

## DIRECTORS' REPORT

To,  
The Members,  
Mangalam Worldwide Private Limited  
Ahmedabad.

Your Directors have pleasure in presenting their Twenty Fifth Annual Report on the business and operations of your company together with the Standalone and Consolidated Audited Financial Statements and the Auditors' Report for the financial year ended March 31, 2021.

### FINANCIAL HIGHLIGHTS:

Particulars	Standalone		Consolidated
	2020-21	2019-20	2020-21
Revenue from operations	3,01,91,90,066	3,26,93,41,347	3,01,91,90,066
Other Income	1,39,39,921	97,17,207	1,39,39,921
Total Income	3,03,31,29,987	3,27,90,58,554	3,03,31,29,987
Total Expenses (including depreciation)	2,99,67,05,642	3,26,04,28,115	2,99,66,61,444
Profit / (Loss) Before Taxation	3,64,24,345	1,86,30,439	3,64,68,543
Tax Expenses:			
Current Income Tax	(94,21,000)	(48,46,000)	(94,32,124)
Income Tax (Prior Period)	4,681	(5,588)	1,523
Profit / (Loss) After Taxation	2,70,08,026	1,37,78,851	2,70,37,942

The directors of your company are pleased to report that during the year under review, the Company has recorded the revenue from operations on standalone basis of Rs. 3,01,91,90,066/- as against the revenue from operations of Rs. 3,26,93,41,347/- in the previous financial year. The Company has also earned net profit of Rs. 2,70,08,026/- as compared to net profit of Rs. 1,37,78,851/- during the previous financial year which can be evident from the figures stated above. Further, The Company has recorded the revenue from operations on consolidated basis Rs. 3,01,91,90,066/- and net profit Rs. 2,70,37,942 /- during the year under review.

The Board of Directors is satisfied with the financial performance of the company and assures that all necessary actions will be initiated for increasing the income and profitability of the company in the years to come.

### STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

Your Company is presently engaged in and supplier of Stainless Steel Billets, Flats, Bright Bars and Strips of various Engineering Grades. During the Financial Year 2020-21, your Company has managed the affairs in a fair and transparent manner.

Your directors further assure that they would grab all business opportunities that could be seized from the market for the overall development of business and foresee bright prospects of the company in the coming years.

Your Company seeks long-term relationship with customers/clients while addressing their requirements and will continue to focus on the same. Your Company's customer centric approach has resulted in high levels of customer satisfaction and retention.

### RESERVES:

The Board of Director of your company, has decided not to transfer any amount to the Reserve for the year under review.

### COVID-19 PANDEMIC

Financial Year 2020-21 was an extraordinary year by any measure. It was a year of a global pandemic, global recession and unprecedented government actions. Ever since the first outbreak of Coronavirus (Covid-19) in India in March 2020, it led to huge economic damage on the Indian economy. The pandemic came with uncertainty and implications on all aspects of businesses.

Despite India being ahead of most countries in announcing a near-total nationwide lockdown and implementing work from home measures, there was job and earning deficit, and free fall of employment, along with instability in prices. The lockdown impacted supply chain management and sent the GDP and import-export cycle plunging. The second wave of Covid-19 that emerged in India during the last quarter of Financial Year 2020-21 had another devastating effect on economic activities. However, an anticipated vaccine-powered recovery and a faster vaccination drive have the capability to offer a back-ended upside to GDP growth in Financial Year 2022, following the disruptions that may emerge in the near term.

For the Company, the focus immediately shifted to ensuring the health and wellbeing of all employees and on minimizing disruption to the operations of the Company. The Company is closely monitoring the impact of the pandemic on all aspects of its business and is taking appropriate measures and ensuring full compliance with the directives issued by the Government in this regard.

The overall market as well as the market for the Company's product is undergoing a disruption due to the outbreak of COVID-19. The situation caused by the COVID-19 pandemic continues to evolve and the effects on such market remain uncertain.

### CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of the business of the company during the year. The Company continues to be in the same line of business as per main object of the Company.

### DIVIDEND:

The Directors have recommended a dividend of Rs. 0.20/- (2%) per equity share for the financial year ended March 31, 2021 subject to approval of members in the ensuing Annual General Meeting.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The dividend, if declared, shall be subject to deduction of income tax at source. Your Company shall, accordingly, make the payment of the final Dividend after deduction of tax at source.

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

Except as stated in this Report, no material changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

#### BOARD MEETINGS:

During the financial year ended 31<sup>st</sup> March, 2021, Ten (10) meetings of the Board of Directors were held on 01/05/2020, 29/06/2020, 27/07/2020, 29/08/2020, 23/09/2020, 14/10/2020, 08/12/2020, 18/12/2020, 12/01/2021 and 12/03/2021. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

#### DEPOSITS:

The Company has not accepted any deposit from the public within the meaning of Chapter V of the Companies Act 2013 and rules there under. Further, details of monies accepted by the Company if any, from Directors / relatives of Directors have been disclosed in the notes attached to and forming part of the Financial Statements of the Company prepared for the Financial Year ended March 31, 2021.

#### AUDIT COMMITTEE:

The Company being a Private Limited Company, provisions of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) is not applicable.

#### COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

Since the Company is a Private Limited Company, there is no need to constitute Nomination & Remuneration committee and accordingly, the Company has not formulated any policy on Directors Appointment and Remuneration.

#### TRANSFER OF UNCLAIMED DIVIDEND TO THE INVESTOR EDUCATION AND PROTECTION FUND:

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

#### DIRECTORS AND KEY MANAGERIAL PERSONNELS (KMPS):

##### A) Changes In Directors:

There is no change during the financial year in the composition of the Board of Directors of the company.

##### B) Appointment and Declaration s of Independent Directors:

The Company being a private company, the appointment of independent director is not mandatory. Therefore, the requirement of obtaining the declaration confirmation from the Independent Directors and disclosure requirement of opinion of the Board of Directors with regards to integrity, expertise and experience of Independent Directors is not applicable to the Company.

##### C) Changes In Key Managerial Personnel:

The Company being a private company, the appointment of Key Managerial Personnel is not mandatory as per Section 203 of the Companies Act, 2013.

### ANNUAL EVALUATION OF BOARD'S, ITS COMMITTEES AND INDIVIDUAL DIRECTOR'S PERFORMANCE:

Since your company is a private company, the statement indicating the manner in which formal annual evaluation has been made by the Board of Directors of its own performance and that of its committees and individual directors is not applicable to your company.

### CORPORATE SOCIAL RESPONSIBILITY (CSR):

Since the Company is not falling under any criteria specified in sub-section (1) of section 135 of the Act, your Company is not required to constitute a Corporate Social Responsibility ("CSR") Committee.

### DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES:

During the year under review, your Company has acquired 60% stake i.e. 6,000 equity shares of Mangalam Saarloh Private Limited (MSPL) on November 9, 2020 and post-acquisition, MSPL become subsidiary of your Company. Apart from that, the Company does not have any Subsidiary, Joint Venture or Associate Company.

Further, a statement containing the salient features of the financial statements of its subsidiary of the company in the prescribed format i.e. Form AOC-1 is annexed to this Report as Annexure "A".

### DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2021 and of the profit /loss of the Company for that period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) in the opinion of the Board, the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### CHANGES IN SHARE CAPITAL:

There is no change in share capital of the company during the financial year under review.

The Company has not bought back any of its securities or has not issued any Bonus Shares or any Sweat Equity Shares or has not provided any Stock Option Scheme to the employees during the year under review.

However, after Closure of Financial Year 2020-21, Board of Directors of the company in their board meeting held on 8<sup>th</sup> May, 2021 has called final call amount i.e. Rs. 87/- (Rs. 2 on Nominal Value and Rs. 85 on Premium) remaining unpaid on 1,48,202 partly paid equity shares with normal rights and



63,000 partly paid up equity shares with differential voting rights on 8<sup>th</sup> May, 2021 from the respective shareholders and said equity shares are now become fully up.

Further, in due compliance of the provisions of the Companies Act, 2013, Equity Shares with Differential voting rights have been converted into Equity Shares with normal rights with consent of shareholders in their respective meeting held on 25<sup>th</sup> May, 2021. At present and on the date of this report, Equity Share Capital of the Company is comprised of 2,43,574 equity shares of Rs. 10/- each fully paid up aggregating amounting to Rs. 24,35,740/-.

Further, the Company has increased its authorised capital from Rs. 42,50,000 consisting of 3,97,000 Equity Shares of Rs. 10 each and 28,000 Redeemable Preference Share of Rs. 10 each to Rs. 15,02,80,000 consisting of 1,50,00,000 Equity Shares of Rs. 10 each and 28,000 Redeemable Preference Share of Rs. 10 each with consent of members in their meeting held on 25<sup>th</sup> May, 2021.

Furthermore, the Board of Directors of your company in their meeting held on September 10, 2021 has proposed to issue bonus equity shares in the ration of 50:1 i.e. 50 (Fifty) shares for every 1 (One) share held by the Members subject to approval of members in the ensuing annual general meeting.

#### STATUTORY AUDITORS:

M/s. Kedia & Kedia Associates, Chartered Accountants (Firm Registration No. 104954W), Ahmedabad, the Company's Statutory Auditors were re-appointed in the annual general meeting held on September 30, 2019 to hold office for 5 consecutive years i.e. till the conclusion of Annual General Meeting to held for the financial year 31<sup>st</sup> March, 2024. However, M/s. Kedia & Kedia Associates, Chartered Accountants, resigned as Statutory Auditors of the Company due to pre-occupation in other assignments as indicated in their letter dated September 03, 2021.

The Board of Director at their meeting held on September 10, 2021 appointed M/s. Keyur Shah & Co, Chartered Accountants, Ahmedabad (FRN:141173W) as the Statutory Auditors of the Company to fill up the causal vacancy due to resignation of M/s. Kedia & Kedia Associates, Chartered Accountants (Firm Registration No. 104954W), Ahmedabad and to hold the office up to the date of annual general meeting to be held for the financial year 2020-21 subject to approval of the members in the ensuing general meeting.

Further, the Board of Director in the said meeting held on September 10, 2021 appointed M/s. Keyur Shah & Co, Chartered Accountants, Ahmedabad (FRN:141173W) as the Statutory Auditors of the Company for 5 Consecutive years from the end of annual general meeting to be held for the financial year 2020-21 till the conclusion of annual general meeting to be held for the financial year 2025-26 and recommended members for their approval in the annual general meeting to be held for the financial year ended on 31<sup>st</sup> March, 2021.

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their report on Financial Statements for the Financial Year ended March 31, 2021.

#### REPORTING OF FRAUD:

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013.

#### COST AUDITORS:

The Company has maintained cost accounts and records in accordance with provisions of Section 148 of the Companies Act, 2013 and rules thereof.

Pursuant to the provisions of the Companies Act, 2013 and rules thereof, the Board of Directors of the Company, in their meeting held on July 12, 2021, have appointed M/s A.G. Tulsian & Co., Cost Accountants, Ahmedabad (Firm Registration No.: 100629) as the Cost Auditors of the Company to audit the cost records of the Company for the financial year 2021- 22. Further, as per Section 148 of the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be ratified at the ensuing Annual General Meeting.

#### SECRETARIAL AUDIT:

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 is not covered under Secretarial Audit during current financial year.

#### INTERNAL AUDITORS:

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and rule 13 of the Companies (Accounts) Rules, 2014 and other applicable provisions of the Companies Act, 2013 the Company is required to appoint an Internal Auditors to conduct internal audit of the functions and activities of the company.

Further, pursuant to the provisions of Section 138, the Board of Directors has appointed Mr. Sharadchandra Kailashchandra Tibrewala as an Internal Auditors of the Company to conduct internal audit of the functions and activities of the Company for the Financial Year 2020-21.

#### INTERNAL FINANCIAL CONTROL:

The Company has in place adequate internal financial controls with reference to financial statements. The internal financial controls with reference to the Financial Statements are adequate in the opinion of the Board of Directors. Also, the Company has a proper system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly. During the Financial Year 2020-21, such controls were tested and no reportable material weakness in the design or operation was observed.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The particulars of loans, guarantees or investments made during the Financial Year 2020-21, if any, have been disclosed in the notes attached to and forming part of the Financial Statements of the Company prepared for the Financial Year ended March 31, 2021.

#### CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the Related Party transactions which were entered into during the Financial Year 2020-21 were at arm's length basis and in the ordinary course of business. Further, there is no material significant Related Party Transaction with related parties which may have a potential conflict with the interest of the Company at large, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable.

The details of the related party transactions for the financial year 2020-21 is given in notes of the financial statements.

#### SECRETARIAL STANDARDS:

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") as may be amended from time to time.

#### INTERNAL COMPLAINTS COMMITTEE:

The Board of Directors of your Company has formed an Internal Complaints Committee (ICC) pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. The Company has formulated and circulated to all the employees, a policy on prevention of sexual harassment at workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment.

During the Financial Year 2020-21, no case was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### DISCLOSURE OF REMUNERATION TO THE EMPLOYEES:

Being a Private Company, the information required under Section 197 of the Companies Act, 2013 and rules made thereunder read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not apply to private Companies. Hence, the information of Remuneration is not required to be furnished.

#### DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM:

Since the company does not fall in any of the criteria mentioned in Section 177(9) read with Rule 7 of the Companies (Meetings of Board & Its Power) Rules, 2014, establishment of vigil mechanism is not applicable to the company. Your Company believes in promoting a fair, transparent, ethical & professional work environment. The mechanism is established for directors and employees directly to report their concerns before the Board.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached herewith as Annexure "B"

#### ENVIRONMENT, HEALTH AND SAFETY:

The company is conscious of the importance of environmentally clean & safe operations. The company's policy requires conduct of operation in such a manner that ensures safety of all concerned, compliances environmental regulations and preservation of natural resources.

#### INDUSTRIAL RELATIONS:

Relations with the company's employees continue to be cordial. The Company has a good track record of harmonious relations with employees and all stake holders.

### SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS / TRIBUNALS:

During the Financial Year 2020-21, there were no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of the Company and its operations in future.

However, Your Company has participated in the resolution process of M/s. Vicor Stainless Private Limited (in CIRP) and has submitted resolution plan (RFRP) wherein Your Company is required to pay Rs. 635 Lakh. The Committee of Creditors has issued LoI in favour of your Company which is subject to approval of Adjudicating Authority ("NCLT").

Further, Your Company has also participated in the resolution process of M/s Agarwal Mittal Concast Private Limited (in CIRP) and has submitted resolution plan (RFRP) wherein Your Company is required to pay Rs. 5255.95 Lakh. The Committee of Creditors has issued LoI in favour of your Company which is subject to approval of Adjudicating Authority ("NCLT").

### INSURANCE

All Insurable interests of the Company including Buildings, Plant & Machinery, Furniture & Fixtures, Inventories and other insurable interests are adequately insured.

### RISK MANAGEMENT POLICY:

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The Board judges the fair and reasonable extent of risks that your Company is willing to take and its decisions shall be based on this reasonable judgment.

### THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the Financial Year 2020-21, there was no application made and proceeding initiated /pending under the Insolvency and Bankruptcy Code, 2016, by any Financial and/or Operational Creditors against your Company. As on the date of this report, there is no application or proceeding pending against your company under the Insolvency and Bankruptcy Code, 2016.

### THE DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE AT THE TIME OF TAKING A LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

During the Financial Year 2020-21, the Company has not made any settlement with its Bankers from which it has accepted any term loan.

ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, government authorities, customers, vendors and members during the year under review.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and worker of the Mangalam family.

For and on behalf of the Board of Directors  
Mangalam Worldwide Private Limited

*Chanakya...*

Chanakya Prakash Mangal

Director

DIN: 06714256

*Chandragupt...*

Chandragupt Prakash Mangal

Director

DIN: 07408422

Date: 10/09/2021

Place: Ahmedabad





“ANNEXURE – A”

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Rs. In Lakh)

Sr. No.	Particulars	Details of Subsidiaries
1	Name of the subsidiary	Mangalam Saarloh Private Limited
2	The date since when subsidiary was acquired	09.11.2020
3	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	Not Applicable
4	Reporting currency and Exchange rate as on the lastdate of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
5	Share Capital	1.00
6	Reserves & Surplus	0.54
7	Total Assets	135.89
8	Total Liabilities	135.89
9	Investments	0.00
10	Turnover	1.01
11	Profit before taxation	0.44
12	Provision for taxation	(0.11)
13	Profit after taxation	0.32
14	Proposed Dividend	0.00
15	% of Shareholding	60.00%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year - Not Applicable

Part B: Associates and Joint Ventures: Not Applicable

For and on behalf of the Board of Directors  
Mangalam Worldwide Private Limited

*Chanakya*

Chanakya Prakash Mangal  
Director  
DIN: 06714256

*Omangal*

Chandragupt Prakash Mangal  
Director  
DIN: 07408422

Date: 10/09/2021  
Place: Ahmedabad



## “ANNEXURE – B”

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

The information under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2021 is given here below and forms part of the Directors' Report.

#### A. CONSERVATION OF ENERGY:

i) The steps taken or impact on conservation of energy:

Your company is committed to adopt energy efficient practices at its business units, offices and other premises to reduce the consumption of power by analyzing power factor, maximum demand, working hours, load factor, specific energy consumption and monthly consumption.

ii) The steps taken by the Company for utilizing alternate sources of energy:

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

iii) The capital investment on energy conservation equipment:

During the year under review, Company has not incurred any capital investment on energy conservation equipment.

#### B. TECHNOLOGY ABSORPTION:

i.) The effort made towards technology absorption:

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

ii.) The benefit derived like product improvement, cost reduction, product development or import substitution:

None

iii.) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a. The details of technology imported: Nil

b. The year of import: Not Applicable

c. Whether the technology has been fully absorbed: Not Applicable

d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

iv.) The expenditure incurred on Research and Development:

During the year under review, the Company has not incurred any Expenditure on Research and Development

#### C. FOREIGN EXCHANGE EARNING AND OUTGO:

(Amount in Rs.)

Sr. No.	Total Foreign Exchange Used/ Earned	F.Y. 2020-21	F.Y. 2019-20
I.	Foreign Exchange Outgo		
	a) Value of Imports calculated on CIF basis:		
	Direct Import of Raw Material/ Traded Goods (paid in Foreign Currency Terms)	8,22,08,000	14,64,55,839
	Direct Import of Stores, Spares and Consumable	5,31,358	
	High seas Purchases of Imported Raw Material/	1,91,95,918	2,40,57,303

Sr. No.	Total Foreign Exchange Used/ Earned	F.Y. 2020-21	F.Y. 2019-20
	Traded Goods (paid in Rupee Terms)		
	High seas Purchases of Stores, Spares and Consumable (paid in Rupee Terms)	30,76,664	
	b) Expenditure:	..	8,67,592
2.	Foreign Exchange Earned	..	..

For and on behalf of the Board of Directors  
Mangalam Worldwide Private Limited



Chanakya Prakash Mangal  
Director  
DIN: 06714256



Chandragupt Prakash Mangal  
Director  
DIN: 07408422

Date: 10/09/2021  
Place: Ahmedabad



# MANGALAM WORLDWIDE PRIVATE LIMITED

25th Annual Report 2020-21

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- **BOARD OF DIRECTORS:**

MR. CHANAKYA PRAKASH MANGAL  
MR. CHANDRAGUPT PRAKASH MANGAL

- **AUDITORS:**

M/s KEDIA & KEDIA ASSOCIATES,  
CHARTERED ACCOUNTANTS  
AHMEDABAD

- **REGISTERED OFFICE:**

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

- **CIN: U27100GJ1995PTC028381**

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



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

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

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

1. We have audited the standalone financial statements of MANGALAM WORLDWIDE PRIVATE LIMITED ("the Company"), which comprise the standalone balance sheet as at 31st March 2021, the standalone statement of Profit and Loss, and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31<sup>st</sup> March 2021, profit and its cash flows for the year ended on that date.

**Basis for Opinion**

3. 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 Standalone 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 standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

**Information other than the Standalone Financial Statements and Auditors Report there on**

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibility of Management for Standalone Financial Statements**

5. 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the





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

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

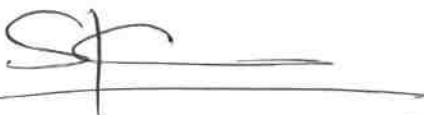
- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
7. 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.



8. 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.

#### Report on Other Legal and Regulatory Requirements

9. As required by Section 143(3) of the Act, we report that:
- 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.
  - 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.
  - The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - With respect to the adequacy of the internal financial controls over financial reporting with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting with reference to standalone financial statements.
  - 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:
    - The Company does not have any pending litigations which would impact its financial position.
    - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
10. 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 B' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



**SUBODH KEDIA**  
(M. No.: 043381), Partner  
for and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
Chartered Accountants  
FRN: 104954W  
UDIN: 21043381AAAABT6071  
AHMEDABAD; September 02, 2021





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

**“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON  
THE STANDALONE FINANCIAL STATEMENTS OF MANGALAM WORLDWIDE PRIVATE LIMITED**

(Referred to in para 9(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

**INDEPENDENT AUDITORS’ REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO  
STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE  
COMPANIES ACT, 2013 (“THE ACT”)**

1. We have audited the internal financial controls over financial reporting (with reference to standalone financial statements) of MANGALAM WORLDWIDE PRIVATE LIMITED (“the Company”) as at 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

2. 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 (the “Guidance Note”) 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 Act.

**AUDITORS’ RESPONSIBILITY**

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

#### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS**

4. A company's internal financial controls over financial reporting with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and payments 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 standalone financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS**

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

#### **OPINION**

6. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to standalone financial statements and such internal financial controls over financial reporting with reference to standalone financial statements were operating effectively as at 31st March, 2021, based on the internal financial controls over financial reporting with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.



**SUBODH KEDIA**  
(M. No.: 043381), Partner  
for and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
Chartered Accountants  
FRN: 104954W  
UDIN: 21043381AAAABT6071  
AHMEDABAD; September 02, 2021







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

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

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**REPORT ON THE MATTERS SPECIFIED PARAGRAPHS 3 AND 4 OF THE COMPANIES (AUDITOR'S REPORT) ORDER,  
2016 ("THE ORDER") ISSUED BY THE CENTRAL GOVERNMENT IN TERMS OF SECTION 143(11) OF THE COMPANIES  
ACT, 2013 ("THE ACT")**

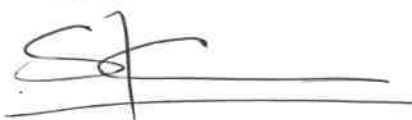
Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

01. (a) In our opinion, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.  
  
(b) These fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. As informed to us, no material discrepancies were noticed on such physical verification.  
  
(c) Title deeds of immovable properties are in the name of the Company.
02. The inventories were physically verified during the year by the Management. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to the book records were, in our opinion, not material in relation to operations of the company, and have been properly dealt with in the books of account.
03. The company has not granted any loans or advances in the nature of loans to parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
04. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
05. The Company has not accepted any deposits within the meaning of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the rules framed there under to the extent notified and accordingly we have nothing further to report with regards to matters contained in Para 3 (v) of the order.
06. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the same.
07. In respect of statutory dues:
  - (a) Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.





- (b) No undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- (c) There are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited as on March 31, 2021 on account of any dispute.
08. In our opinion, the Company has not defaulted in the repayment of loans or borrowings to banks. The company has not borrowed from financial institutions, government and it has not issued any debentures.
09. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly we have nothing further to report with regards to matters contained in Para 3(ix) of the order.
10. No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. The Company has paid / provided managerial remuneration. The company is a private limited company and accordingly we have nothing further to report with regards to matters contained in Para 3(xi) of the order.
12. In our opinion, the Company is not a Nidhi Company and accordingly we have nothing further to report with regards to matters contained in Para 3(xii) of the order.
13. In our opinion, the Company's transactions with its related parties are in compliance with section 177 and 188 of the Act, where applicable, and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly we have nothing further to report with regards to matters contained in Para 3(xiv) of the order.
15. In our opinion, the company has not entered into non-cash transactions with directors or persons connected with them.
16. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.



**SUBODH KEDIA**  
(M. No.: 043381), Partner  
for and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
Chartered Accountants  
FRN: 104954W  
UDIN: 21043381AAAAABT6071  
AHMEDABAD; September 02, 2021



**MANGALAM WORLDWIDE PRIVATE LIMITED**

25th Annual Report 2020-21

**Standalone Balance Sheet as at 31<sup>st</sup> March 2021**

Particulars	Note No.	As at 31st March, 2021 (Rupees)	As at 31st March, 2020 (Rupees)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	1	20,13,336	20,13,336
(b) Reserves and Surplus	2	12,62,43,237	9,92,85,558
<b>2 Share Application Money Pending Allotment</b>			
-			
<b>3 Non-Current Liabilities</b>			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)	3	-	-
(c) Other Long-Term Liabilities	4	1,89,413	1,29,005
<b>4 Current Liabilities</b>			
(a) Short-Term Borrowings	5	16,12,80,647	18,94,86,502
(b) Trade Payables	6	16,23,47,831	29,38,21,025
(c) Other Current Liabilities	7	71,62,486	32,24,687
(d) Short-Term Provisions	8	18,50,295	2,97,069
<b>TOTAL</b>		<b>46,10,87,245</b>	<b>58,82,57,182</b>
<b>II. ASSETS</b>			
<b>1 Non-current Assets</b>			
(a) Property Plant and Equipment			
(i) Tangible Assets	9	7,27,269	4,78,713
(ii) Intangible Assets	9	-	-
(iii) Capital Work In Progress		-	-
(b) Non-Current Investments	10	5,84,21,333	5,85,05,254
(c) Deferred Tax Assets (Net)	3	-	-
(d) Long-Term Loans and Advances	11	56,97,887	46,82,540
(e) Other Non-Current Assets		-	-
<b>2 Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories	12	25,43,46,077	33,31,76,183
(c) Trade Receivables	13	9,54,21,450	11,57,99,227
(d) Cash and Bank Balances	14	83,12,098	17,12,036
(e) Short-Term Loans and Advances	15	3,81,61,131	7,39,03,229
(f) Other Current Assets		-	-
<b>TOTAL</b>		<b>46,10,87,245</b>	<b>58,82,57,182</b>
Summary of Significant Accounting Policies and Notes forming Part of Standalone Financial Statement		1 - 23	

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



**(Subodh Kedia)**  
Partner (M.No.:043381)  
For and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
Chartered Accountants  
(FRN 104954W)

Date : 2nd September, 2021  
Place : Ahmedabad

For and On behalf of the Board



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



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

Date : 2nd September, 2021  
Place : Ahmedabad



**MANGALAM WORLDWIDE PRIVATE LIMITED**

25th Annual Report 2020-21

**Standalone Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2021**

Particulars		Note No.	2020-21 (Rupees)	2019-20 (Rupees)
<b>I.</b>	Revenue from Operations	16	3,01,91,90,066	3,26,93,41,347
<b>II.</b>	Other Income	17	1,39,39,921	97,17,207
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>3,03,31,29,987</b>	<b>3,27,90,58,554</b>
	Expenses:			
	Cost of Material Consumed / Cost of Traded Goods Sold	18	2,21,83,73,149	3,01,89,51,984
	Changes in Inventories of Finished Goods/ Traded Goods	19	1,33,95,668	(10,45,58,389)
	Employee Benefits Expense	20	3,77,40,730	1,68,26,715
	Other Expenses	21	70,47,18,115	31,77,87,356
<b>IV.</b>	<b>Total</b>		<b>2,97,42,27,662</b>	<b>3,24,90,07,666</b>
<b>V.</b>	<b>Profit Before Interest, Depreciation and Tax (III-IV)</b>		<b>5,89,02,325</b>	<b>3,00,50,888</b>
	Finance Costs	22	2,21,32,699	1,11,18,403
	Depreciation and Amortisation Expense	9	1,87,850	1,44,615
	Depreciation Expense on Investment Property	10	1,57,431	1,57,431
<b>VI.</b>	<b>Total</b>		<b>2,24,77,980</b>	<b>1,14,20,449</b>
<b>VII.</b>	<b>Profit before tax (V-VI)</b>		<b>3,64,24,345</b>	<b>1,86,30,439</b>
	Tax Expense:			
	(1) Current Income Tax		(94,21,000)	(48,46,000)
	(2) Income Tax (Prior Period)		4,681	(5,588)
	(3) Deferred Tax		-	-
<b>VIII.</b>	<b>Total Tax Expense</b>		<b>(94,16,319)</b>	<b>(48,51,588)</b>
<b>IX.</b>	<b>Profit/(Loss) for the period (VII - VIII)</b>		<b>2,70,08,026</b>	<b>1,37,78,851</b>
<b>X.</b>	Earnings per Equity Share:			
	(1) Basic		134.15	68.44
	(2) Diluted		134.15	68.44
	Summary of Significant Accounting Policies and Notes Forming Part of Standalone Financial Statement	1 - 23		

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

(Subodh Kedia)  
Partner (M.No.:043381)  
For and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
Chartered Accountants  
(FRN 104954W)  
Date : 2nd September, 2021  
Place : Ahmedabad

For and On behalf of the Board  
*Chanakya*  
Chanakya Prakash Mangal  
(Director)  
DIN: 06714256  
*Omangal*  
Chandragupt Prakash Mangal  
(Director)  
DIN: 07408422

Date : 2nd September, 2021  
Place : Ahmedabad



# MANGALAM WORLDWIDE PRIVATE LIMITED

25th Annual Report 2020-21

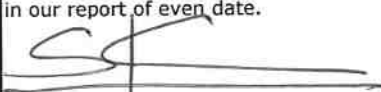
## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2021


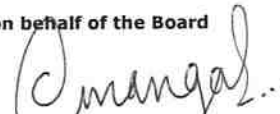
Particulars	2020-21 Rupees	2019-20 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Net Profit before Tax (A)</b>	<b>3,64,24,345</b>	<b>1,86,30,439</b>
<b>Adjustments for :</b>		
Depreciation & Amortization	3,45,281	3,02,046
Unrealised Foreign Exchange (Gain)/Loss	(13,04,157)	12,78,533
Loss/(Gain) on Sale of Investment	-	(13,390)
Provision for Gratuity	79,983	99,319
Provision for Leave Encashment	1,61,477	1,63,210
Interest / Finance Charges	2,21,32,699	1,11,18,403
Interest & Dividend Earned	(15,36,132)	(8,16,102)
<b>Sub Total (B)</b>	<b>1,98,79,151</b>	<b>1,21,32,019</b>
<b>Operating Profit Before Working Capital Changes (A + B)</b>	<b>5,63,03,496</b>	<b>3,07,62,458</b>
<b>Adjustments for Changes in Working Capital</b>		
(Increase)/ Decrease in Inventories	7,88,30,106	(33,31,76,183)
(Increase)/ Decrease in Trade Receivables	2,03,77,777	(7,52,38,327)
(Increase)/ Decrease in Loans & Advances	3,47,27,110	(5,89,71,036)
Increase/ (Decrease) in Trade Payables	(13,01,54,766)	29,23,00,620
Increase/ (Decrease) in Other Liabilities	39,37,799	23,40,641
<b>Sub Total (C)</b>	<b>77,18,026</b>	<b>(17,27,44,285)</b>
<b>Cash Generated from Operating Activities (A + B + C)</b>	<b>6,40,21,522</b>	<b>(14,19,81,827)</b>
<b>Income tax paid during the year (D)</b>	<b>(80,58,775)</b>	<b>(91,54,467)</b>
<b>Net Cash Generated from Operating Activities (A + B + C + D)</b>	<b>5,59,62,747</b>	<b>(15,11,36,294)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(4,36,406)	(4,08,434)
Purchase of Investment Property	-	-
Purchase of Investment	(73,510)	-
Sale/Liquidation of Investments	-	15,390
Decrease/(Increase) Other Bank Balance not considered as Cash and Cash Equivalent	(78,89,308)	-
Interest & Dividend Received	15,36,132	8,16,102
<b>Net Cash Generated from Investing Activities</b>	<b>(68,63,092)</b>	<b>4,23,058</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from issue of Equity Shares	-	-
Net of (Repayment)/ Proceeds from Working Capital Facilities from Bank	(4,33,76,742)	-
Net of (Repayment)/ Proceeds from Unsecured Short Term Borrowing	1,51,70,887	16,26,02,052
Net of (Repayment)/ Proceeds from Long Term Borrowing	-	-
Interest/ Finance Charges Paid	(2,21,32,699)	(1,11,18,403)
Dividend & Dividend Tax Paid	(50,347)	(60,701)
<b>Net Cash Generated from Financing Activities</b>	<b>(5,03,88,901)</b>	<b>15,14,22,948</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(12,89,246)</b>	<b>7,09,712</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>17,12,036</b>	<b>10,02,324</b>
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>4,22,790</b>	<b>17,12,036</b>

**Notes:**

- (1) Standalone Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3: "Cash Flow Statements".
- (2) Previous year's figures have been regrouped/reclassified wherever applicable

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

  
**(Subodh Kedia)**  
 Partner (M.No.:043381)  
 For and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
 Chartered Accountants  
 (FRN 104954W)  
 Date : 2nd September, 2021  
 Place : Ahmedabad

For and on behalf of the Board  
  
**Chanakya Prakash Mangal**  
 (Director)  
 DIN: 06714256  
  
**Chandragupt Prakash Mangal**  
 (Director)  
 DIN: 07408422



Date : 2nd September, 2021  
 Place : Ahmedabad



# MANGALAM WORLDWIDE PRIVATE LIMITED

25th Annual Report 2020-21

## Note 1 Share Capital

Particulars	As at 31st March, 2021	As at 31st March, 2020
	Rupees	Rupees
<b>Authorised</b>		
3,97,000 (P.Y. 3,97,000) Equity Shares of Rs. 10/- each	39,70,000	39,70,000
28,000 (P.Y. 28,000) Redeemable Preference Shares of Rs. 10/- each	2,80,000	2,80,000
	42,50,000	42,50,000
<b>Issued</b>		
1,80,574 (P.Y. 1,80,574) Equity Shares of Rs. 10/- each	18,05,740	18,05,740
63,000 (P.Y. 63,000) Equity Shares - Differential Voting Rights of Rs.	6,30,000	6,30,000
	24,35,740	24,35,740
<b>Subscribed &amp; fully Paid up</b>		
32,372 (P.Y. 32,372) Equity Shares of Rs. 10/- each fully paid up	3,23,720	3,23,720
<b>Subscribed but not fully Paid up</b>		
1,48,202 (P.Y. 1,48,202) Equity Shares of Rs. 10/- each (Rs 8/- each called up and paid up)	11,85,616	11,85,616
63,000 (P.Y. 63,000) Equity Shares - Differential Voting Rights of Rs. 10/- each (Rs 8/- each called up and paid up)	5,04,000	5,04,000
<b>Per Balance Sheet</b>	<b>20,13,336</b>	<b>20,13,336</b>

### 1.1 Rights, preferences and restrictions attached to shares:

#### Equity Shares:

The Company has two class of equity shares having a par value of Rs 10/- each. (i) Equity shares with normal voting rights and (ii) Equity Shares with Differential voting rights. Every share holder holding shares with normal voting rights shall have on a show of hands or on a poll, 1 vote for every 1 share held by them. Every share holder holding shares with differential voting rights shall, have on a show of hands or on a poll, 1 vote for every 100 shares held by them.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The holders of differential voting rights shares shall be entitled to receive dividend at two percentage points more than the aggregate rate of dividend on Normal Equity Shares.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holding.

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

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number	Amount (*)	Number	Amount (*)
<b>Equity Shares of Rs. 10/- each:</b>				
Shares outstanding at the beginning of the year	1,80,574	18,05,740	1,80,574	18,05,740
Add: Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>1,80,574</b>	<b>18,05,740</b>	<b>1,80,574</b>	<b>18,05,740</b>
<b>Equity Shares-Differential Voting Rights of Rs. 10/- each</b>				
Shares outstanding at the beginning of the year	63,000	6,30,000	63,000	6,30,000
Add: Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>63,000</b>	<b>6,30,000</b>	<b>63,000</b>	<b>6,30,000</b>

(\*) Face value

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

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares of Rs. 10/- each:</b>				
Chanakya Prakash Mangal	34,500	19.11%	34,500	19.11%
Chandragupt Prakash Mangal	34,500	19.11%	34,500	19.11%
Hemlata Mangal	24,374	13.50%	24,374	13.50%
Omprakash Mangal	18,000	9.97%	18,000	9.97%
Rashmi Mangal	34,500	19.11%	34,500	19.11%
Vipin Prakash Mangal	34,600	19.16%	34,500	19.11%
<b>Equity Shares - Differential Voting Rights of Face Value of Rs. 10/- each:</b>				
Chanakya Prakash Mangal	13,000	20.63%	13,000	20.63%
Chandragupt Prakash Mangal	13,000	20.63%	13,000	20.63%
Hemlata Mangal	11,000	17.46%	11,000	17.46%
Rashmi Mangal	13,000	20.63%	13,000	20.63%
Vipin Prakash Mangal	13,000	20.63%	13,000	20.63%

# - Less than 5%





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## Note 2 Reserves and Surplus

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Securities Premium on Equity Shares Account</b>		
Opening Balance	7,72,79,960	7,72,79,960
Add : Securities Premium Credited on Share Issue	-	-
Less : Premium Utilised for redemption of Equity Shares	-	-
Closing Balance	<b>7,72,79,960</b>	<b>7,72,79,960</b>
<b>Surplus in Statement of Profit and Loss</b>		
Opening Balance	2,20,05,598	82,87,448
Add: Net Profit/(Net Loss) For the Current Year	2,70,08,026	1,37,78,851
Less: Dividend on Equity Shares	(50,347)	(50,347)
Less: Dividend Distribution Tax	-	(10,354)
Closing Balance	<b>4,89,63,277</b>	<b>2,20,05,598</b>
<b>Per Balance Sheet</b>	<b>12,62,43,237</b>	<b>9,92,85,558</b>

## Note 3 Deferred Tax Liabilities/Assets (Net)

Note: Inview of prudence, Defferred Tax Assets is not recognised

## Note 4 Other Long-Term Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Provision for employee benefits</b>		
Provision for Gratuity (Unfunded)	1,89,413	1,29,005
<b>Per Balance Sheet</b>	<b>1,89,413</b>	<b>1,29,005</b>

## Note 5 Short-Term Borrowings

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Secured</b>		
<b>(a) Loans from Bank</b>		
ICICI Bank - Cash Credit ( See Note No 5.1 to 5.3)	6,12,24,727	10,46,01,469
<b>Unsecured</b>		
<b>(a) Loans Repayable on Demand</b>		
Intercorporate Deposits	4,70,88,104	2,61,53,049
from Directors	1,55,13,417	1,62,55,831
from Directors' Relatives	1,79,70,985	4,24,76,153
Local Bill Discounting	1,94,83,414	-
from Others	-	-
<b>Per Balance Sheet</b>	<b>16,12,80,647</b>	<b>18,94,86,502</b>

5.1 The company has created a exclusive charge in favour of ICICI Bank Limited to the extent of Rs. 1100 Lakhs (Previous Year Rs 700 Lakhs) by way of hypothecation of the entire stock of moveable property including book debts and receivables of the company wherever located.

5.2. The above facilities are further collaterally secured by way of equitable mortgage of immoveable property, jointly owned by the company and M/s Hindprakash Global Private Limited, property situated at Shop No 8; Ground Floor, Himalya Elanza Business Center RTO Circle, Ahmedabad.

5.3. The above facilities are further guaranteed in personal capacity by (i) two directors of the company and (ii) Vipin Prakash Mangal along with Hindprakash Global Private Limited.

## Note 6 Trade Payables

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of Medium, Small and Micro Enterprises (MSME) (Refer Note 23 C 9)	-	-
Total Outstanding Dues of Creditors other than MSME Enterprises	7,44,25,419	25,47,18,374
Current Liability for Expenses	8,79,22,412	3,91,02,651
<b>Per Balance Sheet</b>	<b>16,23,47,831</b>	<b>29,38,21,025</b>

## Note 7 Other Current Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured</b>		
Other Statutory Liabilities	56,70,633	31,09,932
Other Liabilities	14,91,853	1,14,755
<b>Per Balance Sheet</b>	<b>71,62,486</b>	<b>32,24,687</b>



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## Note 9

### Property, Plant and Equipment

Particulars	Gross Block			Accumulated Depreciation				Net Block		
	Balance as at 1st April, 2020	Additions	(Disposals)/ Adjustments	Balance as at 31st March, 2021	Balance as at 1st April, 2020	Depreciation Charge for the Year	(Disposals)/ Adjustments	Balance as at 31st March, 2021	Balance as at 31st March, 2021	Balance as at 31st March,
<b>A Tangible Assets</b>										
Computers	3,77,220	2,79,288	-	6,56,508	1,87,418	1,21,045	-	3,08,463	3,48,045	1,89,802
Furniture and Fixtures	83,005	-	-	83,005	31,481	7,884	-	39,365	43,640	51,524
Office Equipments	3,84,258	1,57,118	-	5,41,376	1,69,259	54,608	-	2,23,867	3,17,509	2,14,999
Vehicle	45,342	-	-	45,342	22,954	4,313	-	27,267	18,075	22,388
<b>Total (A)</b>	<b>8,89,825</b>	<b>4,36,406</b>	<b>-</b>	<b>13,26,231</b>	<b>4,11,112</b>	<b>1,87,850</b>	<b>-</b>	<b>5,98,962</b>	<b>7,27,269</b>	<b>4,78,713</b>
Previous Year	4,81,391	4,08,434	-	8,89,825	2,66,497	1,44,615	-	4,11,112	4,78,713	2,14,894
<b>B Intangible Assets</b>										
	-	-	-	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Previous Year	-	-	-	-	-	-	-	-	-	-
<b>Total (A+B)</b>	<b>8,89,825</b>	<b>4,36,406</b>	<b>-</b>	<b>13,26,231</b>	<b>4,11,112</b>	<b>1,87,850</b>	<b>-</b>	<b>5,98,962</b>	<b>7,27,269</b>	<b>4,78,713</b>
Previous Year	4,81,391	4,08,434	-	8,89,825	2,66,497	1,44,615	-	4,11,112	4,78,713	2,14,894



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## Note 8 Short Term Provisions

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Provision for employee benefits</b>		
Gratuity (Unfunded)	47,510	27,935
Leave Encashment (Unfunded)	4,30,611	2,69,134
<b>Others</b>		
Provision for Income Tax (net of prepaid taxes)	13,72,174	-
Others Provisions	-	-
<b>Per Balance Sheet</b>	<b>18,50,295</b>	<b>2,97,069</b>

## Note 10 Non-Current Investments (Long Term Investment) (Non Trade at Cost) (Valued at Cost less Diminution (Other than Temporary) in value, if any)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Investment in Equity Instruments (Unquoted)</b>		
<b>(i) of Subsidiaries</b>		
6,000 (P.Y. NIL) Equity shares - Mangalam Saarloh Private Limited (of Rs. 10/- each Fully Paidup)	73,200	-
<b>(ii) of Associates</b>		
<b>(iii) of Others</b>		
<b>A</b>	<b>73,200</b>	<b>-</b>
<b>Investment in Equity Instruments (Quoted)</b>		
<b>(i) of Others</b>		
26,25,015 (P.Y. 17,50,005) Equity shares - Mangalam Global Enterprise Limited (of Rs. 10/- each Fully Paidup)	4,90,00,450	4,90,00,140
<b>B</b>	<b>4,90,00,450</b>	<b>4,90,00,140</b>
Aggregate Value of Quoted Equity Investment (C.Y. Rs. 4,90,00,450/- - P.Y. Rs. 4,90,00,140/-) Market Value of Quoted Equity Investment (C.Y. Rs. 14,49,00,828/- - P.Y. Rs. 9,40,62,769/-) Aggregate Amount of Unquoted Equity Investment (C.Y. Rs 73,200/- - P.Y. Nil)		
<b>Investment Property</b> (Valued at cost less accumulated depreciation)		
Cost of Land and Building as on Opening	99,37,990	99,37,990
Add: Addition During the Year	-	-
<b>Sub Total (a)</b>	<b>99,37,990</b>	<b>99,37,990</b>
Depreciation as on Opening	(4,32,876)	(2,75,445)
Add: Depreciation for the Year	(1,57,431)	(1,57,431)
<b>Sub Total (b)</b>	<b>(5,90,307)</b>	<b>(4,32,876)</b>
<b>Net Block (a-b)</b>	<b>93,47,683</b>	<b>95,05,114</b>
<b>C</b>		
Aggregate Value of Investment Property (C.Y. Rs. 93,47,683, P.Y. Rs. 95,05,114) Aggregate Provision for Diminution in Value of Investment (C.Y. Rs. Nil, P.Y. Rs. Nil)		
<b>Per Balance Sheet</b>	<b>5,84,21,333</b>	<b>5,85,05,254</b>

## Note 11 Long-term Loans and Advances (Unsecured, Considered Good)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Prepaid Income Tax / MAT Credit / TDS (Net of Prov, if Deposits)	43,49,167	43,34,537
Prepaid Expenses	13,48,003	3,48,003
	717	-
<b>Per Balance Sheet</b>	<b>56,97,887</b>	<b>46,82,540</b>

Particulars	As at 31st March, 2021	As at 31st March, 2020
Long Term Loans and Advances include due from:		
Director (Rent Deposit)	90,000	90,000
Other Officers of the Company	-	-
Firm in which any Director is Partner	-	-
Private Company in which Director is Director or Member	-	-
<b>Total</b>	<b>90,000</b>	<b>90,000</b>

## Note 12 Inventories (As Taken, Verified, Valued and Certified by the Management)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Stock-in-Hand</b>		
Raw Materials	12,17,30,734	17,56,71,540
Finished Goods	9,11,62,721	10,45,58,389
Stores, Spares & Consumables	4,14,52,622	5,29,46,254
<b>Per Balance Sheet</b>	<b>25,43,46,077</b>	<b>33,31,76,183</b>



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Particulars	As at 31st March, 2021	As at 31st March, 2020
12.1 Value of Inventories (shown above) is exclusive of Stock / Goods in transit (Import). Corresponding liability is also not provided under the head Trade Payables.	1,95,90,572	6,46,72,962
<b>Total</b>	<b>1,95,90,572</b>	<b>6,46,72,962</b>

## Note 13

### Trade Receivables (Unsecured and Considered Good)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Over Six Months	2,93,45,714	72,83,864
Others	6,60,75,736	10,85,15,363
<b>Per Balance Sheet</b>	<b>9,54,21,450</b>	<b>11,57,99,227</b>

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables include due from:		
Director	-	-
Other Officers of the Company	-	-
Firm in which any director is Partner	-	-
Private Company in which Director is Director or Member	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Note 14

### Cash and Bank Balances

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Cash and Cash Equivalents</b>		
(a) Cash on Hand	55,392	98,532
(b) Balances with banks		
(i) In Current Account	3,67,398	16,13,504
(ii) In Bank Deposit (original maturity of 3 months or less) (Not under lien for security)	-	-
<b>Total Cash and Cash Equivalents A</b>	<b>4,22,790</b>	<b>17,12,036</b>
<b>Other Bank Balances</b>		
(a) Other Bank Deposits (original maturity of 3 months or less) (Under lien for security)	78,89,308	-
(b) Other Bank Deposits (Original Maturity more than 3 months) (See Note No. 14.1 and 14.2)	-	-
<b>Total Other Bank Balances B</b>	<b>78,89,308</b>	<b>-</b>
<b>Per Balance Sheet</b>	<b>83,12,098</b>	<b>17,12,036</b>

## Note:

Particulars	As at 31st March, 2021	As at 31st March, 2020
14.1. Other Bank Deposit include deposits with remaining maturity of more than 12 months from the balance sheet date.	-	-
14.2. Bank Deposits includes pledge for Bank Guarantee issued the bank.	78,89,308	-
<b>Total</b>	<b>78,89,308</b>	<b>-</b>

## Note 15

### Short-term Loans and Advances (Unsecured, Considered Good)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Loans and Advances to related parties</b>		
Advance to Suppliers	78,90,599	-
<b>Loans and Advances to Others</b>		
Loans to Others	95,83,544	2,12,53,707
Loans to Employees	9,000	3,500
Advance to Suppliers	1,14,60,001	1,85,79,356
GST Receivable	85,99,892	3,16,80,598
Prepaid Expenses	5,91,845	21,87,568
Other Receivables	26,250	1,98,500
<b>Per Balance Sheet</b>	<b>3,81,61,131</b>	<b>7,39,03,229</b>

Particulars	As at 31st March, 2021	As at 31st March, 2020
Short Term Loans and Advances include due from:		
Director	-	-
Other Officers of the Company	-	-
Firm in which any Director is Partner	-	-
Private Company in which Director is Director or Member		
- Mangalam Global (Singapore) Pte Ltd	78,90,599	-
<b>Total</b>	<b>78,90,599</b>	<b>-</b>



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## Note 16

### Revenue from Operations

Particulars	2020-21	2019-20
Sale of Products	2,88,45,44,815	3,25,84,98,804
Sale of Services	13,46,45,251	1,08,42,543
<b>Per Statement of Profit and Loss Account</b>	<b>3,01,91,90,066</b>	<b>3,26,93,41,347</b>

Particulars	2020-21	2019-20
1. Sale of Products		
- Steel Scrap	5,93,57,354	1,72,10,04,453
- SS Flatbar	2,55,95,84,053	1,02,20,17,034
- Ferro Alloys	10,06,14,415	22,26,69,046
- Other Steel Products	16,49,88,993	29,28,08,271
- Others	-	-
	<b>2,88,45,44,815</b>	<b>3,25,84,98,804</b>
2. Sale of Services		
-Manufacturing Jobwork Service Income	13,43,55,626	1,00,36,048
-Clearing & Handling Income - PCA	2,89,625	4,32,456
-Commission Income	-	3,74,039
	<b>13,46,45,251</b>	<b>1,08,42,543</b>
<b>Total</b>	<b>3,01,91,90,066</b>	<b>3,26,93,41,347</b>

## Note 17

### Other Income

Particulars	2020-21	2019-20
Interest Income (Refer Note 17.1 below)	15,36,132	8,16,102
Other Income - Sale of Consumable etc	1,24,02,049	88,17,712
Other Non-Operating Income (Net of Expenses Directly Attributable to such Income) (Refer Note 17.2 below)	1,740	70,003
Gain on Sale of Investments	-	13,390
<b>Per Statement of Profit and Loss Account</b>	<b>1,39,39,921</b>	<b>97,17,207</b>

#### Note: 17.1

##### Interest Income Comprises:

-Interest On Loans & Advances	12,05,485	7,72,838
-Interest Income On Investments	1,20,958	-
-Interest Income On Trade Receivables	2,09,689	43,264
<b>Total</b>	<b>15,36,132</b>	<b>8,16,102</b>

#### Note: 17.2

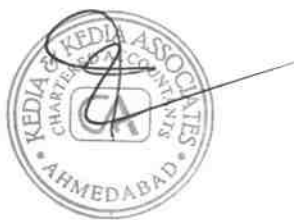
##### Other Non Operating Income Comprises:

-Management Consultancy	-	-
-Dividend Income	-	70,000
-Other Income	1,740	3
<b>Total</b>	<b>1,740</b>	<b>70,003</b>

## Note 18

### Cost of Material Consumed (Including Cost of Traded Goods Sold)

Particulars	2020-21	2019-20
Opening Stock of Raw Materials	17,56,71,540	-
Add : Purchases and Incidental Expenses (Net of Returns, Claims/Discount, if any)	2,16,44,32,343	3,19,46,23,524
Closing Stock of Raw Materials	(12,17,30,734)	(17,56,71,540)
<b>Per Statement of Profit and Loss Account</b>	<b>2,21,83,73,149</b>	<b>3,01,89,51,984</b>





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Particulars	2020-21	2019-20
- Steel Scrap etc. (Raw Material)	94,64,89,526	2,50,24,36,339
- Ferro Alloys	1,21,79,42,817	69,21,87,185
- Others	-	-
<b>Total</b>	<b>2,16,44,32,343</b>	<b>3,19,46,23,524</b>

## Value of Raw Material Consumed

Particulars	2020-21	2019-20
<b>Indigenous - Value</b>	<b>2,06,02,34,637</b>	<b>2,88,15,74,803</b>
Indigenous - %	92.87%	95.45%
<b>Imported - Value</b>	<b>15,81,38,512</b>	<b>13,73,77,181</b>
Imported - %	7.13%	4.55%
	<b>2,21,83,73,149</b>	<b>3,01,89,51,984</b>

## Note 19

### Changes in Inventories of Finished Goods and Work in Progress / Traded Goods

Particulars	2020-21	2019-20
<b>Opening Stock :</b>		
Finished Goods/Traded Goods	10,45,58,389	-
Work in Progress	-	-
<b>Closing Stock :</b>		
Finished Goods/Traded Goods	(9,11,62,721)	(10,45,58,389)
Work in Progress	-	-
<b>Per Statement of Profit and Loss Account</b>	<b>1,33,95,668</b>	<b>(10,45,58,389)</b>

## Note 20

### Employee Benefits Expense

Particulars	2020-21	2019-20
Salaries and Incentives	3,54,40,679	1,59,23,273
Contributions to Provident Fund and Other Fund	2,02,206	1,64,819
Provision for Gratuity and Leave Encashment	3,02,131	2,73,765
Staff Welfare Expenses	17,95,714	4,64,858
<b>Per Statement of Profit and Loss Account</b>	<b>3,77,40,730</b>	<b>1,68,26,715</b>

## Note 21

### Other Expenses

Particulars	2020-21	2019-20
<b>Manufacturing Expenses</b>		
Power & Fuel	28,38,21,093	13,26,35,427
Consumption of Stores (Indigenous- 98.79 %, PY 100%)	21,34,56,250	8,53,39,311
Consumption of Stores (Imported - 1.21 %, PY 0.00%)	26,16,225	-
Contract Labour Charges	7,55,97,038	4,12,26,792
Factory Lease Rent Expense(Factory Building)	40,67,792	19,07,337
Factory Lease Rent Expense(Plant Machinery)	95,85,996	53,05,436
Freight Expense - Factory	1,38,52,393	11,07,516
Manufacturing Jobwork Expense	72,54,451	1,02,94,440
Laboratory and Testing Expense	1,81,454	1,14,712
Repairs And Maintenance Expense - Plant Machinery	54,54,411	21,05,034
Other Factory Expense	65,35,967	26,77,661
<b>Administrative, Selling and Other Expenses</b>		
Bank Charges	2,87,881	1,64,179
Conveyance Expense	3,45,427	1,40,694
Consultancy Fees	20,89,142	45,06,967
Professional Fees - Corporate Law Matters	27,83,000	-
Management Consultancy Fees	34,66,346	-
Legal Expense	71,818	6,14,113
Other Office Expenses	10,95,543	5,00,841
Payment To Auditors	2,25,000	1,75,000
Printing & Stationery Expenses	1,90,905	1,63,662
Rates & Taxes	2,480	2,400



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Repairs And Maintenance Expense - Others	28,60,727	5,96,277
Office Lease Rent Expense	6,21,084	6,21,084
Telephone, Postage & Courier Expenses	1,96,074	90,542
Traveling Expenses	3,57,256	12,80,449
Business Promotion Expenses	10,04,825	26,39,574
Freight Outward & Loading Unloading Expenses	3,55,17,948	2,03,36,467
Sales Commission Expenses	2,42,51,723	32,27,753
Other Selling Expenses	38,481	13,688
Cash Discount on Sales	66,89,385	-
Prior Period Items	2,00,000	-
<b>Per Statement of Profit and Loss Account</b>	<b>70,47,18,115</b>	<b>31,77,87,356</b>

### Details of Prior Period Items

Particulars	2020-21	2019-20
Prior Period Expenses	2,00,000	-
Prior Period Income	-	-
<b>Total (Net Income)/Expense</b>	<b>2,00,000</b>	<b>-</b>

### Details of Payment to Auditors

Particulars	2020-21	2019-20
For Audit Fees	2,25,000	1,75,000
For Others (Including Tax Audit Fees)	-	-
<b>Total</b>	<b>2,25,000</b>	<b>1,75,000</b>

### Note 22

#### Finance Costs

Particulars	2020-21	2019-20
Interest Expense:		
On Borrowings		
- From Banks	58,80,745	28,73,858
- From Others	1,32,97,810	77,81,503
- Bill Discounting	19,79,980	-
On Others	1,82,479	60,152
On Income tax Expense	2,51,000	62,000
Other Borrowing Cost	5,40,685	3,40,890
<b>Per Statement of Profit and Loss Account</b>	<b>2,21,32,699</b>	<b>1,11,18,403</b>



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## **NOTE: 23**

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

#### **A) CORPORATE INFORMATION:**

Mangalam Worldwide Private Limited ('the Company') is an unlisted private limited company incorporated in India. The registered office of the Company is located at 102, Mangalam Corporate House, 19/B Kalyan Society, Near M.G International School, Mithakhali, Ahmedabad-380006 Gujarat, India.

The Company is currently engaged in activity of manufacturing of steel products and dealing/trading of steel and other merchandise and consultancy service activity.

#### **B) SIGNIFICANT ACCOUNTING POLICIES:**

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

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

The financial statements are presented in Indian rupees.

##### **(b) USE OF ESTIMATES:**

The presentation of financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and reported amount of income and expenses during the Year. Actual results/outcome could differ from these estimates. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognised prospectively in the year in which such estimates are actually materialized.

##### **2) PROPERTY, PLANT AND EQUIPMENT:**

All Property, Plant and Equipment (PPE) are valued at cost less depreciation / amortization. Cost [net of Input Tax Credit available] comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. Financing costs directly attributable to the construction of qualifying PPE are also included to the extent they relate to the period till such assets are ready for their intended use.

Capital work in progress is stated at cost. The cost is inclusive of directly attributable expenditure, expenditure during construction period to be allocated to the respective assets on completion of construction period, interest up to the balance sheet date in case of qualifying asset and is adjusted for Input Tax Credit availed of.



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Cost of addition or extension to an existing asset, which is of a capital nature and/or which becomes an integral part of the existing asset is capitalised and added to the gross book value of that asset.

All PPE are stated at their Historical Costs.

### 3) DEPRECIATION:

Depreciation is charged in the accounts on PPE on straight-line method. Depreciation is provided based on useful life of the assets as prescribed in schedule II of The Companies Act, 2013 except in following cases.

Computer software is amortised over a period of 3 years. Cycle is depreciated over a period of 10 years. Useful life of Mobile Instruments is taken as 3 years.

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

### 4) EXPENDITURE DURING THE CONSTRUCTION PERIOD:

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

### 5) INVESTMENT:

Long Term Investments are stated at cost. However, when there is a diminution, other than temporary, in the value of long-term investments, the carrying cost is reduced to recognize the diminution. Current investments are stated at lower of cost and Fair value.

#### Investment property:

An Investment in Land or Building, which is not intended to be occupied substantially for used by, or in operations of, the company, is classified as Investment Property. Investment Properties are stated at cost, Net of accumulated depreciation and accumulated impairment loss if any.

The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing investment property to its working condition for the intended use.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged / credited to the statement of profit and loss.

### 6) INVENTORIES:

(a) Inventories consisting of Raw Material, Work-in-Process, Finished Goods and Traded Goods are valued at lower of cost and net realizable value. For this purpose, the cost is determined using FIFO/average cost method/ specific identification method (net of Input Tax Credit availed) as the case may be.

(b) Inventories consisting of Stores, Consumables, Spare Parts and Packing Materials etc. are valued at lower of cost and net realizable value. For this purpose, direct costs, and appropriate relevant overheads are apportioned using the FIFO method.



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## 7) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent liability is disclosed for:

- (a) Possible obligations which will be confirmed by future events not wholly within the control of the Company, or
- (b) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized.

## 8) REVENUE RECOGNITION:

- (a) Revenue is recognised to the extent it is possible that economic benefits will flow to the company and the revenue can be reliably measured and there is a reasonable certainty regarding ultimate collection.
- (b) Revenue from sale of products is recognised on transfer of all significant risks and rewards of ownership of the goods to the customers, which generally coincides with the dispatch of goods. Sales are stated exclusive of GST, trade discounts and sales returns.
- (c) Export benefits / incentives are accounted on accrual basis in accordance with various government schemes in respect thereof and are shown under "Other Operating Revenue". Benefits available under the Export Licenses and in the nature of duty drawback are accounted for based on eligibility and when there is no significant uncertainty as to its ultimate collection.
- (d) Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the rate applicable.
- (e) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realization exists.

## 9) PURCHASES:

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

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

## 10) GST INPUT CREDIT:

GST input credit claimed on materials / services / capital goods is reduced from the cost of the respective materials / services / capital goods. Closing stock of inventories are valued Net of GST/ input credits.





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## 11) CUSTOM DUTY:

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

## 12) FOREIGN CURRENCY TRANSACTION:

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

## 13) GOVERNMENT GRANTS:

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

## 14) EMPLOYEES BENEFITS:

### (a) Defined Contribution Plans:

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

### (b) Defined Benefit Plans:

The Company administers the gratuity scheme being unfunded liability. The liability for the defined benefit plan of Gratuity is determined on the basis of actuarial valuation at the year end, which is calculated using projected unit credit method.

## 15) BORROWING COST:

Borrowing costs that are directly attributable to the acquisition/ construction of qualifying PPE are capitalized as a part of the cost of the respective asset up to the date when such assets are ready for their intended use and borrowing costs other than these costs are charged to Profit and Loss Account.



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## 16) RELATED PARTY TRANSACTION:

Disclosure of transactions with Related Parties, as required by "Accounting Standard 18-Related Party Disclosure" has been set out in the Notes on Financial Statements. Related Parties have been identified on the basis of representations made by key managerial personnel and information available with the company.

## 17) OPERATING LEASE:

Leases are classified as operating leases where the lessor effectively retains substantially all the risks and benefits of the whole ownership of the leased assets.

### As Lessee:

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

### As Lessor:

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

## 18) INCOME TAX:

Tax expenses comprise of current and deferred tax.

- (a) Current tax is measured at the amount expected to be paid on the basis of relief and deductions available in accordance with the provisions of Indian Income Tax Act, 1961.
- (b) Deferred income tax reflects the impact of the current year reversible timing differences between the taxable income and accounting income for the Year and reversal of timing differences of the earlier Year. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## 19) IMPAIRMENT OF ASSETS:

- (a) If at a balance sheet date, there is an indication of impairment of any item of PPE, the same is treated as impairment loss and is charged to the statement of Profit and Loss.
- (b) After impairment of an asset, the depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- (c) At a balance sheet date, if there is an indication that a previously recognised impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount and previously recognised impairment loss is reversed.



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## C) OTHER NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENT:

1. In the opinion of the Board, 'Trade Receivables', 'Loans and Advances' and 'Other current Assets' are approximately of the value stated if realised in the ordinary course of business. Confirmation Letters have not been obtained in respect of Trade Receivable, Trade Payables, loans taken and loans/advances given. Accordingly, such balances are subject to confirmation, reconciliation and consequent adjustments, if any.
2. In the opinion of the Board, provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.
3. Expenditure recovered from customers, if any, viz CHA Charges, Transportation Expenses, Bank Charges, and Interest etc. is credited to respective expenditure accounts.
4. Exchange rate difference (Net):

Sr #	Adjusted to	Net Gain (Net Loss)	
		CURRENT YEAR	PREVIOUS YEAR
a	Purchase of Material	5,05,722	(9,28,095)

5. The outstanding balances at year end of the assets and liability denominated in foreign currency and foreign currency derivative transactions:

Particulars	Foreign Currency	CURRENT YEAR		PREVIOUS YEAR	
		Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
I Assets/Advances to suppliers	USD	1,12,068	82,37,541	1,84,899	1,38,90,441
II Liabilities/ Trade Payables	USD	54,781	40,26,662	4,13,095	3,11,41,520
Hedge by Derivative Contracts	-	-	-	-	-
<b>Net Un-hedge Liabilities/(Assets)</b>	<b>USD</b>	<b>(57,287)</b>	<b>(42,10,879)</b>	<b>2,28,196</b>	<b>1,72,51,079</b>

6. Other Money for which the company is contingently liable: Other claims against company not acknowledged as debt - Nil (Previous Year Nil).

7. Capital Commitments:

- a. The company has participated in resolution process of M/s Vicor Stainless Private Limited (in CIRP) and has submitted resolution plan (RFRP) wherein the company is required to pay Rs 635 Lakhs. The company has paid Rs 10 Lakhs as EMD for EOI and has provided Bank Guarantee of Rs 25 Lakhs. Subsequent to balance sheet date the Committee of Creditors has issued LOI in favour of the company which is subject to approval by adjudicating authority.



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- b. The company has participated in resolution process of M/s Agarwal Mittal Concast Private Limited (in CIRP) and has submitted resolution plan (RFRP) wherein the company is required to pay Rs 5255.95 Lakhs. The company has provided Bank Guarantee of Rs 50 Lakhs. Subsequent to balance sheet date the Committee of Creditors has issued LOI in favour of the company which is subject to approval by adjudicating authority.

## 8. Directors Remuneration:

Particulars	CURRENT YEAR	PREVIOUS YEAR
	Rupees	Rupees
Remuneration	1,17,30,770	46,66,666
<b>Total</b>	<b>1,17,30,770</b>	<b>46,66,666</b>

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

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

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



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## 10. Foreign Currency Transactions

Particulars		CURRENT YEAR Rupees	PREVIOUS YEAR Rupees
A	FOB Value of Export.	-	-
B	CIF Value of Imports:		
	Direct Import of Raw Material/ Traded Goods (paid in Foreign Currency Terms) (See note below)	8,22,08,000	14,64,55,839
	Direct Import of Stores, Spares and Consumable item	5,31,358	-
	High seas Purchases of Imported Raw Material/ Traded Goods (paid in Rupee Terms)	1,91,95,918	2,40,57,303
	High seas Purchases of Stores, Spares and Consumable (paid in Rupee Terms)	30,76,664	-
C	Expenditure in Foreign Currency	-	8,67,592
D	Earning in Foreign Currency	-	-
E	Remittance in Foreign Currency	-	-

(Note: The traded goods purchased outside India, but sold on high seas basis on transit to India, if any, is included in Direct Import of traded goods).

## 11. Employee Benefits:

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

Particulars	CURRENT YEAR Rupees	PREVIOUS YEAR Rupees
1. Compensated Leave Absences (Privilege Leave)	2,22,148	1,74,446
2. Provident & Other Fund (Defined Contribution Plan)	2,02,206	1,64,819

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

Sr. No.	Particulars	CURRENT YEAR Rupees	PREVIOUS YEAR Rupees
<b>I</b>	<b><u>Changes in Present Value of Benefit Obligations</u></b>		
	Present value of Benefit Obligation (Opening)	1,56,940	57,621
	Current Service Cost	1,40,732	93,685
	Interest Cost	10,672	2,477
	Benefits Paid	-	-
	Actuarial losses (gains)	(71,421)	3,157
	<b>Present value of Benefit Obligation (Closing)</b>	<b>2,36,923</b>	<b>1,56,940</b>





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<b>II</b>	<b><u>Details of Experience adjustment on plan assets and liabilities</u></b>		
	Experience adjustment on plan assets	-	-
	Experience adjustment on plan liabilities	-	-
<b>III</b>	<b><u>Bifurcation of Present Value of Benefit Obligation</u></b>		
	Current – Amount due within one year	47,510	27,935
	Non-Current – Amount due after one year	1,89,413	1,29,005
<b>IV</b>	<b>Total</b>	<b>2,36,923</b>	<b>1,56,940</b>
<b>V</b>	<b><u>Plan Assets</u></b>	Nil	Nil
<b>VI</b>	<b><u>Assets Category of Plan Assets</u></b>	Nil	Nil
<b>VI</b>	<b><u>Amounts recognized in Balance Sheet and Statement of Profit and Loss</u></b>		
	Present Value of Benefit Obligation (Closing)	2,36,923	1,56,940
	Fair Value of Plan Assets (Closing)	-	-
	<b>Net Liability / (Asset) recognized in Balance Sheet</b>	<b>2,36,923</b>	<b>1,56,940</b>
	Current Service Cost	1,40,732	93,685
	Interest Cost	10,672	2,477
	Actuarial Loss/(gain)	(71,421)	3,157
	<b>Expenses recognized in Statement of Profit and Loss</b>	<b>79,983</b>	<b>99,319</b>
<b>VII</b>	<b><u>Assumptions</u></b>		
	Discount Rate	6.800%	6.800%
	Salary Escalation Rate	7.000%	7.000%
	Retirement Age	60	60
	Attrition Rate	See Note 1	See Note 1
	Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2006-08) Ult.

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

## 12. Disclosure of related parties and related party transactions:

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

- |  |  |
|--|--|
| a) Holding Companies   | Nil  |
| b) Subsidiaries  | M/s. Mangalam Saarloh Private Limited  |
| c) Associate Companies   | Nil  |
| d) Joint Ventures  | Nil  |
| e) Key Management Personnel (All Director)                                       | Mr. Chanakya Prakash Mangal<br>Mr. Chandragupt Prakash Mangal  |
| f) Enterprise over which Key Management Personnel exercise significant influence | M/s. Mangalam Global Enterprise Limited<br>M/s. Hindprakash Castor Derivatives Private Limited<br>M/s. Ecofine Colourchem Private Limited (up to 14-02-20) |



# MANGALAM WORLDWIDE PRIVATE LIMITED

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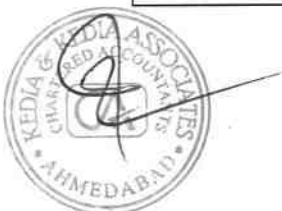
- M/s. ECS Environment Private Limited  
M/s. Mangalam Global Singapore (Pte) Ltd  
M/s. Mangalam Logistics Private Limited  
M/s. Mangalam Durajet Technologies Pvt Limited  
M/s. Shishak Exim LLP  
M/s. Paradisal Trade LLP  
M/s. Farpoint Enterprise LLP  
M/s. Nitex Enterprise LLP
- g) Relative of the Key Management Personnel  
Omprakash Mangal, OmPrakash VipinPrakash HUF,  
O.P.V.P. HUF, Vipin Prakash Mangal,  
Vipin Prakash HUF, Hemlata O Mangal,  
Rashmi V Mangal

(Related party relationship is as identified by the company)

## Related Party Transactions: -

(Figures in bracket relates to previous year figures)

Particulars	Subsidiary Companies	Enterprise over which KMP exercise Significant Influence	Key Management Personnel & Relatives	Total Amount in Rupees
<b>Dividend Paid - Equity</b>	-	-	<b>50,307</b>	<b>50,307</b>
	(-)	(-)	(50,307)	(50,307)
<b>Interest Paid</b>	-	<b>8,62,299</b>	<b>67,63,179</b>	<b>76,25,478</b>
	(-)	(-)	(47,67,586)	(47,67,586)
<b>Lease Rent Paid</b>	-	-	<b>5,77,800</b>	<b>5,77,800</b>
	(-)	(-)	(5,40,000)	(5,40,000)
<b>Salary Paid</b>	-	-	<b>2,34,61,540</b>	<b>2,34,61,540</b>
	(-)	(-)	(1,07,33,332)	(1,07,33,332)
<b>Sales Commission Paid</b>	<b>1,00,753</b>	<b>58,89,232</b>	<b>22,52,870</b>	<b>82,42,855</b>
	(-)	(-)	(-)	(-)
<b>Purchase - MEIS Licence</b>	-	<b>69,506</b>	-	<b>69,506</b>
	(-)	(-)	(-)	(-)
<b>Purchases - Import</b>	-	<b>2,68,59,894</b>	-	<b>2,68,59,894</b>
	(-)	(-)	(-)	(-)
<b>Purchase of Shares - MSPL</b>	-	-	<b>73,200</b>	<b>73,200</b>
	(-)	(-)	(-)	(-)
<b>Loan Taken</b>	-	<b>3,31,00,000</b>	<b>6,11,51,000</b>	<b>9,42,51,000</b>
	(-)	(-)	(15,43,25,500)	(15,43,25,500)
<b>Loan Repayment</b>	-	<b>1,00,00,000</b>	<b>9,26,54,522</b>	<b>10,26,54,522</b>
	(-)	(-)	(10,67,00,000)	(10,67,00,000)
<b>Rent Deposit Given</b>	-	-	-	-
	(-)	(-)	(90,000)	(90,000)



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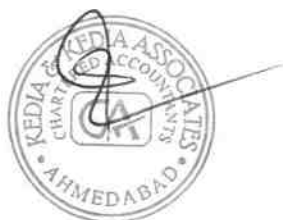
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<b>Outstanding as at Closing</b>				
<b>Loan Taken - Closing</b>	-	<b>2,38,97,626</b>	<b>3,34,84,402</b>	<b>5,73,82,028</b>
	(-)	(-)	(5,87,31,984)	(5,87,31,984)
<b>Advance to Suppliers</b>	-	<b>78,90,599</b>	-	<b>78,90,599</b>
	(-)	(-)	(-)	(-)
<b>Trade Payable</b>	-	<b>40,26,662</b>	-	<b>40,26,662</b>
	(-)	(-)	(-)	(-)
<b>Investment in Subsidiary</b>	<b>73,200</b>	-	-	<b>73,200</b>
	(-)	(-)	(-)	(-)
<b>Rent Deposit</b>	-	-	<b>90,000</b>	<b>90,000</b>
	(-)	(-)	(90,000)	(90,000)
<b>Guarantee Given on behalf of the company to the Bankers</b>			<b>11,00,00,000</b>	<b>11,00,00,000</b>
	(-)	(-)	(7,00,00,000)	(7,00,00,000)

**Note: Transaction when the related party relationship exists at the time of transaction took place are reported here above.**

**Material Related Party Transactions: -**

<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>
<b>Dividend Paid – Equity</b>	<b>50,307</b>	<b>50,307</b>
Chanakya Prakash Mangal	9,938	9,938
Chandragupt Prakash Mangal	9,937	9,937
Hemlata O Mangal	7,502	7,502
Rashmi V Mangal	10,117	10,117
Vipin Prakash Mangal	9,933	9,933
Vipin Prakash HUF	2,880	2,880
<b>Interest Paid</b>	<b>76,25,478</b>	<b>47,67,586</b>
Chanakya Prakash Mangal	5,10,020	4,41,537
Chandragupt Prakash Mangal	8,76,043	3,25,324
Hemlata O Mangal	95,616	71,551
Om Prakash Mangal	95,616	71,551
Rashmi V Mangal	3,45,906	2,94,224
Vipin Prakash Mangal	48,39,978	35,63,399
Mangalam Global Enterprise Limited	8,62,299	-
<b>Lease Rent Paid</b>	<b>5,77,800</b>	<b>5,40,000</b>
Chanakya Prakash Mangal	5,77,800	5,40,000
<b>Salary Paid</b>	<b>2,34,61,540</b>	<b>1,07,33,332</b>
Chanakya Prakash Mangal	58,65,385	18,33,333



# MANGALAM WORLDWIDE PRIVATE LIMITED

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Chandragupt Prakash Mangal	58,65,385	28,33,333
Om Prakash Mangal	-	12,00,000
Rashmi V Mangal	58,65,385	18,33,333
Vipin Prakash Mangal	58,65,385	30,33,333
<b>Sales Commission Paid</b>	<b>82,42,855</b>	-
O.P V.P Mangal HUF	5,50,627	-
Om Prakash Vipin Prakash HUF	5,50,219	-
Vipin Prakash HUF	5,50,483	-
Hemlata O Mangal	3,01,043	-
Om Prakash Mangal	3,00,498	-
Mangalam Saarloh Private Limited	1,00,753	-
Mangalam Multi Businesses Private Limited	73,871	-
Mangalam Logistics Private Limited	2,05,144	-
Shirshak Exim LLP	7,57,536	-
Paradisal Trade LLP	9,80,455	-
Farpoint Enterprise LLP	38,72,226	-
<b>Purchase - MEIS Licence</b>	<b>69,506</b>	-
Mangalam Global Enterprise Limited	69,506	-
<b>Purchases - Import</b>	<b>2,68,59,894</b>	-
Mangalam Global Singapore (Pte) Ltd.	2,68,59,894	-
<b>Purchase of Shares - MSPL</b>	<b>73,200</b>	-
Vipin Prakash Mangal	36,600	-
Rashmi V Mangal	36,600	-
<b>Loan Taken</b>	<b>9,42,51,000</b>	<b>15,43,25,500</b>
Chanakya Prakash Mangal	1,17,15,000	51,00,000
Chandragupt Prakash Mangal	1,22,15,000	1,10,00,000
Hemlata O Mangal	-	7,00,000
Om Prakash Mangal	-	7,00,000
Rashmi V Mangal	-	8,00,500
Vipin Prakash Mangal	37,2,21,000	13,60,25,000
Mangalam Global Enterprise Limited	3,31,00,000	-
<b>Loan Repayment</b>	<b>10,26,54,522</b>	<b>10,67,00,000</b>
Chanakya Prakash Mangal	58,54,522	35,00,000
Chandragupt Prakash Mangal	2,01,00,000	20,00,000
Vipin Prakash Mangal	6,67,00,000	10,12,00,000
Mangalam Global Enterprise Limited	1,00,00,000	-
<b>Investment in Subsidiary</b>	<b>73,200</b>	-
Mangalam Saarloh Private Limited	73,200	-
<b>Rent Deposit Given</b>	-	<b>90,000</b>



# MANGALAM WORLDWIDE PRIVATE LIMITED

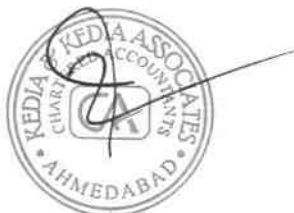
25th Annual Report 2020-21

Chanakya Prakash Mangal	-	90,000
<b>Outstanding as at Closing</b>		
<b>Loan Taken - Closing</b>	<b>5,73,82,028</b>	<b>5,87,31,984</b>
Chanakya Prakash Mangal	1,12,45,285	49,13,039
Chandragupt Prakash Mangal	42,68,132	1,13,42,792
Hemlata O Mangal	8,52,841	7,64,396
Om Prakash Mangal	8,52,841	7,64,396
Rashmi V Mangal	30,85,265	27,65,302
Vipin Prakash Mangal	1,31,80,038	3,81,82,059
Mangalam Global Enterprise Limited	2,38,97,626	-
<b>Advance to Suppliers</b>	<b>78,90,599</b>	-
Mangalam Global Singapore (Pte) Ltd.	78,90,599	-
<b>Trade Payable</b>	<b>40,26,662</b>	-
Mangalam Global Singapore (Pte) Ltd.	40,26,662	-
<b>Investment</b>	<b>73,200</b>	-
Mangalam Saarloh Private Limited	73,200	-
<b>Rent Deposit</b>	<b>90,000</b>	<b>90,000</b>
Chanakya Prakash Mangal	90,000	90,000
<b>Guarantee Given on behalf of the company to the Bankers</b>	<b>11,00,00,000</b>	<b>7,00,00,000</b>
Chanakya Prakash Mangal }		
Chandragupt Prakash Mangal }	11,00,00,000	7,00,00,000
Vipin Prakash Mangal }		

13. Disclosure requirement as per AS 19: Leases:

**Operating Lease taken (as lessee):**

Name of Assets	2020-21	2019-20
Future minimum lease payments		
Not letter than 1 year	1,89,23,240	1,88,82,700
Later than 1 year and not later than 5 years	7,06,05,508	7,08,53,108
Later than 5 years	5,63,52,662	1,90,95,600
Rent Expense Recognised in Profit and Loss Account (On Straight Line Basis)	1,42,74,872	78,33,857
Contingent Rent recognised during the year	Nil	Nil





# MANGALAM WORLDWIDE PRIVATE LIMITED

25th Annual Report 2020-21

Details of major agreements outstanding on 31/03/2021:

- (1) The company has entered into operating lease agreement wef 10/12/2019 for land, building, Plant and Machinery etc, to manufacture stainless steel products etc. situated at Chandrapur, Taluka Halol, Panchmahal, Gujarat. The lease is for a total period of 10 years for land /building and for a total period of 10 years for plant and machinery, without escalation clause.
- (2) The company has entered into operating lease agreement wef 10/12/2019 for land, building, Plant and Machinery etc, to manufacture of stainless steel and its allied products etc. situated at Changodar, Ahmedabad, Gujarat. The lease of land/building is for a total period of 10 years without escalation clause. The lease of plant and machinery is for a period of 364 days which can be extended for further period of 1 year as per mutual understanding.
- (3) The company has entered into operating lease agreement wef 01/04/2019 for Office premises situated at Ahmedabad. The lease is for a total period of 5 years with escalation clause.

#### 14. Earning per Equity Share:

Particulars	CURRENT YEAR Rupees	PREVIOUS YEAR Rupees
a) Profit available for equity share holders	2,70,08,026	1,37,78,851
b) Weighted average number of equity shares outstanding	2,01,334	2,01,334
c) Basic and Diluted Earnings per Share in rupees (Face value of Rs 10/-each)	134.15	68.44

#### 15. Dividend:

Dividend declared and paid during the year (*):	2020-21	2019-20
for Normal Voting Rights equity shares @ 0.20 per share relating to FY 2019-20 (@ 0.20 per share relating to FY 18-19)	30,187	30,187
for Differential Voting Rights equity shares @ 0.40 per share relating to FY 2019-20 (@ 0.40 per share relating to FY 18-19)	20,160	20,160
Dividend Distribution Tax on above	-	10,354

(\*) in proportion of paid-up value of shares

Dividend Proposed relating to FY 2020-21(*):	
for Normal Voting Rights equity shares @ 0.20 per share	30,187
for Differential Voting Rights equity shares @ 0.40 per share	20,160

(\*) in proportion of paid-up value of shares

Proposed dividend on equity shares is subject to the approval of the shareholders of the Company at the Annual General Meeting and not recognized as liability as at the Balance Sheet date. The proposed dividend is calculated based on relevant share capital as on 31st March 2021. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date.



# MANGALAM WORLDWIDE PRIVATE LIMITED

25th Annual Report 2020-21

16. The Company is engaged in activity of trading, Import & Export of Steel Products and other merchandise etc. In the opinion of the management there does not exist separate reportable primary segment/ geographical segment, as defined by "Accounting Standard 17 – Segment Reporting".
17. Disclosure under section 186(4) – Loans given for the purpose of utilizing in business activity (outstanding balance as on 31.03.2021): Ecofine Colourchem Private Limited Rs 48,52,796/- (PY Rs 61,70,859/-), Krishna Kunj Developers Private Limited Rs 6,94,767/- (PY Rs 1,50,82,849), Ritu Shipping Private Limited Rs 40,35,981/- (PY Rs Nil), Shree Jee Jewellers Rs Nil (PY Rs Nil).
18. The Figures have been rounded off to the nearest rupees.
19. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year standalone financial statements and are to be read in relation to the amount and other disclosures relating to the current year.

For and on behalf of the Board

*Chanakya...*

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

*Chandragupt...*

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

**PLACE: AHMEDABAD**  
**DATE: 02-09-2021**



# **MANGALAM WORLDWIDE PRIVATE LIMITED**

**(CONSOLIDATED FINANCIAL STATEMENTS)**

**25th Annual Report 2020-21**

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- **BOARD OF DIRECTORS:**

**MR. CHANAKYA PRAKASH MANGAL  
MR. CHANDRAGUPT PRAKASH MANGAL**

- **AUDITORS:**

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

- **REGISTERED OFFICE:**

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

- **CIN: U27100GJ1995PTC028381**

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



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

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

1. We have audited the accompanying consolidated financial statements of **MANGALAM WORLDWIDE PRIVATE LIMITED** ("the Holding Company") and its only Subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2021, the consolidated statement of Profit and Loss, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiary as noted in the 'Other Matter' section, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March 2021, consolidated profit and its consolidated cash flows for the year ended on that date.

**Basis for Opinion**

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

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

**Information other than the Consolidated Financial Statements and Auditors Report there on**

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



### Responsibility of Management for Consolidated Financial Statements

5. The Holding 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 and presentation of these consolidated financial statements that give a true and fair view of the financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management of the company/entity included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

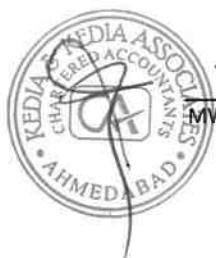
The respective Management of the company/entity included in the Group are also responsible for overseeing the company's/ entity's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.
7. We communicate with those charged with governance of the Holding Company and the subsidiary included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  8. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matter**

9. A subsidiary, whose annual financial statements reflect total assets of Rs. 1,35,89,113 as at 31 March 2021, total revenue of Rs. 1,00,753, and net cash inflow of Rs. 1,29,155 for the year ended on that date, are considered in the Consolidated Financial Statements. These annual financial statements of the subsidiary have been audited by its respective independent auditor.
10. The independent auditor's report on the financial statements of the aforesaid subsidiary have been furnished to us by the Management and our opinion on the Consolidated Financial Statements in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiary, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of such auditors.

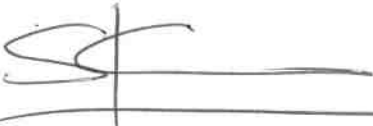
#### **Report on Other Legal and Regulatory Requirements**

11. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary, as noted in "Other Matter" section, we report to the extent applicable, 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 of the aforesaid Consolidated Financial Statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.





- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, covered under the Act, none of the directors of the Holding Company and its subsidiary company covered under the Act, are disqualified as on 31 March 2021 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 with reference to Consolidated Financial Statements of the Holding Company and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A';
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in "Other Matter" section:
- i. The Group does not have any pending litigations which would impact its financial position;
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company.

  
**SUBODH KEDIA**  
(M. No.: 043381), Partner  
for and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
Chartered Accountants  
FRN: 104954W  
UDIN: 21043381AAAAABU8609  
AHMEDABAD; September 02, 2021





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

**“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE TO THE MEMBERS OF  
MANGALAM WORLDWIDE PRIVATE LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

(Referred to in para 11 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

**INDEPENDENT AUDITORS’ REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO  
CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE  
COMPANIES ACT, 2013 (“THE ACT”)**

1. In conjunction with our audit of the Consolidated Financial Statements of **MANGALAM WORLDWIDE PRIVATE LIMITED** (“the Holding Company”) and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) as at and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting with reference to the financial statements of the Holding Company, its subsidiary company, which are companies covered under the Act, as at that date.

**RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS**

2. The respective Board of Directors of the Holding Company, its subsidiary company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting established by the Holding Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 Company’s 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 Act.

**AUDITORS’ RESPONSIBILITY**

3. Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to the Consolidated Financial Statements of the Holding Company, as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to the Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls over financial reporting with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to the Consolidated Financial Statements of the Holding Company, its subsidiary company as aforesaid.



#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. A company's internal financial controls over financial reporting with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting with reference to the Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and payments 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 Consolidated Financial Statements.

#### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

#### OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting with reference to the Consolidated Financial Statements and such internal financial controls over financial reporting with reference to the Consolidated Financial Statements were operating effectively as at 31 March 2021, based on the internal controls over financial reporting with reference to Consolidated Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

  
SUBODH KEDIA

(M. No.: 043381), Partner  
for and on behalf of

**KEDIA & KEDIA ASSOCIATES**

Chartered Accountants

FRN: 104954W

UDIN: 21043381AAAABU8609

AHMEDABAD; September 02, 2021



**MANGALAM WORLDWIDE PRIVATE LIMITED**

(Consolidated Financial Statements)

25th Annual Report 2020-21

**Consolidated Balance Sheet as at 31<sup>st</sup> March 2021**

Particulars	Note No.	As at 31st March, 2021 (Rupees)
<b>I. EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' Funds</b>		
(a) Share Capital	1	20,13,336
(b) Reserves and Surplus	2	12,62,60,068
<b>2 Share Application Money Pending Allotment</b>		
		-
<b>2A Minority Interest</b>		
		61,706
<b>3 Non-Current Liabilities</b>		
(a) Long-Term Borrowings		-
(b) Deferred Tax Liabilities (Net)	3	-
(c) Other Long-Term Liabilities	4	1,89,413
<b>4 Current Liabilities</b>		
(a) Short-Term Borrowings	5	17,46,80,647
(b) Trade Payables	6	16,23,47,831
(c) Other Current Liabilities	7	71,62,486
(d) Short-Term Provisions	8	18,85,141
<b>TOTAL</b>		<b>47,46,00,628</b>
<b>II. ASSETS</b>		
<b>1 Non-current Assets</b>		
(a) Property Plant and Equipment		
(i) Tangible Assets	9	1,40,04,769
(ii) Intangible Assets	9	-
(iii) Capital Work In Progress		-
(b) Non-Current Investments	10	5,83,48,133
(c) Deferred Tax Assets (Net)	3	-
(d) Long-Term Loans and Advances	11	57,07,887
(e) Other Non-Current Assets		-
<b>2 Current Assets</b>		
(a) Current Investments		-
(b) Inventories	12	25,43,46,077
(c) Trade Receivables	13	9,54,21,450
(d) Cash and Bank Balances	14	85,17,431
(e) Short-Term Loans and Advances	15	3,82,54,881
(f) Other Current Assets		-
<b>TOTAL</b>		<b>47,46,00,628</b>
Summary of Significant Accounting Policies and Notes forming Part of Consolidated Financial Statement	1 - 23	

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

(Subodh Kedia)  
Partner (M.No.:043381)  
For and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
Chartered Accountants  
(FRN 104954W)

Date : 2nd September, 2021  
Place : Ahmedabad

Chanakya Prakash Mangal  
(Director)  
DIN: 06714256

For and On behalf of the Board  
Chandragupt Prakash Mangal  
(Director)  
DIN: 07408422

Date : 2nd September, 2021  
Place : Ahmedabad



**MANGALAM WORLDWIDE PRIVATE LIMITED**

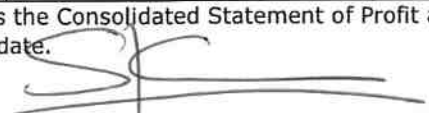
(Consolidated Financial Statements)

25th Annual Report 2020-21

**Consolidated Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2021**

Particulars		Note No.	2020-21 (Rupees)
<b>I.</b>	Revenue from Operations	16	3,01,91,90,066
<b>II.</b>	Other Income	17	1,39,39,921
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>3,03,31,29,987</b>
	Expenses:		
	Cost of Material Consumed / Cost of Traded Goods Sold	18	2,21,83,73,149
	Changes in Inventories of Finished Goods/ Traded Goods	19	1,33,95,668
	Employee Benefits Expense	20	3,77,40,730
	Other Expenses	21	70,46,73,917
<b>IV.</b>	<b>Total</b>		<b>2,97,41,83,464</b>
<b>V.</b>	<b>Profit Before Interest, Depreciation and Tax (III-IV)</b>		<b>5,89,46,523</b>
	Finance Costs	22	2,21,32,699
	Depreciation and Amortisation Expense	9	1,87,850
	Depreciation Expense on Investment Property	10	1,57,431
<b>VI.</b>	<b>Total</b>		<b>2,24,77,980</b>
<b>VII.</b>	<b>Profit before tax (V-VI)</b>		<b>3,64,68,543</b>
	Tax Expense:		
	(1) Current Income Tax		(94,32,124)
	(2) Income Tax (Prior Period/Adj)		1,523
	(3) Deferred Tax		-
<b>VIII.</b>	<b>Total Tax Expense</b>		<b>(94,30,601)</b>
<b>IX.</b>	<b>Profit(Loss) for the period (before adjustment for Minority Interest)</b>		<b>2,70,37,942</b>
	<b>Less: Share of Profit transferred to Minority Interest</b>		<b>12,978</b>
	<b>Profit (Loss) for the period (after adjustment for Minority Interest, attributable to Owners)</b>		<b>2,70,24,964</b>
	Earnings per Equity Share:		
	(1) Basic		134.23
	(2) Diluted		134.23
	Summary of Significant Accounting Policies and Notes Forming Part of Consolidated Financial Statement	1 - 23	

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

  
(Subodh Kedia)

Partner (M.No.:043381)

For and on behalf of

**KEDIA & KEDIA ASSOCIATES**

Chartered Accountants

(FRN 104954W)

Date : 2nd September, 2021

Place : Ahmedabad

For and On behalf of the Board

  
Chanakya Prakash Mangal

(Director)

DIN: 06714256

  
Chandragupt Prakash Mangal

(Director)

DIN: 07408422

Date : 2nd September, 2021

Place : Ahmedabad





**MANGALAM WORLDWIDE PRIVATE LIMITED**

(Consolidated Financial Statements)

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**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2021**

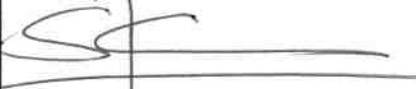
Particulars	2020-21 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>	
<b>Net Profit before Tax (A)</b>	<b>3,64,76,342</b>
<b>Adjustments for :</b>	
Depreciation & Amortization	3,45,281
Unrealised Foreign Exchange (Gain)/Loss	(13,04,157)
Loss/(Gain) on Sale of Investment	-
Provision for Gratuity	79,983
Provision for Leave Encashment	1,61,477
Interest / Finance Charges	2,21,29,699
Interest & Dividend Earned	(15,36,132)
<b>Sub Total (B)</b>	<b>1,98,76,151</b>
<b>Operating Profit Before Working Capital Changes (A + B)</b>	<b>5,63,52,493</b>
<b>Adjustments for Changes in Working Capital</b>	
(Increase)/ Decrease in Inventories	7,88,25,307
(Increase)/ Decrease in Trade Receivables	2,04,61,961
(Increase)/ Decrease in Loans & Advances	3,46,27,071
Increase/ (Decrease) in Trade Payables	(13,01,59,766)
Increase/ (Decrease) in Other Liabilities	36,50,802
<b>Sub Total (C)</b>	<b>74,05,375</b>
<b>Cash Generated from Operating Activities (A + B + C)</b>	<b>6,37,57,868</b>
<b>Income tax paid during the year (D)</b>	<b>(80,75,553)</b>
<b>Net Cash Generated from Operating Activities (A + B + C + D)</b>	<b>5,56,82,315</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>	
Purchase of Fixed Assets	(1,37,13,906)
Purchase of Investment Property	-
Purchase of Investment	(73,510)
Sale/Liquidation of Investments	-
Decrease/(Increase) Other Bank Balance not considered as Cash and Cash Equivalent	(78,89,308)
Interest & Dividend Received	15,36,132
<b>Net Cash Generated from Investing Activities</b>	<b>(2,01,40,592)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>	
Proceeds from issue of Equity Shares	-
Net of (Repayment)/ Proceeds from Working Capital Facilities from Bank	(4,33,76,742)
Net of (Repayment)/ Proceeds from Unsecured Short Term Borrowing	1,54,54,974
Net of (Repayment)/ Proceeds from Long Term Borrowing	1,34,00,000
Interest/ Finance Charges Paid	(2,21,29,699)
Dividend & Dividend Tax Paid	(50,347)
<b>Net Cash Generated from Financing Activities</b>	<b>(3,67,01,814)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(11,60,091)</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>17,88,214</b>
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>6,28,123</b>

Notes:

- (1) Consolidated Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3: "Cash Flow Statements".
- (2) Previous year's figures have been regrouped/reclassified wherever applicable

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

For and on behalf of the Board

  
**(Subodh Kedia)**  
 Partner (M.No.:043381)  
 For and on behalf of  
**KEDIA & KEDIA ASSOCIATES**  
 Chartered Accountants  
**(FRN 104954W)**

Date : 2nd September, 2021  
 Place : Ahmedabad

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

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

Date : 2nd September, 2021  
 Place : Ahmedabad





# MANGALAM WORLDWIDE PRIVATE LIMITED

(Consolidated Financial Statements)

25th Annual Report 2020-21

## Note 1 Share Capital

Particulars	Consolidated
<b>Authorised</b>	
3,97,000 Equity Shares of Rs. 10/- each	39,70,000
28,000 Redeemable Preference Shares of Rs. 10/- each	2,80,000
	42,50,000
<b>Issued</b>	
1,80,574 Equity Shares of Rs. 10/- each	18,05,740
63,000 Equity Shares - Differential Voting Rights of Rs. 10/- each	6,30,000
	-
	24,35,740
<b>Subscribed &amp; fully Paid up</b>	
32,372 Equity Shares of Rs. 10/- each fully paid up	3,23,720
<b>Subscribed but not fully Paid up</b>	
1,48,202 Equity Shares of Rs. 10/- each (Rs 8/- each called up and paid up)	11,85,616
63,000 Equity Shares - Differential Voting Rights of Rs. 10/- each (Rs 8/- each called up and paid up)	5,04,000
	-
	20,13,336
<b>Per Balance Sheet</b>	<b>20,13,336</b>

### 1.1 Rights, preferences and restrictions attached to shares:

#### Equity Shares:

The Company has two class of equity shares having a par value of Rs 10/- each. (i) Equity shares with normal voting rights and (ii) Equity Shares with Differential voting rights. Every share holder holding shares with normal voting rights shall have on a show of hands or on a poll, 1 vote for every 1 share held by them. Every share holder holding shares with differential voting rights shall, have on a show of hands or on a poll, 1 vote for every 100 shares held by them.

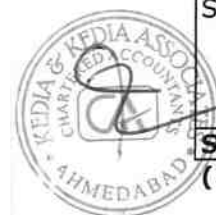
The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The holders of differential voting rights shares shall be entitled to receive dividend at two percentage points more than the aggregate rate of dividend on Normal Equity Shares.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holding.

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

Particulars	As at 31st March, 2021	
	Number	Amount (*)
<b>Equity Shares of Rs. 10/- each:</b>		
Shares outstanding at the beginning of the year	1,80,574	18,05,740
Add: Shares Issued during the year	-	-
Less: Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>1,80,574</b>	<b>18,05,740</b>
<b>Equity Shares-Differential Voting Rights of Rs. 10/-each</b>		
Shares outstanding at the beginning of the year	63,000	6,30,000
Add: Shares Issued during the year	-	-
Less: Shares bought back during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>63,000</b>	<b>6,30,000</b>

(\*) Face value



# MANGALAM WORLDWIDE PRIVATE LIMITED

(Consolidated Financial Statements)

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

Name of Shareholder	As at 31st March, 2021	
	No. of Shares held	% of Holding
<b>Equity Shares of Rs. 10/- each:</b>		
Chanakya Prakash Mangal	34,500	19.11%
Chandrgupt Prakash Mangal	34,500	19.11%
Hemlata Mangal	24,374	13.50%
Omprakash Mangal	18,000	9.97%
Rashmi Mangal	34,500	19.11%
Vipin Prakash Mangal	34,600	19.16%
<b>Equity Shares - Differential Voting Rights of Face Value of Rs. 10/- each:</b>		
Chanakya Prakash Mangal	13,000	20.63%
Chandrgupt Prakash Mangal	13,000	20.63%
Hemlata Mangal	11,000	17.46%
Rashmi Mangal	13,000	20.63%
Vipin Prakash Mangal	13,000	20.63%

# - Less than 5%

### Note 2 Reserves and Surplus

Particulars	Consolidated
<b>Securities Premium on Equity Shares Account</b>	
Opening Balance	7,72,79,960
Add : Securities Premium Credited on Share Issue	-
Less : Premium Utilised for redemption of Equity Shares	-
Closing Balance	<b>7,72,79,960</b>
<b>Surplus in Statement of Profit and Loss</b>	
Opening Balance	2,20,05,598
Add: Net Profit/(Net Loss) For the Current Year	2,70,24,964
Less: Preacquisition profit transferred to Investment in subsidiary	(107)
Less: Dividend on Equity Shares	(50,347)
Less: Dividend Distribution Tax	-
Closing Balance	<b>4,89,80,108</b>
<b>Per Balance Sheet</b>	<b>12,62,60,068</b>

### Note 3 Deferred Tax Liabilities/Assets (Net)

Note: Inview of prudence, Deferrred Tax Assets is not recognised

### Note 4 Other Long-Term Liabilities

Particulars	Consolidated
<b>Provision for employee benefits</b>	
Provision for Gratuity (Unfunded)	1,89,413
<b>Per Balance Sheet</b>	<b>1,89,413</b>



# MANGALAM WORLDWIDE PRIVATE LIMITED

(Consolidated Financial Statements)

25th Annual Report 2020-21

## Note 5 Short-Term Borrowings

Particulars	Consolidated
<b>Secured</b>	
<b>(a) Loans from Bank</b>	
ICICI Bank - Cash Credit ( See Note No 5.1 to	6,12,24,727
<b>Unsecured</b>	
<b>(a) Loans Repayable on Demand</b>	
from Intercorporate Deposits	4,70,88,104
from Directors	2,89,13,417
from Directors' Relatives	1,79,70,985
from Local Bill Discounting	1,94,83,414
from Others	
<b>Per Balance Sheet</b>	<b>17,46,80,647</b>

5.1 The company has created a exclusive charge in favour of ICICI Bank Limited to the extent of Rs. 1100 Lakhs by way of hypothecation of the entire stock of moveable property including book debts and receivables of the company wherever located.

5.2. The above facilities are further collaterally secured by way of equitable mortgage of immovable property, jointly owned by the company and M/s Hindprakash Global Private Limited, property situated at Shop No 8; Ground Floor, Himalya Elanza Business Center RTO Circle, Ahmedabad.

5.3. The above facilities are further guaranteed in personal capacity by (i) two directors of the company and (ii) Vipin Prakash Mangal along with Hindprakash Global Private Limited.

## Note 6 Trade Payables

Particulars	Consolidated
Total outstanding dues of Medium, Small and Micro Enterprises (MSME) (Refer Note 23 B 9)	
Total Outstanding Dues of Creditors other than MSME Enterprises	7,44,25,419
Current Liability for Expenses	8,79,22,412
<b>Per Balance Sheet</b>	<b>16,23,47,831</b>

## Note 7 Other Current Liabilities

Particulars	Consolidated
<b>Unsecured</b>	
Other Statutory Liabilities	56,70,633
Other Liabilities	14,91,853
<b>Per Balance Sheet</b>	<b>71,62,486</b>

## Note 8 Short Term Provisions

Particulars	Consolidated
<b>Provision for employee benefits</b>	
Gratuity (Unfunded)	47,510
Leave Encashment (Unfunded)	4,30,611
	-
<b>Others</b>	
Provision for Income Tax (net of prepaid taxes)	13,79,520
Others Provisions	27,500
<b>Per Balance Sheet</b>	<b>18,85,141</b>



# MANGALAM WORLDWIDE PRIVATE LIMITED

(Consolidated Financial Statements)

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## Note 10

**Non-Current Investments** (Long Term Investment) (Non Trade at Cost)  
(Valued at Cost less Diminution (Other than Temporary) in value, if any)

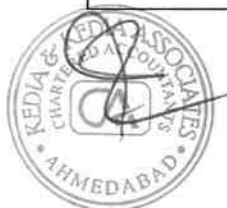
Particulars	Consolidated
<b>Investment in Equity Instruments (Unquoted)</b>	
<b>(i) of Subsidiaries</b>	
6,000 (P.Y. NIL) Equity shares - Mangalam Saarloh Private Limited (of Rs. 10/- each Fully Paidup)	-
<b>(ii) of Associates</b>	-
<b>(iii) of Others</b>	
<b>A</b>	-
<b>Investment in Equity Instruments (Quoted)</b>	
<b>(i) of Others</b>	
26,25,015 (P.Y. 17,50,005) Equity shares - Mangalam Global Enterprise Limited (of Rs. 10/- each Fully Paidup)	4,90,00,450
<b>B</b>	<b>4,90,00,450</b>
Aggregate Value of Quoted Equity Investment (C.Y.Rs. 4,90,00,450/-) Market Value of Quoted Equity Investment (C.Y. Rs. 14,49,00,828/-) Aggregate Amount of Unquoted Equity Investment (C.Y. Rs 73,200/-)	
<b>Investment Property</b> (Valued at cost less accumulated depreciation)	
Cost of Land and Building as on Opening	99,37,990
Add: Addition During the Year	-
<b>Sub Total (a)</b>	<b>99,37,990</b>
Depreciation as on Opening	(4,32,876)
Add: Depreciation for the Year	(1,57,431)
<b>Sub Total (b)</b>	<b>(5,90,307)</b>
<b>Net Block (a-b)</b> <span style="float: right;"><b>C</b></span>	<b>93,47,683</b>
Aggregate Value of Investment Property (C.Y. Rs. 93,47,683) Aggregate Provision for Diminution in Value of Investment (C.Y. Rs. Nil)	
<b>Per Balance Sheet</b>	<b>5,83,48,133</b>

## Note 11

**Long-Term Loans and Advances** (Unsecured, Considered Good)

Particulars	Consolidated
Prepaid Income Tax / MAT Credit / TDS (Net of Prov, if any)	43,52,107
Deposits	13,52,003
Prepaid Expenses	717
Others	3,060
<b>Per Balance Sheet</b>	<b>57,07,887</b>

Particulars	Consolidated
Long Term Loans and Advances include due from:	
Director (Rent Deposit)	90,000
Other Officers of the Company	-
Firm in which any Director is Partner	-
Private Company in which Director is Director or Member	-
<b>Total</b>	<b>90,000</b>



# MANGALAM WORLDWIDE PRIVATE LIMITED

(Consolidated Financial Statements)

25th Annual Report 2020-21

## Note 12

**Inventories** (As Taken, Verified, Valued and Certified by the Management)

Particulars	Consolidated
<b>Stock-in-Hand</b>	
Raw Materials	12,17,30,734
Finished Goods	9,11,62,721
Stores, Spares & Consumables	4,14,52,622
<b>Per Balance Sheet</b>	<b>25,43,46,077</b>

Particulars	Consolidated
12.1 Value of Inventories (shown above) is exclusive of Stock / Goods in transit (Import). Corresponding liability is also not provided under the head Trade Payables.	1,95,90,572
	<b>1,95,90,572</b>

## Note 13

**Trade Receivables** (Unsecured and Considered Good)

Particulars	Consolidated
Over Six Months	2,93,45,714
Others	6,60,75,736
<b>Per Balance Sheet</b>	<b>9,54,21,450</b>

Particulars	Consolidated
Trade Receivables include due from:	
Director	-
Other Officers of the Company	-
Firm in which any director is Partner	-
Private Company in which Director is Director or	-
<b>Total</b>	<b>-</b>

## Note 14

**Cash and Bank Balances**

Particulars	Consolidated
<b>Cash and Cash Equivalents</b>	
(a) Cash on Hand	68,805
(b) Balances with banks	
(i) In Current Account	5,59,318
(ii) In Bank Deposit (original maturity of 3 months or less) (Not under lien for security)	
<b>Total Cash and Cash Equivalents A</b>	<b>6,28,123</b>
<b>Other Bank Balances</b>	
(a) Other Bank Deposits (original maturity of 3 months or less) (Under lien for security)	
(b) Other Bank Deposits (Original Maturity more than 3 months) (See Note No. 14.1 and 14.2)	78,89,308
<b>Total Other Bank Balances B</b>	<b>78,89,308</b>
<b>Per Balance Sheet</b>	<b>85,17,431</b>

Note:

Particulars	Consolidated
14.1. Other Bank Deposit include deposits with remaining maturity of more than 12 months from the balance sheet date.	-
14.2. Bank Deposits includes pledge for Bank Guarantee issued the bank.	78,89,308



# MANGALAM WORLDWIDE PRIVATE LIMITED

(Consolidated Financial Statements)

25th Annual Report 2020-21

## Note 15

**Short-term Loans and Advances** (Unsecured, Considered Good)

Particulars	Consolidated
<b>Loans and Advances to related parties</b>	
Advance to Suppliers	78,90,599
<b>Loans and Advances to Others</b>	
Loans to Others	95,83,544
Loans to Employees	9,000
Advance to Suppliers	1,14,60,001
GST Receivable	85,99,892
Prepaid Expenses	5,91,845
Other Receivables	1,20,000
<b>Per Balance Sheet</b>	<b>3,82,54,881</b>

Particulars	Consolidated
Short Term Loans and Advances include due from:	
Director	-
Other Officers of the Company	-
Firm in which any Director is Partner	-
Private Company in which Director is Director or Member	
Mangalam Global Singapore (Pte) Ltd	78,90,599
<b>Total</b>	<b>78,90,599</b>





**MANGALAM WORLDWIDE PRIVATE LIMITED**  
(Consolidated Financial Statements)

25th Annual Report 2020-21

Note 9

Property, Plant and Equipment

Particulars	Gross Block			Accumulated Depreciation				Net Block		
	Balance as at 1st April, 2020	Additions	(Disposals)/ Adjustments	Balance as at 31st March, 2021	Balance as at 1st April, 2020	Depreciation Charge for the Year	(Disposals)/ Adjustments	Balance as at 31st March, 2021	Balance as at 31st March, 2021	Balance as at 31st March, 2020
<b>A Tangible Assets</b>										
Land	-	1,32,77,500	-	1,32,77,500	-	-	-	-	1,32,77,500	-
Computers	3,77,220	2,79,288	-	6,56,508	1,87,418	1,21,045	-	3,08,463	3,48,045	1,89,802
Furniture and Fixtures	83,005	-	-	83,005	31,481	7,884	-	39,365	43,640	51,524
Office Equipments	3,84,258	1,57,118	-	5,41,376	1,69,259	54,608	-	2,23,867	3,17,509	2,14,999
Vehicle	45,342	-	-	45,342	22,954	4,313	-	27,267	18,075	22,388
<b>Total (A)</b>	<b>8,89,825</b>	<b>1,37,13,906</b>	<b>-</b>	<b>1,46,03,731</b>	<b>4,11,112</b>	<b>1,87,850</b>	<b>-</b>	<b>5,98,962</b>	<b>1,40,04,769</b>	<b>4,78,713</b>
<b>B Intangible Assets</b>										
	-	-	-	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>8,89,825</b>	<b>1,37,13,906</b>	<b>-</b>	<b>1,46,03,731</b>	<b>4,11,112</b>	<b>1,87,850</b>	<b>-</b>	<b>5,98,962</b>	<b>1,40,04,769</b>	<b>4,78,713</b>



**MANGALAM WORLDWIDE PRIVATE LIMITED**  
(Consolidated Financial Statements)

25th Annual Report 2020-21

**Note 16**  
**Revenue from Operations**

Particulars	Consolidated
Sale of Products	2,88,45,44,815
Sale of Services	13,46,45,251
<b>Per Statement of Profit and Loss Account</b>	<b>3,01,91,90,066</b>

Particulars	Consolidated
1. Sale of Products	
- Steel Scrap	5,93,57,354
- SS Flatbar	2,55,95,84,053
- Ferro Alloys	10,06,14,415
- Other Steel Products	16,49,88,993
- Others	-
	<b>2,88,45,44,815</b>
2. Sale of Services	
-Manufacturing Jobwork Service Income	13,43,55,626
-Clearing & Handling Income - PCA	2,89,625
-Commission Income	-
	<b>13,46,45,251</b>
<b>Total</b>	<b>3,01,91,90,066</b>

**Note 17**  
**Other Income**

Particulars	Consolidated
Interest Income (Refer Note 17.1 below)	15,36,132
Other Income - Sale of Consumable etc	1,24,02,049
Other Non-Operating Income (Net of Expenses Directly Attributable to such Income) (Refer Note 17.2 below)	1,740
Gain on Sale of Investments	-
<b>Per Statement of Profit and Loss Account</b>	<b>1,39,39,921</b>

**Note: 17.1**

Interest Income Comprises:	
-Interest On Loans & Advances	12,05,485
-Interest Income - Investments	1,20,958
-Interest Income Trade Receivables	2,09,689
<b>Total</b>	<b>15,36,132</b>

**Note: 17.2**

Other Non Operating Income Comprises:	
-Management Consultancy	-
-Dividend Income	-
-Other Income	1,740
<b>Total</b>	<b>1,740</b>



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**Note 18**

**Cost of Material Consumed** (Including Cost of Traded Goods Sold)

Particulars	Consolidated
Opening Stock of Raw Materials	17,56,71,540
Add : Purchases and Incidental Expenses (Net of Returns, Claims/Discount, if any)	2,16,44,32,343
Closing Stock of Raw Materials	(12,17,30,734)
<b>Per Statement of Profit and Loss Account</b>	<b>2,21,83,73,149</b>

Particulars	Consolidated
- Steel Scrap etc. (Raw Material)	94,64,89,526
- Ferro Alloys	1,21,79,42,817
- Others	-
<b>Total</b>	<b>2,16,44,32,343</b>

**Value of Raw Material Consumed**

Particulars	Consolidated
<b>Indigenous - Value</b>	<b>2,06,02,34,637</b>
Indigenous - %	92.87%
<b>Imported - Value</b>	<b>15,81,38,512</b>
Imported- %	7.13%
	<b>2,21,83,73,149</b>

**Note 19**

**Changes in Inventories of Finished Goods and Work in Progress / Traded Goods**

Particulars	Consolidated
<b>Opening Stock :</b>	
Finished Goods/Traded Goods	10,45,58,389
Work in Progress	-
<b>Closing Stock :</b>	
Finished Goods/Traded Goods	(9,11,62,721)
Work in Progress	-
<b>Per Statement of Profit and Loss Account</b>	<b>1,33,95,668</b>

**Note 20**

**Employee Benefits Expense**

Particulars	Consolidated
Salaries and Incentives	3,54,40,679
Contributions to Provident Fund and Other Fund	2,02,206
Provision for Gratuity and Leave Encashment	3,02,131
Staff Welfare Expenses	17,95,714
<b>Per Statement of Profit and Loss Account</b>	<b>3,77,40,730</b>



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**Note 21**  
**Other Expenses**

Particulars	Consolidated
<b>Manufacturing Expenses</b>	
Power & Fuel	28,38,21,093
Consumption of Stores (Indigenous- 98.79 %)	21,34,56,250
Consumption of Stores (Imported - 1.21 %)	26,16,225
Contract Labour Charges	7,55,97,038
Factory Lease Rent Expense(Factory Building)	40,67,792
Factory Lease Rent Expense(Plant Machinery)	95,85,996
Freight Expense - Factory	1,38,52,393
Manufacturing Jobwork Expense	72,54,451
Laboratory and Testing Expense	1,81,454
Repairs And Maintenance Expense - Plant Machinery	54,54,411
Other Factory Expense	65,35,967
<b>Administrative, Selling and Other Expenses</b>	
Bank Charges	2,87,881
Conveyance Expense	3,45,427
Consultancy Fees	21,03,142
Professional Fees - Corporate Law Matters	27,83,000
Management Consultancy Fees	34,66,346
Legal Expense	74,370
Other Office Expenses	10,96,111
Payment To Auditors	2,40,000
Printing & Stationery Expenses	1,91,340
Rates & Taxes	2,480
Repairs And Maintenance Expense - Others	28,60,727
Office Lease Rent Expense	6,45,084
Telephone, Postage & Courier Expenses	1,96,074
Traveling Expenses	3,57,256
Business Promotion Expenses	10,04,825
Freight Outward & Loading Unloading Expenses	3,55,17,948
Sales Commission Expenses	2,41,50,970
Other Selling Expenses	38,481
Cash Discount on Sales	66,89,385
Prior Period Items	2,00,000
<b>Per Statement of Profit and Loss Account</b>	<b>70,46,73,917</b>

Details of Prior Period Items

Particulars	Consolidated
Prior Period Expenses	2,00,000
Prior Period Income	-
<b>Total (Net Income)/Expense</b>	<b>2,00,000</b>

Details of Payment to Auditors

Particulars	Consolidated
For Audit Fees	2,40,000
For Others (Including Tax Audit Fees)	-
<b>Total</b>	<b>2,40,000</b>



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**Note 22**  
**Finance Costs**

Particulars	Consolidated
Interest Expense:	
On Borrowings	
- From Banks	58,80,745
- From Others	1,32,97,810
- On Bill Discounting	19,79,980
On Others	1,82,479
On Income tax Expense	2,51,000
Other Borrowing Cost	5,40,685
<b>Per Statement of Profit and Loss Account</b>	<b>2,21,32,699</b>



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## NOTE: 23

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

#### A) SIGNIFICANT ACCOUNTING POLICIES:

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

The Consolidated financial statements of the holding company and its subsidiary have been prepared to comply, in all material respects, with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 ("the Act"). Accounting policies not referred to otherwise, are consistent with generally accepted accounting principles. The holding company has consistently applied the Accounting Policies in preparation and presentation of the financial statements. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees.

##### (b) Principles of consolidation:

The Consolidated financial statements relate to Mangalam Worldwide Private Limited ("the Company/ Holding Company") and its subsidiary Mangalam Saarloh Private Limited. The holding company and subsidiary company together is referred to as Group. The Consolidated financial statements have been prepared on following basis:

- (i) The financial statements of the subsidiary company, used in the consolidation are drawn up to the same reporting date as that of the holding Company i.e., 31 March, 2021.
- (ii) The financial statements of the holding company and its subsidiary company has been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered, in accordance with Accounting Standard (AS)21-: "Consolidated Financial Statements".
- (iii) The excess of cost to the holding company of its investments in the subsidiary company over its share of equity of the subsidiary company, if any, at the dates on which the investments in the subsidiary company were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis.
- (iv) Goodwill arising on consolidation is not amortised but tested for impairment.
- (v) The consolidated financial statements have been prepared using uniform accounting policies, to the extent possible, for like transactions and other events in similar circumstances and are presented to the extent





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possible, in the same manner as the holding company's separate financial statements.

- (vi) Following subsidiary company has been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of Incorporation	% of Holding and voting power either directly or indirectly through subsidiary as at	
			31 March, 2021	31 March, 2020
Mangalam Saarloh Private Limited	Subsidiary	India	60%	0%

### (c) Use of Estimates:

The presentation of financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and reported amount of income and expenses during the Year. Actual results/outcome could differ from these estimates. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognised prospectively in the year in which such estimates are actually materialized.

### 2) PROPERTY, PLANT AND EQUIPMENT:

All Property, Plant and Equipment (PPE) are valued at cost less depreciation / amortization. Cost [net of Input Tax Credit available] comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. Financing costs directly attributable to the construction of qualifying PPE are also included to the extent they relate to the period till such assets are ready for their intended use.

Capital work in progress is stated at cost. The cost is inclusive of directly attributable expenditure, expenditure during construction period to be allocated to the respective assets on completion of construction period, interest up to the balance sheet date in case of qualifying asset and is adjusted for Input Tax Credit availed of.

Cost of addition or extension to an existing asset, which is of a capital nature and/or which becomes an integral part of the existing asset is capitalised and added to the gross book value of that asset.

All PPE are stated at their Historical Costs.

### 3) DEPRECIATION:

Depreciation is charged in the accounts on PPE on straight-line method. Depreciation is provided based on useful life of the assets as prescribed in schedule II of The Companies Act, 2013 except in following cases.

Computer software is amortised over a period of 3 years. Cycle is depreciated over a period of 10 years. Useful life of Mobile Instruments is taken as 3 years.



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

#### 4) EXPENDITURE DURING THE CONSTRUCTION PERIOD:

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

#### 5) INVESTMENT:

Long Term Investments are stated at cost. However, when there is a diminution, other than temporary, in the value of long-term investments, the carrying cost is reduced to recognize the diminution. Current investments are stated at lower of cost and Fair value.

##### Investment property:

An Investment in Land or Building, which is not intended to be occupied substantially for used by, or in operations of, the group, is classified as Investment Property. Investment Properties are stated at cost, Net of accumulated depreciation and accumulated impairment loss if any.

The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing investment property to its working condition for the intended use.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged / credited to the statement of profit and loss.

#### 6) INVENTORIES:

- (a) Inventories consisting of Raw Material, Work-in-Process, Finished Goods and Traded Goods are valued at lower of cost and net realizable value. For this purpose, the cost is determined using FIFO/average cost method/ specific identification method (net of Input Tax Credit availed) as the case may be.
- (b) Inventories consisting of Stores, Consumables, Spare Parts and Packing Materials etc. are valued at lower of cost and net realizable value. For this purpose, direct costs, and appropriate relevant overheads are apportioned using the FIFO method.

#### 7) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent liability is disclosed for:

- (a) Possible obligations which will be confirmed by future events not wholly within the control of the Group, or
- (b) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized.



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### 8) REVENUE RECOGNITION:

- (a) Revenue is recognised to the extent it is possible that economic benefits will flow to the group and the revenue can be reliably measured and there is a reasonable certainty regarding ultimate collection.
- (b) Revenue from sale of products is recognised on transfer of all significant risks and rewards of ownership of the goods to the customers, which generally coincides with the dispatch of goods. Sales are stated exclusive of GST, trade discounts and sales returns.
- (c) Export benefits / incentives are accounted on accrual basis in accordance with various government schemes in respect thereof and are shown under "Other Operating Revenue". Benefits available under the Export Licenses and in the nature of duty drawback are accounted for based on eligibility and when there is no significant uncertainty as to its ultimate collection.
- (d) Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the rate applicable.
- (e) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realization exists.

### 9) PURCHASES:

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

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

### 10) GST INPUT CREDIT:

GST input credit claimed on materials / services / capital goods is reduced from the cost of the respective materials / services / capital goods. Closing stock of inventories are valued Net of GST/ input credits.

### 11) CUSTOM DUTY:

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

### 12) FOREIGN CURRENCY TRANSACTION:

- a) The transactions in foreign currencies are converted into Indian Rupees at the rates of exchange prevailing on the date of transactions.
- b) The balances in Current Assets and Current Liabilities in foreign currencies at the date of Balance Sheet have been converted into Indian Rupees at the rate of exchange prevalent on that date as per RBI reference rate. The resultant net gain/loss arising out of such foreign exchange translations is taken to Profit and Loss Account except in respect of such differences related to acquisition of PPE from a country outside India which are capitalized as a part of cost of respective PPE.



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- c) In respect of transactions covered by Foreign Exchange Forward Contracts, the difference between the forward rate and exchange rate at the inception of contract is recognised as income or expenses over the life of the contract.

### 13) GOVERNMENT GRANTS:

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

### 14) EMPLOYEES BENEFITS:

#### (a) Defined Contribution Plans:

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

#### (b) Defined Benefit Plans:

The Group administers the gratuity scheme being unfunded liability. The liability for the defined benefit plan of Gratuity is determined on the basis of actuarial valuation at the year end, which is calculated using projected unit credit method.

### 15) BORROWING COST:

Borrowing costs that are directly attributable to the acquisition/ construction of qualifying PPE are capitalized as a part of the cost of the respective asset up to the date when such assets are ready for their intended use and borrowing costs other than these costs are charged to Profit and Loss Account.

### 16) RELATED PARTY TRANSACTION:

Disclosure of transactions with Related Parties, as required by "Accounting Standard 18-Related Party Disclosure" has been set out in the Notes on Financial Statements. Related Parties have been identified on the basis of representations made by key managerial personnel and information available with the group.

### 17) OPERATING LEASE:

Leases are classified as operating leases where the lessor effectively retains substantially all the risks and benefits of the whole ownership of the leased assets.

#### As Lessee:

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

#### As Lessor:

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

### 18) INCOME TAX:

Tax expenses comprise of current and deferred tax.

- (a) Current tax is measured at the amount expected to be paid on the basis of relief and deductions available in accordance with the provisions of Indian Income Tax Act, 1961.



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(b) Deferred income tax reflects the impact of the current year reversible timing differences between the taxable income and accounting income for the Year and reversal of timing differences of the earlier Year. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### 19) IMPAIRMENT OF ASSETS:

- (a) If at a balance sheet date, there is an indication of impairment of any item of PPE, the same is treated as impairment loss and is charged to the statement of Profit and Loss.
- (b) After impairment of an asset, the depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- (c) At a balance sheet date, if there is an indication that a previously recognised impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount and previously recognised impairment loss is reversed.

### B) OTHER NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT:

1. In the opinion of the Board, 'Trade Receivables', 'Loans and Advances' and 'Other current Assets' are approximately of the value stated if realised in the ordinary course of business. Confirmation Letters have not been obtained in respect of Trade Receivable, Trade Payables, loans taken and loans/advances given. Accordingly, such balances are subject to confirmation, reconciliation and consequent adjustments, if any.
2. In the opinion of the Board, provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.
3. Expenditure recovered from customers, if any, viz CHA Charges, Transportation Expenses, Bank Charges, and Interest etc. is credited to respective expenditure accounts.
4. Exchange rate difference (Net):

Sr #	Adjusted to	Net Gain (Net Loss)
		Current Year
a	Purchase of Material	5,05,722

5. The outstanding balances at year end of the assets and liability denominated in foreign currency and foreign currency derivative transactions:

Particulars	Foreign Currency	Current Year	
		Amount in Foreign Currency	Amount in INR
I Assets/Advances to suppliers	USD	1,12,068	82,37,541
II Liabilities/ Trade Payables	USD	54,781	40,26,662





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Hedge by Derivative Contracts	-	-	-
<b>Net Un-hedge Liabilities/(Assets)</b>	<b>USD</b>	<b>(57,287)</b>	<b>(42,10,879)</b>

6. Other Money for which the group is contingently liable: Other claims against group not acknowledged as debt - Nil.

7. Capital Commitments:

a. The Mangalam Worldwide Private Limited (MWPL) has participated in resolution process of M/s Vicor Stainless Private Limited (in CIRP) and has submitted resolution plan (RFRP) wherein the MWPL is required to pay Rs 635 Lakhs. The MWPL has paid Rs 10 Lakhs as EMD for EOI and has provided Bank Guarantee of Rs 25 Lakhs. Subsequent to balance sheet date the Committee of Creditors has issued LOI in favour of the MWPL which is subject to approval by adjudicating authority.

b. The MWPL has participated in resolution process of M/s Agarwal Mittal Concast Private Limited (in CIRP) and has submitted resolution plan (RFRP) wherein the MWPL is required to pay Rs 5255.95 Lakhs. The MWPL has provided Bank Guarantee of Rs 50 Lakhs. Subsequent to balance sheet date the Committee of Creditors has issued LOI in favour of the MWPL which is subject to approval by adjudicating authority.

8. Directors Remuneration:

Particulars	Current Year
	Rupees
Remuneration	1,17,30,770
<b>Total</b>	<b>1,17,30,770</b>

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

	Particulars	CURRENT YEAR Rupees
(i)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)	
	Principal amount due to micro and small enterprise	-
	Interest due on above	-
(ii)	Interest paid by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises	-





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	Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period.	
(iii)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-
(v)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

### 10. Foreign Currency Transactions

	Particulars	CURRENT YEAR Rupees
A	FOB Value of Export.	-
B	CIF Value of Imports:	
	Direct Import of Raw Material/ Traded Goods (paid in Foreign Currency Terms) (See note below)	8,22,08,000
	Direct Import of Stores, Spares and Consumable item	5,31,358
	High seas Purchases of Imported Raw Material/ Traded Goods (paid in Rupee Terms)	1,91,95,918
	High seas Purchases of Stores, Spares and Consumable (paid in Rupee Terms)	30,76,664
C	Expenditure in Foreign Currency	-
D	Earning in Foreign Currency	-
E	Remittance in Foreign Currency	-

(Note: The traded goods purchased outside India, but sold on high seas basis on transit to India, if any, is included in Direct Import of traded goods).

### 11. Employee Benefits:

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

	Particulars	CURRENT YEAR Rupees
1.	Compensated Leave Absences (Privilege Leave)	2,22,148
2.	Provident & Other Fund (Defined Contribution Plan)	2,02,206



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

Sr. No.	Particulars	CURRENT YEAR Rupees
<b>I</b>	<b><u>Changes in Present Value of Benefit Obligations</u></b>	
	Present value of Benefit Obligation (Opening)	1,56,940
	Current Service Cost	1,40,732
	Interest Cost	10,672
	Benefits Paid	-
	Actuarial losses (gains)	(71,421)
	<b>Present value of Benefit Obligation (Closing)</b>	<b>2,36,923</b>
<b>II</b>	<b><u>Details of Experience adjustment on plan assets and liabilities</u></b>	
	Experience adjustment on plan assets	-
	Experience adjustment on plan liabilities	-
<b>III</b>	<b><u>Bifurcation of Present Value of Benefit Obligation</u></b>	
	Current – Amount due within one year	47,510
	Non-Current – Amount due after one year	1,89,413
	<b>Total</b>	<b>2,36,923</b>
<b>IV</b>	<b><u>Plan Assets</u></b>	Nil
<b>V</b>	<b><u>Assets Category of Plan Assets</u></b>	Nil
<b>VI</b>	<b><u>Amounts recognized in Balance Sheet and Statement of Profit and Loss</u></b>	
	Present Value of Benefit Obligation (Closing)	2,36,923
	Fair Value of Plan Assets (Closing)	-
	<b>Net Liability / (Asset) recognized in Balance Sheet</b>	<b>2,36,923</b>
	Current Service Cost	1,40,732
	Interest Cost	10,672
	Actuarial Loss/(gain)	(71,421)
	<b>Expenses recognized in Statement of Profit and Loss</b>	<b>79,983</b>
<b>VII</b>	<b><u>Assumptions</u></b>	
	Discount Rate	6.800%
	Salary Escalation Rate	7.000%
	Retirement Age	60
	Attrition Rate	See Note 1
	Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.

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

12. Disclosure of related parties and related party transactions:

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

- |   |   |
|---|---|
| a) Holding Companies                          | Nil   |
| b) Key Management Personnel<br>(All Director) | Mr. Chanakya Prakash Mangal<br>Mr. Chandragupt Prakash Mangal |
| c) Enterprise over which Key                  | M/s. Mangalam Global Enterprise Limited                       |



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Management Personnel exercise significant influence	M/s. Hindprakash Castor Derivatives Private Limited M/s. Ecofine Colourchem Private Limited (up to 14-02-20) M/s. ECS Environment Private Limited M/s. Mangalam Global Singapore (Pte) Ltd M/s. Mangalam Logistics Private Limited M/s. Mangalam Durajet Technologies Pvt Limited M/s. Shishak Exim LLP M/s. Paradisal Trade LLP M/s. Farpoint Enterprise LLP M/s. Nitex Enterprise LLP
d) Relative of the Key Management Personnel	Omprakash Mangal, Omprakash Vipin Prakash HUF, O.P.V.P. HUF, Vipin Prakash Mangal, Vipin Prakash HUF, Hemlata O Mangal, Rashmi V Mangal

(Related party relationship is as identified by the Group)

### Related Party Transactions: -

Particulars	Enterprise over which KMP exercise Significant Influence	Key Management Personnel & Relatives	Total Amount in Rupees
Dividend Paid - Equity	-	50,307	50,307
Interest Paid	8,62,299	67,63,179	76,25,478
Lease Rent Paid	-	6,03,800	6,03,800
Salary Paid	-	2,34,61,540	2,34,61,540
Sales Commission Paid	58,89,232	22,52,870	81,42,102
Purchase - MEIS Licence	69,506	-	69,506
Purchases - Import	2,68,59,894	-	2,68,59,894
Purchase of Shares - MSPL	-	73,200	73,200
Loan Taken	3,31,00,000	7,45,51,000	10,76,51,000
Loan Repayment	1,00,00,000	9,26,54,522	10,26,54,522
Rent Deposit Given	-	4,000	4,000
<u>Outstanding as at Closing</u>			
Loan Taken - Closing	2,38,97,626	4,68,84,402	7,07,82,028
Advance to Suppliers	78,90,599	-	78,90,599
Trade Payable	40,26,662	-	40,26,662
Rent Deposit	-	94,000	94,000
Guarantee Given on behalf of the MWPL to the Bankers		11,00,00,000	11,00,00,000

**Note: Transaction when the related party relationship exists at the time of transaction took place are reported here above.**



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### Material Related Party Transactions: -

Particulars	2020-21
<b>Dividend Paid - Equity</b>	<b>50,307</b>
Chanakya Prakash Mangal	9,938
Chandragupt Prakash Mangal	9,937
Hemlata O Mangal	7,502
Rashmi V Mangal	10,117
Vipin Prakash Mangal	9,933
Vipin Prakash HUF	2,880
<b>Interest Paid</b>	<b>76,25,478</b>
Chanakya Prakash Mangal	5,10,020
Chandragupt Prakash Mangal	8,76,043
Hemlata O Mangal	95,616
Om Prakash Mangal	95,616
Rashmi V Mangal	3,45,906
Vipin Prakash Mangal	48,39,978
Mangalam Global Enterprise Limited	8,62,299
<b>Lease Rent Paid</b>	<b>6,03,800</b>
Chanakya Prakash Mangal (MSPL)	26,000
Chanakya Prakash Mangal	5,77,800
<b>Salary Paid</b>	<b>2,34,61,540</b>
Chanakya Prakash Mangal	58,65,385
Chandragupt Prakash Mangal	58,65,385
Rashmi V Mangal	58,65,385
Vipin Prakash Mangal	58,65,385
<b>Sales Commission Paid</b>	<b>81,42,102</b>
O.P.V.P Mangal HUF	5,50,627
Om Prakash Vipin Prakash HUF	5,50,219
Vipin Prakash HUF	5,50,483
Hemlata O Mangal	3,01,043
Om Prakash Mangal	3,00,498
Mangalam Multi Businesses Private Limited	73,871
Mangalam Logistics Private Limited	2,05,144
Shirshak Exim LLP	7,57,536
Paradisal Trade LLP	9,80,455
Farpoint Enterprise LLP	38,72,226
<b>Purchase - MEIS Licence</b>	<b>69,506</b>
Mangalam Global Enterprise Limited	69,506



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<b>Purchases - Import</b>	<b>2,68,59,894</b>
Mangalam Global Singapore (Pte) Ltd.	2,68,59,894
<b>Purchase of Shares - MSPL</b>	<b>73,200</b>
Vipin Prakash Mangal	36,600
Rashmi V Mangal	36,600
<b>Loan Taken</b>	<b>10,76,51,000</b>
Chanakya Prakash Mangal (MSPL)	1,03,00,000
Chandragupt Prakash Mangal (MSPL)	31,00,000
Chanakya Prakash Mangal	1,17,15,000
Chandragupt Prakash Mangal	1,22,15,000
Vipin Prakash Mangal	3,72,21,000
Mangalam Global Enterprise Limited	3,31,00,000
<b>Loan Repayment</b>	<b>10,26,54,522</b>
Chanakya Prakash Mangal	58,54,522
Chandragupt Prakash Mangal	2,01,00,000
Vipin Prakash Mangal	6,67,00,000
Mangalam Global Enterprise Limited	1,00,00,000
<b>Rent Deposit Given</b>	<b>4,000</b>
Chanakya Prakash Mangal (MSPL)	4,000
<b>Outstanding as at Closing</b>	
<b>Loan Taken - Closing</b>	<b>7,07,82,028</b>
Chanakya Prakash Mangal (MSPL)	1,03,00,000
Chandragupt Prakash Mangal (MSPL)	31,00,000
Chanakya Prakash Mangal	1,12,45,285
Chandragupt Prakash Mangal	42,68,132
Hemlata O Mangal	8,52,841
Om Prakash Mangal	8,52,841
Rashmi V Mangal	30,85,265
Vipin Prakash Mangal	1,31,80,038
Mangalam Global Enterprise Limited	2,38,97,626
<b>Advance to Suppliers</b>	<b>78,90,599</b>
Mangalam Global Singapore (Pte) Ltd.	78,90,599
<b>Trade Payable</b>	<b>40,26,662</b>
Mangalam Global Singapore (Pte) Ltd.	40,26,662
<b>Rent Deposit</b>	<b>94,000</b>
Chanakya Prakash Mangal (MSPL)	4,000
Chanakya Prakash Mangal	90,000
<b>Gurantee Given on behalf of the MWPL to the Bankers</b>	<b>11,00,00,000</b>



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Chanakya Prakash Mangal }	
Chandragupt Prakash Mangal }	11,00,00,000
Vipin Prakash Mangal }	

13. Disclosure requirement as per AS 19: Leases:

**Operating Lease taken (as lessee):**

Name of Assets	2020-21
Future minimum lease payments	
Not letter than 1 year	1,89,23,240
Later than 1 year and not later than 5 years	7,06,05,508
Later than 5 years	5,63,52,662
Rent Expense Recognised in Profit and Loss Account (On Straight Line Basis)	1,42,74,872
Contingent Rent recognised during the year	Nil

Details of major agreements outstanding on 31/03/2021:

- (1) The MWPL has entered into operating lease agreement wef 10/12/2019 for land, building, Plant and Machinery etc, to manufacture stainless steel products etc. situated at Chandrapur, Taluka Halol, Panchmahal, Gujarat. The lease is for a total period of 10 years for land /building and for a total period of 10 years for plant and machinery, without escalation clause.
- (2) The MWPL has entered into operating lease agreement wef 10/12/2019 for land, building, Plant and Machinery etc, to manufacture of stainless steel and its allied products etc. situated at Changodar, Ahmedabad, Gujarat. The lease of land/building is for a total period of 10 years without escalation clause. The lease of plant and machinery is for a period of 364 days which can be extended for further period of 1 year as per mutual understanding.
- (3) The MWPL has entered into operating lease agreement wef 01/04/2019 for Office premises situated at Ahmedabad. The lease is for a total period of 5 years with escalation clause.

14. Earning per Equity Share:

Particulars	CURRENT YEAR Rupees
a) Profit available for equity share holders	2,70,24,964
b) Weighted average number of equity shares outstanding	2,01,334
c) Basic and Diluted Earnings per Share in rupees (Face value of Rs 10/-each)	134.23





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15. Dividend:

Dividend declared and paid during the year (*):	2020-21
for Normal Voting Rights equity shares @ 0.20 per share relating to FY 2019-20 (@ 0.20 per share relating to FY 18-19)	30,187
for Differential Voting Rights equity shares @ 0.40 per share relating to FY 2019-20 (@ 0.40 per share relating to FY 18-19)	20,160
Dividend Distribution Tax on above	-

(\* ) in proportion of paid-up value of shares

Dividend Proposed relating to FY 2020-21(*):	
for Normal Voting Rights equity shares @ 0.20 per share	30,187
for Differential Voting Rights equity shares @ 0.40 per share	20,160

(\* ) in proportion of paid-up value of shares

Proposed dividend on equity shares is subject to the approval of the shareholders of the Group at the Annual General Meeting and not recognized as liability as at the Balance Sheet date. The proposed dividend is calculated based on relevant share capital as on 31st March 2021. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date.

16. The Group is engaged in activity of trading, Import & Export of Steel Products and other merchandise etc. In the opinion of the management there does not exist separate reportable primary segment/ geographical segment, as defined by "Accounting Standard 17 – Segment Reporting".

17. Disclosure under section 186(4) – Loans given for the purpose of utilizing in business activity (outstanding balance as on 31.03.2021): Ecofine Colourchem Private Limited Rs 48,52,796/-, Krishna Kunj Developers Private Limited Rs 6,94,767/-, Ritu Shipping Private Limited Rs 40,35,981/-. Shree Jee Jewellers Rs Nil.

18. Enterprises consolidated as Associates and Joint Ventures in accordance with "Accounting Standard 23 – Accounting for Investments in Associates in Consolidated Financial Statements" and "Accounting Standard 27 – Financial Reporting of Interests in Joint Ventures" respectively

**: None**



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

Name of The Entity	Net Assets, i.e., Total Assets minus Liabilities		Share of Profit or Loss	
	As % of Consolidated Net Assets	Amount (Rupees)	As % of Consolidated Profit or Loss	Amount (Rupees)
<b>Parent:</b> Mangalam Worldwide Private Limited	99.88%	12,81,83,373	100.26%	2,71,08,779
<b>Subsidiaries</b> Indian: Mangalam Saarloh Private Limited Foreign: None	0.07%	90,031	-0.31%	(83,815)
<b>Minority Interest in all Subsidiaries:</b>	0.05%	61,706	0.05%	12,978
<b>Associates:</b> None	NIL	NIL	NIL	NIL
<b>Joint Ventures:</b> None	NIL	NIL	NIL	NIL

20. The figures have been rounded off to the nearest rupees.

21. This is for the first occasion consolidated financial statements are presented and hence comparative figures for the previous period are not presented.

For and on behalf of the Board

*Chanakya...*

**Chanakya Prakash Mangal**  
(Director)

DIN: 06714256

*Chandragupt...*

**Chandragupt Prakash Mangal**  
(Director)

DIN: 07408422

**PLACE: AHMEDABAD**

**DATE: 02/09/2021**

