN: 00546281), who retires by rotation and being eligible, seeks re-appointment.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an 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, 2021 be and is hereby ratified.

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory

modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mrs. Manisha Agarwal (DIN: 00441841), who was appointed as an Additional Director (Independent) by the Board of Directors of the Company at its meeting held on March 20, 2020 and who holds office upto the conclusion of this Annual General Meeting and who meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director of the Company, be and is hereby appointed as the Non-Executive Woman Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from March 20, 2020 till March 19, 2025.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013, as amended (“the Act”), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Pannkaj Dujodwala (DIN:00546353) as a Managing Director of the Company for a period of 5 (five) years with effect from August 13, 2020 upon the terms and conditions including remuneration set out in the Statement annexed to the Notice convening the 38th Annual General Meeting.”

“RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as ‘the Board’ which includes any Committee thereof) be and is hereby authorised to vary terms of his appointment including the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Central Government from time to time.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any/or all questions/

matters arising with respect to the above matter, and to execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to this Resolution.”

By Order of the Board of Directors

Sd/-

Heena Tank

Company Secretary

Mumbai, August 18, 2020

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as “MCA Circulars”) permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM.
2. PURSUANT TO THE PROVISIONS OF THE COMPANIES ACT, 2013, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING 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 ANNUAL GENERAL MEETING 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 Nos. 4 to 6 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 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.
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. The Share Transfer Books and Register of Members of the Company will remain closed from September 26, 2020 to September 29, 2020 (both days inclusive) for the purpose of determining the members who shall be entitled to dividend, if any declared at the AGM.
7. The dividend, as recommended by the Board, if declared and approved at the Annual General Meeting will be paid to those members whose names appear in the Register of Members at the end of business hours on September 25, 2020. In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership, as per the details to be furnished for the purpose by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours on September 25, 2020.
8. 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, and debenture interest 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.

9. 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.

Kindly note that as per Regulation 12 read with Schedule I of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for distribution of dividends or other cash benefits to the investors, electronic mode of payments like National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), Real Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT) shall be used. In cases where the details like MICR no., IFSC no. etc. required for effecting electronic payments are not available, physical payment instrument like dividend warrants, will be used. Accordingly, we recommend you to avail the facility of direct electronic credit of your dividend and other cash benefits through electronic mode and in all cases keep your bank account details updated in your demat account / physical folio.

- In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2019-20 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 2019-20 will also be available on the Company's website at www.mangalamorganics.com, on the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of Link Intime India Private Limited viz., rnt.helpdesk@linkintime.co.in.
- Pursuant to Finance Act 2020, dividend income will be 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. The aforementioned forms for tax exemption can be downloaded from Link Intime's website. The URL for the same is as under:

<https://www.linkintime.co.in/client-downloads.html> On this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F".

The aforementioned documents (duly completed and signed) are required to be uploaded on the URL mentioned below

<https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> On this page the user shall be prompted to select / share the following information to register their request.

- Select the company (Dropdown)
- Folio / DP-Client ID
- PAN
- Financial year (Dropdown)
- Form selection
- Document attachment – 1 (PAN)
- Document attachment – 2 (Forms)
- Document attachment – 3 (Any other supporting document)

Please note that the upload of documents (duly completed and signed) on the website of Link Intime India Private Ltd should be done on or before **September 25, 2020, 6.00 PM** in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered after **September 25, 2020, 6:00 PM**. The Company will arrange to email a soft copy of TDS certificate to you at your registered email ID post completion of activities.

Shareholders may note that in case the tax on said final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, option is available to you to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

All communications/ queries in this respect should be addressed to our RTA, Link Intime India Private Limited to its email address taxexemption@linkintime.co.in

- 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.
- 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.
- Members are requested to notify immediately any change of address:
 - to their Depository Participants ("DPs") in respect of the shares held in electronic form, and
 - 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.

15. 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:

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

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

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

17. 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.

18. 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.

19. 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.

20. 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 Annual General Meeting 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 cdsakarica.cs@gmail.com with copies marked to the Company at cs@mangalamorganics.com and to its RTA at rnt.helpdesk@linkintime.co.in

21. Instructions for e-voting and joining the Annual General Meeting 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 voting through ballot (at the Annual General Meeting venue) 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 e-voting facility is being provided through e-voting services provided by Link Intime India Private Limited (LI IPL). The instructions for members for voting by electronic means are given in below paragraphs:

- A. The remote e-voting period begins on **Saturday, September 26, 2020 (9.00 a.m.) and ends on Monday, September 28, 2020 (5.00 p.m.)**. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off (record date) of **September 22, 2020** may cast their vote electronically. The e-voting module shall be disabled by LI IPL for voting thereafter.

- B. Instructions for shareholders to vote electronically:

a. Log-in to e-Voting website of Link Intime India Private Limited (LI IPL)

- Visit the e-voting system of LI IPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
- Click on "Login" tab, available under 'Shareholders' section.
- Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
- Your User ID details are given below:

- Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
- Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
- Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company

5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on “Sign Up” tab available under ‘Shareholders’ section register your details and set the password of your choice and confirm (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).

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with depository Participant or in the Company record are requested to use the sequence number which is send at the registered e-mail IDs.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the Company record for the said demat account in dd/mm/yyyy format or folio number.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the Company records for the said demat account or folio number. Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or Company, please enter Folio number in the Bank Account number field as mentioned in instruction (4-c).

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (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)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the Company in which they are a shareholder and eligible to vote, provided that the Company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

b. Cast your vote electronically

- After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View “Event No” of the Company, you choose to vote.
- On the voting page, you will see “Resolution Description” and against the same the option “Favour/Against” for voting.

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’. You may also choose the option ‘Abstain’ and the shares held will not be counted under ‘Favour/Against’.

- If you wish to view the entire Resolution details, click on the ‘View Resolutions’ File Link.
- After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, 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.
- Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

c. General Guidelines for shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <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.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022- 49186270.

- C. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **September 22, 2020**. A person who is not a member as on the cut-off date should treat this notice for information purposes only.
- D. Any person who becomes a member of the Company after dispatch of the Notice of 38th 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
- E. 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.
- F. Mr. Chintal D Sakaria, Proprietor of C D Sakaria & Associates, Practicing Company Secretaries (Membership No. FCS 9477/ Certificate of Practice No. 20063) has been appointed as the Scrutinizer to scrutinize the voting by instapoll and remote e-voting process in a fair and transparent manner.
- G. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting and make not later than three 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.
- H. 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.
- I. The members who have casted their votes by remote e-voting prior to the Annual General Meeting may also attend the meeting but shall not be entitled to cast their vote again.
- J. The results shall be declared after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.mangalamorganics.com within 3 (three) days of conclusion of the annual general meeting and will be communicated to 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:

- 1) Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

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 Annual General Meeting. 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.

Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

1. Open the internet browser and launch the URL for InstaMeet [<<https://instameet.linkintime.co.in>>](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 Annual General Meeting:

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, mobile number at cs@mangalamorganics.com from September 27, 2020 (9.00 A.M.) to September 27, 2020 (5.00 P.M.).

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, 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 Annual General Meeting.

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 Annual General Meeting 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 Annual General Meeting 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 Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting 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 e-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 numbers 4 to 6.

Item No: 4

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 June 30, 2020 the Board has 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 2020-21 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 Board commends the resolution at Item no. 4 of the Notice for approval by the members.

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

Item No: 5

Section 149 of Companies Act, 2013 ("the Act") read with provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia provide that the appointment of independent director shall be approved by the members at general meeting.

Mrs. Manisha Agarwal (DIN: 00441841) was appointed as an Additional Woman Director (Non-Executive and Independent) on the Board of the Company w.e.f March 20, 2020 to hold office till the conclusion of the next Annual General Meeting (AGM) and subject to the approval of the members in the ensuing AGM, for appointment as an Independent Director to hold office for a term upto 5 (Five) consecutive years with effect from March 20, 2020.

The Nomination and Remuneration Committee of the Board of Directors, had proposed to the members for appointment of Mrs. Manisha Agarwal as an Independent Director for a period of 5 (five) years on the Board of the Company in accordance with the provision of Section 149(10) of the Act with effect from March 20, 2020 .

Mrs. Manisha Agarwal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as an Independent Director.

The Company has received declaration from Mrs. Manisha Agarwal that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the SEBI Listing Regulations.

In the opinion of the Board, Mrs. Manisha Agarwal fulfills the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations. Mrs. Manisha Agarwal is independent of the management. The Board, in accordance with the recommendation of the Nomination and Remuneration Committee, considers that, given her background and experience, it is desirable to appoint Mrs. Agarwal as an Independent Director. Accordingly, it is proposed to appoint Mrs. Manisha Agarwal as Independent Director of the Company, not liable to retire by rotation and to hold office for a period of 5 (five) consecutive years on the Board of the Company.

Details of Director whose appointment as an Independent Director, proposed at Item No. 5 is provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Company has received notice in writing under the provisions of Section 160 of the Act from a Member proposing the candidature of Mrs. Manisha Agarwal for appointment as an Independent Director of the Company. Copy of draft letter of appointment of Mrs. Manisha Agarwal setting out the terms and conditions of appointment is available for inspection by the members of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

Mrs. Manisha Agarwal and her relatives may be deemed to be interested in the resolutions set out respectively at Item No. 5 of the Notice with regard to her appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

Item no. 6

Mr. Pannkaj Dujodwala was appointed as the Managing Director of your Company for a period of five years with effect from August 13, 2015 till August 12, 2020 and the said appointment was approved by the Shareholders at the Annual General Meeting of the Company held on September 24, 2015. Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors ('Board'), on June 30, 2020, re-appointed Mr. Pannkaj Dujodwala as a Whole Time Director, designated as Managing Director (MD) for a further period of 5 (five) years with effect from August 13, 2020 to August 12, 2025, subject to approval of the Shareholders on the following terms and conditions including remuneration:

- Term:** For a period of 5 years, from August 13, 2020 to August 12, 2025.
- Nature of Duties:** The MD shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board and/or Chairman of Mangalam Organics Limited from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board and/or Chairman of Mangalam Organics Limited in connection with and in the best interests of the business of the Company.
- Salary:** Rs. 25,00,000/- per month (including basic salary, allowances, and perquisites) with such annual increment in salary as may be decided by the Board or any Committee thereof, in its absolute discretion from time to time subject to a ceiling of Rs. 37,50,000/- per month (including basic salary, allowances, and perquisites). For the purpose of calculating the allowances and perquisites, valuation shall be done as per Income Tax Act and Rules made thereunder, wherever applicable and in the absence of any such rule, allowance and perquisites shall be valued at actual cost.
- Computation of ceiling:** The contribution to provident fund, gratuity and encashment of leave shall not be included in the computation of perquisites for the purposes of ceiling to the extent these are not taxable under the Income-tax Act, 1961.

5. **Minimum Remuneration:** Notwithstanding anything to the contrary contained in the Agreement, if during the tenure of Mr. Pannkaj Dujodwala as Managing Director, the Company has no profits, or its profits are inadequate, the remuneration mentioned hereinabove shall be paid by the Company to Mr. Pannkaj Dujodwala as minimum remuneration and the same shall be subject to the applicable provisions of the Act and Schedule V thereto, as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force.

6. Other terms of Appointment:

- a. The appointment may be terminated earlier, without any cause, by either Party by giving to the other Party six months' notice of such termination or the Company paying six months' remuneration which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Incentive Remuneration (paid at the discretion of the Board), in lieu of such notice.
- b. In the event the MD is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.
- c. All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the MD unless specifically provided otherwise.
- d. If at any time, the MD ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the MD. If at any time, the MD ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and MD of the Company.
- e. The employment of the MD may be terminated by the Company without notice or payment in lieu of notice:

- if the MD is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or
- in the event of any serious or repeated or continuing breach (after prior warning) or non- observance by the MD of any of the stipulations contained in the Agreement; or
- in the event the Board expresses its loss of confidence in the MD.
- f. Mr. Pannkaj Dujodwala shall be liable to retire by rotation in accordance with the provisions of Section 152 of the Act.

The profile and specific areas of expertise of Mr. Pannkaj Dujodwala are provided as annexure to this Notice.

The Board recommends the passing of resolution mentioned at Item No. 6 of the Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Kamalkumar Dujodwala and Mr. Pannkaj Dujodwala, to whom the resolution relates and their respective relatives are concerned or interested in the resolution mentioned at Item No. 6 of the Notice.

By Order of the Board of Directors

Sd/-

Heena Tank

Company Secretary

Mumbai, August 18, 2020

ANNEXURE TO THE NOTICE DATED AUGUST 18, 2020

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

Particulars	Mr. Kamalkumar Dujodwala	Mr. Pannkaj Dujodwala	Mrs. Manisha Agarwal
Date of Birth	April 01, 1951	September 28, 1963	October 10, 1974
Age	69 Years	57 Years	45 Years
Qualifications	B.Sc Graduate and extensive training at National Chemical Laboratory.	Commerce graduate, MBA from Landsdown College, New Hampshire University, UK	Qualified Chartered Accountant
Experience (including expertise in specific functional area)/Brief Resume	Mr. Kamalkumar Dujodwala has over 40 years experience in the chemical Industry and has spearheaded commissioning and operations at various facilities across India. He has been the president of the All India Manufacturers Organization and is presently the Vice President of the Indo-China Chamber of Commerce.	Mr. Pannkaj Dujodwala has been involved in the Pine Chemicals Industry for over 30 years and brings with him wide experience to oversee day-to-day activities at Mangalam Organics Limited.	Mrs. Manisha Agarwal is a result driven, self-motivated and resourceful qualified Chartered Accountant with a vast experience in financial markets, Personal finance and Recruitment for domestic as well as international corporations. She is also specialized in financial accounting, taxation, preparing accounts and tax returns. She also has an experience in financial forecasting, meeting and interviewing clients and managing colleagues. Mrs. Agarwal possess excellent communication skills and is able to establish sustainable and profitable relationships. Currently Mrs. Agarwal is handling family investments in Mutual Funds, Bonds, Stocks and other financial instruments. She is actively involved in Portfolio Management for her family members, Private Limited Companies and Family Trusts. She also prepares corporate and personal financial statements, tax return preparation and filing for companies, partnership firms and individuals. She is also involved in the Travel and Tour services business namely Voyapal along with her husband.
Terms and Conditions of Appointment / Reappointment	As per the resolution passed by the shareholders at the Annual General Meeting held on 18 September, 2019, Mr. Kamalkumar Dujodwala was re-appointed as a Chairman designated as Executive Director, liable to retire by rotation	As per the resolution passed by the shareholders at the Annual General Meeting held on 24 September, 2015, Mr. Pannkaj Dujodwala was re-appointed as an Executive and Managing Director, liable to retire by rotation	As per the resolution to be passed by the shareholders at the Annual General Meeting to be held on September 29, 2020, Mrs. Manisha Agarwal will be appointed as an Independent Woman Director, Not liable to retire by rotation
Date of first appointment on the Board	03/07/1981	03/06/1987	20/03/2020
Shareholding in the Company as on March 31, 2020	1000 (0.01%)	1,31,300 (1.53%)	-
Relationship with other Directors/Key Managerial Personnel	Brother of Managing Director, Mr. Pannkaj Dujodwala	Brother of Chairman, Mr. Kamalkumar Dujodwala	Not related to any Director / Key Managerial Personnel

Particulars	Mr. Kamalkumar Dujodwala	Mr. Pannkaj Dujodwala	Mrs. Manisha Agarwal
Directorship held in other Listed Public Companies (excluding foreign Companies and Private Companies)	-	-	-
Membership/Chairmanship of Committees of other public companies	-	-	-
No. of Board meetings attended during the year	7	7	-
Details of remuneration last drawn (FY 2019-20)	Remuneration: Rs. 3.00 Crores	Remuneration: Rs. 3.00 Crores	Sitting Fees: NIL

BOARD'S REPORT

TO THE MEMBERS OF MANGALAM ORGANICS LIMITED

Your Directors have pleasure in presenting the Thirty Eighth Annual Report on the performance of the Company together with the audited financial statements for the Financial Year ('FY') ended March 31, 2020.

FINANCIAL RESULTS

The financial performance of your Company for the year ended March 31, 2020 is summarized below:

(Rs. in Lakhs)

Particulars	FY 2019-20	FY 2018-19
Revenue from Operations	37,452.44	42,462.48
Other Income	102.89	179.97
Total Revenue	37,555.33	42,642.45
Profit before Depreciation and Finance cost	8,736.41	11,044.28
Depreciation and Amortisation expense	897.35	621.17
Finance Cost	521.90	363.41
Profit after Depreciation, Finance costs and Exceptional items and before Tax	6,291.21	10,162.58
Tax expense	1,497.54	2,896.83
Profit after Tax	4,793.67	7,265.75
Other comprehensive income	(37.65)	(26.24)
Total Comprehensive Income for the Year	4,756.02	7,239.51

NATURE OF BUSINESS AND FINANCIAL PERFORMANCE

Your Company is 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. 374.52 Crore with a Profit after Tax (PAT) of Rs. 47.56 Crore during FY 2019-20 as compared to Rs. 424.62 Crore and Rs. 72.39 Crore, respectively, during FY 2018-19 signifying a decline of 11.80% in turnover and 34.30% on PAT. Approximately 90% of the revenue has come from Terpene Chemicals. There was no change in nature of the business of the Company, during the year under review.

DIVIDEND:

The Directors are pleased to recommend a dividend of Re.1 per equity share of the face value of Rs. 10/- each for the year ended March 31, 2020 (previous year: Re.1 per Equity Share). The dividend, as recommended by the Board, if declared at the ensuing Annual General Meeting ("AGM") will be paid to those members whose names appear in the Register of Members at the end of business hours on September 25, 2020. In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership, as per the details to be furnished for the purpose by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours on September 25, 2020.

UNCLAIMED AND UNPAID DIVIDEND AND TRANSFER OF SHARES TO IEPF

As on March 31, 2020 an amount of Rs. 2,69,978/- and Rs. 3,81,914/- are lying in the Unclaimed dividend account of the Company in respect of the dividends for FY 2018-19 & 2017-18. 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 2018-19 & FY 2017-18 is placed on the Company's website www.mangalamorganics.com.

Pursuant to 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:

The Board of Directors has decided to retain the entire amount of profits for FY 2019-20 in the Retained Earnings.

SHARE CAPITAL

During the year under review, there was no change in the share capital of the Company. As on March 31, 2020, 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:

As on March 31, 2020, the Company did not have any subsidiary/ joint ventures/ associates companies. However, the Company has incorporated Campure Private Limited, a wholly owned subsidiary on April 21, 2020.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors and Key Managerial Personnel

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

Pursuant to the recommendations of the Nomination and Remuneration Committee ('NRC'), the Board of Directors appointed Ms. Sonal Dandekar as an Additional Woman Independent Director w.e.f. October 30, 2019 in place of Mrs. Anita Shriya who resigned from the Directorship of the Board w.e.f. October 30, 2019. On February 11, 2020, Ms. Sonal Dandekar resigned from the said directorship of the Company due to her other professional and personal commitments.

Pursuant to the recommendations of the Nomination and Remuneration Committee ('NRC'), the Board of Directors also appointed Mrs. Manisha Agarwal as an Additional Woman Independent Director w.e.f. March 20, 2020. Mrs. Agarwal holds office as an Additional Director until the Thirty Eighth Annual General Meeting and is eligible for appointment as an Independent Director. The Company has received a notice under Section 160 of the Act from a member signifying his intention to propose the candidature of Mrs. Agarwal for the Office of an Independent Director. A brief profile of Mrs. Agarwal is given as an Additional Information in the Notice convening the Thirty Eighth Annual General Meeting.

As the 5 (five) years term of Mr. Pannkaj Dujodwala as an Managing Director of the Company will be expiring on August 12, 2020, the Nomination and Remuneration Committee ('NRC') has

recommended the Board to re-appoint Mr. Pannkaj Dujodwala as an Managing Director of the Company for a next term of 5 (five) years w.e.f. August 13, 2020 upto August 12, 2025 and resolution for his reappointment, is incorporated in the Notice of the ensuing Annual General Meeting.

As on the date of this report, the Company has following Key Managerial Personnel:

1. Mr. Kamalkumar Dujodwala, Chairman
2. Mr. Pannkaj Dujodwala, Managing Director
3. Mr. Sanjay Bhardwaj, Chief Executive Officer
4. Mr. Shrirang V. Rajule, Chief Financial Officer
5. Ms. Heena Tank, Company Secretary

In accordance with the provisions of Section 152 read with Section 149(13) of the Companies Act, 2013, Mr. Kamalkumar Dujodwala 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.

Declarations By Independent Directors

Pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the Company has received declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 read with Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations').

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.

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

Board Meetings

The Board of Directors met 7 times during the financial year ended March 31, 2020. 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, 2020, 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, 2020 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
5. Management 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 appointed as the statutory auditors of the Company to hold office for a term of 5 years from the conclusion of the 34th Annual General Meeting held on September 30, 2016 until the conclusion of the 39th Annual General Meeting of the Company to be held in the year 2021. 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 Financial Year 2020-21. 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. 4 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 Financial year 2019-20. 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 2019-20 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 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 I** 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 www.mangalamorganics.com

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, 2020, the Company has following credit ratings from CRISIL and which were reaffirmed:

Long Term Rating: CRISIL A-/Stable (outlook revised from 'BBB+/Positive' and Rating reaffirmed)

Short Term Rating: CRISIL A2+ (outlook revised from 'A2' and Rating reaffirmed)

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

Covid-19 pandemic

The Covid-19 pandemic is the defining global health crisis of our time and is spreading very fast across the continents. But it is much more than a health crisis and is having an unprecedented impact on people and economies worldwide.

The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. Though the long-term directional priorities of the Company remain firm, in light of Covid-19 and its expected impact on the operating environment, the key priorities of the Company would be to closely monitor supply chain, conserve cash and control fixed costs.

The Ministry of Home Affairs, Government of India on March 24, 2020 notified the first ever nationwide lockdown in India to contain the outbreak of Covid-19. Towards the end of the quarter ended March 2020, the operations were disrupted at manufacturing facilities of the Company. The manufacturing operations at Khopoli (Maharashtra) were shut down temporarily. The operations of the factory were started with effect from April 17, 2020, on receiving the permission from appropriate authorities to start the manufacturing facility at Khopoli.

In view of the outbreak of the pandemic, the Company undertook timely and essential measures to ensure the safety and well-being of all its employees at its plant location, various branch offices and the head office. The Company observed all the government advisories and guidelines thoroughly and in good faith.

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 Auditors 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: www.mangalamorganics.com

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 II** 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, 2020.

LOAN FROM DIRECTORS

Pursuant to the provisions of Section 179(3)(d) and any other applicable provisions of the Companies Act, 2013 read with Rules thereunder, your Company had borrowed a sum upto Rs. 7.21 Crore (Rupees Seven Crore Twenty One Lakhs only) from the Directors of the Company on the terms and conditions as furnished in **Annexure III** to this report. The aforesaid loan was approved by the Board in its meeting of May 11, 2019. The Company had received a declaration from the Directors that the amount to be extended by them to the Company is not being given out of the funds acquired by them by borrowing or accepting loans and deposits from others.

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 disclosed in Investors’ section on the website of the Company at www.mangalamorganics.com

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 on www.mangalamorganics.com.

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.

Extract of Annual Return:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended March 31, 2020 made under the provisions of Section 92(3) of the Act is attached as **Annexure VI** and which forms part of this Report.

OTHER DISCLOSURES

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

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 VII** 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.

During the year under review, 1(one) complaint was filed with the Committee of the Company under the provisions of the said Act and such complaint was resolved. There were no complaints outstanding at the end of the FY 2019-20.

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. All Plants of the Company are 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 18, 2020

ANNEXURE I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web- link to the CSR policy:

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 by contributing an amount to institutions / organisations which undertake activities which are aligned with the CSR policy of the Company.

The CSR Policy of the Company is available on the website of the Company at www.mangalamorganics.com

2. The composition of the CSR Committee.

The CSR Committee comprises of following members:

- Mrs. Manisha Agarwal (Chairman)- Independent Women Director
- Mr. Sharad Kumar Saraf- Independent Director
- Mr. Kamalkumar Dujodwala- Executive Director

3. Average Net Profit of the Company for last three financial years: Rs. 40,96,28,656/-

4. Prescribed CSR Expenditure: Rs. 81,92,573/-

5. Details of CSR spent during the financial year:

- Total amount to be spent for the financial year: Rs. 81,92,573/-
- Amount unspent if any: NIL
- Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (for the year) (in Rs.)	Amount spent on the projects or programs sub heads during the year (in Rs.)	Cumulative expenditure upto the reporting period (in Rs.)	Amount spent Direct or through implementing agency
1.	Research and Development	Promoting Education	Local Maharashtra - Mumbai	Rs. 82,00,000/-	Direct Expenditure on projects and programs: Rs. 82,00,000/- Overheads: Nil	Rs. 82,00,000/-	Contribution to Indian Institute of Technology, Mumbai

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's report: **Not Applicable since amount has been spent.**

7. Responsibility statement

The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy has been carried out with all reasonable care and diligence and the same is in compliance with the CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala
Chairman
DIN: 00546281

Place: Mumbai

Date: August 18, 2020

ANNEXURE II

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, 2020, 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, 2020 are as follows:

Sr. 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	Rs. 3.60 Crores 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 18, 2020

ANNEXURE III

LOAN FROM DIRECTORS

Sr. No.	Name of Directors from whom amount is borrowed	Amount Borrowed	Rate of Interest	Repayment and other important terms and conditions
1.	Mr. Kamalkumar Dujodwala	Rs. 6.68 Crores	Not exceeding 9% p.a.	Repayable on demand on or before March 31, 2020.
2.	Mr. Pannkaj Dujodwala	Rs. 0.53 Crores	Not exceeding 9% p.a.	Repayable on demand on or before March 31, 2020.
Total		Rs. 7.21 Crores		

The amount of Rs. 7.19 Crores borrowed from Directors was repaid by the Company on September 16, 2019 and balance Rs. 2 Lakhs was repaid on November 29, 2019.

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: August 18, 2020

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 2019-20 is as follows:

Particulars	Details
Mr. Kamalkumar Dujodwala	54.70
Mr. Pannkaj Dujodwala	54.70
Mr. Sharad Kumar Saraf	NA
Mr. Rajkumar. S. Jatia	NA
Mr. Shree Narayan Baheti	NA
Mrs. Anita Sandeep Shriya	NA
Ms. Sonal Dandekar	NA
Mrs. Manisha Dujodwala	NA

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 Directors, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2019-20, is as follows:

Mr. Kamalkumar Dujodwala	Chairman	NIL
Mr. Pannkaj Dujodwala	Managing Director	NIL
Mr. Shrirang Rajule	Chief Financial Officer	9.11%
Mr. Sanjay Bhardwaj	Chief Executive Officer	10.83%
Ms. Heena Tank	Company Secretary	10.91%

Percentage increase in the median remuneration of employees in the financial year 2019-20: 6.91%

Number of permanent employees on the rolls of the Company as on March 31, 2020: 310

Average percentage increase already made in the salaries of employees' other than the managerial personnel in the last financial year: 15.75%

Percentage increase/ (decrease) in the managerial remuneration: 0.20%

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 18, 2020

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 (Rs.)	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.	69	42	NA	Chairman
2.	Pannkaj Dujodwala	03-06-1987	3,00,00,000	Commerce graduate, MBA from Landsdown College, New Hampshire University, UK	57	33	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.	31	7	Universal Consulting India Pvt Ltd	Executive

Note:

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

ANNEXURE VI

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2020

(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014)

1. REGISTRATION AND OTHER DETAILS:

CIN	L24110MH1981PLC024742
Registration Date	July 03, 1981
Name of the Company	MANGALAM ORGANICS LIMITED
Category / sub-category of the Company	Company having Share Capital
Address of the registered office and contact details	Kumbhivali Village, Savroli Kharpada Road, Taluka. Khalapur, Khopoli-410202, Dist. Raigad, Maharashtra Tel: +91-22-4920 4089 Email Id: cs@mangalamorganics.com
Whether Listed Company	Yes
Name, address and contact details of the Registrar and Transfer Agent. (Change w.e.f. July 01, 2019)	Link Intime India Private Limited C 101, 247 Park (Embassy), 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 Universal Capital Securities Pvt Ltd. (Upto June 30, 2019) 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai- 93.

2. Principal Business Activities of the Company (all the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sr. No.	Name and description of main products / services	NIC code of the product / service	% to total turnover of the Company
1.	Manufacturer of Camphor & Allied Products, Synthetic Resins	24297 / 24299	100%

3. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and address of the Company	CIN/GLN	Holding, Subsidiary and Associate Companies	% of Shares held	Applicable Section
1.	CAMPURE PRIVATE LIMITED 812/813, Tulsiani Chambers, Free Press Journal Marg, 212, Nariman Point, Mumbai – 400 021, Maharashtra (Incorporated on April 21, 2020)	U24100MH2020PTC339492	Subsidiary	100%	N.A.

4. SHARE HOLDING PATTERN (Equity Share Capital Breakup as Percentage of total Equity)

I. Category-wise Share Holding

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoters									
1	Indian									
(a)	Individuals/ Hindu Undivided Family	2272953	-	2272953	26.53	2700953	-	2700953	31.54	4.99
(b)	Central Govt(s)	-	-	-	-	-	-	-	-	-
(c)	State Govt(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(e)	Banks / FI	-	-	-	-	-	-	-	-	-
(f)	Any Others (Specify)	2001849	-	2001849	23.37	2001849	-	2001849	23.37	-
	Sub Total (A) (1)	4274802	-	4274802	49.91	4702802	-	4702802	54.91	4.99
2	Foreign									
a	NRIs- Individuals	-	-	-	-	-	-	-	-	-
b	Other Individuals	-	-	-	-	-	-	-	-	-
c	Bodies Corporate	-	-	-	-	-	-	-	-	-
d	Banks / FI	-	-	-	-	-	-	-	-	-
e	Any Others (Specify)	-	-	-	-	-	-	-	-	-
	Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter (A)= (A) 1)+(A)(2)	4274802	-	4274802	49.91	4702802	-	4702802	54.91	4.99

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-
(b)	Banks / FI	-	-	-	-	-	-	-	-	-
(c)	Central Govt(s)	-	-	-	-	-	-	-	-	-
(d)	State Govt(s)	-	-	-	-	-	-	-	-	-
(e)	Alternate Investment Funds	5067	-	5067	0.06	-	-	-	-	0.06
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	FIs	11850	-	11850	0.14	-	-	-	-	-0.14
(h)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	16917	-	16917	0.20	-	-	-	-	0.20
B 2	Non-institutions									
(a)	Bodies Corporate									
(i)	Indian	547726	3700	551426	6.44	219406	3700	223106	2.60	-3.84
(ii)	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital up to Rs 1 lakh	1591036	339700	1930736	22.54	1624741	320400	1945141	22.71	0.17
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1086688	-	-	12.69	919920	-	-	10.74	-1.95
(c)	Others (specify)	-	-	-	-	-	-	-	-	-
(i)	Clearing Members	96418	-	-	1.13	21124	-	-	0.25	-0.88

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii)	Trusts	-	-	-	-	-	-	-	-	-
(iii)	NRI / OCBs	64411	65500	129911	1.52	97940	62900	160840	1.88	0.36
(iv)	Foreign Nationals									
(v)	Hindu Undivided Family	-	-	-	-	120879	-	120879	1.41	1.41
(vi)	IEPF A/C	477542	-	-	5.58	470628	-	470628	5.50	-0.08
	Sub-Total (B)(2)	3863821	408900	4272721	49.89	3474638	387000	3861638	45.09	4.80
(B)	Total Public Shareholding (B)= (B) (1)+(B)(2)	3880738	408900	4289638	50.08	3474638	387000	3861638	45.09	4.99
	TOTAL (A)+(B)	8155540	408900	8564440	100.00	8177440	387000	8564440	100.00	-
(C)	Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	8155540	408900	8564440	100.00	8177440	387000	8564440	100.00	-

Note:

Additionally, Mr. Akshay Dujodwala (Promoter Group) had purchased 8,000 equity shares on March 28, 2019. The same was not reflected in Benpos as on March 31, 2019 due to market settlement cycle and accordingly, the same was not reflected in his shareholding as on March 31, 2019, mentioned above.

II. Shareholding of Promoter

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
Dujodwala Exports Pvt Ltd	172432	2.01	0.00	172432	2.01	0.00	0.00
Indo Euro Securities Ltd	1829417	21.36	0.00	1829417	21.36	0.00	0.00
Manisha Dujodwala	853250	9.96	0.00	853250	9.96	0.00	0.00
Akshay Kamalkumar Dujodwala	379965	4.44	0.00	807965	9.43	0.00	4.99
Kamalkumar Dujodwala	1000	0.01	0.00	1000	0.01	0.00	0.00
Alka Dujodwala	578790	6.76	0.00	578790	6.76	0.00	0.00
Pankaj Dujodwala HUF	172432	2.01	0.00	172432	2.01	0.00	0.00
Ramgopal Kamalkumar HUF	156216	1.82	0.00	156216	1.82	0.00	0.00
Pannkaj Dujodwala	131300	1.53	0.00	131300	1.53	0.00	0.00
Total	4274802	49.91	0.00	4702802	54.91	0.00	

Note:

Additionally, Mr. Akshay Dujodwala (Promoter Group) had purchased 8,000 equity shares on March 28, 2019. The same was not reflected in Benpos as on March 31, 2019 due to market settlement cycle and accordingly, the same was not reflected in his shareholding as on March 31, 2019, mentioned above.

III. Change in Promoters' Shareholding

Sr. No.	Name of Promoter	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Dujodwala Exports Pvt Ltd	172432	2.01	01.04.2019	-	-		
					No change in shareholding during the year			
				31.03.2020		-	172432	2.01
2.	Indo Euro Securities Ltd	1829417	21.36	01.04.2019		-		
					No change in shareholding during the year			
				31.03.2020		-	1829417	21.36
3.	Manisha Dujodwala	853250	9.96	01.04.2019				
					No change in shareholding during the year			
				31.03.2020			853250	9.96
4.	Akshay Dujodwala	379965	4.44	01.04.2019				
				28.03.2019		8000		
				16.09.2019		160000		
				28.02.2020		260000		
				31.03.2020			807965	9.43
5.	Kamalkumar Dujodwala	1000	0.01	01.04.2019				
					No change in shareholding during the year			
				31.03.2020			1000	0.01
6.	Alka Dujodwala	578790	6.39	01.04.2019				
					No change in shareholding during the year			
				31.03.2020			578790	6.39

Sr. No.	Name of Promoter	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
7.	Pankaj Dujodwala HUF	172432	1.90	01.04.2019				
					No change in shareholding during the year			
				31.03.2020			172432	1.90
8.	Ramgopal Kamalkumar HUF	156216	1.73	01.04.2019				
					No change in shareholding during the year			
				31.03.2020			156216	1.73
9.	Pannkaj Dujodwala	131300	1.53	01.04.2019				
					No change in shareholding during the year			
				31.03.2020			131300	1.53

Note:

Additionally, Mr. Akshay Dujodwala (Promoter Group) had purchased 8,000 equity shares on March 28, 2019. The same was not reflected in Benpos as on March 31, 2019 due to market settlement cycle and accordingly, the same was not reflected in his shareholding as on March 31, 2019, mentioned above.

IV. Shareholding Pattern of Top Ten Shareholders as on March 31, 2020 (other than Directors, Promoters):

Sr No	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
1	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	477542	5.58			477542	5.58
	Transfer			05 Jul 2019	(700)	476842	5.5677
	Transfer			16 Aug 2019	(300)	476542	5.5642
	Transfer			06 Sep 2019	(100)	476442	5.5630
	Transfer			13 Sep 2019	(200)	476242	5.5607
	Transfer			27 Sep 2019	(100)	476142	5.5595
	Transfer			01 Nov 2019	(200)	475942	5.5572
	Transfer			15 Nov 2019	(100)	475842	5.5560
	Transfer			27 Dec 2019	(100)	475742	5.5549
	Transfer			17 Jan 2020	(500)	475242	5.5490
	Transfer			24 Jan 2020	(4414)	470828	5.4975
	Transfer			31 Jan 2020	(100)	470728	5.4963
	Transfer			14 Feb 2020	(100)	470628	5.4951
	At the end of the year					470628	5.4951
2	Devita Rajkumar Saraf	420900	4.91			420900	4.9145
	At the end of the year					420900	4.9145
3	J B C International LLP	414500	4.84			414500	4.8398
	Transfer			28 Feb 2020	(260000)	154500	1.8040
	At the end of the year					154500	1.8040
4	Rajeev Jawahar	88620	1.03			88620	1.0347
	At the end of the year					88620	1.0347

Sr No	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
5	Sangeetha S	70450	0.82			70450	0.8226
	Transfer			15 Nov 2019	(1890)	68560	0.8005
	Transfer			22 Nov 2019	(1670)	66890	0.7810
	Transfer			06 Dec 2019	(220)	66670	0.7785
	Transfer			14 Feb 2020	(1980)	64690	0.7553
	Transfer			28 Feb 2020	(900)	63790	0.7448
	At the end of the year					63790	0.7448
6	V D Henry	14275	0.17			14275	0.1667
	Transfer			31 May 2019	(1000)	13275	0.1550
	Transfer			21 Jun 2019	(300)	12975	0.1515
	Transfer			26 Jul 2019	700	13675	0.1597
	Transfer			09 Aug 2019	5225	18900	0.2207
	Transfer			16 Aug 2019	600	19500	0.2277
	Transfer			23 Aug 2019	2750	22250	0.2598
	Transfer			30 Aug 2019	500	22750	0.2656
	Transfer			06 Sep 2019	150	22900	0.2674
	Transfer			20 Sep 2019	400	23300	0.2721
	Transfer			04 Oct 2019	10	23310	0.2722
	Transfer			11 Oct 2019	150	23460	0.2739
	Transfer			18 Oct 2019	365	23825	0.2782
	Transfer			01 Nov 2019	(2000)	21000	0.2452
	Transfer			08 Nov 2019	3300	24300	0.2837
	Transfer			15 Nov 2019	1356	25656	0.2996
	Transfer			29 Nov 2019	1544	27200	0.3176
	Transfer			06 Dec 2019	1800	29000	0.3386
	Transfer			13 Dec 2019	1150	30150	0.3520
	Transfer			20 Dec 2019	1436	31586	0.3688
	Transfer			27 Dec 2019	400	31986	0.3735
	Transfer			31 Dec 2019	1350	33336	0.3892
	Transfer			03 Jan 2020	1444	34780	0.4061
	Transfer			10 Jan 2020	4220	39000	0.4554
	Transfer			17 Jan 2020	3200	42200	0.4927
	Transfer			24 Jan 2020	1785	43985	0.5136
	Transfer			31 Jan 2020	1590	45575	0.5321
	Transfer			07 Feb 2020	1015	46590	0.5440
	Transfer			14 Feb 2020	425	47015	0.5490
	Transfer			06 Mar 2020	645	47660	0.5565
	Transfer			13 Mar 2020	500	48160	0.5623
	Transfer			20 Mar 2020	985	49145	0.5738
	At the end of the year					49145	0.5738

Sr No	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
7	Murarilal Ramniwas Dujodwala	48000	0.56				
	At the end of the year					48000	0.5605
8	Ankita Uttam Bagri	42100	0.49			42100	0.4916
	Transfer			20 Mar 2020	(37006)	5094	0.0595
	Transfer			27 Mar 2020	34906	40000	0.4670
	At the end of the year					40000	0.4670
9	Sarla Bharat Bagri	58649	0.68			58649	0.6848
	Transfer			20 Sep 2019	(36449)	22200	0.2592
	Transfer			27 Mar 2020	16647	38847	0.4536
	Transfer			31 Mar 2020	1153	40000	0.4670
	At the end of the year					40000	0.4670
10	Sangeeta Taneja	13500	0.16			13500	0.1576
	Transfer			26 Apr 2019	(5000)	8500	0.0992
	Transfer			07 Jun 2019	5846	14346	0.1675
	Transfer			14 Jun 2019	2194	16540	0.1931
	Transfer			21 Jun 2019	5307	21847	0.2551
	At the end of the year					21847	0.2551

V. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Kamalkumar Dujodwala				
	At the beginning of the year	1000	0.01	-	-
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	-	-	-	-
	At the end of the year	1000	0.01	1000	0.01
2.	Mr. Pannkaj Dujodwala				
	At the beginning of the year	131300	1.53		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	-	-	-	-
	At the end of the year	131300	1.53	131300	1.53
3.	Mr. Rajkumar S Jatia	-	-	-	-
4.	Mr. Sharad Kumar Saraf	-	-	-	-
5.	Mr. Shree Narayan Baheti	-	-	-	-
6.	Mrs. Manisha Agarwal	-	-	-	-

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	KMPs				
7.	Mr. Sanjay Bhardwaj				
	At the beginning of the year	1	-		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	-	-	-	-
	At the end of the year	1	-	1	-
8.	Mr. Shrirang Rajule				
	At the beginning of the year	1	-		
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	-	-	-	-
	At the end of the year	1	-	1	-
9.	Ms. Heena Tank	-	-	-	-

VI. Indebtedness

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

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	49,93,70,571	-	-	49,93,70,571
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	49,93,70,571	-	-	49,93,70,571
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	29,74,99,419	-	-	29,74,99,419
Net Change	29,74,99,419	-	-	29,74,99,419
Indebtedness at the end of the financial year				
i) Principal Amount	20,18,71,152	-	-	20,18,71,152
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	20,18,71,152	-	-	20,18,71,152

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Mr. Kamalkumar Dujodwala	Mr. Pannkaj Dujodwala
1.	Gross Salary	3,00,00,000/-	3,00,00,000/-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-
	(b) Value of perquisites u/s 17 (2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17 (3) of the Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	As % of profit	-	-
	Others, specify	-	-
5.	Others please specify	-	-
	Total (a)	3,00,00,000/-	3,00,00,000/-
Ceiling as per Schedule V of the Companies Act, 2013		Rs. 6,89,12,058/-	

B. Remuneration to other Directors:

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Names of Director						Total Amount
		Mr. Rajkumar Jatia	Mr. Sharad Kumar Saraf	Mr. S.N. Baheti	Mrs. Anita Shriya	Ms. Sonal Dandekar	Mrs. Manisha Agarwal	
1.	Fees for attending Board / Committee Meeting	7,000	6,000	5,000	4,000	2,000	NA	24,000
2.	Commission	-	-	-	-	-	-	-
3.	Others, please specify	-	-	-	-	-	-	-
	Total	7,000	6,000	5,000	4,000	2,000	NA	24,000

C. Remuneration to Key Managerial Personnel other than MD/ Manager /WTD

(Amount in Lakhs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Shrirang Rajule	Mr. Sanjay Bhardwaj	Ms. Heena Tank	Total Amount
1.	Gross Salary	9.12	30.02	4.24	43.38
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-	-
b.	Value of perquisites u/s 17 (2) of the Income Tax Act, 1961	-	-	-	-
c.	Profits in lieu of salary under Section 17 (3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Seat Equity	-	-	-	-
4.	Commission As % of profit Others, specify	-	-	-	-
5.	Others please specify	-	-	-	-
	Total (a)	9.12	30.02	4.24	43.38

VIII. Penalties / Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

Sd/-**Kamalkumar Dujodwala****Chairman****DIN: 00546281**

Place: Mumbai

Date: August 18, 2020

ANNEXURE VII

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:

		2019-20	2018-19
1.	Electricity Purchased		
	Units (Kwh/Lakh)	61.5	54.47
	Total Amounts (Rs./Lakh)	554.02	475.95
	Rate /Unit (Rs.)	9.01	8.73
2.	Furnace Oil / Light Diesel Oil		
	Quantity (Ltrs/Lakh)	3.74	1.71
	Total Cost (Rs./Lakh)	137.56	83.51
	Average Rate (Rs./Lakh)	36.78	57.52
3.	Coal		
	Quantity (MT)	15,666.70	14,080.00
	Total Cost (Rs./Lakh)	940.00	825.10

Conservation of Energy

Steps taken for conservation of energy:-

Your Company has been making continuous efforts to conserve energy and upgrade technology to optimize the energy cost. It has always been conscious of the need for conservation of energy and natural resources and considers it as a focus area. Energy efficiency improvement initiatives have been implemented across the plant 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:

1. Programs for improving energy efficiency and productivity.
2. Thrust on use of renewable energy.
3. Rain water harvesting, reduce usage, re-use and recycle water.
4. Thrust on zero waste to land fill and promote circular economy.
5. For the year under review, your Company increased its installed solar power capacity, from 440 kWh to 540 kWh.

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 Terpene 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:

(Rs. In Lakhs)

	FY 2019-20	FY 2018-19
Foreign Exchange earning	3,499.15	4,483.40
Foreign Exchange outflow	17,569.17	23,883.35

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: August 18, 2020

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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 of applicable statutory provisions and the adherence to good corporate practices by **MANGALAM ORGANICS LIMITED, (CIN - L24110MH1981PLC024742)**, (herein after called the Company). 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.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and scanned copies of the documents provided by the company through e-mail, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 ('Audit Period') has generally complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, 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 Company for the financial year ended on 31st March, 2020 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 (Depositories and Participants) Regulations, 2018
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit period);**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit period);**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit period);**
- (g) 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;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit period);**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit period);**
- (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- i. Listing Agreements entered into by the Company with BSE Limited

During the period under review and as per representations and clarifications made, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc except the following:

Chairperson of Audit Committee was not present at Annual General Meeting held for the year ended 31st March, 2019 as per Regulation 18(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, due to ill health and the same was reported in Corporate Governance in September 2019.

I further report that, having 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 the following laws 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 duly constituted with proper 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.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and 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 decisions at Board Meetings and Committee Meetings are carried out requisite majority as recorded in the minutes of the meetings of the Board of Directors or committee of the Board as the case may be.

I further report that, 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 altered Clause No. III (Object Clause) and Clause No. IV (Liability Clause) of its Memorandum of Association so as to re-align as per the provisions of the Companies Act, 2013.

For YOGESH SHARMA & CO.

Prop. YOGESH M. SHARMA

ACS: 33235

C.P: 12366

Place: Mumbai

Date: August 12, 2020

UDIN: A033235B000573225

*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.

APPENDIX A

To,
The Members,

MANGALAM ORGANICS LIMITED,

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 process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was one on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, which I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management Representation about the Compliance of laws, rules and regulations and happenings of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of the management. My examination was limited to the verification of procedure on the 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.

For YOGESH SHARMA & CO.

Prop. YOGESH M. SHARMA

ACS: 33235

C.P: 12366

Place: Mumbai

Date: August 12, 2020

MANAGEMENT DISCUSSION & ANALYSIS

INDIA ECONOMIC OVERVIEW

The slowdown in global economy, some country specific factors and the outbreak of coronavirus pandemic (Covid-19) during the fourth quarter of the financial year brought the Indian economy down to its lowest growth in FY 2019-20. The stress in financial sector, lower GST collections and strain on fiscal deficit had a negative impact on consumption, investment and trade. Both National Statistical Office (NSO) and Internal Monetary Fund's June World Economic Outlook calculated India's Gross Domestic Product growth at 4.2% in FY 2019-20 compared to 6.1% in the previous year.

The Government took certain measures in the year under review, towards giving monetary and fiscal support to the economy. Actions were taken towards scaling up of logistics infrastructure to increase export competitiveness of the country. The country also strengthened its external position by jumping to 63rd position in World Bank's 2020 ranking of 'Ease of Doing Business'. This supported growing inflows of foreign direct investment (FDI) into the country. Additionally, the announcement of the National Infrastructure Pipeline (NIP) with a budget of Rs. 102 lakh crore and the Union Budget 2020-21 were targeted towards sustainable economic growth. New manufacturing companies also got the boost with the base corporate tax rate cut to 15%. However, the unprecedented spread of the coronavirus pandemic, the lockdown, and a complete halt to all economic activities posed fresh challenges to the economy.

Outlook

With a focus on surviving this crisis, ramping up the healthcare system and supporting the economy, the Government has announced a Rs. 20 lakh crore Coronavirus Relief Package called "Aatmanirbhar Bharat" with an aim to boost localisation and building a self-reliant economy. The package announced policy and liquidity support to cottage industries and MSMEs, NBFCs, labourers, farmers, middle class, and urban and rural poor. RBI contributed to the package by cutting the repo rate to 4% and reverse repo rate to 3.75%, in order to make loans easily available to banks and discourage parking of cash with RBI. Further, to inject liquidity in the economy, it allowed loan repayment moratorium for six months. Besides that, tax breaks and collateral free loans for businesses and MSMEs and incentives for domestic manufacturing are likely to support the economy further.

To ease the economy from the negative impact of lockdown, Government decided on a phased reopening of the economy since June with strict SOPs. However, despite all the support, the quick intensification of the pandemic in India in Q1 FY 2020-21 is sealing all hopes of a rebound in the current fiscal year. IMF revised its forecast for India in its June WEO, and projected a negative growth of 4.5% for FY 2020-21. It however, projects the Indian economy to grow by 6% in FY 2021-22 supported by Government's growth strategies.

Source: India Economic Survey Volume II for inflation rate

(https://www.indiabudget.gov.in/economicsurvey/doc/vol2chapter/echap05_vol2.pdf),

PWC Indian Budget Analysis([file:///C:/Users/hp/Downloads/pwc-union-budget-analysis%20\(1\).pdf](file:///C:/Users/hp/Downloads/pwc-union-budget-analysis%20(1).pdf)),

http://www.mospi.gov.in/sites/default/files/press_release/Press%20note%20for%20FAE%202019-20.pdf,

<https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020>

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 'Global Impact of the modern pine chemical industry' from Pine Chemicals Association International (PCA), revenues from global pine chemical industry are currently valued in excess of USD10 billion with a positive growth outlook. The industry directly employs over 14,000 people globally and contributes significantly to the export revenue of both industrialised and developing countries.

Source: https://cdn.ymaws.com/www.pinechemicals.org/resource/resmgr/Studies/PCA_Global_Impact_of_the_Mo.pdf

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 market for Terpenes is expected to grow at a CAGR of roughly 6.3% over the next five years to reach USD 730 million in 2024, from USD 510 million in 2019, according to a New Research study by 360 Research Reports.

Synthetic Resins

Synthetic resin is an artificial polymer, which has similar physical properties like natural resins, but is different chemically. Synthetic resins are not clearly differentiated from plastics. Different types of plastics are therefore named after the name of the synthetic resin it is made from. They are produced in viscous liquids form, which is capable of hardening permanently. Natural resins have been almost entirely replaced by synthetic resins in modern industrial application.

According to a report from Procurement IQ, the global synthetic resins market is expected to witness category spend growth of more than USD 153 billion during 2018-2023, with a CAGR of 5.03%. Due to its properties like light weight, durability, rigidity, and the ability to act as an excellent barrier, synthetic resins are used as a flexible packaging material.

The growth of e-commerce sector is creating a substantial demand for flexible packaging and synthetic resins. Asia Pacific region is dominating the global synthetic resins market and is expected to contribute significantly in the global spend.

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.

Being a leading producer of natural base ingredients like spices and herbs, India plays a dominant role in natural aroma chemical market because of the availability of natural raw materials. India is an important global supplier, with 70%+ of the Indian production being exported to global markets. Demand for these products is increasing globally, with natural ingredients getting preference across the F&B, FMCG and nutraceutical space.

The global base ingredient market for both Flavour & Fragrance and nutraceutical ingredients is calculated to be in excess of USD 16 billion in 2019. This is poised to grow at a CAGR of ~6% till 2021. The Indian base ingredients market is currently sized at about USD 3.4 billion, growing at a CAGR of 11% till 2021.

Source: Report – ‘Flavours, Fragrances & Nutraceutical Ingredients in India’ by Avendus Capital

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	

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, 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 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, 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	- Camphor - Dipentene - Sodium Acetate	Camphor: Religious use, healthcare products, hygiene products Dipentene: Paints, cleaning and degreasing agents Sodium Acetate: Textile and dyes industry, Leather tanning
B2B- Synthetic Resin	- Terpene Phenolic Resin - Alkyl Phenolic Resin - Rosin Esters	Adhesives, Tyres, Rubbers, Chewing Gum, Printing Ink
B2C- Retail Operations	- CamPure- Homecare and personal care products based on Camphor - Mangalam- Camphor tablets for Pious uses - 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 confirm 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 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
CamPure	Home care products based on camphor such as Camphor Cone, Camphor Sticks, Camphor Air Purifiers, Camphor Hand Wash, Camphor Soap Bar

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.

Covid-19 Impact

The outbreak of Covid 19 pandemic slowed down economic activities bringing a sudden halt in various operations and sales with the pandemic induced lockdown. Manufacturing operations and offices had to be shut down during the lockdown period. This had partially impacted the operations in the last week of March 2020 and the first quarter of FY 2020-21. The restart of operations was not at its normal capacity due to various reasons such as restrictions on movement, lack of labour, strict restriction by societies on its members, a large number of areas being under red zone, etc. The Company's near normal operations has been started from mid-June, 2020. The Company followed all the health and safety, and hygiene protocols during the lockdown period and after the unlocking of economic activities in June.

FINANCIAL PERFORMANCE

During the year under review, Revenues from operations for FY 2019-20 stood at Rs. 374.52 crore, a decline by of 11.80% as compared to Rs. 424.62 crore in FY 2018-19. Decrease in revenue was due to global reduction in the price of the finished goods manufactured by your Company.

Further, the Company registered a Net Profit of Rs. 47.56 crore for FY 2019-20, a decline of 34.30% as compared to Rs. 72.39 crore for the FY 2018-19, this was due to the inventories procured at high prevailing price earlier which is usually required by manufacturing industries to run the operations smoothly. The Company's EBIT stood at Rs. 87.36 crore for FY 2019-20, as compared to Rs. 110.44 crore in FY 2018-19.

Details of Significant Changes in Key Financial Ratios

In FY 2019-20, there are no significant changes in key Financial Ratios, except the following:

1. Interest Coverage Ratio

FY 2019-20	FY 2018-19
15.02x	28.89x

Decrease in Interest Coverage Ratio was due to decrease in profitability on account of low realisation from finished products of the Company as compared to FY 2018-19.

2. Current Ratio

FY 2019-20	FY 2018-19
3.29x	2.25x

Company has repaid substantial working capital facility which resulted in improvement in Current ratios as compared to FY 2018-19.

3. Debt Equity Ratio

FY 2019-20	FY 2018-19
0.28x	0.57x

Decrease in Debt Equity Ratio as compared to FY 2018-19 was due to considerable reduction in short term and long term liability.

4. Operating Profit Margin (%)

FY 2019-20	FY 2018-19
20.93%	24.73%

Decrease in Operating profit margin was due to reduction in realisation from the finished products of the Company as compared to FY 2018-19.

5. Net Profit Margin (%)

FY 2019-20	FY 2018-19
12.70%	17.05%

Decrease in Net profit margin was due to reduction in realisation from the finished products of the Company as compared to FY 2018-19.

6. Details of any change in Return on Net Worth, compared to the previous financial year

FY 2019-20	FY 2018-19
28.33%	59.66%

Profitability has been affected due to low realisation of finished products, which resulted in further low net worth as compared to previous year 2018-19.

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 2020-21, the Company will 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 2020-21, the Company expects its investments in various projects to add to the top and bottom-line.

The Company will continue 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.

FY 2020-21 started with a depressing note because of the severe intensification of the Covid-19 pandemic. However, the Company expects to bounce back as soon as economic activities are normalised. With its continuous efforts on improving efficiencies and margins, barring unforeseen circumstances like the present outbreak of Covid-19, the Company expects to achieve steady results in FY 2020-21.

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, 2020 was 310 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

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).

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 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 2019-20. 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, 2020 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, 2020

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 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 fulfills 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, 2020 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, 2020			Names of the listed entities and category of directorship
			Directorships \$	Committee Chairmanships+	Committee Memberships+	
Mr. Kamalkumar Dujodwala	Promoter-Executive Director/Chairman	00546281	1	-	2	-
Mr. Pannkaj Dujodwala	Promoter-Managing Director	00546353	1	-	-	-
Mr. Rajkumar S Jatia	Independent Director	00136303	1	-	-	-
Mr. Sharad Kumar Saraf	Independent Director	00035843	2	-	3	Technocraft Industries (India) Ltd. – Executive Director and Chairperson

Directors	Category	Directors' Identification Number (DIN)	Total Number of Directorships, Committee Chairmanships and Memberships of public limited companies*, as on 31st March, 2020			Names of the listed entities and category of directorship
			Directorships \$	Committee Chairmanships+	Committee Memberships+	
Mr. Shree Narayan Baheti	Independent Director	01760198	1	-	0	-
Mrs. Manisha Agarwal	Additional Director (Independent) & Woman Director	00441841	1	2	2	-

*	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).

A separate meeting of Independent Directors was held on February 11, 2020, which was attended by the following Independent Directors:

1. Mr. Rajkumar S Jatia
2. Mr. Sharad Kumar Saraf
3. Mr. Shree Narayan Baheti
4. Mrs. Sonal Dandekar (resigned w.e.f closing hours of February 11, 2020).

Except for Mr. Kamalkumar Dujodwala and Mr. Pannkaj Dujodwala, no other Directors are related to each other in terms of the definition of 'relative' given under Companies Act, 2013. Mr. Kamalkumar Dujodwala and Mr. Pannkaj Dujodwala are brothers.

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

Pursuant to the recommendations of the Nomination and Remuneration Committee ('NRC'), the Board of Directors appointed Ms. Sonal Dandekar as an Additional Woman Independent Director w.e.f. October 30, 2019 in place of Mrs. Anita Shriya who resigned from the Directorship of the Board w.e.f. October 30, 2019 due to her personal and social commitments. On February 11, 2020, Ms. Sonal Dandekar resigned from the said directorship of the Company due to her other professional and personal commitments. She further confirmed that that there was no other material reason for her resignation apart from the reason mentioned as above.

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 has not been more than 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 2019-20, seven meetings of the Board of Directors were held on:

- May 11, 2019
- July 1, 2019
- August 12, 2019
- October 30, 2019
- December 4, 2019
- February 11, 2020
- March 20, 2020

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	7	No
Mr. Sharad Kumar Saraf	7	No
Mr. Shree Narayan Baheti	5	No
Mrs. Anita Sandeep Shriya (Resigned w.e.f. October 30, 2019)	4	No
Ms. Sonal Dandekar (Resigned w.e.f. February 11, 2020)	2	-
Mrs. Manisha Agarwal (Appointment w.e.f. March 20, 2020)	-	-

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, 2020

Name	Number of Equity Shares	% of Total Paid Up Share Capital
Mr. Kamalkumar Dujodwala	1,000	0.01
Mr. Pannkaj Dujodwala	1,31,300	1.53
Mr. Rajkumar S Jatia	-	-
Mr. Sharad Kumar Saraf	-	-
Mr. Shree Narayan Baheti	-	-
Mrs. Anita Sandeep Shriya (Resigned w.e.f. October 30, 2019)	-	-
Ms. Sonal Dandekar (Resigned w.e.f. February 11, 2020)	-	-
Mrs. Manisha Agarwal (Appointment w.e.f March 20, 2020)	-	-
Total	1,32,300	1.54

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 at <http://www.mangalamorganics.com>.

6. Subsidiary Monitoring Mechanism

As on March 31, 2020, the Company did not have any subsidiary/joint ventures/ associates companies. However, the Company has incorporated Campure Private Limited, a wholly owned subsidiary on April 21, 2020 and the Company also has a Policy for determining Material Subsidiary which can be viewed at <http://www.mangalamorganics.com>.

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
1.	Kamalkumar Dujodwala	✓	✓	-	✓
2.	Pannkaj Dujodwala	✓	-	✓	✓
3.	Sharad Kumar Saraf	✓	✓	✓	-
4.	Rajkumar Jatia	✓	-	✓	-
5.	Shree Narayan Baheti	✓	-	✓	-
6.	Manisha Agarwal	✓	✓	✓	-

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 ground work for decision-making and report the same to the Board at the subsequent meetings.

Audit Committee

The composition of the Audit Committee as on March 31, 2020 is as follows:

Name of Members	Category	Designation
Mr. Sharad Kumar Saraf	Independent Director	Member
Mrs. Manisha Agarwal (Appointment w.e.f March 20, 2020)	Independent Woman Director	Chairperson
Mr. Kamalkumar Dujodwala	Executive Director	Member

During the year under review, the Audit Committee met four times on:

- May 11, 2019
- August 12, 2019

- October 30, 2019
- February 11, 2020

The attendance of members of the Audit Committee at the committee meetings held during the year ended March 31, 2020 is as follows:

Name of Members	Number of Meetings	
	Held	Attended
Mr. Sharad Kumar Saraf -	4	4
Mrs. Anita Sandeep Shriya - Member (Resigned w.e.f. October 30, 2019)	4	3
Mr. Kamalkumar Dujodwala - Member	4	4
Ms. Sonal Dandekar (Appointed w.e.f October 30, 2019 & Resigned w.e.f. February 11, 2020)	4	1
Mrs. Manisha Agarwal (Appointment w.e.f March 20, 2020)	Not Applicable	Not Applicable

The time interval between any two Audit Committee meetings was not more than 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, Remuneration and Compensation (NRC) Committee

The composition of this Committee as on March 31, 2020 is as follows:

Name of Members	Category	Designation
Mr. Sharad Kumar Saraf	Independent Director	Member
Mrs. Manisha Agarwal (Appointment w.e.f March 20, 2020)	Independent Woman Director	Chairperson
Mr. Rajkumar Jatia	Independent Director	Member

During the year under review, the NRC Committee met three times on:

- August 12, 2019
- October 30, 2019
- March 20, 2020

The attendance of members of the NRC Committee at the committee meetings held during the year ended March 31, 2020 is as follows:

Name of Members	Number of Meetings	
	Held	Attended
Mr. Sharad Kumar Saraf	3	3
Mrs. Anita Sandeep Shriya - Member (Resigned w.e.f. October 30, 2019)	3	2
Mr. Rajkumar Jatia- Member	3	3
Mr. Shree Narayan Baheti- Member	3	1
Mrs. Manisha Agarwal (Appointment w.e.f March 20, 2020)	Not Applicable	Not Applicable

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.

11. Stakeholders Relationship Committee

The composition of this Committee as on March 31, 2020 is as follows:

Name of Members	Category	Designation
Mr. Sharad Kumar Saraf	Independent Director	Member
Mrs. Manisha Agarwal (Appointment w.e.f March 20, 2020)	Independent Woman Director	Chairperson
Mr. Kamalkumar Dujodwala	Executive Director	Member

During the year under review, three meetings of the Committee were held on:

- August 12, 2019
- October 30, 2019
- February 11, 2020

The attendance of members at the committee meetings held during the year ended March 31, 2020 is as follows:

Name of Members	Number of Meetings	
	Held	Attended
Mr. Sharad Kumar Saraf	3	3
Mrs. Anita Sandeep Shriya - Member (Resigned w.e.f. October 30, 2019)	3	2
Mr. Kamalkumar Dujodwala	3	3
Ms. Sonal Dandekar (Appointed w.e.f October 30, 2019 & Resigned w.e.f. February 11, 2020)	3	1

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	3
Disposed off during the financial year	3
Pending at the end of the financial year	Nil

Ms. Heena Tank, Company Secretary has been appointed as a Compliance Officer of the Company on March 19, 2019, the details of whom are given below.

Name: Ms. Heena Tank

Designation: Company Secretary and Compliance Officer

Address: 812/813, Tulsiani Chambers,

212, Nariman point,

Mumbai- 400021

Tel: +91 (22)- 49204089

Email: cs@mangalamorganics.com

12. Corporate Social Responsibility Committee

The composition of this Committee as on March 31, 2020 is as follows:

Name of Members	Category	Designation
Mr. Sharad Kumar Saraf	Independent Director	Member
Mrs. Manisha Agarwal (Appointment w.e.f March 20, 2020)	Independent Woman Director	Chairperson
Mr. Kamalkumar Dujodwala	Executive Director	Member

The Company Secretary is the Secretary to the Committee.

During the year under review, one meeting of the said Committee was held on: February 11, 2020

The following members were present for the Corporate Social Responsibility Committee Meeting held on as above.:

1. Mr. Sharad Kumar Saraf
2. Ms. Sonal Dandekar (Appointed w.e.f October 30, 2019 & Resigned w.e.f. February 11, 2020)
3. Mr. Kamalkumar Dujodwala

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, Chairman and Mr. Pannkaj Dujodwala, Managing Director of the Company for the financial year ended March 31, 2020 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 meetings of Board / Board Committees

Details of remuneration / sitting fees paid to Executive and Non-Executive Directors for the year ended March 31, 2020 is as follows:

(Amount in Rs.)

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	-	-	-	-	6000	-
Mr. Rajkumar S Jatia	-	-	-	-	7000	-
Mr. Shree Narayan Baheti	-	-	-	-	5000	-
Mrs. Anita Sandeep Shriya (Resigned w.e.f. October 30, 2019)	-	-	-	-	4000	-
Ms. Sonal Dandekar (Appointed w.e.f October 30, 2019 & Resigned w.e.f. February 11, 2020)	-	-	-	-	2000	-
Mrs. Manisha Agarwal (Appointment w.e.f March 20, 2020)	-	-	-	-	NIL	-

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. The said policy is available on Company's website www.mangalamorganics.com

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) months 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:

Your Company haven't issued or granted any stock options in FY 2019-20.

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 <http://www.mangalamorganics.com>
- There have been no instances of non-compliance on any matter with the rules and regulations prescribed by the Stock Exchange, Securities and Exchange Board of India or any other Statutory Authority relating to the capital market 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 and can be accessed through the weblink: <http://www.mangalamorganics.com>
- 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 and can be accessed through the weblink: <http://www.mangalamorganics.com>
- 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.
- 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.
- 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.
- 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.
- 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.
- The particulars about the total amount of fees paid to the Statutory Auditors of the Company and its subsidiaries, during the financial year 2019-20, is stated in Notes to financial statements, which forms part of the Annual Report.

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 2019-20 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 2019-20.

15. Disclosure of Complaints in FY 2019-20 pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of complaints filed during the financial year	1
Number of complaints disposed of during the financial year	1
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 for Financial Year 2019-20.

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, 2019	September 18, 2019 10.00 a.m.	Vishwa Niketan Institute of Management (Conference Hall) Kumbhivali Village, Savroli Kharpada Road, Taluka- Khalapur, Khopoli-410202, District Raigad, Maharashtra	- Approval of Re-appointment of Mr. Sharad Kumar Saraf as an Independent Director - Approval of Re-appointment of Mr. Rajkumar Jatia as an Independent Director - Approval of Re-appointment of Mr. Kamalkumar Dujodwala as a Chairman - Approval of revision in remuneration of Mr. Akshay Dujodwala - Approval of alteration of Memorandum of Association as per Companies Act, 2013
March 31, 2018	September 29, 2018 10.00 a.m.	Vishwa Niketan Institute of Management (Conference Hall) Kumbhivali Village, Savroli Kharpada Road, Taluka-Khalapur, Khopoli-410202, District Raigad, Maharashtra	- Approval of revision in remuneration of Mr. Kamalkumar Dujodwala, Executive Director - Approval of revision in remuneration of Mr. Pannkaj Dujodwala, Managing Director - Approval of Appointment of Mr. Akshay Dujodwala
March 31, 2017	September 26, 2017 10.00 a.m.	Kumbhivali Village, Savroli Kharpada Road, Taluka-Khalapur, Khopoli-410202, Dist: Raigad Maharashtra	- Approval of revision in remuneration of Mr. Kamalkumar Dujodwala, Executive Director - Approval of revision in remuneration of Mr. Kamalkumar Dujodwala, Executive Director - Approval for Appointment of Mr. S.N. Baheti as Independent Director

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

Postal Ballot

During FY 2019-20 and FY 2018-19, no ordinary or special resolutions were passed through postal ballot. No special resolution is proposed to be conducted through postal ballot.

During FY 2017-18, following Special Resolution was passed through postal ballot notice dispatched on February 2, 2018:

- Adoption of new set of Articles of Association of the company

to comply with and in line with the provisions of the Companies Act, 2013

- Buyback by the Company of upto 6,10,000 fully paid-up equity shares of face value of Rs. 10/- each of the company at a price of Rs. 230/- per equity share from the equity shareholders of the Company (except Promoter and Promoters' Group), as on the record date, on a proportionate basis through the Tender offer route.

Details of Voting of the above Resolution are as under:

Particulars	Percentage of Members voting	Percentage of total votes (by Postal Ballot/Remote e-voting and Insta Poll)	Result
New set of Articles of Association			
Valid Votes in favour of the resolution	99.837	99.957	Passed with the requisite majority
Valid Votes against the resolution	0.163	0.043	
Total	100	100	
Buyback by the Company of upto 6,10,000 fully paid-up equity shares of face value of Rs. 10/-each of the company at a price of Rs. 230/- per equity share			
Valid Votes in favour of the resolution	99.837	99.937	Passed with the requisite majority
Valid Votes against the resolution	0.163	0.023	
Total	100	100	

Procedure adopted for Postal Ballot and Remote E-voting:

- The Notice of the meeting, Explanatory Statement alongwith Postal Ballot Form under the relevant provisions of the Act and the Scheme were dispatched to all the Equity Shareholders, as at cut-off date of February 2, 2018 in the permitted mode alongwith a self-addressed postage pre-paid Business Reply Envelope & electronically to those Equity Shareholders which have registered their e-mail and postal addresses with the Company.
- The Company had duly released an advertisement intimating

the calling of the Shareholders Meeting and dispatch of Notice, in English Newspaper viz. 'Free Press Journal' dated February 12, 2018 and in Marathi Newspaper viz. 'Navshakti' dated February 12, 2018 both having circulation in Mumbai.

- The Voting period for Postal Ballot and Remote E-voting commenced on Thursday, February 15, 2018 at 9.00 a.m. (IST) and ended on Friday, March 16, 2018 at 5.00 p.m. (IST).
- The Scrutinizer submitted his Report on March 16, 2018 to Mr. Kamalkumar Dujodwala. The Resolution was passed on March 16, 2018.

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 edition. The results are also uploaded by BSE on their website www.bseindia.com
Stock exchanges	All periodical information, including the statutory filings and disclosures, are filed with BSE. The filings required to be made under the Listing Regulations, including the Shareholding pattern and Corporate Governance Report for each quarter are also filed on BSE Listing Centre.
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.mangalamorganics.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.

2. Other Information

CIN	L24110MH1981PLC024742		
Registered office address	Kumbhivali Village, Savroli Kharpada Road, Taluka- Khalapur, Khopoli - 410 202, Dist- Raigad.		
Administrative Office/ Correspondence Address	812, Tulsiani Chambers, 212 Nariman Point, Mumbai- 400 021, Maharashtra.		
Date, Time and Venue of Annual General Meeting	The Company has decided to hold its 38th Annual General Meeting (the “AGM”) on Tuesday, September 29, 2020 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 and No.20/2020 dated May 5, 2020, has permitted the companies to conduct their AGMs, through VC/OAVM during the calendar year 2020 on account of the threat posed by COVID-19. Guidelines for participation in the Company’s 38th 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 2020-21 are as given below:		
	Quarter Ended		Release of Results
	First Quarter Results		on or before August 14, 2020
	Second Quarter and Half Yearly Results		on or before November 14, 2020
	Third Quarter Results		on or before February 14, 2021
	Annual Results		on or before May 30, 2021
Dividend Payment Date and Date of Book Closure	A Dividend of Re.1/- per equity share has been recommended by the Board of Directors and it is subject to the approval of the shareholders at the ensuing Annual General Meeting. The proposed dividend, if so approved, will be paid to the members whose names appear on the Register of Members at the end of day on September 25, 2020. The NECS upload/ dispatch of dividend warrants / demand drafts shall be completed within 30 days from the date of AGM.		
Dividend History	Financial Year	Rate of Dividend	Dividend (in Rs.) per share of Rs.10 each
	2018-19	10%	Re.1
	2017-18	10%	Re. 1
	2016-17	-	-
Listing on stock exchanges	The Equity Shares of the Company are listed on BSE Limited		
Listing fees	The listing fees of BSE for FY 2020-21 has been paid		
Stock code	The BSE scrip code of equity shares is 514418		
ISIN Number	INE370D01013		
Suspension of trading in securities	There was no suspension of trading in securities of the Company during the year under review.		
Registrar and Transfer agents (Appointed w.e.f July 1, 2019)	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 dematerialised 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, 2020, 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 minimisation. 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 Credit Rating from CRISIL as follows: Long Term Rating: CRISIL A-/Stable (outlook revised from 'BBB+/Positive' and Rating reaffirmed) Short Term Rating: CRISIL A2+ (outlook revised from 'A2' and Rating reaffirmed).

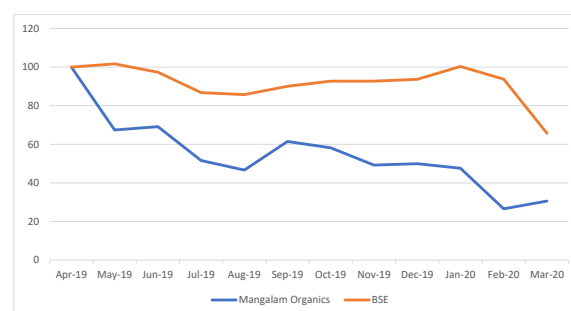
3. Market Price Data

The market price data and the volume of your Company's shares traded on BSE during the year ended March 31, 2020 are as follows:

Month	Mangalam Organics Share Price on BSE		
	High (Rs.)	Low (Rs.)	Average Volume (Nos)
Mar-20	189.95	120.80	2,42,281
Feb-20	304.90	150.40	7,28,484
Jan-20	319.75	270.10	2,50,266
Dec-19	297.95	258.00	98,476
Nov-19	347.70	285.00	1,63,608
Oct-19	384.00	316.20	1,91,875
Sep-19	400.00	260.60	4,63,512
Aug-19	325.0	242.05	1,90,878
Jul-19	405.75	270.00	1,86,585
Jun-19	432.35	349.00	1,76,443
May-19	599.00	372.70	5,20,162
Apr-19	614.00	538.30	3,52,345

4. Performance of Mangalam Organics Limited (MANORG) Scrip in Comparison to S&P BSE Small Cap Sensex

Movement of Mangalam organics Limited vs. S&P BSE Small Cap Sensex



5. Distribution of Shareholding as on 31st March, 2020

Description	Shareholders	% to Total	No. of share holding	% of share-Holding to total	Shareholding in Rs.	% to total shareholding
Upto- 500	9168	92.466	1057560	12.3483	10575600	12.3483
501- 1000	376	3.7922	291554	3.4042	2915540	3.4042
1001- 2000	185	1.8659	279882	3.268	2798820	3.268
2001- 3000	70	0.706	179555	2.0965	1795550	2.0965
3001- 4000	27	0.2723	96565	1.1275	965650	1.1275
4001- 5000	24	0.2421	110511	1.2903	1105110	1.2903
5001- 10,000	33	0.3328	240250	2.8052	2402500	2.8052
10,001 And Above	32	0.3227	6308563	73.66	63085630	73.66
Total	9915	100.000	8564440	100.000	85644400.00	100.000

6. Shareholding pattern as on March 31, 2020

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
(e-ii)					
	Sub Total(A)(1)	4702802	-	4702802	54.91
2	Foreign				
a	NRIs – Individuals	-	-	-	-
b	Other Individuals	-	-	-	-
c	Bodies Corporate	-	-	-	-
d	Banks / FI	-	-	-	-
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)	FIIIs	-	-	-	-

Category code	Category of Shareholder	No. of shares held at the end of the year			
		Demat	Physical	Total	% of Total Shares
(h)	Any Other (specify)	-	-	-	-
	Sub-Total (B)(1)				
B 2	Non-institutions				
(a)	Bodies Corporate	-	-	-	-
(i)	Indian	-	-	-	-
(ii)	Overseas	-	-	-	-
(b)	Individuals	-	-	-	-
(i)	Individual shareholders holding nominal share capital up to Rs 2 lakh	1820359	320400	2140759	25.00
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	724302	-	724302	8.46
(c)	Others (specify)				
(i)	Clearing Members	21124	-	21124	0.25
(ii)	HUF	120879	-	120879	1.41
(iii)	NRI / OCBs	97940	62900	160840	1.88
(iv)	Body Corporates	219406	3700	223106	2.61
(v)	IEPF A/C	470628	-	470628	5.50
(vi)	LLP	154500	-	154500	1.80
	Sub-Total (B)(2)	3474638	387000	3861638	45.09
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	3474638	387000	3861638	45.09
	TOTAL (A)+(B)	3474638	387000	3861638	45.09
(C)	Shares held by Custodians for GDRs & ADRs	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	8177440	387000	8564440	100.00

7. Status of dematerialisation of shares

As on March 31, 2020, all except 387000 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, 2020 is as follows:

Particulars	No. of Shares	Percent of Equity (%)
NSDL	7278695	84.99
CDSL	898745	10.49
Physical	387000	4.52
Total	8564440	100

8. 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.

9. Unclaimed Dividend

As on March 31, 2020 following amounts of dividends remained unclaimed and liable to transfer to Investor Education and Protection Fund (IEPF):

Financial year	Amount (in Rs.)	Transferred to IEPF	Date of Transfer to IEPF
FY 2009-10	5,36,401	Yes	October 24, 2017
FY 2010-11	5,55,157	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	3,81,914	No	-
FY 2018-19	2,69,978	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.

10. 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: +91-(22)-49204089

For and on behalf of the Board of Directors

Sd/-

Kamalkumar Dujodwala

Chairman

DIN: 00546281

Place: Mumbai

Date: August 18, 2020

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 2019-20.

Mumbai, August 12, 2020

Sd/-

Pannkaj Dujodwala
Managing Director

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, 2020 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 V Rajule

Chief Financial Officer

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

I/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 me/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 my/our opinion and to the best of my/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 me / us by the Company & its officers, I/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, 2020 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	Mr. Rajkumar Subhakaran Jatia	00136303	27/05/2010
3	Mr. Kamalkumar Ramgopal Dujodwala	00546281	03/07/1981
4	Mr. Pannkaj Dujodwala	00546353	03/06/1987
5	Mr. Shree Narayan Baheti	01760198	14/08/2017
6	Mrs. Anita Sandeep Shriya	06992663	24/09/2015 (Director till 30th October, 2019)
7	Ms. Sonal Dandekar	07428494	Appointment on 30/10/2019 & Resigned on 11/02/2020
8	Mrs. Manisha Agarwal	00441841	20/03/2020

Ensuring the eligibility of 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.

For Yogesh Sharma & Co.

Yogesh M. Sharma

Company Secretary in whole time practice

ACS 33235

C.P. 12366

Date: August 12, 2020

Place: Mumbai

UDIN: A033235B000573247

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, 2020. 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)

Sd/-

(Bhupendra Gandhi)

Partner

Membership No. 122296

Place: Mumbai

Dated: August 10, 2020

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying financial statements of **Mangalam Organics Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2020, 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, 2020, 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 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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, 2020.
- 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 - 20122296AAAABD8282

Place: Mumbai

Date: 30th June 2020

ANNEXURE - A TO AUDITOR'S REPORT

(Referred to our report of even date)

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, 2020, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us, all the fixed assets 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.
- ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) As explained to us, there is no material discrepancy noticed on physical verification of inventory as compared to book records.
- iii) (a) In our opinion and according to the information and explanation given to us the Company has not granted any secured or unsecured loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore clause iii b and iii c are not applicable.
- iv) In our opinion and according to the information and explanation provided to us in respect of loans, investments, guarantees and security, the provisions of section 185 and 186 of the Companies Act 2013 have been complied with.
- 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 of 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 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.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). As per the information and explanation given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- x) 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.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.



- 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) This clause is not applicable since the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) The Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For NGST & Associates**Chartered Accountants****Registration No. 135159W****Sd/-****Bhupendra Gandhi****Partner****M. Ship No. 122296**

UDIN- 20122296AAAABD8282

Place: Mumbai

Date: 30th June, 2020

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 2020, 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 2020, 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

Registration No. 135159W

Sd/-

Bhupendra Gandhi

Partner

M. Ship No. 122296

UDIN- 20122296AAAABD8282

Place: Mumbai

Date: 30th June, 2020

BALANCE SHEET

as at 31st March, 2020

	Particulars	Note No	As at 31st March, 2020 (₹)	As at 31st March, 2019 (₹)
	ASSETS			
(1)	Non-current assets			
	(a) Property, Plant and Equipment	1	1,018,252,844	508,924,012
	(b) Capital work-in-progress		34,530,150	40,512,028
	(c) Financial Assets			
	(i) Investments	2.1	25,000	25,000
	(ii) Loans	2.2	25,725,644	17,709,017
	(iii) Other financial assets	2.3	1,587,175	1,437,175
			1,080,120,813	568,607,232
(2)	Current assets			
	(a) Inventories	3	647,128,935	664,045,207
	(b) Financial Assets			
	(i) Trade receivables	4.1	313,172,216	372,466,363
	(ii) Cash and cash equivalents	4.2	6,473,616	25,303,763
	(iii) Bank balances & other than (iii) above	4.3	435,080	50,966
	(iv) Other financial assets	4.4	5,568,804	28,643,213
	(v) Current tax assets (net)	4.5	10,271,059	-
	(c) Other current assets	5	85,729,115	270,063,999
			1,068,778,825	1,360,573,511
	Total Assets		2,148,899,638	1,929,180,743
	EQUITY AND LIABILITIES			
	Equity	6		
	(a) Equity Share capital	A	85,644,400	85,644,400
	(b) Other Equity	B	1,593,344,295	1,127,804,691
			1,678,988,695	1,213,449,091
	Liabilities			
(1)	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	7	88,155,255	62,844,996
	(b) Provisions	8	26,173,088	21,671,010
	(c) Deferred tax liabilities (Net)	9	30,384,599	27,751,242
			144,712,942	112,267,248
(2)	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	10	85,997,520	433,089,442
	(ii) Trade payables	11	113,918,566	131,474,713
	(iii) Other financial liabilities	12	28,132,907	2,891,299
	(b) Other current liabilities	13	92,351,730	22,466,263
	(c) Provisions	14	4,797,278	1,189,251
	(d) Current Tax Liabilities (Net)	15	-	12,353,436
			325,198,001	603,464,404
	Total Equity and Liabilities		2,148,899,638	1,929,180,743

Notes forming integral part of the financial statements

As per our report of even date attached

NGST & Associates

Chartered Accountants

FRN: 135159W

Sd/-

Bhupendra Gandhi

Partner

Mem. No. 122296

Place: Mumbai

Dated: 30th June 2020

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/-

Heena Tank

Company Secretary

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March 2020

	Particulars	Note No.	Year ended 31st March, 2020 (₹)	Year ended 31st March, 2019 (₹)
I	Revenue from Operations	16	3,745,243,571	4,246,248,420
II	Other Income	17	10,289,005	17,996,724
III	TOTAL INCOME (I+II)		3,755,532,576	4,264,245,144
IV	Expenses			
	Cost of materials consumed	18	2,097,041,366	2,493,670,186
	Purchases of Stock-in-trade	19	40,044,259	40,399,801
	Changes in inventories of finished goods and work-in-progress	20	(46,836,017)	(82,932,940)
	Employee benefits expenses	21	254,605,784	222,458,732
	Finance costs	22	52,190,022	36,341,693
	Depreciation and amortization expense		89,735,120	62,117,293
	Other expenses	23	537,035,965	486,220,031
	TOTAL EXPENSES (IV)		3,023,816,499	3,258,274,796
V	Profit/ (Loss) before exceptional items and tax (III - IV)		731,716,077	1,005,970,348
VI	Exceptional Items		(102,595,500)	10,288,182
VII	Profit/(loss) before tax (V-VI)		629,120,577	1,016,258,530
VIII	Tax expense:			
	(1) Current tax		147,878,496	288,538,415
	(2) Deferred tax		1,876,228	1,144,576
IX	Profit/(loss) for the period (VII-VIII)		479,365,852	726,575,539
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	Remeasurment of defined benefit plan		(3,008,300)	(2,032,842)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(757,129)	(591,964)
	- 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 (Loss) and Other Comprehensive Income for the period)		475,600,424	723,950,733
XII	Earnings per equity share:			
	(1) Basic and Diluted		55.53	84.05

Notes forming integral part of the financial statements

As per our report of even date attached

NGST & Associates

Chartered Accountants

FRN: 135159W

Sd/-

Bhupendra Gandhi

Partner

Mem. No. 122296

Place: Mumbai

Dated: 30th June 2020

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/-

Heena Tank

Company Secretary

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2020

1. Property, Plant & Equipment and Intangible Assets

Particular	Freehold Land	Residential Colony	Office Premises	Building	Plant & Machinery	Computer	Furniture & Fixture	Vehicle	Office Equipment	Total
Gross Carrying value as on 01.04.2019	15,683,087	5,435,483	366,131	117,532,517	983,325,123	7,034,198	14,052,857	34,895,398	9,279,909	1,187,604,703
Additions	-	864,050	-	35,001,742	535,558,416	1,379,104	14,408,872	10,163,240	1,899,287	599,274,711
Deletions	-	-	-	-	-	-	-	693,601	18,985	712,586
Gross Carrying value as on 31.03.2020	15,683,087	6,299,533	366,131	152,534,259	1,518,883,539	8,413,302	28,461,729	44,365,037	11,160,211	1,786,166,828
Accumulated depreciation as on 01.04.2019	-	3,140,389	320,559	65,970,106	568,687,758	6,026,204	5,382,188	22,081,035	7,072,452	678,680,691
Depreciation charge for the year	-	188,283	8,943	4,319,641	75,897,262	1,800,881	1,489,948	4,046,263	1,983,900	89,735,120
Depreciation on deletion	-	-	-	-	-	-	-	482,842	18,985	501,827
Accumulated depreciation as on 31.03.2020	-	3,328,672	329,502	70,289,747	644,585,020	7,827,085	6,872,136	25,644,456	9,037,367	767,913,984
Net Book Value:-										-
At 31st March 2020	15,683,087	2,970,861	36,629	82,244,512	874,298,519	586,217	21,589,593	18,720,581	2,122,844	1,018,252,844
At 31st March 2019	15,683,087	2,295,094	45,572	51,562,411	414,637,365	1,007,994	8,670,669	12,814,363	2,207,457	508,924,012

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2020

2.1 Non current investment

Particulars	As at 31st March, 2020	As at 31st March, 2019
Investment in Equity Shares		
Unquoted - carried at FVTPL		
a) 2500 shares of Saraswat Co-Op Bank Ltd.	25,000	25,000
Total	25,000	25,000
Aggregate value of unquoted investments	25,000	25,000

2.2 Loans

Particulars	As at 31st March, 2020	As at 31st March, 2019
(Carried at amortised cost, unless otherwise stated)		
(Unsecured, considered good)		
Security deposits	25,725,644	17,709,017
Total	25,725,644	17,709,017

2.3 Other non-current financial asset

Particulars	As at 31st March, 2020	As at 31st March, 2019
Fixed deposits with remaining maturity for more than 12 months	1,587,175	1,437,175
Total	1,587,175	1,437,175
Held for margin against letter of credit and bank guarantees		

3 Inventories

Particulars	As at 31st March, 2020	As at 31st March, 2019
Raw materials	256,364,094	344,019,936
Work-in-progress	208,117,229	62,364,280
Finished goods	136,616,044	235,532,976
Stores and spares	30,427,057	8,675,400
Power & fuel	5,390,926	7,840,277
Packing materials	10,113,405	5,512,158
Stock in trade	100,180	100,180
Total	647,128,935	664,045,207

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2020

4.1 Trade receivables

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade receivable from others	314,423,194	373,717,341
Less: Allowance for doubtful debts	(1,250,978)	(1,250,978)
Total	313,172,216	372,466,363
Break up of security details		
Unsecured , considered good	313,172,216	372,466,363
Doubtful	1,250,978	1,250,978
Total	314,423,194	373,717,341

Trade receivables with a carrying amount of Rs. 31,44,23,194 (March 31, 2019: Rs. 37,37,17,341) have been pledged as security against current bank borrowings.

4.2 Cash & cash equivalents

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash and Cash Equivalents		
Balances with Banks		
In Current Account	6,071,867	24,635,636
Cash on Hand	401,749	668,127
Total	6,473,616	25,303,763

4.3 Bank Balance and other Cash & Cash equivalents

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance in unpaid dividend account	435,080	50,966
Total	435,080	50,966

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

4.4 Other Financial Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
Insurance Claim Receivable	-	20,951,000
Advance to Staff	5,568,804	7,692,213
Total	5,568,804	28,643,213

4.5 Current tax assets (net)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance income tax & TDS (net of provision for tax)	10,271,059	-
Total	10,271,059	-

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2020

5 Other Current Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance to Suppliers	72,909,563	181,074,248
Balance with Revenue Authorities	8,792,692	87,904,186
Prepaid Expenses	3,745,414	800,481
Other Advance	281,446	285,084
Total	85,729,115	270,063,999

6 Equity

(A) Equity Share Capital

Particulars	As at 31st March, 2020	As at 31st March, 2019
Authorised		
12,000,000 (As at 31st March, 2019: 12,000,000) Equity Shares of Rs. 10 each	120,000,000	120,000,000
Issued, Subscribed and Paid up		
85,64,440 (As at 31st March, 2019: 85,64,440) Equity Shares of Rs. 10 each	85,644,400	85,644,400
Total	85,644,400	85,644,400

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

Issued, subscribed and paid up share capital	FY 2019-20 No of shares	FY 2018-19 No of shares
Balance as at 1st April	8,564,440	9,052,680
Add / (Less): Changes during the year	-	(488,240)
Balance as at 31st March	8,564,440	8,564,440

6.2 Terms / Rights attached to Equity Shares

The company has only one class of equity shares having par value of Rs. 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 2020

Shareholders	No. of shares	% of holding
Indo Euro Securities Ltd.	1,829,417	21.3606
Manisha Dujodwala	853,250	9.96
Akshay Dujodwala	807,965	9.43
Alka Dujodwala	578,790	6.76

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2020

As at 31st March 2019

Shareholders	No. of shares	% of holding
Indo Euro Securities Ltd.	1,829,417	21.36
Manisha Dujodwala	853,250	9.96
Alka Dujodwala	578,790	6.76

(B) Other Equity

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital reserve- Opening balance	-	7,025,984
- Less : Utilised for buy-back of shares	-	7,025,984
Securities premium reserve- Opening balance	-	80,996,677
- Less : Utilised for buy-back of shares	-	80,996,677
General reserve	14,991,838	14,991,838
Surplus/(Deficit) in the Statement of Profit and Loss		
- Opening Balance	1,112,812,852	418,577,145
- Total Comprehensive Income for the Period	475,600,424	723,950,733
- Less : Utilised for buy-back of shares	-	19,390,139
- Less : Dividend paid	8,564,440	8,564,440
- Less : Dividend distribution tax	1,496,379	1,760,447
	1,578,352,457	1,112,812,852
Total	1,593,344,295	1,127,804,691

7 Non -Current borrowings

Particulars	As at 31st March, 2020	As at 31st March, 2019
(Carried at amortised cost, unless otherwise stated)		
Secured Loans- From Bank		
Corporate Loan- Saraswat Bank	77,188,586	53,840,000
Vehicle Loan	10,966,669	9,004,996
[Vehicle loan is secured against vehicles financed]		
Total	88,155,255	62,844,996

Refer note 11 below for securities

8 Provisions

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee Benefits		
Provision For Gratuity	22,710,025	21,222,142
Provision For Leave Encashment	3,463,063	448,868
Total	26,173,088	21,671,010

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2020

9 Deferred tax liabilities (Net)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Tax effect of items constituting deferred tax liability		
Depreciation	38,439,239	34,160,808
On account of provision for diminution in value of non- current investment	-	-
Remeasurement of defined benefit plan- OCI	-	-
Total DTL	38,439,239	34,160,808
Tax effect of items constituting deferred tax assets		
Provision for doubtful debts and employee benefits	8,054,640	6,409,566
Total DTA	8,054,640	6,409,566
Net (DTA) / DTL	30,384,599	27,751,242
Total	30,384,599	27,751,242

10 Short Term Borrowings

Particulars	As at 31st March, 2020	As at 31st March, 2019
Loan Repayable on Demand - From Bank		
Buyers Credit, pre-shipment / post shipment credit	16,195,418	-
Cash Credit- The Saraswat Co-op Bank Ltd	38,621,933	433,089,442
Cash Credit- Axis Bank Limited	31,180,169	-
[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. Kamalkumar Dujodwala, Chairman & Mr. Pannkaj Dujodwala, Managing Director of the Company.		
Total	85,997,520	433,089,442

11 Trade payables

Particulars	As at 31st March, 2020	As at 31st March, 2019
Micro and Small Enterprises		
Creditors other than Micro and Small Enterprises	63,588,897	90,574,573
Creditors for Expenses	50,329,669	40,900,140
Total	113,918,566	131,474,713

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2020

12 Other financial liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current liabilities of long term borrowings	27,718,377	2,860,883
Unpaid Dividend	414,530	30,416
Total	28,132,907	2,891,299

13 Other current liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance from customers	41,733,518	13,030,629
Other Liabilities	13,772,928	3,239,392
Statutory Payables		
GST/Sales Tax payable	28,447,968	-
TDS payable	7,086,111	5,219,007
Other statutory dues payable	1,311,205	977,235
Total	92,351,730	22,466,263

14 Provisions

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for employee benefits		
Gratuity	4,579,431	1,141,556
Leave Encashment	217,847	47,695
Total	4,797,278	1,189,251

15 Current tax liabilities (net)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provisions for Income Tax (Net of Advance Tax)	-	12,353,436
Total	-	12,353,436

16 Revenue From Operations

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
(a) Sale of Products/ Services:		
- Local Sales	3,346,404,089	3,736,171,162
- Export Sales	344,873,260	458,423,029
- Trading Sales	53,966,222	51,654,229
	3,745,243,571	4,246,248,420
Revenue from operations	3,745,243,571	4,246,248,420

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2020

17 Other Income

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
- Dividend Income on Non-Current investments	4,375	4,375
- Miscellaneous Income	10,194,011	16,303,332
- Interest Income		
- Others- carried at amortised cost	90,619	1,689,017
Total	10,289,005	17,996,724

18 Cost of material consumed

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Inventory at the beginning of the year	344,019,936	108,146,754
Add: Purchase	2,009,385,524	2,729,543,368
Less: Inventory at the end of the year	256,364,094	344,019,936
Total Cost of materials consumed	2,097,041,366	2,493,670,186

19 Purchase of stock-in-trade

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Trading Purchase	40,044,259	40,399,801
Total	40,044,259	40,399,801

20 Changes in inventories of finished goods and work in progress

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Closing stock		
Work-in-progress	208,117,229	62,364,280
Finished goods	136,616,044	235,532,976
Stock in trade	100,180	100,180
Opening stock		
Work-in-progress	62,364,280	32,045,013
Finished goods	235,532,976	182,919,303
Stock in trade	100,180	100,180
Total	(46,836,017)	(82,932,940)

21 Employee benefit expenses

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Salaries, wages and bonus	235,463,384	210,635,884
Contribution to provident and other funds	7,025,444	4,260,974
Gratuity & Leave expenses	6,028,557	3,397,907
Staff welfare expenses	6,088,399	4,163,967
Total	254,605,784	222,458,732

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2020

22 Finance cost

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Interest expenses	48,504,242	29,180,559
Bank charges	3,685,780	7,161,134
Total	52,190,022	36,341,693

23 Other expenses

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Manufacturing expenses:		
Consumption of stores and spare parts	36,098,103	73,289,990
Power and fuel	163,058,112	138,456,700
Consumption of packing materials	70,978,473	59,517,860
Boiler and plant expenses	5,148,688	5,630,853
Repairs and Maintenance:		
- Building & others	17,018,256	18,026,215
- Machinery	63,275,652	30,939,697
Administrative and selling expenses:		
Insurance	9,644,508	7,572,220
Rates and taxes	5,153,569	9,765,486
Director sitting fees	24,000	23,000
Legal and professional fees	34,112,393	28,222,655
Miscellaneous expenses	52,576,763	35,878,297
Payment to auditor:		
As auditors:		
- Audit fee	450,000	400,000
- Tax audit fees	100,000	100,000
In other capacity:		
- Other services (certification fees)	-	-
Freight and forwarding charges	46,994,685	40,729,449
Loss on sales of fixed assets	210,759	1,269,381
Corporate Social Responsibility Exp	9,000,000	2,000,000
Rebate and discounts on sales	-	-
Security Charges	7,131,298	2,912,534
Travelling & Conveyance Expenses	14,970,427	20,429,590
Exchange rate difference (Net)	1,090,279	11,056,104
Total	537,035,965	486,220,031

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2020

NOTE TO ACCOUNTS

24. Contingent liabilities - Not provided for in respect of

I.

	31st March 2020 (Rs.)	31st March 2019 (Rs.)
Bank Guarantee	2,94,37,320	48,37,020

Bank guarantees issued by banks on behalf of the Company Rs. 294.37 Lakhs (Previous Year Rs. 48.37 Lakhs). 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. Rs. NIL)

III. Excise Duty

	31st March 2020 (Rs.)	31st March 2019 (Rs.)
Feb 04 to May 05 (Camphor Price Difference Duty)	-	64,52,240
April 99 to August 03 (Rosin & Turpentine Central excise duty)	-	10,91,99,456
Sept 03 (Rosin & Turpentine Central excise duty)	-	50,760
Oct 03 to March 04 (Rosin & Turpentine Central excise duty)	-	66,44,602
April 04 to Nov 04 (Rosin & Turpentine Central excise duty)	-	1,01,92,867
Dec 04 to Sept 05 (Rosin & Turpentine Central excise duty)	-	81,44,105
July 99 to Jan-04 (Interest)	-	1,68,38,001
Sept-03 to Nov-04 (Interest, Rosin & Turpentine)	-	2,20,73,762

The Central Board of Indirect Taxes and Customs vide Notification No. 04/2019 Central Excise-NT had notified Sabka Vishwas (Legacy Dispute Resolution Scheme), 2019 ("SVLDRS") wherein the eligible person can file a declaration and settle all the disputed cases. The above stated cases were pending under litigation since long and therefore the company decided to opt for settlement of cases under "SVLDRS" scheme.

The amount paid/ adjusted towards settlement of indirect tax cases opted under "SVLDRS" are disclosed as "Exceptional items". The Company has obtained discharge certificates for full and final settlement under SVLDRS.

IV. Letter of credit issued by the bankers of the Company Rs. 6,67,73,744/- (P.Y. Rs. 22,15,28,617/-)

V. 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. 3,448.73 Lakhs (P.Y. Rs. 4,584.23 Lakhs) out of Total Turnover of Rs. 37,452.43 Lakhs (P.Y. Rs. 42,243.43 Lakhs). 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 2020	31st March 2019
a)	Weighted average number of equity Shares of Rs.10/- each		
	a) Number of shares at the Beginning of the year	85,64,440	90,52,680
	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	86,13,798
	Weighted average number of Equity Shares – Diluted	85,64,440	86,13,798

b)	Net Profit after tax available for Equity share-holders	47,56,00,424	72,39,50,733
c)	- Basic Earnings per Equity Share (in Rupees)	55.53	84.05
	- Diluted Earning per Equity Share (in Rupees)	55.53	84.05

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
- Dujodwala Resins & Terpenes Ltd.
- Indo-Euro Securities Ltd.
- Dujodwala Exports Pvt. Ltd.
- Dujodwala Charities
- Pine Forest Products & Investment Ltd.
- Chemexcil Corporation
- The Directors are the Key Management Personnel (KMP) who has the authority and controlling the activities of the Company.

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

[C] Information on related party transactions as required by Ind AS-24 for the year ended 31st March 2020

Nature of transactions	Relationship	Total Rs. In Lakhs	
Remuneration		2019-20	2018-19
Kamalkumar Dujodwala	Key management personnel	300.00	404.00
Pannkaj Dujodwala	Key management personnel	300.00	404.00
Akshay Dujodwala	Key management personnel	360.00	240.00
TOTAL		960.00	1,048.00

Nature of Transactions	Relationship	Nature	Amount in Lakhs	
Net Loans & Advances, Deposits given / Returned/Taken			2019-20	2018-19
Dujodwala Resins & Terpenes Ltd	Associates	Rent Deposit	150.00	150.00
Dujodwala Resins & Terpenes Ltd	Associates	Adv. For Service charges/supply of material	-	-
Total			150.00	150.00

Nature of transactions	Relationship	Amount in Lakhs	
Revenue from operations		2019-20	2018-19
Dujodwala Resins & Terpenes Ltd	Associates	-	-
Purchase from Associates			
Dujodwala Resins & Terpenes Ltd	Associates	168.91	-

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, 2020	For the year ended March 31, 2019
Employers Contribution to Provident Fund	70,25,444	42,60,974

(ii) Defined Benefit Plan

Gratuity Fund:

a. Major Assumptions	For the year ended March 31, 2020	For the year ended March 31, 2019
	(% p.a.)	(% p.a.)
Discount Rate	6.60	7.30
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, 2020	For the year ended March 31, 2019
Opening Present Value of Obligation	2,25,27,723	1,94,20,531
Current Service Cost	21,60,359	20,72,267
Interest Cost	13,99,950	12,11,395
Benefit Paid	(18,84,289)	(22,09,312)
Past Service Cost	-	-
Actuarial Loss on Obligations	10,81,793	20,32,842
Closing Present Value of Obligation	2,52,85,536	2,25,27,723

c. Change in Fair Value of Plan Assets	For the year ended March 31, 2020	For the year ended March 31, 2019
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, 2020	For the year ended March 31, 2019
Present value of Funded Obligation as at March 31, 2020	-	-
Fair Value of Plan Assets as at March 31, 2020	-	-
Funded Status	-	-
Present Value of Unfunded Obligation as at March 31, 2020	2,52,85,536	2,25,27,723
Unfunded Net Liability Recognized in the Balance Sheet Disclosed in long term provisions	2,52,85,536	2,25,27,723

e. Amount Recognized in the Balance Sheet	For the year ended March 31, 2020	For the year ended March 31, 2019
Present Value of Obligation as at March 31, 2020	2,52,85,536	2,25,27,723
Fair Value of Plan Assets as at March 31, 2020	-	-
Liability Recognized in the Balance Sheet and disclosed under provisions	2,52,85,536	2,25,27,723

f. Expenses Recognized in the Statement of Profit and Loss	For the year ended March 31, 2020	For the year ended March 31, 2019
Current Service Cost	21,60,359	20,72,267
Interest Cost	13,99,950	12,11,395
Expected Return on Plan Assets	-	-
Past Service Cost	-	-
Total expenses Recognized in the Statement of Profit and Loss	35,60,309	32,83,662
Actual Return on Plan Assets	Nil	Nil

g. Other Comprehensive Income for the year	For the year ended March 31, 2020	For the year ended March 31, 2019
Components of actuarial gain/losses on obligations:		
- Due to Change in financial assumptions	11,04,546	-
- Due to experience adjustments	(10,355)	20,32,842
- Due to change in demographic assumptions	(12,398)	-
- Return on plan assets excluding amounts included in interest income	-	-
Amounts recognized in Other Comprehensive Income	10,81,793	20,32,842

Sensitivity Analysis

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Projected Benefit Obligation on Current Assumptions	2,52,85,536	2,25,27,723
Delta Effect of +0.5% Change in Rate of Discounting	-7,99,319	- 6,25,005
Delta Effect of -0.5% Change in Rate of Discounting	8,55,008	6,66,391
Delta Effect of +0.5% Change in Rate of Salary Increase	7,49,178	5,72,441
Delta Effect of -0.5% Change in Rate of Salary Increase	-7,07,670	-5,39,293
Delta Effect of +0.5% Change in Rate of Employee Turnover	71,661	75,017
Delta Effect of -0.5% Change in Rate of Employee Turnover	-73,624	-76,897

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, 2020 Rs. 36,80,910/-

Break-up of above:	Current Liability	Rs. 2,17,847/-
	Non-Current Liability	Rs. 34,63,063/-

29. Expenditure in Foreign Currency on account of

	Current Year (Rs. In Lakhs)	Previous Year (Rs. In Lakhs)
- Raw Material (CIF)	17,523.38	23,545.81
- Traveling Expenses	42.75	90.94
- Brokerage and Commission	0.00	35.69
- Consultancy Fees	3.04	210.91

30. Earning in Foreign Currency on account of

	Current Year (Rs. In Lakhs)	Previous Year (Rs. In Lakhs)
Exports made on FOB Basis	3448.73	4584.23

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. The operations of the Company were impacted, due to shutdown of both the plant and the offices at various locations following lockdown imposed by the government authorities to contain spread of COVID-19 pandemic. The Company has resumed operations in a phased manner in the month of April 2020 as per the directives from the respective government authorities. The Company has evaluated the impact of this pandemic on its business operations and financial position and made an assessment of its liquidity position for the foreseeable future and of the recoverability and carrying values of its assets as at the balance sheet date, and has concluded that there are no adjustments required in the financial statements for the year ended March 31, 2020. However, the impact assessment of COVID-19 is a continuous process given the uncertainty associated with its nature and duration.

35. Corporate Social Responsibility

Expenditure related to Corporate Social Responsibility is Rs. 82.00 Lakhs (Previous Year Rs. 20.00 Lakhs).

Details of Amount spent towards CSR given below:

Particulars	2019-20	2018-19
Amount paid to IIT-Mumbai for educational project	--	20.00 Lakhs
Amount paid to IIT-Mumbai to promote educational academic Pursuit & scientific research	82.00 Lakhs	--

36. 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 non assessable 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, 2020	Year Ended March 31, 2019
Current tax		
Current tax on profits for the year*	14,78,78,496	28,85,38,415
Adjustments for current tax of prior periods	-	-
Deferred tax		
Current tax (A)	14,78,78,496	28,85,38,415
Deferred tax	26,33,357	17,36,540
Decrease/(increase) in deferred tax assets#	(16,45,074)	(12,07,957)
(Decrease)/increase in deferred tax liabilities	42,78,431	5,28,583
Deferred tax (B)	26,33,357	17,36,540
Income tax expense charged to profit or loss (C) = (A) + (B)	15,05,11,853	29,02,74,955

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

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Current tax		
Deferred tax on remeasurement gains/(losses) on defined benefit plan	7,57,129	5,91,964
Adjustments for current tax of prior periods -	-	-
Current tax (A)	-	-
Deferred tax	7,57,129	5,91,964

37. Previous year figures have been regrouped and reclassified to conform with current year's presentation and classification.
As per Annexed Report of Even Date

For and on behalf of Board of Directors

NGST & Associates

Chartered Accountants
FRN: 135159W

Sd/-

Bhupendra Gandhi

Partner

Mem. No. 122296

Place: Mumbai

Dated: 30th June 2020

Sd/-

Kamalkumar Dujodwala

Chairman

DIN- 00546281

Sd/-

Shrirang V. Rajule

Chief Financial Officer

Sd/-

Pannkaj Dujodwala

Managing Director

DIN- 00546353

Sd/-

Heena Tank

Company Secretary

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March 2020

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 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.

CASH FLOW STATEMENT

for the year ended 31st March 2020

	Particulars	For the year ended 31st March, 2020 (₹)	For the year ended 31st March, 2019 (₹)
(A)	Cash flow from operating activities :		
	Net profit before tax	629,120,577	1,016,258,530
	Adjustment For :		
	Depreciation	89,735,120	62,117,293
	Interest Income	(90,619)	(1,689,017)
	Dividend received	(4,375)	(4,375)
	Interest paid	52,190,022	36,341,693
	Loss on sale of fixed assets	210,759	1,269,381
	Operating profit before working capital changes	771,161,484	1,114,293,505
	Adjustment For :		
	Trade & other receivables	258,152,699	(143,647,197)
	Inventories	16,916,272	(324,865,677)
	Trade and other payables	57,604,480	(49,721,154)
	Cash generated from operations	1,103,834,935	596,059,477
	Income tax paid	(170,502,991)	(304,100,836)
	Net cash generated from operating activities - I	933,331,944	291,958,641
(B)	Cash flow from investing activities :		
	Payments for property, plant and equipment	(593,082,074)	(275,706,563)
	Interest income	90,619	1,689,017
	Dividend received	4,375	4,375
	Proceeds from property, plant and equipment	-	-
	Proceeds from sale of current investments	-	5,069,244
	Net cash used in investing activities - II	(592,987,080)	(268,943,927)
(C)	Cash flow from financing activities		
	(Repayment)/ Proceeds of/ from short term borrowings	(322,234,428)	44,295,848
	Utilised for buy-back of shares	-	(112,295,200)
	Dividend and dividend distribution tax paid	(10,060,819)	(10,324,887)
	(Repayment)/ proceed of/ from long term borrowings	25,310,259	55,158,383
	Interest paid	(52,190,022)	(36,341,693)
	Net cash used in financing activities - III	(359,175,010)	(59,507,549)
	Net increase in cash and cash equivalents	(18,830,146)	(36,492,835)
	Opening balance of cash & cash equivalents	25,303,763	61,796,597
	Closing balance of cash & cash equivalents	6,473,616	25,303,763

Notes:

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

Notes forming integral part of the financial statements

As per our report of even date attached

NGST & Associates

Chartered Accountants
FRN: 135159W

Sd/-

Bhupendra Gandhi

Partner

Mem. No. 122296

Place: Mumbai

Dated: 30th June 2020

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/-

Heena Tank

Company Secretary

NOTES

[illegible]

मंगलम कपूर जलने के बाद कोई निशानी नहीं छोड़ता ।

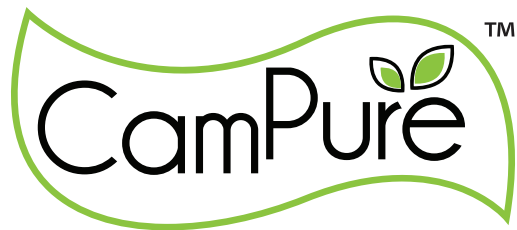
मिलावट नहीं, सिर्फ मंगलम मंगलम



मंगलम कपूर

अशुद्ध कपूर





100% ORGANIC



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Preserves Clothes

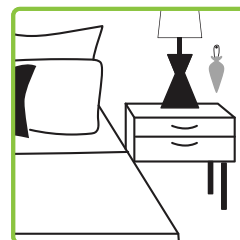
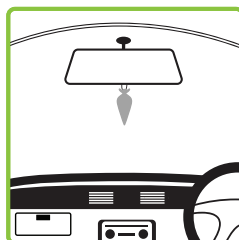
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