

Financial Statements and Independent Auditors' Report

Manorama Industries Limited

Financial Year 2020-21

OPSinghania & Co.

CHARTERED ACCOUNTANTS

JDS CHAMBERS, 1ST FLOOR, 6-CENTRAL AVENUE,

CHOUBE COLONY, RAIPUR -492001(C.G.) INDIA

PHONE: 0771-4041236, 4061216

Email: opsinghania.co@gmail.com

Independent Auditor's Report

To the Members of Manorama Industries Limited

Report on the Financial Statements

Opinion

We have audited the financial statements of **Manorama Industries Limited** ('the Company'), which comprise the balance sheet as at 31st March 2021, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with relevant Rules issued thereunder (as amended), ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and the profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

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

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

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



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A a statement on the matters specified in paragraph 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;

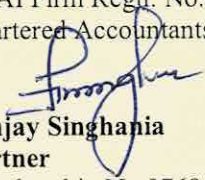


- (e) on the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) with respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in with accordance with the provisions of Section 197 of the Act; and

- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For OPSinghania & Co.
(ICAI Firm Regn. No.002172C)
Chartered Accountants


Sanjay Singhania
Partner
Membership No.076961



Raipur, 14th June, 2021

UDIN: 21076961AAAACI9183

Annexure - A to the Independent Auditors' Report

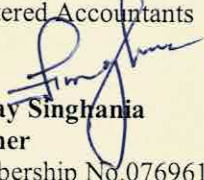
The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
- (b) As explained to us, the property, plant and equipment have been physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Notes on property, plant and equipment to the financial statements, are held in the name of the Company.
- (ii) As explained to us, the physical verification of inventories have been conducted at reasonable intervals by the management during the year. In our opinion, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) In our opinion and according to the information & explanations given to us, the Company has not granted any loan secured or unsecured to companies, firms, limited liability partnership firms or other parties covered in the register maintained under section 189 of the Act during the year. Therefore, the provisions of Clause 3(iii)(a) to (iii)(c) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information & explanations given to us, the Company has not given any loan and/or made any investment and given guarantees/security in terms of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the company has not taken any deposits from public; therefore, the provisions of clause 3(v) of the Order is not applicable to the company.
- (vi) 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(1) of the Act, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed accounts and records, have been made and maintained. We have, however, not made a detailed examination of the records.
- (vii) (a) According to the information & explanations given to us, during the year the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, custom duty, goods & services tax, professional tax, cess and any other statutory dues with the appropriate authorities except some delay observed in such payments. According to the information & explanations given to us, no undisputed amounts of statutory dues as stated above were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, income tax, custom duty, goods & services tax and cess which have not been deposited on account of any dispute.



- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date. The Company has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loan during the year. Therefore, the provisions of clause 3(x) of the Order is not applicable to the company.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year. Therefore, the provisions of clause 3(x) of the Order is not applicable to the company.
- (xi) The Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of Section 197 read with Schedule V to the Act.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Therefore, the provisions of clause 3(xii) of the Order is not applicable to the company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act wherever applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with relevant rule issued thereunder.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3(xiv) of the Order is not applicable to the company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of clause 3(xv) of the Order is not applicable to the company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi) of the Order is not applicable to the company.

For **OPSinghania & Co.**
(ICAI Firm Regn. No.002172C)
Chartered Accountants


Sanjay Singhania
Partner
Membership No.076961



Raipur, 14th June, 2021

UDIN: 21076961AAAACI9183

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Manorama Industries Limited** (the "Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



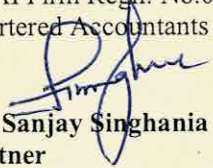
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **OPSinghania & Co**
(ICAI Firm Regn. No.002172C)
Chartered Accountants


per **Sanjay Singhania**
Partner
Membership No.076961



Raipur, 14th June, 2021

UDIN: 21076961AAAACI9183

MANORAMA INDUSTRIES LIMITED
Balance Sheet as at 31 March 2021

	Notes	As at 31 March 2021 ₹	As at 31 March 2020 ₹
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	111,279,100	111,279,100
Reserves and surplus	4	<u>1,344,592,383</u>	<u>1,161,309,752</u>
		1,455,871,483	1,272,588,852
Non-Current Liabilities			
Long-term borrowings	5	2,148,038	5,007,332
Deferred Tax Liabilities (net)	6	23,469,859	1,947,031
Long-term provisions	7	<u>2,774,438</u>	<u>2,448,347</u>
		28,392,335	9,402,710
Current Liabilities			
Short-term borrowings	8	848,536,650	1,185,177,987
Trade payables	9	-	-
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		73,956,208	329,932,822
Other current liabilities	10	48,525,565	33,400,725
Short-term provisions	7	<u>39,904,837</u>	<u>57,376,170</u>
		1,010,923,260	1,605,887,703
		2,495,187,078	2,887,879,266
ASSETS			
Non-Current Assets			
Property, plant and equipment	11	566,024,823	513,778,405
Intangible Assets	12	-	-
Long-term loans and advances	13	12,279,728	13,614,340
Other non-current assets	14	<u>159,052,355</u>	<u>101,441,308</u>
		737,356,906	628,834,053
Current Assets			
Inventories	15	1,070,633,569	1,500,570,552
Trade receivables	16	229,831,292	162,599,391
Cash and bank balances	17	174,055,042	363,701,732
Short-term loans and advances	13	230,161,294	129,411,653
Other Current Assets	14	<u>53,148,976</u>	<u>102,761,883</u>
		1,757,830,172	2,259,045,212
		2,495,187,078	2,887,879,266
Summary of significant accounting policies	2		

The accompanying notes are integral part of the financial statements.

As per our report of even date.

For OP Singhania & Co
Chartered Accountants
(ICAI Firm Regn. No.002172C)


Sanjay Singhania
Partner
Membership No.: 076961



**For and on behalf of the Board of Directors of
Manorama Industries Limited**


Vinha Saraf
Managing Director
DIN-00208621


Ashok Jain
Chief Financial Officer


Gautam Pal
Director
DIN-07645652


Divya Bhootra
Company Secretary

Raipur
14 June 2021

Raipur
14 June 2021

MANORAMA INDUSTRIES LIMITED
Statement of Profit and Loss for the year ended 31 March 2021

Particulars	Note No.	Year ended 31 March 2021 ₹	Year ended 31 March 2020 ₹
INCOME			
Revenue from operations	18	2,084,394,424	1,882,429,108
Other income	19	61,465,372	59,504,803
Total Revenue		2,145,859,796	1,941,933,912
EXPENDITURE			
Cost of materials consumed	20	941,309,565	1,395,914,063
Purchase of stock-in-trade	21	19,654,649	49,165,694
Changes in inventories of finished goods, by-product and stock-in-trade	22	287,876,792	(577,779,734)
Employee benefits expense	23	73,446,787	69,091,035
Finance costs	24	104,914,081	97,673,892
Depreciation and amortization expense	25	79,550,408	76,645,188
Other expenses	26	405,698,276	507,564,948
Total Expenses		1,912,450,557	1,618,275,085
Profit before tax and prior period items		233,409,238	323,658,827
Prior period items (Note - 38)		(39,645,864)	-
Profit before tax		273,055,102	323,658,827
Tax expense:			
Current Tax		63,505,440	80,534,549
Deferred Tax		21,522,828	7,980,097
Tax related to earlier years		4,744,204	1,794,182
		89,772,471	90,308,828
Profit (Loss) for the period		183,282,631	233,349,998
Earnings per equity share:	27		
Basic / Diluted		16.47	20.97
Summary of significant accounting policies	2		

The accompanying notes are integral part of the financial statements.

As per our report of even date.

For OP Singhania & Co

Chartered Accountants

(ICAI Firm Regn. No:002172C)

Sanjay Singhania

Partner

Membership No.: 076961



**For and on behalf of the Board of Directors of
Manorama Industries Limited**

Vinita Saraf

Managing Director

DIN-00208621

Ashok Jain

Chief Financial Officer

Gautam Pal

Director

DIN-07645652

Divya Bhootra

Company Secretary

Raipur

14 June 2021

Raipur

14 June 2021

MANORAMA INDUSTRIES LIMITED
Cash Flow Statement for the year ended 31 March 2021

Particulars	Year ended 31 March 2021 ₹	Year ended 31 March 2020 ₹
Cash Flow From Operating Activities		
Profit before tax and prior period items	233,409,238	323,658,827
Adjustments for :		
Depreciation	79,550,408	76,645,188
Finance cost	104,914,081	97,673,892
Profit on sale of property, plant & equipment	-	(1,390)
Provision for gratuity	6,051	212,298
Interest income	(23,109,115)	(28,609,575)
Operating Profit Before Working Capital Changes	394,770,663	469,579,240
Adjustments for :		
(Increase)/decrease in inventories	429,936,984	(1,130,570,447)
(Increase)/decrease in trade receivables	(67,231,901)	(21,002,047)
(Increase)/decrease in short-term loans and advances	(100,749,640)	4,975,000
(Increase)/decrease in long-term loans and advances	977,295	(7,213,844)
(Increase)/decrease in short-term other assets	49,565,277	(83,986,247)
Increase/(decrease) in current liabilities and provision	(293,890,798)	215,331,974
Cash generated from operations	413,377,880	(552,886,371)
Taxes Paid	(33,497,258)	(47,936,637)
Net Cash Flow From/ (Used In) Operating Activities	(A) 379,880,622	(600,823,008)
Cash Flow From / (Used In) Investing Activities		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(89,350,637)	(307,490,146)
Proceeds from disposal of property, plant & equipment	-	12,412
Deposit with bank with maturity for more than three months	32,829,961	179,910,916
Interest received	23,156,746	27,627,399
Net Cash Flow From / (Used In) Investing Activities	(B) (33,363,931)	(99,939,421)
Cash Flow From / (Used In) Financing Activities		
Proceeds from Long term borrowings	765,000	3,985,000
Repayment of long-term borrowings	(4,121,781)	(5,149,119)
Proceeds from Short term borrowings (net)	(336,641,337)	950,173,234
Finance Cost	(105,724,255)	(96,307,279)
Net Cash Flow From / (Used In) Financing Activities	(C) (445,722,373)	852,701,836
Net Increase / (Decrease) In Cash And Cash Equivalents (A + B + C)	(99,205,682)	151,939,407
Opening Cash And Cash Equivalents	173,726,744	21,787,337
Closing Cash And Cash Equivalents	74,521,062	173,726,744



MANORAMA INDUSTRIES LIMITED**Cash Flow Statement for the year ended 31 March 2020 (Cont'd)**

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise of the following Balance Sheet items.

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Cash In Hand	381,735	2,741,497
Balance with Banks		
- in current accounts	3,619,973	3,260,613
- in deposit accounts (maturity less than 3 months)	70,519,354	167,724,634
	<u>74,521,062</u>	<u>173,726,744</u>

As per our report of even date.

For OP Singhania & Co
Chartered Accountants
(ICAI Firm Regn. No: 002172C)


Sanjay Singhania
Partner
Membership No. 076961

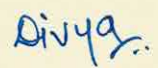


**For and on behalf of the Board of Directors of
Manorama Industries Limited**


Vinita Saraf
Managing Director
DIN-00208621


Ashok Jain
Chief Financial Officer


Gautam Pal
Director
DIN-07645652


Divya Bhootra
Company Secretary

Raipur
14 June 2021

Raipur
14 June 2021

Note-1 Corporate Information

The Company was originally incorporated as "Manorama Industries Private Limited" at Raipur, Chhattisgarh, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated 9 August 2005 bearing Corporate Identification Number U15142CT2005PTC17858 issued by Registrar of Companies, Madhya Pradesh & Chhattisgarh. Subsequently the Company was converted in to Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of the Company held on 06 February 2018 and the name of the Company was changed to "Manorama Industries Limited" and a Fresh Certificate of Incorporation consequent upon conversion of company to Public Limited dated 23 March 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of the Company is U15142MH2005PLC243687.

The Company is engaged in manufacturing, processing and exporting of specialty fats like shea butter, sal butter, shea fat, sal fat, shea oil, sal oil, shea stearine, sal stearine, mango butter, mango fat, mango oil, mango stearine, kokum butter, kokum oil, de-oiled cakes, mowrah fat and several value-added tailor made products that form the ingredients of Cocoa Butter Equivalents (CBE). The Company manufactures, processes and exports exotic butter extracted from shea seeds, sal seeds, mango kernel, Mowrah seeds, Kokum seeds, Chiuri seeds for usage in Cosmetics as Specialty fats, Chocolate and Confectionaries industries.

The shares of the Company got listed on BSE-SME exchange on 04 October 2018 and the Script code of the company is 541974.

Note-1.1 Current-non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of manufacturing activity and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle for the purpose of current – non current classification of assets and liabilities as 12 months for its products.

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.



Note-2 Summary of significant accounting policies

a) Basis of preparation of financial statements

- These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis and guidelines issued by the Securities and Exchange Board of India (SEBI). GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014.

The accounting policies have been consistently applied by the Company are consistent with those used in the previous year.

b) Use of estimates

The preparation of the financial statements in conformity with GAAP requires Management to make estimates and judgments that affect the reported balances of assets and liabilities and disclosure relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period for the periods presented. Management believes that the estimates used like Net realizable value of Inventories etc. in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

c) Property, plant and equipment (PPE)

Property, plant and equipment have been stated at cost of acquisition inclusive of expenses directly attributable / related to the acquisition/ construction/erection of such assets. GST and other applicable taxes paid on acquisition of property, plant and equipment are capitalized to the extent not available/ utilizable as input tax credit under GST or other relevant law in force.

Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

d) Capital Work in Progress

Expenditure incurred on assets under construction is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost directly attributable to projects under construction includes cost of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs, if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects. Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.



Note-2 Summary of significant accounting policies (cont'd)**e) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

f) Depreciation and Amortization

Depreciation on property, plant and equipment is provided on Written Down Value Method based on estimated useful life of the assets which is same as envisaged in schedule II of the Companies Act, 2013. However, assets costing ₹5,000 or less are fully depreciated in the year of purchase.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Leasehold land is amortised annually on the basis of tenure of lease period. Freehold land is not depreciated.

Amortization of Intangible Assets is provided on SLM basis considering estimated useful life of 5 Years.

g) Revenue Recognition**Sale of goods: -**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer which generally coincides with the dispatch/delivery of goods to customers and where there is a reasonable certainty of acceptance of goods by the customer.

Goods & Service Tax are not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Exports Benefits:

Benefits arises on exports of goods like Duty Draw Back claim, MEIS licenses are recognized on accrual basis when exports sales are recognized.

Interest Income:

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

h) Inventories:

Inventories are valued at lower of cost and net realizable value, after providing for obsolescences, if any.

Cost of stores & spares, chemicals, packing materials & fuels are computed on FIFO basis and cost of Raw Materials, Finished Goods & Goods in Process are computed on Weighted average basis.

Cost of Work in Progress and Finished Goods includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.

The by-products are valued at net realizable value.



Note-2 Summary of significant accounting policies (cont'd)**i) Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j) Income Tax

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authority in accordance with the Income tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where company operate.

Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date. Deferred tax assets recognized only when there is a reasonable certainty of their realization.

k) Impairment

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

l) Cash Flow Statement

Cash Flow Statement is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard. For the purpose of presentation in the cash flow statement, cash and cash equivalents includes cash on hand and other highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

m) Foreign exchange transactions

The functional currency of the Company is Indian Rupee.

The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.

The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Statement of Profit and Loss.

Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Statement of Profit and Loss.

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

n) Derivative financial instruments and Hedge Accounting

The Company uses derivative financial instruments such as interest rate swaps and forward contracts to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.



Note-2 Summary of significant accounting policies (cont'd)

o) Employee Benefits

Short Term Employee Benefits

The short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective funds.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The company has recognized the gratuity and leave encashment payable to the employees as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

p) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the Company. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are not recognized or disclosed in the financial statements.

q) Earnings per share

Basis of earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholder by the weighted average number of equity share outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholder and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive equity shares.



MANORAMA INDUSTRIES LIMITED
Notes to Financial Statement for the year ended 31 March 2021

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Note-3 Share Capital		
Authorized Capital		
3,00,00,000 (3,00,00,000) Equity Shares of ₹10 each	300,000,000	300,000,000
	300,000,000	300,000,000
Issued , Subscribed & Paid Up Capital		
1,11,27,910 (1,11,27,910) Equity Shares of ₹10 each	111,279,100	111,279,100
	111,279,100	111,279,100

(a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the reporting period.

	In Value	In Numbers		
	As at 31 March 2021 ₹	As at 31 March 2020 ₹	As at 31 March 2021 ₹	As at 31 March 2020 ₹
At the beginning of the reporting period	111,279,100	111,279,100	11,127,910	11,127,910
Issued during the period	-	-	-	-
At the end of the reporting period.	111,279,100	111,279,100	11,127,910	11,127,910

(b) Terms & Right attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each Holder of equity share is entitled to one vote per share. In the event of liquidation, shareholder will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the member of equity share held by the share holder.

c) Details of aggregate number of shares allotted as fully paid up pursuant to contracts without payment being received in cash/allotted as fully paid up by way of of bonus shares issued/buy-back of shares in the last 5 years

Particulars	31.03.2020	31.03.2019	31.03.2018	31.03.2017	31.03.2016
Number of bonus shares issued	-	-	5,392,665	-	-

d) Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2021		As at 31 March 2020	
	Number	% of holding	Number	% of holding
Smt. Vinita Saraf	2,779,080	24.97%	2,779,080	24.97%
Shri Agastya Saraf	2,980,873	26.79%	2,980,873	26.79%
Smt. Ritu Saraf	906,878	8.15%	906,878	8.15%
Shri Shrey Saraf	1,064,850	9.57%	1,064,850	9.57%
	7,731,681	69.48%	7,731,681	69.48%

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Note-4 Reserves & Surplus		
Security Premium	569,783,790	569,783,790

Balance in Statement of Profit & Loss

Balance as at the beginning of the year	591,525,962	358,175,963
Add- Net Profit for the year	183,282,631	233,349,998
Net surplus in the statement of profit and loss	774,808,593	591,525,962
	1,344,592,383	1,161,309,752



MANORAMA INDUSTRIES LIMITED
Notes to Financial Statement for the year ended 31 March 2021

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Note-5 Long Term Borrowings		
Other Loans from banks (secured)	5,008,837	8,365,618
	5,008,837	8,365,618
Less- Current Maturities of long term borrowings (refer note 10)	2,860,798	3,358,286
	2,148,038	5,007,332

Nature of security and terms of repayment for secured borrowings: -

Borrowings	Rate of interest	Security	Terms of repayment (EMI)	
			From	To
Axis Bank Ltd.	8.75%	Hypothecation of Vehicle	1-Apr-18	1-Mar-21
Federal Bank Ltd.	8.60% - 12.05%	Hypothecation of Vehicle	1-Apr-18	7-Dec-24
Canara Bank	7.35%	Hypothecation of Vehicle	13-Oct-20	13-Oct-27
			As at 31 March 2021 ₹	As at 31 March 2020 ₹

Note-6 Deferred tax (assets)/liabilities
Tax effect of items constituting deferred tax liabilities

Property, plant & equipment : Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	30,277,845	10,337,384
--	------------	------------

Tax effect of items constituting deferred tax assets

On account of employee benefits	(1,574,471)	(1,919,148)
Others	(5,233,515)	(6,471,205)

Deferred tax (assets)/liabilities (net)

23,469,859	1,947,031
-------------------	------------------

	Long-term		Short-term	
	As at 31 March 2021 ₹	As at 31 March 2020 ₹	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Note-7 Provisions				
Provision for employee benefits				
- Provision for Gratuity (refer note 29)	2,375,629	2,448,347	355,406	347,344
- Provision for leave encashment	398,809	-	52,841	-
Provision for income tax (net)	-	-	39,496,590	57,028,826
	2,774,438	2,448,347	39,904,837	57,376,170

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
--	-----------------------------	-----------------------------

Note-8 Short Term Borrowings

Working capital facilities from banks repayable on demand (secured)	848,536,650	1,185,177,987
	848,536,650	1,185,177,987

Terms of borrowings:

Working Capital facilities from banks are repayable on demand and are secured as follows:

- Hypothecation of stock and receivables.
- Packing credit limits against hypothecation of stock meant for export.
- Pledge on Fixed Deposits.
- First parri passu charge on Industrial land building, plant and machinery of Birkoni Plant of the company for credit facility from Banks.
- Equitable Mortgage of Residential Property in joint name of Vinita Saraf & Shrey Saraf for credit facility from Federal Bank.
- Personal Guarantee of Vinita Saraf, Ritu Saraf, Shrey Saraf, Gautam Pal, Kedarnath Agrawal and Ashish Saraf.



MANORAMA INDUSTRIES LIMITED**Notes to Financial Statement for the year ended 31 March 2021**

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Note-9 Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Creditors for goods	46,279,791	283,940,129
- Creditors for others	27,676,416	45,992,693
	73,956,208	329,932,822

Note: Based on information received and available with the Company, the management has not identified any enterprise which has provided goods and services to the Company and qualifies under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at the year end has not been made in the financials statements.

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Note-10 Other current liabilities		
Current maturities of long term borrowings (refer note 5)	2,860,798	3,358,286
Interest accrued but not due	556,438	1,366,613
Statutory Liabilities	5,312,689	2,878,616
Advance from customers	4,589,052	2,841,058
Creditors for capital goods	11,083,056	8,640,048
Payable to directors (refer note 28)	3,802,695	2,072,649
Payable to related parties (refer note 28)	2,131,496	1,195,258
Provision for expenses	18,189,338	11,048,196
	48,525,565	33,400,725



MANORAMA INDUSTRIES LIMITED

Notes to Financial Statement for the year ended 31 March 2021

Note 11: Property, plant and equipment

	Freehold Land ₹	Leasehold land ₹	Factory shed and building ₹	Plant and Equipment ₹	Office equipment ₹	Furnitures and Fixtures ₹	Computers ₹	Vehicles ₹	Total ₹
Gross Block									
As on 1 April 2019	28,473,242	-	-	27,716,744	4,654,856	21,531,501	5,440,662	24,546,793	112,363,798
Addition	15,578,554	1,128,600	47,505,176	451,077,480	2,423,386	2,013,990	2,005,039	5,358,128	527,090,353
Deletions	-	-	-	-	-	-	-	43,373	43,373
As on 31 March 2020	44,051,796	1,128,600	47,505,176	478,794,224	7,078,242	23,545,491	7,445,701	29,861,548	639,410,778
Addition	409,882	-	303,523	86,982,348	1,761,914	226,829	1,501,353	965,113	92,150,962
Deletions	-	-	-	-	-	-	-	-	-
As at 31 March 2021	44,461,678	1,128,600	47,808,699	565,776,572	8,840,156	23,772,320	8,947,054	30,826,661	731,561,740
Accumulated Depreciation									
As on 1 April 2019	-	-	-	18,297,257	1,586,620	14,997,118	3,931,466	10,210,681	49,023,142
For the year	-	5,700	663,188	64,659,980	1,766,162	2,170,492	1,689,749	5,686,311	76,641,582
Deletions	-	-	-	-	-	-	-	32,351	32,351
As on 31 March 2020	-	5,700	663,188	82,957,237	3,352,782	17,167,610	5,621,215	15,864,641	125,632,373
For the year	-	5,700	6,326,431	63,754,570	2,087,021	1,512,972	1,410,612	4,453,102	79,550,408
Adjustment (refer note 38)	-	-	-	(39,645,864)	-	-	-	-	(39,645,864)
Deletions	-	-	-	-	-	-	-	-	-
As at 31 March 2021	-	11,400	6,989,619	107,065,943	5,439,803	18,680,582	7,031,827	20,317,743	165,536,917
Net block									
As on 31 March 2020	44,051,796	1,122,900	46,841,988	395,836,987	3,725,460	6,377,881	1,824,486	13,996,907	513,778,405
As at 31 March 2021	44,461,678	1,117,200	40,819,080	458,710,629	3,400,353	5,091,738	1,915,227	10,508,918	566,024,823



MANORAMA INDUSTRIES LIMITED
Notes to Financial Statement for the year ended 31 March 2021
Note 12 : Intangible assets
Gross Block

	Trademark & License ₹	Total ₹
As on 1 April 2019	39,000	39,000
Addition	-	-
Deletions	-	-
As on 31 March 2020	39,000	39,000
Addition	-	-
Deletions	-	-
As at 31 March 2021	39,000	39,000

Accumulated amortisation

As on 1 April 2019	35,394	35,394
For the year	3,606	3,606
Deletions	-	-
As on 31 March 2020	39,000	39,000
For the year	-	-
Deletions	-	-
As at 31 March 2021	39,000	39,000

Net block
As on 31 March 2020
As at 31 March 2021

-	-
-	-

Note 13 Loans and Advances
(Unsecured, considered good)

	Long-term		Short-term	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	₹	₹	₹	₹
Capital Advances	2,986,454	3,343,771	-	-
Security Deposits	9,293,274	10,270,569	-	-
Advance to suppliers	-	-	213,890,211	123,861,873
Advances recoverable in cash or in kind	-	-	3,440,368	2,807,638
Prepaid expenses	-	-	8,763,233	2,599,642
Other receivables	-	-	4,067,482	142,500
	12,279,728	13,614,340	230,161,294	129,411,653

Note-14 Other assets

	Non-current		Current	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
	₹	₹	₹	₹
Balance with banks in deposit accounts (maturity more than 12 months) (refer note 17)	159,052,355	101,441,308	-	-
Export incentive receivable	-	-	49,837,129	36,559,692
Interest accrued on fixed deposits	-	-	3,129,559	3,177,190
Others	-	-	182,287	63,025,002
	159,052,355	101,441,308	53,148,976	102,761,883



MANORAMA INDUSTRIES LIMITED
Notes to Financial Statement for the year ended 31 March 2021

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Note-15 Inventories (valued at lower of cost or net realisable value)		
Raw Materials	384,497,340	505,335,723
Chemicals	17,259,063	9,306,449
Finished goods	616,477,753	910,751,725
By product	32,038,071	25,640,891
Stores and consumables	20,361,341	49,535,764
	1,070,633,569	1,500,570,552
	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Note-16 Trade Receivables (Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	5,804,740	2,377,775
Others	224,026,552	160,221,616
	229,831,292	162,599,391
	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Note-17 Cash and bank balances		
Cash and cash equivalents		
Balance with Banks		
- in current accounts	3,619,973	3,260,613
- in deposit accounts (maturity less than 3 months)	70,519,354	167,724,634
Cash In hand	381,735	2,741,497
	74,521,062	173,726,744
Other bank balances		
Balance with Banks		
- in deposit accounts (maturity between 3 to 12 months)	99,533,980	189,974,988
- in deposit accounts (maturity more than 12 months)	159,052,355	101,441,308
	258,586,335	291,416,296
	333,107,397	465,143,040
Less: Balance with bank in deposit accounts (maturity more than 12 months) (refer note 14)	159,052,355	101,441,308
	174,055,042	363,701,732

Note: Deposits with banks aggregating to ₹3,291.06 lacs (2020: ₹4,591.41 lacs) has been pledged with banks against margin money towards working capital facilities.



MANORAMA INDUSTRIES LIMITED
Notes to Financial Statement for the year ended 31 March 2021

	Year ended 31 March 2021 ₹	Year ended 31 March 2020 ₹
Note - 18 Revenue from operations		
Sale of products and by-products		
Domestic	742,920,578	1,057,371,921
Exports	1,283,674,008	732,306,476
Sale of traded goods	22,398,696	55,687,284
	2,048,993,281	1,845,365,681
Other operating revenues		
Duty Draw Back	997,261	907,407
Exports Incentives	31,511,882	32,322,491
Sale of scrap	2,891,999	3,833,529
	35,401,143	37,063,427
	2,084,394,424	1,882,429,108
Details of finished goods and by products sold		
Cocoa butter equivalents	83,714,200	531,174,477
Butter & Fat	1,805,532,260	857,822,281
De-oiled cake	112,659,029	399,000,214
Others	24,689,097	1,681,425
	2,026,594,586	1,789,678,397
Details of traded goods sold		
Sal stearine	-	50,551,820
Neem Oil	11,176,008	-
Karanja Oil	4,541,824	-
Castor Oil	5,285,110	-
Others	1,395,754	5,135,464
	22,398,696	55,687,284
	Year ended 31 March 2021 ₹	Year ended 31 March 2020 ₹
Note-19 Other Income		
Interest Income		
- on fixed deposits	22,679,192	28,390,450
- on others	429,923	219,125
Foreign exchange gain	11,197,056	24,740,611
Forward Contract gain	26,972,325	5,604,361
Sundry balance written back	-	543,747
Profit on sale of property, plant and equipment	-	1,390
Other miscellaneous income	186,876	5,121
	61,465,372	59,504,803



MANORAMA INDUSTRIES LIMITED
Notes to Financial Statement for the year ended 31 March 2021

	Year ended 31 March 2021 ₹	Year ended 31 March 2020 ₹
Note-20 Cost of Materials Consumed		
Seeds		
Opening Stock	456,802,305	1,336,848
Add:- Purchases	754,227,260	1,766,745,467
Less- Closing Stock	319,657,769	456,802,305
	891,371,776	1,311,280,010
Chemicals		
Opening Stock	9,306,449	1,217,038
Add:- Purchases	42,566,349	44,306,891
Less- Closing Stock	17,259,063	9,306,449
	34,613,735	36,217,480
Other raw materials		
Opening Stock	48,533,418	6,259,658
Add:- Purchases	31,630,187	90,690,333
Less- Closing Stock	64,839,551	48,533,418
	15,324,055	48,416,573
	941,309,565	1,395,914,063
	Year ended 31 March 2021 ₹	Year ended 31 March 2020 ₹
Note-21 Purchase of stock-in-trade		
Sal searine	-	49,165,694
Neem Oil	10,057,600	-
Karanja Oil	4,037,200	-
Castor Oil	4,377,699	-
Others	1,182,150	-
	19,654,649	49,165,694
	Year ended 31 March 2021 ₹	Year ended 31 March 2020 ₹
Note-22 Changes in inventories of finished goods, by-product and stock-in-trade		
Opening Stock		
Finished Goods	910,751,725	350,732,110
By Product	25,640,891	1,588,606
Stock-in-trade	-	6,292,166
	936,392,616	358,612,882
Closing Stock		
Finished Goods	616,477,753	910,751,725
By Product	32,038,071	25,640,891
	648,515,824	936,392,616
	287,876,792	(577,779,734)
Details of finished goods & by products		
Cocoa Butter Equivalents	38,920,293	15,536,974
Butter & Fat	577,557,460	895,214,751
Others	32,038,071	25,640,891
	648,515,824	936,392,616



MANORAMA INDUSTRIES LIMITED
Notes to Financial Statement for the year ended 31 March 2021
Note-23 Employees Benefits

Salary, wages and other benefits
Contribution to provident and other funds
Gratuity expense (refer note 29)
Workmen and staff welfare expenses

Year ended 31 March 2021	Year ended 31 March 2020
₹	₹
70,430,120	65,482,866
2,547,047	2,961,574
6,051	212,298
463,569	434,297
73,446,787	69,091,035

Note-24 Finance Costs

Interest expenses
- on working capital facilities
- on vehicle loans
- on others
Bank Charges

Year ended 31 March 2021	Year ended 31 March 2020
₹	₹
91,887,667	85,529,370
635,933	930,266
589,256	1,556,827
11,801,225	9,657,429
104,914,081	97,673,892

Note-25 Depreciation and amortisation expense

Depreciation expense
Amortisation expense

Year ended 31 March 2021	Year ended 31 March 2020
₹	₹
79,550,408	76,641,582
-	3,606
79,550,408	76,645,188

Note-26 Other expenses

Consumption of stores and spares
Power and fuel
Labour charges
Processing Charges
Insurance Expenses
Rent
Rates & Taxes
Research and development expenses
Repairs and maintenance
-Plant and machinery
-Others
Lab expenses
Security charges
Travelling Expenses
Communication expenses
Printing and stationery
Legal and professional
Commission and brokerage
Sales promotion expenses
Freight outwards and other selling expenses
Packaging expenses
Auditor Remuneration (refer below)
Corporate social responsibility
Miscellaneous Expenses

Year ended 31 March 2021	Year ended 31 March 2020
₹	₹
11,032,524	34,967,768
94,725,065	42,897,101
16,891,813	13,757,468
66,420,978	162,671,252
12,406,706	5,262,204
11,508,535	15,017,243
7,106,022	9,515,789
15,195,971	11,106,560
3,510,587	3,341,543
2,045,188	1,967,065
5,202,598	4,569,767
4,032,545	2,761,371
10,682,151	35,347,843
681,534	900,228
2,387,708	2,173,015
18,616,037	21,940,039
1,022,427	4,993,841
2,678,379	1,255,825
86,619,559	102,498,074
17,220,710	20,935,708
500,000	500,000
8,783,073	-
6,428,167	9,185,243
405,698,276	507,564,948

Payment to Auditors:-

For audit

500,000	500,000
500,000	500,000



MANORAMA INDUSTRIES LIMITED
Notes to Financial Statement for the year ended 31 March 2021
Note 27 Earnings per share

	Year ended 31 March 2021	Year ended 31 March 2020
	₹	₹
Profit / (Loss) after tax	183,282,631	233,349,998
Weighted average number of equity shares used for calculating basic earnings per share	11,127,910	11,127,910
Weighted average number of equity shares used for calculating diluted earnings per share	11,127,910	11,127,910
Face value of Equity Shares (₹)	10	10
Earnings per share- Basic & Diluted (₹)	16.47	20.97

Note-28 Related Party Disclosure
a) Related Parties

Manorama Earth Private Limited
Manorama Africa Limited
Ritu Saraf

Nature of relationship

Directors have a significant influence
Directors have a significant influence
Relatives of Key Managerial Personnel's

b) Key Managerial personnel

Vinita Ashish Saraf	Managing Director
Ashish Saraf	President
Deep Saraf	Vice-President
Shrey Ashish Saraf	Director (appointed on 19 August 2019)
Kedarnath Agarwal	Director
Gautam Kumar Pal	Director
Ashok Jain	Chief Financial Officer
Divya Bhootra	Company Secretary

c) Details of transactions with related parties

Name of Party	Nature of Transaction	Year ended 31 March 2021	Year ended 31 March 2020
		₹	₹
Manorama Africa Limited	Purchases of goods	76,654,931	172,177,039
Vinita Saraf	Director Remuneration	9,600,000	9,600,000
Vinita Saraf	Advance received	-	60,000,000
Vinita Saraf	Advance repayment	-	60,000,000
Manorama Earth Private Limited	Car hire charges	1,200,000	1,200,000
Kedarnath Agarwal	Remuneration	180,000	180,000
Ashok Jain	Remuneration	966,166	1,009,031
Divya Bhootra	Remuneration	186,000	181,500
Gautam Kumar Pal	Remuneration	1,020,000	1,020,000
Ashish Saraf	Remuneration	2,400,000	2,400,000
Shrey Saraf	Remuneration	1,800,000	1,800,000
Deep Saraf	Remuneration	1,500,000	1,500,000
Ritu Saraf	Remuneration	1,800,000	1,800,000

d) Balance (payable to)/receivable from related parties

Name of Party			
Vinita Saraf		(3,412,459)	(2,072,649)
Kedarnath Agarwal		(180,000)	-
Ritu Saraf		(552,369)	(1,195,258)
Gautam Kumar Pal		(67,886)	-
Ashish Saraf		(1,541,316)	-
Shrey Saraf		(3,620)	-
Deep Saraf		1,152,871	-
Manorama Africa Limited		127,104,752	63,062,088
Manorama Earth Private Limited		(364,952)	-
Ashok Jain		(58,646)	-
Divya Bhootra		(14,045)	-



MANORAMA INDUSTRIES LIMITED**Notes to Financial Statement for the year ended 31 March 2021****Note-29 Employees benefit :**

The Company has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service. Benefits provided under this plan is as per the requirement of the Payment of Gratuity Act, 1972. The Gratuity liability has not been externally funded. Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per the Projected unit credit method.

The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss and the unfunded status and amounts recognized in the balance sheet for the Gratuity.

	31 March 2021 ₹	31 March 2020 ₹
Changes in present value of obligations		
Defined benefit obligation as at beginning of the year	2,795,691	2,583,393
Current Service Cost	1,045,884	990,201
Interest cost	190,107	175,671
Benefits Paid	(70,707)	-
Actuarial losses (gains) arising from change in financial assumptions	-	220,842
Actuarial losses (gains) arising from experience adjustments	(1,229,940)	(1,174,416)
Defined benefit obligation as at end of the year	<u>2,731,035</u>	<u>2,795,691</u>
Expense recognized in the Statement of Profit and Loss		
Current Service Cost	1,045,884	990,201
Interest cost	190,107	175,671
Net Actuarial (Gain)/Loss recognized for the period	(1,229,940)	(953,574)
Expense recognized in the statement of profit and loss	<u>6,051</u>	<u>212,298</u>
Experience Analysis		
Actuarial losses (gains) arising from change in financial assumptions	-	220,842
Actuarial losses (gains) arising from experience adjustments	(1,229,940)	(1,174,416)
	<u>(1,229,940)</u>	<u>(953,574)</u>
Bifurcation of Present Value of Benefit Obligation		
Current liability	355,406	347,344
Non-current liability	2,375,629	2,448,347
	<u>2,731,035</u>	<u>2,795,691</u>
Assumptions used for valuation of gratuity and leave encashment		
Mortality	IALM(2012-014)Ult.	IALM(2012-014)Ult.
Discount Rate	6.80%	6.80%
Rate of increase in compensation	6%	7%
Withdrawal rates	5 to 1%	5 to 1%

Note 30 Contingent liabilities and capital commitments:**(a) Contingent Liability:**

There are no contingent liabilities to be disclosed in the financial statements

(b) Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)

31 March 2021	31 March 2020
₹	₹
35,400	-
<u>35,400</u>	<u>-</u>



MANORAMA INDUSTRIES LIMITED
Notes to Financial Statement for the year ended 31 March 2021
Note-31 Expenditures & Earning in Foreign Currency

	Year ended 31 March 2021	Year ended 31 March 2020
	₹	₹
Earning in foreign currency		
Export of goods (on FOB basis) - manufactured	1,281,600,898	723,150,019
Export of goods (on FOB basis) - traded	-	50,551,820
	1,281,600,898	773,701,839
Expenditure in foreign currency		
Salary	11,075,700	10,360,800
Membership and subscription	992,481	574,149
Foreign travelling	659,654	388,924
Sample testing and analysis	2,862,576	2,311,646
Sales promotion expenses	276,408	-
Legal and professional	48,026	513,621
Certification charges	1,281,456	1,525,051
	17,196,302	15,674,191

Note-32 Value of imports on CIF basis

	Year ended 31 March 2021	Year ended 31 March 2020
	₹	₹
Raw material	581,396,424	678,480,670
Traded goods	-	42,714,791
Capital goods	3,599,800	28,754,687
	584,996,224	749,950,148

Note-33 Imported and Indigenous raw material & spare parts consumed

	Year ended 31 March 2021		Year ended 31 March 2020	
	Value	% of Total Consumption	Value	% of Total Consumption
	₹	₹	₹	₹
Raw Materials				
-Imported	663,819,809	70.52%	243,208,673	17.42%
-Indigenous	277,489,756	29.48%	1,152,705,389	82.58%
	941,309,565	100.00%	1,395,914,063	100.00%
Stores & Spares				
-Imported	-	-	-	-
-Indigenous	11,032,524	100.00%	34,967,768	100.00%
	11,032,524	100.00%	34,967,768	100.00%

Note-34 Derivative instruments and unhedged foreign currency exposure

	Currency	Buy / Sell	Purpose	Year ended 31 March 2021	Year ended 31 March 2020
Derivatives outstanding as at the reporting date					
Forward contracts	USD	Sell	Hedging	11,916,844	8,165,130

Particulars of unhedged foreign currency exposure as at the reporting date

There is no foreign currency exposures that are not hedged by derivative instrument or otherwise.



MANORAMA INDUSTRIES LIMITED**Notes to Financial Statement for the year ended 31 March 2021****Note-35**

During the year ended 31 March 2019, the company has raised ₹64,00,27,200 through public issue, specifically to meet its share in the cost of setting-up a new manufacturing facility at Birkoni. Given below are the details of utilization of proceeds raised through public issue.

	Year ended 31 March 2021	Year ended 31 March 2020
	₹	₹
Unutilized amount at the beginning of the year	-	387,503,829
Less: amount utilized during the year		
- Purchase of Land	-	16,707,154
- Investment in plant & machinery & other assets	-	370,796,675
Unutilized amount at the year end	-	-

Note-36

According to the provisions of section 135 of the Companies Act, 2013, the company is required to spend total ₹85,96,078 upto 31 March 2021 (inclusive of unspent amount of ₹3614065 upto 31 March 2020) on account of Corporate Social Responsibility. During the year the company has spent ₹87,83,073 lacs. The break-up of amount spent during the year are as follows:

Particulars	In Cash	Yet to be paid in cash	Total
Constructions/acquisition of any assets	-	-	-
On purpose other than above	8,783,073	-	8,783,073

Note-37

In the opinion of the Board, the value of realisation of loans and advances and current & non current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

Note-38

Prior period items represents reversal of depreciation amounting to ₹3,96,45,864 charged during the previous year on account of revision of useful life of plant and machinery based on technical advice received by the Company.

Note-39 Segment Reporting

The Company's only identifiable reportable Business segment is Manufacturing of Exotic Seed based Fats and Butters including Cocoa Butter Equivalent (CBE). Further, the Company operates and controls its business activities within/from India, except export of goods. Hence disclosure of Segment wise information is not applicable under Accounting Standard - 17 "Segment Information" (AS-17).

Note-40

Previous year's figures are regrouped/rearranged wherever necessary.

As per our report of even date.

For OP Singhania & Co

Chartered Accountants
(ICAI Firm Regn. No:002172C)

Sanjay Singhania

Partner

Membership No. 076961



Raipur

14 June 2021

For and on behalf of the Board of Directors of Manorama Industries Limited

Vinita Saraf

Managing Director

DIN-00208621

Ashok Jain

Chief Financial Officer

Raipur

14 June 2021

Gautam Pal

Director

DIN-07645652

Divya Bhootra

Company Secretary