

Mangalam Drugs and Organics Ltd.

Regd. Office : Rupam Building, 3rd Floor, 239 P. D'Mello Road, Near G. P. O. Mumbai - 400 001.

☎ 91-22-22616200 / 6300 / 8787 ☎ 91-22-22619090 • CIN : L24230MH1972PLC116413



REF: MDOL/CS-SE/2022- 23/023

September 2nd, 2022

To,

Listing Department

BSE Ltd

1st Floor, New Trade Wing,

Phiroze Jeejeebhoy Towers,

Dalal Street, Fort,

Mumbai - 400 001.

Scrip Code: 532637

Listing Department

National Stock Exchange of India Limited

"Exchange Plaza", 5th Floor,

Plot No. C-1, Block G,

Bandra - Kurla Complex,

Bandra(E), Mumbai - 400 051

Symbol: MANGALAM

Subject: Notice of 49th Annual General Meeting (AGM), submission of Annual Report 2021-22 and details of Remote E-voting

Dear Sir / Madam,

We wish to inform you that the 49th Annual General Meeting ("the AGM") of the Members of the Company will be held on **Wednesday, September 28, 2022 at 3:00 P.M. (IST) through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM")** in compliance with Ministry of Corporate Affairs Circulars / the Securities and Exchange Board of India Circulars.

Pursuant to Regulation 30 read together with Clause 12 of Part A of Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and Regulation 34(1) of the Listing Regulations, please find enclosed Notice convening 49th Annual General Meeting and Annual Report 2021-22 of the Company which is also being sent only to those Members whose email addresses are registered with the Company/ Depository Participant(s) through electronic mode in accordance with aforesaid Circulars for your records.

The details of remote e-voting are as follows:

Date of 49th AGM	Wednesday, 28 th September, 2022
AGM Start Time	03:00 P.M.
E-voting Cut-off Date	Wednesday, September 21, 2022
Remote e-Voting Start Date	Saturday, September 24, 2022
Remote e-Voting Start Time	09:00 A.M.
Remote e-Voting End Date	Tuesday, September 27, 2022
Remote e-Voting End Time	5:00 P.M.

Notice of the 49th AGM and Annual Report for the financial year 2021-22 is also available on the website of the Company <https://www.mangalamdrugs.com/annual-report/>

Kindly take the above information on your records.

Thanking You,

Yours Faithfully,

For Mangalam Drugs & Organics Limited

GOVARDHAN Digitally signed by
GOVARDHAN
MURLIDHAR MURLIDHAR DHOOT
DHOOOT Date: 2022.09.02
17:39:57 +05'30'

Govardhan M. Dhoot

Managing Director



**49th ANNUAL
R E P O R T
2021-22**

MANGALAM DRUGS & ORGANICS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Name Of Directors / KMP	Current Designation	Particulars of Appointment and Cessation	Particulars of Change in Designation
Shri Govardhan M. Dhoot	Chairman & Managing Director	Appointed on 16/04/1996	Not Applicable
Shri Brijmohan M. Dhoot	Whole-Time Director	Appointed on 02/05/2015	Not Applicable
Shri Rukmesh P. Dhandhanian	Independent Director	Appointed on 20/11/2017	Not Applicable
Smt. Nidhi S. Mundada	Independent Director	Appointed on 28/05/2018	Not Applicable
Shri Praveen Saxena	Independent Director	Appointed on 21/03/2021	Change in Designation in AGM held on 24/09/2021 from Additional Independent Director to Independent Director
Shri Rakesh K. Milwani	Non-Executive Director & Non-Independent Director	Appointed on 10/03/2022	Change in Designation on 14/04/2022 through Postal Ballot from Additional Non-Executive Director to Non-Executive Director
Shri Subhash C. Khattar	Independent Director	Ceased on 14/12/2021	
Mr. Ajay A. Samant	Chief Financial Officer	Appointed on 31/10/2014	Not Applicable
Ms. Geeta G. Karira	Company Secretary	Ceased on 07/02/2022	Not Applicable
Mr. Jayant Barde	Company Secretary	Appointed on 08/02/2022	Not Applicable

AUDITORS

Sr. No.	Particulars of Details	Statutory Auditor	Internal Auditor	Secretarial Auditor	Cost Auditor
1.	Name	V. S. Somani & Co., Chartered Accountants	Bipin Zavar & Associates	M/s Sudhanya Sengupta	Rampurawala Mohammed A & Co
2.	FRN / M. No / CP No	117589W	121523W	F7057	003011
3.	Date of Appointment	24.09.2021	July 05 2021	August 26, 2022	May 20, 2021
4.	Appointed in	48 th Annual General Meeting	Board Meeting	Board Meeting	Board Meeting
5.	Tenure	5 Years	1 Year	1 Year	1 Year

OFFICE DETAILS

Registered Office

Rupam Building, 3rd Floor, 239, P. D' Mello Road, Near G.P.O., Mumbai – 400 001
 Tel No. 91-22-22616200/6300/8787 / Fax No. 91-22-2619090
 E-Mail: contactus@mangalamdrugs.com
 Investors E-mail Id: investor@mangalamdrugs.com
 Website: <http://www.mangalamdrugs.com>

Unit 1

Plot No. 187, GIDC Vapi,
 Dist. Valsad Gujarat –
 396 195

Unit 2

Plot No. 1203, GIDC
 Vapi, Dist. Valsad,
 Gujarat – 396 195

OTHER DETAILS

Bankers

- State Bank of India
- Indian Bank
- Bank of Maharashtra
- Central Bank of India

Registrar & Share Transfer Agent

Link Intime India Private Limited
Address: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083
Tel No.: 91-22-49186000
Email: mt.helpdesk@linkintime.co.in

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TO SHAREHOLDERS

Respected Shareholders,

On my behalf and on behalf of the Board of Directors, I welcome you all to this 49th Annual General Meeting of Company.

I feel honored and privileged once again to present you with the Annual Report for the Financial Year 2021-22. It gives me an opportunity to share my thoughts and the Company's progress during the year as well as the way forward. The Financial Year 2021-22 also was full of challenges and crucial commitments.

It will not be out of place at this juncture to say that your Company's ability deliver growth and sustain business gradually. The momentum is attributable to its ability to remain relevant to its esteemed customer's changing choice, preference and need.

I would like to take this opportunity on behalf of the Board of Directors and its leadership team to thank each shareholder, Banks for their continued co-operation, support and commitment to the Company.

Success is working together and not a destination; it is with this hope and faith I look forward to your continuous confidence in your Company embarking on the next phase of its growth journey.

**With Best Wishes,
Sincerely**

**Sd/-
Govardhan M. Dhoot
Chairperson & Managing Director**



NOTICE

NOTICE is hereby given that the Forty Ninth Annual General Meeting (AGM) of the Members of **Mangalam Drugs & Organics Limited** ('the Company') will be held Wednesday on 28th day of September, 2022 at 03:00 P.M. (IST) through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') at the Registered Office of the Company situated at Rupam Building, 3rd Floor, 239 P.D' Mello Road, Near G.P.O. Mumbai – 400001, Maharashtra, India (Deemed Venue) to transact the following businesses:

ORDINARY BUSINESS:

ITEM NO.: 01: TO CONSIDER AND ADOPT THE STANDALONE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022 TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON.

ITEM NO.: 02: TO APPOINT A DIRECTOR IN PLACE OF SHRI BRIJMOHAN M. DHOOT (DIN: 01046420) WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.

SPECIAL BUSINESSES:

ITEM NO.: 03: TO RATIFY REMUNERATION PAYABLE TO RAMPURAWALA MOHAMMED A & CO. - COST ACCOUNTANTS, THE COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2022-23:

To consider and, if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read together with the Companies (Cost Records and Audit) Rules, 2014 / Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force], based on the recommendations of the Audit Committee, the remuneration of Rs. 1,10,000 (Rupees One Lakh Ten Thousand Only) excluding applicable taxes in addition to out-of-pocket expenses payable to Rampurawala Mohammed A & Co – Practising Cost Accountants (Membership No: 32100) appointed by the Board of Directors for conducting Cost Audit relating to cost records of the Company for the Financial Year 2022-23 be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors and / or the Chief Financial Officer and / or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO.: 04: TO APPROVE THE RE-APPOINTMENT OF SHRI RUKMESH P. DHANDHANIA (DIN: 02493968) AS AN INDEPENDENT DIRECTOR OF THE COMPANY FOR A SECOND TERM OF FIVE CONSECUTIVE YEARS:

To consider and, if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 149 (10), 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("Act") and the rules made thereunder and Regulation 16 and 17(1A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments, modifications, variations, or re-enactments thereof and recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Shri Rukmesh P. Dhandhania (DIN: 02493968) whose first term of office as an Independent Director ends on November 19, 2022, and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years with effect from November 20, 2022.

"RESOLVED FURTHER THAT the Board of Directors and / or the Chief Financial Officer and / or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO.: 05: TO APPROVE THE INCREASE IN BORROWING POWERS OF THE BOARD OF DIRECTORS UNDER SECTION 180(1)(C) AND 180(1)(A) OF THE COMPANIES, ACT, 2013:

To consider and, if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION**:

"RESOLVED THAT in supersession of all the earlier resolutions passed in this regard and subject to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute/ authorize for this purpose or any person(s) authorized by the Board) to borrow money, as and when required, from, including without limitation, any Bank and / or other Financial Institution and / or foreign lender and / or any-body corporate/ entity / entities and / or authority / authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board of Directors for an aggregate amount not exceeding a sum of Rs. 500 crores (Rupees Five Hundred Crores only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium, but shall not exceed the limit prescribed hereunder.

RESOLVED FURTHER THAT in supersession of all the earlier resolutions passed in this regard and subject to Section 180 (1) (a) and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute/ authorize for this purpose or any person(s) authorized by the Board) to pledge, mortgage, hypothecate and / or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and / or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favor of banks, financial institutions, investors and any other lenders to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed a sum of Rs. 500 crores (Rupees Five Hundred Crores only) at any time.

RESOLVED FURTHER THAT the Board of Directors and / or the Chief Financial Officer and / or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

ITEM NO.: 06: TO APPROVE THE INCREASE IN THE LIMITS APPLICABLE FOR MAKING INVESTMENTS / EXTENDING LOANS AND GIVING GUARANTEES OR PROVIDING SECURITIES IN CONNECTION WITH LOANS TO PERSONS / BODIES CORPORATE:

To consider and, if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION:**

“**RESOLVED THAT** in supersession of all the previous resolutions passed by the members of the Company and pursuant to the provisions of Section 186 of the Companies Act 2013 (the Act) read with the Companies (Meetings of Board and its Powers) Rules 2014 and other applicable provisions if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute/ authorize for this purpose or any person(s) authorized by the Board), to:

- A. give any loan to any person or other body corporate;
- B. give any guarantee or provide any security in connection with a loan to any other body corporate or person and
- C. acquire by way of subscription, purchase or otherwise, the securities of any other body corporate,

as they may in their absolute discretion deem beneficial and in the interest of the Company, however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 500 Crores (Rupees Five Hundred Crores only) which may, however, be over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors and / or the Chief Financial Officer and / or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

ITEM NO.: 07: TO APPROVE GIVING LOAN OR GUARANTEE OR PROVIDING SECURITY IN CONNECTION WITH LOAN AVAILED BY ANY OTHER PERSON SPECIFIED UNDER SECTION 185 OF THE COMPANIES ACT, 2013:

To consider and, if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 185 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded for advancing loan and / or giving of guarantee(s), and / or providing of security(ies) in connection with any loan taken, to be taken from financial institutions banks insurance companies / other investing agencies or any other person(s) / bodies corporate by any entity (said entity(ies) covered under the category of ‘a person in whom any of the director of the company is interested’ as specified in the explanation to Sub-section (b) of Section 2 of the said section, of an aggregate outstanding amount not exceeding Rs. 500 Crore (Rupees Five Hundred Crore only).

RESOLVED FURTHER THAT the Board of Directors and / or the Chief Financial Officer and / or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

ITEM NO.: 08: TO APPROVE MATERIAL RELATED PARTY TRANSACTIONS:

To consider and, if thought fit, to pass, the following resolution as **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and with Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) (including any statutory modification thereof for the time being in force and as may be enacted from time



to time) and Company’s policy on related party transaction and on the basis of recommendations of the Audit Committee and Board of Directors, the consent of the members of the company be and is hereby accorded to following related party transactions with related party, a related party within the meaning of Section 2 (76) of the Act and Regulation 2 (1) (ZB) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the conclusion of this year AGM till the conclusion of AGM to be held in next financial year as per the details set out herewith:

Sr. No.	Related Party	Relationship Reference	Nature of Transaction	Details of Transactions	Limit to be approved (Rs.)
1.	Shri Govardhan M. Dhoot	Key Managerial Person	Inter Corporate Loan	Loan Payables	50 crores
2.	Raga Organics Private Limited	Private company in which a director or manager or his relative is a member or director	Inter Corporate Deposit	Inter Corporate Deposit	50 crores
3.	Raga Organics Private Limited	Private company in which a director or manager or his relative is a member or director	Commission on sales payable	Commission on sales payable	50 crores
4.	Shri J B Pharma LLP	Firm in which Director is a partner	Receiving of Services and Rent to be received	Receiving of Services and Rent to be received	50 crores
5.	Shri J B Pharma LLP	Firm in which Director is a partner	Commission on sales payable	Commission on sales payable	50 crores
6.	Mrs. Rekha Dhoot	Relative of KMP	Short term employee benefits and Termination Benefits	Short term employee benefits and Termination Benefits	50 crores
7.	Mrs. Jyoti Dhoot	Relative of Whole-time Director	Short term employee benefits and Termination Benefits	Short term employee benefits and Termination Benefits	50 crores
8.	Ms. Shweta Dhoot	Relative of KMP	Short term employee benefits and Termination Benefits	Short term employee benefits and Termination Benefits	50 crores
9.	Shri. Ajay R Dhoot	Promoters	Services	Receiving of Marketing Consultancy Services	50 crores
10.	Shri. Aditya R. Dhoot	Promoters	Services	Receiving of Marketing Consultancy Services	50 crores

RESOLVED FURTHER THAT the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors and / or the Chief Financial Officer and / or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

ITEM NO.: 09: TO ADOPT NEW MEMORANDUM OF ASSOCIATION AS PER COMPANIES ACT, 2013:

To consider and, if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to Section 13, 15 and other applicable provisions read with the rules and regulations made there under including any amendment, re-enactment or statutory modification thereof, and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, consent of the members be and is hereby accorded to adopt the new Memorandum of Association in place of the existing Memorandum of Association with no change in existing Clause III (A) containing the Main Objects sub-clause No. 01 to 04.

RESOLVED FURTHER THAT the existing Clause III B containing the “Objects Ancillary or Incidental to the attainment of Main Objects” sub-clause No. 05 to 16 be and is hereby stands deleted and replaced by New Clause III (B) “Matters which are necessary for furtherance of the Objects specified in Clause III (A) containing the sub-clause No. 05 to 46.

RESOLVED FURTHER THAT the existing Clause III C containing the “Other Objects” sub-clause No. 17 to 46 be and is hereby also stands deleted in full.

RESOLVED FURTHER THAT the Board of Directors and / or the Chief Financial Officer and / or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

ITEM NO.: 10: TO ADOPT NEW SET OF ARTICLES OF ASSOCIATION AS PER COMPANIES ACT, 2013:

To consider and, if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, the consent of the members of the Company be and is hereby accorded to adopt new set of Article of Association in place of existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors and / or the Chief Financial Officer and / or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Registered Office

Rupam Building, 3rd Floor, 239 P.D' Mello Road,
Near G.P.O. Mumbai – 400001, Maharashtra, India.

CIN: L24230MH1972PLC116413

By order of the Board

For Mangalam Drugs & Organics Limited

Place : Mumbai
Date : 29th August, 2022

Sd/-
Jayant Barde
Company Secretary
M. No.: A61954



NOTES:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, 13th January, 2021 and May 05, 2022 ('MCA Circulars') and Securities and Exchange Board of India has vide its circular dated May, 12 2020 January 15, 2021 and May 13, 2022 ('SEBI Circulars') permitted holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue and also sending of Notice to persons entitled as per Section 101 of Companies Act, 2013 in way as prescribed thereunder in MCA Circulars and SEBI Circulars.

In compliance with the provisions of the Act read with MCA Circulars and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the AGM of the Company will be held through VC/OAVM. The deemed venue for the Twenty-Nineth AGM shall be the Registered Office of the Company i.e., Rupam Building, 3rd Floor, 239 P.D' Mello Road, Near G.P.O. Mumbai – 400001, Maharashtra, India.

2. For the purpose of recording the proceedings, the AGM will be deemed to be held at the registered office of the Company. Keeping in view the guidelines to fight COVID-19 pandemic, the Members are requested to attend the AGM from their respective locations by VC / OAVM and do not visit the registered office to attend the AGM.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, Institutional investors, who are members of the Company may appoint a representative as per applicable provisions of the Companies Act, 2013 to attend and | or vote.
4. Mr. Mustafa Bohra, Proprietor of M/s. Mustafa Bohra & Associates, Practicing Company Secretary (Membership No. ACS 61727) has been appointed as the Scrutiniser to scrutinise the E-voting process in a fair and transparent manner.
5. Institutional investors, who are members of the Company, are encouraged to attend the AGM of the Company through VC/ OAVM mode and vote electronically. Corporate members are required to send a scanned copy (PDF/JPG Format) of the Board Resolution/ Power of Attorney authorizing its representatives to attend and vote at the AGM through VC / OAVM on its behalf pursuant to Section 113 of the Act. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered Email address to mustafabohra@mbassociate.in with a copy marked to evoting@nsdl.co.in
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. A statement pursuant to Section 102 (1) of the Companies Act, 2013 ('the Act') setting out the material facts concerning each item of special business set out in the Notice is annexed hereto.
8. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. The detailed instructions for joining the Meeting through VC / OAVM form part of the Notes to this Notice.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and MCA Circulars, the Company is providing facility of remote E-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with **National Securities Depository Limited** (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
11. In line with the MCA Circulars, the Notice calling the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose E-mail addresses are registered with the Company/Depositories and has been uploaded on the website of the Company at www.mangalamdrugs.com. The Notice can also be accessed from the websites of NSDL (agency for providing the Remote e-Voting facility) i.e., www.evoting.nsdl.com. Printed copy of the Annual Report (including the Notice) is not being sent to the Members in view of the MCA Circulars and SEBI Circulars.
12. The electronic copies of all documents which are referred to in this Notice but not attached to it will be made available for inspection. For inspection, the Members are requested to send a request through an e-mail on cs@mangalamdrugs.com in with Depository participant ID and Client ID or Folio number.





13. Electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding, maintained under the Companies Act, 2013, will be available for inspection by the Members on request by sending an E-mail on cs@mangalamdrugs.com in with Depository participant ID and Client ID or Folio number.
14. In terms of Section 72 of the Act, nomination facility is available to individual Members holding shares in the physical mode. The Members, who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.
15. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
16. Pursuant to the provisions of the Act, a member is entitled to attend and vote at the AGM is entitled to appoint proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since, this AGM is being held through VC/OAVM, the physical attendance has been dispensed with. Accordingly, the facility for appointment of proxies by the members to attend and cast vote is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
17. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Act. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH - 13 duly filled in to Link Intime India Private Limited at the below-mentioned address. Members holding shares in Electronic Form may contact their respective Depository Participants for availing this facility
18. The Company's Registrar & Transfer Agent for its share registry (both, physical as well as electronic) is Link Intime India Private Limited ('R&TA') having its office at C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai – 400083.
19. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered E-mail address mentioning their names, DP ID and Client ID / folio number, PAN and mobile number at cs@mangalamdrugs.com between Saturday, September 10, 2022 (09.00 a.m. IST) to Tuesday, September 20, 2022 (5.00 p.m. IST). Only those Members who have pre-registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
20. The Members desiring any information relating to the accounts or have any questions, are requested to write to the Company on cs@mangalamdrugs.com at least Ten days before the date of the Annual General Meeting (AGM) so as to enable the Management to keep the information ready and provide it at the AGM. Provided that the information to be provided shall be within four corners of the law and shall be provided that is permissible under law.
21. The remote e-voting period begins on Saturday, September 24, 2022 at 09:00 A.M. and ends on Tuesday, September 27, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., 21st September 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21st September 2022.
22. **Process for those members whose Email IDS are not registered:** The Members who have not registered their E-mail addresses are requested to register them with the Company to receive e-communication from the Company. For registering E-mail Address, the Members are requested follow the below steps:
- Members holding shares in Physical Mode are requested to provide name, folio number, mobile number, e-mail address, scanned copies of share certificate(s) (both sides), self-attested PAN and Aadhar Card through E-mail on cs@mangalamdrugs.com.
 - Members holding shares in Dematerialized Mode are requested to provide name, Depository participant ID and Client ID, mobile number, E-mail address, scanned copies of self-attested client master or Consolidated Account statement through E-mail on cs@mangalamdrugs.com.
23. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:**
- PROCEDURE:**
- In order to access NSDL System of Electronic Voting and Joining of Annual General Meeting in 2 Steps:
- Step 1: Access to NSDL e-Voting system:**
 - Login Method for e-Voting and joining Virtual Meeting for Individual Shareholders Holding securities in Demat mode.**
 - Individual Shareholders holding securities in Demat mode with NSDL.
 - Individual Shareholders holding securities in Demat mode with CDSL.
 - Individual Shareholders (holding securities in Demat mode) login through their Depository Participants.
 - Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode**

2. Step 2: Access to NSDL e-Voting system:

STEP 1: Access to NSDL e-Voting system

1. Login Method for e-Voting and joining Virtual Meeting for Individual Shareholders Holding securities in Demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts in order to access e-Voting facility.

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with NSDL.</p>	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e., your Sixteen Digit Demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	<ol style="list-style-type: none"> Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="619 1257 1118 1560" style="border: 1px solid black; padding: 10px; text-align: center;"> <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> </div>

Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e., NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in Demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

IMPORTANT NOTE:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in Demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL:

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

2. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode:

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.*
- Your User ID details are given below:

Manner of holding shares in	Your User ID is:
Demat with NSDL.	8 Character DP ID followed by 8 Digit Client ID For Example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
Demat with CDSL.	16 Digit Beneficiary ID For Example, if your Beneficiary ID is 12***** then your user ID is 12*****
Physical Form.	EVEN Number followed by Folio Number registered with the company For Example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***



- Password details for shareholders other than Individual shareholders are given below

Particulars	Details
If you are already registered for e-Voting	You can use your existing password to login and cast your vote
If you are using NSDL e-Voting system for the first time	you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
How to retrieve your 'initial password'	
If you are using NSDL e-Voting system for the first time and if your email ID is registered in your Demat account or with the company	Your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'
If your email ID is not registered	Please follow process as set up in Point No 29
If you are unable to retrieve or have not received the "Initial password" or have forgotten your password	
<ul style="list-style-type: none"> • Click on "Forgot User Details/Password?" (If you are holding shares in your Demat account with NSDL or CDSL) option available on www.evoting.nsdl.com. • Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com • If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat account number/folio number, your PAN, your name and your registered address etc. • Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL 	

- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button
- After you click on the "Login" button, home page of e-Voting will open

STEP 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

24. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

Member will be provided with a facility to attend the EGM / AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC / OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC / OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

1. Members are encouraged to join the Meeting through Laptops for better experience.
2. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

3. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

25. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF EMAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

- In case shares are held in Physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@mangalamdrugs.com.
- In case shares are held in Demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@mangalamdrugs.com. If you are an Individual shareholder holding securities in Demat mode, you are requested to refer to the login method explained above i.e., **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode**
- Alternatively, you can send a request at evoting@nsdl.co.in with documents or information as mentioned above for procuring user id and password for e-voting.

Provided that the total of all scanned PDF file (Scanned Copy of PAN, Scanned Copy of AADHAR and Scanned Copy of share certificate) should not exceed 2 MB.

- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their Demat account in order to access e-Voting facility

Registered Office

Rupam Building, 3rd Floor, 239 P.D' Mello Road,
Near G.P.O. Mumbai – 400001, Maharashtra, India.
CIN: L24230MH1972PLC116413

By order of the Board

For Mangalam Drugs & Organics Limited

Place : Mumbai
Date : 29th August, 2022

Sd/-
Jayant Barde
Company Secretary
M. No.: A61954

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 03:**

Pursuant to provision of section 148 of the Companies Act, 2013 (“the Act”) read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof] and on recommendation of the Audit Committee, Board of Directors at their meeting held on May 26th 2022 has approved appointment of Rampurawala Mohammed A & Co - Cost Accountant (Membership No: 32100) as the Cost Auditor to conduct the cost audit of cost records of the Company for the Financial Year 2022-23 on the remuneration of Rs. 1,10,000 (Rupees One Lakh Ten Thousand Only) excluding applicable taxes in addition to out-of-pocket expenses. As per afore-said rules, the remuneration payable to Cost Auditor is required to be ratified by the members of the Company. Accordingly, approval of the members is requested for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors to conduct audit of the Cost Records of the Company for the Financial Year ending March 31, 2023.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the **ORDINARY RESOLUTION** set out at Item No. 3 of the Notice.

The Board commends passing of the resolution set out in Item no. 3 of accompanying Notice.

ITEM NO. 04:

The Board of Directors at its meeting held on November 20, 2017 had appointed Shri Rukmesh P. Dhandhanian (DIN: 02493968) as an Additional Director of the Company to hold office till the next Annual General Meeting. Further, the Members at the Annual General Meeting held on September 25, 2018 regularized Shri Rukmesh P. Dhandhanian as an Independent Director to hold office for a term of 5 years. Accordingly, the tenure of Shri Rukmesh P. Dhandhanian, as an Independent Director will expire on November 19, 2022.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors has recommended the re-appointment of Shri Rukmesh P. Dhandhanian as Independent Director for a second term of five years on the Board of the Company w.e.f. November 20, 2022. The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given the background and experience and substantial contribution made by Shri Rukmesh P. Dhandhanian during his tenure, the continued association of Shri Rukmesh P. Dhandhanian would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Moreover, the Company has received the consent from Shri Rukmesh P. Dhandhanian to act as the Director in the prescribed Form DIR-2 along with the declaration on criteria of Independence as per Section 149 (6) of Companies, Act 2013. Shri Rukmesh P. Dhandhanian is also not disqualified from being appointed as Director in terms of Section 164 of Companies, Act 2013.

In view of above, the Board of Directors in its meeting held on August 29th 2022 has approved the proposal for re- appointment of Shri Rukmesh P. Dhandhanian as an Independent Director for a second term of five consecutive years with effect from November 20, 2022. Also, In the opinion of the Board, Shri Rukmesh P. Dhandhanian fulfils the conditions for appointment as Independent Director as specified in the Act. Accordingly, the members of the Company are requested to approve the re-appointment of Shri Rukmesh P. Dhandhanian as an Independent Directors for a second term of five consecutive years with effect from November 20, 2022.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the **ORDINARY RESOLUTION** set out at Item No. 04 of the Notice.

The Board recommends the Resolution for approval of the Members as a **SPECIAL RESOLUTION** as set out in the item no. 04 of the notice.

ITEM NO. 05:

The members of the Company are informed that keeping in view of the group's existing and future financial requirements to support its business operations, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/ or Financial Institutions and/ or any other lending institutions and/ or Bodies Corporate and/ or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paidup capital and free reserves of the Company.

Hence it is proposed to set up the maximum borrowing limits of Rs. 500/- crores (Rupees Five Hundred Crores) Only up to which the Board of Directors can borrow. Pursuant to Section 180 (1) (c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paidup capital of the Company, its free reserves and securities premium at any one time except with the consent of the members of the Company in a general meeting.

In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Further, Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting, which authorization shall be proposed towards members for their approval up to limit of Rs. 500/- crores (Rupees Five Hundred Crores) for the Company.

Accordingly, consent of the Members is sought for passing **SPECIAL RESOLUTION** as set out in Item No. 05.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the **SPECIAL RESOLUTION** set out at Item No. 05 of the Notice.

The Board recommends the Resolution for approval of the Members as a **SPECIAL RESOLUTION** as set out in the item no. 05 of the notice.

ITEM NO. 06:

Pursuant to Section 186(2) of Companies Act 2013, No Company shall directly or indirectly give any loan to any person or other body corporate give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty percent of its paid-up share Capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more.

Considering the investments to be made in the projects in near future and those which are being pursued, the Company would have to acquire by way of subscription, purchase or otherwise, the securities of other body corporates, give loan or guarantee or provide security in connection with a loan to any other body corporate or person, in excess of the limits provided under Section 186

Accordingly, it is recommended to make necessary proposal to seek the approval of the shareholders to authorize acquisition of securities, giving loans, guarantees or providing securities up to Rs, 500 Crores (Rupees Five Hundred Crores only) under Section 186(3) of the Companies Act, 2013 by way of a **SPECIAL RESOLUTION**

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the **SPECIAL RESOLUTION** set out at Item No. 06 of the Notice.

The Board recommends the Resolution for approval of the Members as a **SPECIAL RESOLUTION** as set out in the item no. 06 of the notice

ITEM NO. 07:

The Company may have to render support for the business requirements of group entity or any other person in whom any of the Director of the Company is deemed to be interested (collectively referred to as the "Entities"), from time to time. However, owing to certain restrictive provisions contained in Section 185 of the Companies Act, 2013 (the Act'), the Company was unable to extend financial assistance by way of loan to such Entities. Hence the Board of Directors seek consent of the Members by way of a Special Resolution pursuant to Section 185 of the Act (as amended by the Companies (Amendment) Act, 2017) for making loan(s) or providing financial assistance or providing guarantee or securities in connection with the loans taken or to be taken by the Entities for the capital expenditure of the projects and / or working capital requirements including purchased of fixed assets as may be required from time to time for the expansion of its business activities and other matters connected and incidental thereon for their principal business activities.

The members may note that the Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources from time to time only for principal business activities of such entities.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the **SPECIAL RESOLUTION** set out at Item No. 07 of the Notice.

The Board commends the passing of resolution set out at Item No. 7 for the approval of the members of the Company by **SPECIAL RESOLUTION**.

ITEM NO. 08:

The members of the Company are informed that section 188 read with rules made there under prescribes certain approvals for related party transactions. Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 also prescribe seeking shareholders' approval for material related party transaction beyond specified threshold (Material Transactions). Proviso to Section 188 (1) provides that noting contained in Section 188 (1) shall apply where transaction entered into by Company with related party in the ordinary course of business and at arm's length basis.

All the proposed transactions put up for approval are in the ordinary course of business and at arm's length basis. The transactions are repetitive in nature, considering the large volume of the transaction, the contracts / arrangements / transactions are material in nature and hence require approval of members.

The contracts / arrangements / transactions as mentioned in resolution require approval of only unrelated members of the Company and all related parties shall abstain from voting on such resolution.

Accordingly, the Board of Directors recommends the Resolution set out at Item No. 08 of the accompanying Notice for approval of the Members of the Company as an **ORDINARY RESOLUTION**.

Except Shri Govardhan M. Dhoot, Shri Brijmohan M. Dhoot, Shri Ajay Samant, Mr. Jayant Barde, Mrs. Rekha Dhoot, Mrs. Jyoti Dhoot, Ms. Shweta Dhoot, Mrs. Krishnapriya Nawal, Shri. Ajay R Dhoot, Shri. Aditya R. Dhoot, none of other Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 08 of the Notice.

The Board commends the passing of resolution set out at Item No. 08 for the approval of the members of the Company by **ORDINARY RESOLUTION**.



ITEM NO. 09:

The Object Clause (Clause III) of the Memorandum of Association (“MOA”) of the Company, as presently in force, is based on the erstwhile Companies Act, 1956. According to the Companies Act, 2013, the companies are required to have only “the objects to be pursued by the company and matters which are necessary for furtherance of the objects specified”. Further in terms of provisions of the Companies Act, 2013, MOA shall not consist of Other Object Clause. Therefore, it is proposed to alter the MOA of the Company by merging the Objects under Clause III (C) – Other Objects with Clause III (B) – Objects Incidental or Ancillary to the attainment of the Main Objects and also to rename the Clause III (A) and III (B) of the Object Cause.

The new set of MOA to be substituted in place of the existing MOA are in the format prescribed under ‘Table A’ of the Act which sets out the model MOA for a Company limited by shares.

As per the provisions of Section 13 of the Companies Act, 2013, a special resolution has to be passed by the members of the Company for adoption of amended and restated MOA of the Company. Accordingly Consent of the shareholders by way of a Special Resolution is required in this regard.

Copy of the restated Memorandum of Association of the Company would be available for online inspection on any working day between 2 P.M. to 4 P.M. up to and including the date of AGM basis that the request being sent by members of the Company at cs@mangalamdrugs.com.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the **SPECIAL RESOLUTION** set out at Item No. 09 of the Notice.

The Board commends the passing of resolution set out at Item No. 09 for the approval of the members of the Company by **SPECIAL RESOLUTION**.

ITEM NO. 10:

The Articles of Association (“AOA”) of the Company as presently in force are based on the erstwhile Companies Act, 1956 and several regulations in the existing AOA are no longer in conformity with the Companies Act, 2013. Further several regulations / articles of the existing AOA of the Company require alteration or deletion pursuant to changes in applicable laws. Therefore, it is considered expedient to wholly replace the existing AOA by a new set of Articles. The new set of AOA to be substituted in place of the existing AOA. As per the provisions of Section 14 of the Companies Act, 2013, a special resolution has to be passed by the members of the Company for adoption of amended and restated AOA of the Company. Accordingly Consent of the shareholders by way of a Special Resolution is required in this regard.

Copy of the restated Articles of Association of the Company would be available for online inspection on any working day between 2 P.M. to 4 P.M. up to and including the date of AGM basis that the request being sent by members of the Company at cs@mangalamdrugs.com.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the **SPECIAL RESOLUTION** set out at Item No. 10 of the Notice.

The Board commends the passing of resolution set out at Item No. 10 for the approval of the members of the Company by **SPECIAL RESOLUTION**.

Registered Office

Rupam Building, 3rd Floor, 239 P.D’ Mello Road,
Near G.P.O. Mumbai – 400001, Maharashtra, India.
CIN: L24230MH1972PLC116413

By order of the Board

For Mangalam Drugs & Organics Limited

Place : Mumbai
Date : 29th August, 2022

Sd/-
Jayant Barde
Company Secretary
M. No.: A61954

BRIEF RESUME OF DIRECTOR/S SEEKING APPOINTMENT / RE-APPOINTMENT

Pursuant to provisions of SEBI (LODR) Regulations and Secretarial Standards on General Meetings, relevant particulars of Directors seeking appointment / re-appointment as this AGM are given here below:

Name of the Director	Shri Brijmohan M. Dhoot	Shri Rukmesh P. Dhandhanian
DIN	01046420	02493968
Date of Birth / Age	July 10, 1951, 71 Years	28 th December 1979, 42 Years
Date of original appointment	02/05/2015	20/11/2017
Termination of original Agreement	Not Applicable	Not Applicable
Terms and Conditions of appointment	As per Appointment Letter	As per Appointment Letter
Appointment for 3 / 5 Years w.e.f.	14.08.2021	20.11.2022
Designation	Whole-time Director	Independent Director
Areas of Expertise	Shri Brijmohan M. Dhoot has vast experience of more than 4 decades in the Company. He has vast knowledge and varied experience which is of great value to the Company.	Shri Rukmesh P. Dhandhanian brings to the board extensive experience in the areas of controllership, financial stewardship, business responsibility including sustainability, business developments and turnarounds. He has valuable experience of 15 years in Agency Business. His experience demonstrates his leadership capability, general business acumen and knowledge of complex financial and operational issues that large corporations face.
Educational Qualifications	Commerce Background	Commerce Background (Masters in Marketing Management)
Companies in which he holds Directorship	<ol style="list-style-type: none"> 1. Beanstalk Retail Private Limited 2. Raga Organics Private Limited 3. Elarci (Estates and Construction) Development Services Private Limited 4. Amerind Consultant Private Limited 	Nil
Other listed Companies in which she holds Directorship	Nil	Nil
Membership / Chairmanship of Board Committees	<ol style="list-style-type: none"> 1. Stakeholders Relationship Committee 2. Corporate Social Responsibility Committee 	<ol style="list-style-type: none"> 1. Audit Committee -Member 2. Nomination and Remuneration Committee-Member
Nationality	Indian	Indian
Shareholding as on March 31, 2022	564469	Nil
Relationship with other Directors and KMPs	Brother of Shri Govardhan M. Dhoot	Not Applicable
Remuneration sought to be paid	As per Appointment Letter	Nil
Remuneration last paid	As per Appointment Letter	Nil
No. of Board / Committee Meetings attended during FY 2021-22	8	18



DIRECTOR'S REPORT

To,
The Members of
Mangalam Drugs & Organics Limited ('Company')

Your Directors (hereinafter referred to as the Board) have pleasure in presenting the 49th (Forty-Nineth) Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2022.

1. FINANCIALS:

A. FINANCIAL RESULTS AND HIGHLIGHTS OF PERFORMANCE:

The Financial Performance of the Company for the year ended March 31, 2022 is summarized below:

(Figures – Rs. In Lakhs)

Particulars	Year Ended	
	March 31, 2022	March 31, 2021
Operational & Other Income	45,115.78	38,469.78
Total Expenses including Interest Expense and Depreciation and Amortization Expense	(42,342.49)	(34,517.88)
Profit before exceptional items and tax	2,773.30	3,951.91
Prior period items	NIL	NIL
Exceptional Items	NIL	NIL
Provision for diminution in the value of investments	NIL	NIL
Profit before tax	2,773.30	3,951.91
Tax Expense	807.55	1,154.82
Profit after tax	1,965.75	2,797.09
Total comprehensive income	1977.54	2702.31
Earnings Per Share (In Rs.) (Basic Diluted)	12.42	17.67

B. OPERATIONS OF THE COMPANY / COMPANY PERFORMANCE:

During the Financial Year under report, the Company registered a total revenue from operations of Rs. 45,106.84 Lakhs as against Rs. 38,469.76 Lakhs in the previous year & registered a growth of 17.25 % over the previous year. Due to increase in total expense, the operational performance has resulted into decreased profitability of Rs. 1965.75 Lakhs as compared to previous year of Rs. 2797.09 Lakhs.

Further, there has been no change in nature of business during the year under review.

C. FUTURE OUTLOOK:

The Company has concluded a technology transfer agreement with a leading pharmaceutical company based in Africa. The technology transfer agreement includes setting up of an API manufacturing facility for various Anti-Malarial APIs. The prevalence of severe Covid 19 infection has regressed allowing us to return to the prime focus on Antimalarials and other antivirals. Pre-covid price pressures have intensified which has resulted in fruitful backward integration of 4 critical in-house raw materials needed in the APIs in infectious and lifestyle segments. As on today we have 23 DMFs approved by World Health Organization, Geneva, which has helped us to attract several queries which include APIs which shall lose patent protection over next 5 years. Firming up the profitability of existing product portfolio and expanding the scope of regulatorily robust post-patent APIs are going to occupy us in the next financial year.

D. SHARE CAPITAL:

- Authorized Share Capital:**

During the year there has been no change in Authorized Share Capital of the Company. The Company's Authorized Share Capital is Rs. 30,00,00,000/- (Rupees Thirty Crores only) comprising of 3,00,00,000 (Three Crore) Equity Shares of Rs. 10/- each.

- Issued, Subscribed and Paid-Up Share Capital of the Company:**

The Company has not issued:

- Any shares pursuant to section 23 of Companies Act, 2013;

- Any sweat equity shares as per provisions of Section 54 (1) (d) of the Act read with Rule 8 (13) of the Companies (Share Capital and Debenture) Rules, 2014;
- Any shares with differential voting rights as per provision of 43 read with rule 4 of Companies (Share Capital and Debenture) Rules, 2014; and
- Any equity shares under Employees Stock Option Scheme as per provisions of Section 62 (1) (b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.

The Company's paid-up capital is Rs. 15,82,82,480/- (Fifteen Crore Eighty-Two Lakhs Eighty-Two Thousand Four Hundred and Eighty) comprising of 1,58,28,248 (One Crore Fifty-Eight Lakhs Twenty Eight Thousand Two Hundred and Forty Eight Only) Equity Shares of Rs. 10/- each fully paid up. The Company's Equity shares are listed on the National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE).

E. DIVIDEND:

With a view to conserve resources, your directors have not recommended any dividend on Equity Shares for the Financial Year 2021-22.

F. TRANSFER TO RESERVES:

The Company has transferred Rs. 1965.75 Lakhs in the Financial Year ended March 31, 2022 to Reserves.

G. UNPAID DIVIDEND & IEPF:

The Company is not required to transfer any amount to the Investor Education & Protection Fund (IEPF) and does not have unclaimed dividend which remains to be transferred to Unpaid Dividend Account.

H. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time (including any amendment thereto or re-enactment thereof for the time being in force), Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of Financial Statements provided in this Annual Report.

I. DEPOSITS:

During the year under review, the Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

J. LOAN FROM DIRECTORS:

During the year under review, the Company has not taken any loan from its directors and their relatives.

2. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATIONS AND JOINT VENTURE COMPANIES:

The Company has no holding, subsidiary, Associate or Joint Venture as on March 31, 2022.

3. REMUNERATION / COMMISSION DRAWN FROM HOLDING / SUBSIDIARY COMPANY:

The Company is neither subsidiary nor a holding of any Company and hence the said clause is not applicable.

4. CONSOLIDATED FINANCIAL STATEMENTS:

The Company is neither subsidiary nor a holding of any Company and hence the said clause is not applicable.

Further, Your Company do not have investment in any Associate / Joint Venture Company as on March 31, 2022.

5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A statement containing the necessary information for conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134 (3) (m) of the Act read with rule 8 of Companies (Accounts) Rules, 2014 is annexed to the Annual Report as **Annexure – A**.

6. RELATED PARTY TRANSACTIONS:

A. THE PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business as part of Company's philosophy of adhering to highest ethical standards, transparency and accountability. These transactions are not likely to have any conflict with Company's interest.



All Related Party Transactions up to March 31, 2022 were placed before the Audit Committee and the Board for Approval. Also, prior omnibus approval of the Audit Committee was obtained for Related Party Transactions for the Financial Year 2021-22. The transactions entered into pursuant to the omnibus approval so granted were audited and a statement giving details of all related party transactions was placed before the Audit Committee for its review on a quarterly basis. The particulars of transactions between the Company and its related parties as per the Accounting Standard-18 are set out at in Notes to Accounts in the Annual Report. In line with the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has approved a policy on related party transactions. An abridged policy on related party transactions has been placed on the Company's website at: <https://www.mangalamdrugs.com/investors/>

B. DISCLOSURE OF RELATED PARTY TRANSACTION WITH PERSON OR ENTITY BELONGING TO PROMOTER & PROMOTER GROUP:

During the year under review, the Company has not made any transaction with person to Promoter & Promoter Group that hold 10% or more shareholding of the Company except the Company has received rent from Shri J.B Pharma LLP.

C. DISCLOSURE OF LOANS AND ADVANCES IN NATURE OF LOAN TO SUBSIDIARIES AND ASSOCIATE OF THE COMPANY:

The Company is neither subsidiary nor a holding of any Company and hence the said clause in not applicable.

7. MATTERS RELATED TO INDEPENDENT DIRECTORS:

A. DECLARATIONS BY INDEPENDENT DIRECTORS:

The independent directors have submitted the Declaration of Independence, as required pursuant to section 149 (7) of the Companies Act, 2013 and Regulation 16 and 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that they meet the criteria of independence as provided in sub-section (6). There has been no change in the circumstances, which has affected their status as independent director. Further, they also declared that they have complied with Rule 6 (1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 with respect to the inclusion of name in the data bank created by the Indian Institute of Corporate Affairs.

B. EVALUATION BY INDEPENDENT DIRECTOR:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Director has carried out annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder relationship Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

In a separate meeting of Independent Directors held on February 04, 2022, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive director. The same was discussed in the Board meeting at which the performance of the Board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

C. OPINION OF BOARD OF DIRECTORS PERTAINING TO INDEPENDENT DIRECTORS OF THE COMPANY:

In the opinion of the Board of Directors, all the independent directors on the Board of the Company are independent of the management and complies with criteria of Independent Director as submitted by them under Companies Act, 2013 and under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013. They possess integrity, expertise and also have vast experience which is necessary or suitable to be the Director of the Company. Further, they have no pecuniary relationship other than sitting fee for attending meetings.

8. MATTERS RELATING TO BOARD OF DIRECTORS:

A. MEETING OF BOARD OF DIRECTORS OF THE COMPANY DURING THE FINANCIAL YEAR 2021-22:

During the year under review, the Board met **9 (Nine) Board Meetings were convened and held on May 20, 2021, July 5, 2021, July 6, 2021, August 12, 2021, October 22, 2021, November 12, 2021, December 21, 2021, February 4, 2022 and March 10, 2022** in accordance with the provisions of the Companies Act, 2013 to discuss and decide on various business strategies, policies and other issues.

The intervening gap between any two Meetings was not more than the period prescribed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Company has complied with the applicable Secretarial Standards in respect of all the above-Board Meetings.

The detailed composition of Board of Directors and requisite details are given in the Corporate Governance Report.

B. FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF BOARD, ITS COMMITTEES AND DIRECTORS:

The Board of Directors has adopted a formal mechanism for evaluating various aspects of the Board's functioning its performance and as well as that of its committee i.e., Audit, Nomination and Remuneration, Stakeholders Relationship and individual directors. The

criteria for performance evaluation of the Board include aspects like composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance, experience, competencies etc. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of Individual Directors who was evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest The Board of Directors expressed their satisfaction with the evaluation process.

9. APPOINTMENT, RE-APPOINTMENT AND RESIGNATION OF DIRECTORS DURING THE YEAR 2021-22:

The Board of Directors of the Company is led by the Executive Chairman and comprises of Five other Directors as on March 31, 2022, including three Independent Directors which includes one Woman Director as required under Section 149 (1) of the Companies Act, 2013. The composition of the Board is in conformity with the provisions of the Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirements) 2015.

Appointment and Resignation:

- The Board of Directors of the Company had appointed Mr. Rakesh Kishinchand Milwani as Additional Non-Executive, Non-Independent Director of the Company on 10th March, 2022.
- The Board of Directors in its meeting held on 29th August, 2022 had recommended the reappointment of Shri Rukmesh P. Dhandhanian as an Independent Director for a second term of five consecutive years with effect from November 20, 2022. Necessary special resolution has been given in this Notice of 49th Annual General Meeting which forms part of this report.
- Shri Subhash C. Khattar (DIN: 01122941) – Independent Director has been ceased to be the Independent Director of the Company due to his sudden demise on December 14, 2021.

Change in Designation:

Shri Rakesh Kishinchand Milwani was regularized as Non-Executive, Non-Independent Director of the Company through resolution passed by Postal Ballot on 14th April, 2022

Retire by Rotation:

Shri Brijmohan M. Dhoot (Din: 01046420) is retiring by rotation in this 49th Annual General Meeting and is offering himself for reappointment.

10. APPOINTMENT, REAPPOINTMENT AND RESIGNATION OF KEY MANAGERIAL PERSONS DURING THE YEAR 2021-22:

- During the Financial Year under review, Ms. Geeta G. Karira has resigned from the position of Company Secretary on 07th February, 2022.
- During the Financial Year under review, Mr. Jayant Barde was appointed as Company Secretary of the Company on 08th February, 2022.

11. COMMITTEES OF BOARD OF DIRECTORS OF THE COMPANY:

As on the date of approval of Directors' Report, following are the Committees of Board of Directors of the Company constituted under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Companies Act 2013 and applicable regulations of Securities and Exchange Board of India (SEBI Regulations). Composition of the following Committees are also hosted on the website of the Company at <https://www.mangalamdrugs.com/investors/>

A. AUDIT COMMITTEE (AC)

B. NOMINATION AND REMUNERATION COMMITTEE (NRC)

C. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSRC)

E. INTERNAL COMPLAIN COMMITTEE FOR PREVENTION AND PROHIBITION OF SEXUAL HARASSMENT OF WOMAN AT WORKPLACE

The constitutions, composition, terms of reference, details of meetings and attendance of members of afore-mentioned Committees have been mentioned in the Corporate Governance Report.

Further, the Board of Directors has also formed an Executive Committee (EC), which is a non-mandatory committee and delegated power to EC members to consider and approve day to day business matters. The decisions taken by the EC members are considered on record by the Board in their meetings

**F. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

In accordance with the provisions of Section 177 (9) and (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 22 of SEBI (LODR) Regulations 2015 the Company already has in place “**Vigil Mechanism Policy**” (Whistle Blower Policy) for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The policy is also available on the Company’s website at [_https://www.mangalamdrugs.com/investors/](https://www.mangalamdrugs.com/investors/)

G. RISK MANAGEMENT POLICY:

The Company is not required to constitute Risk Management Committee pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the Board of Director in pursuance to Regulation 17 (9) (b) has laid down risk management plan to deal with the risks that might become threat to the existence of the Company and subsequently affect the going concern status of the Company. Risks are classified in different categories such as Financial, Operational, Legal and Strategic risks. These risks are reviewed from time to time and controls are put in place with specific responsibility of the concerned officers of the Company.

Further, a separate section on probable risks and its management is provided in Management Discussion and Analysis (MD&A) Report. The Company has in place a Policy on Risk Management for systematic approach to control risks.

12. AUDITORS & REPORTS:**A. STATUTORY AUDITORS OF THE COMPANY:**

- **Appointment:** At the 48th Annual General Meeting of the Company, M/s. S. Somani & Co., Chartered Accountants (FRN: 117589W) was appointed Statutory Auditors of the Company for a period of 5 years from the conclusion of 48th AGM until the conclusion of the 53rd Annual General Meeting to be held in the year 2026.
- **Explanations or Comments on the Qualification, Reservation or Adverse Remark or Disclaimer made by the Auditor in his report:**

Basis for Qualified Opinion

Company has capitalized two vehicles amounting to Rs. 1.32 crores in the names of Individual Directors and being co-applicant has also disclosed the corresponding loans as its liabilities. One of the Non- Executive Director has resigned during the year. Since the ownership of the vehicles are not in the name of the Company, hence the assets of the Company are overstated to the extent of Rs. 0.95 Crores net of the depreciation and the down-payment, Liabilities are overstated to the extent of Rs. 0.84 crores and the net profit if understated by Rs. 0.11 crores

Management’s Response on the qualified opinion

Company has acquired two vehicles for the purpose of business and registered under Motor Vehicle Act 1988 in the name of the Director. These Vehicles are used for the purpose of business only. The purchase of the vehicles is as per the contractual obligation of the Company with the directors. Hence, it has been capitalized in the books of accounts. The payments are made by the company being the beneficial owner of the Asset hence depreciation has been charged by the Company in its book of Accounts.

The report of the Statutory Auditors forms part of the financial statements.

B. SECRETARIAL AUDITORS OF THE COMPANY:

As per Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force the Company had appointed M/s Sudhanya Sengupta Practising Company Secretary to conduct secretarial audit for the financial year 2021-22. The Secretarial Audit Report for the financial year ended March 31, 2022 is attached herewith as **Annexure – B** to this report:

Regulation 24 (A) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 inter-alia requires every listed company to annex with its Board’s report, a Secretarial Annual Compliance Report given by a Company Secretary in practice, in the prescribed form., The Secretarial Annual Compliance Report for the Financial Year 2021-22 is annexed hereto and marked as **Annexure – C**.

C. COST AUDITORS OF THE COMPANY:

As per Section 148 of the Act read with rules framed thereunder, Rampurawala Mohammed A & Co., Cost Accountants, (Membership No. 32100) was appointed as Cost Auditors for the Financial Year 2021-22 to conduct cost audit of the accounts maintained by the Company in respect of the Bulk Drugs as prescribed under the applicable Cost Audit Rules.

Further, Rampurawala Mohammed A & Co., Cost Accountants have certified that their appointment is within the limits of Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified from being re-appointed within the meaning of the said Act and accordingly Rampurawala Mohammed A & Co., Cost Accountants was also appointed as Cost Auditor to conduct Cost Audit of Cost records of the Company for Financial Year 2022-23. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. The requisite resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice convening 49th Annual General Meeting.

D. REPORTING OF FRAUDS BY STATUTORY AUDITORS UNDER SECTION 143 (12):

During the year under review, the Statutory Auditors have not reported any incident of fraud to the Audit Committee or to the Board of Directors of the Company.

E. INTERNAL AUDIT AND INTERNAL CONTROL SYSTEMS:

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. This ensures that all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. Your Company has adequate internal controls for its business processes across departments to ensure efficient operations, compliance with internal policies, applicable laws and regulations, protection of resources and assets and appropriate reporting of financial transactions.

The Company has Internal Audit function which is empowered to examine the adequacy and compliance with policies, plans and statutory requirements. It comprises of experienced professionals who conduct regular audits across the Company's operations. The Company has also appointed a firm of Chartered Accountants as Internal Auditors, who reviews the various functions of the Company thoroughly and report to the Audit Committee. During the year under review, the Risk Management Committee of the Company had reviewed the new requirement of Internal Control over Financial Reporting ("ICOFR") and finalized the detailed analysis of key processes, and these were presented for review by the Statutory Auditors. The control mechanism and the process of testing of controls were discussed with the Statutory Auditors. The Statutory Auditors have submitted their report on the Internal Financial Controls which forms an integral part of this Report. No significant events had come to notice during the year under review that have materially affected or are reasonably likely to materially affect IFC. Considering the business operations of the Company, the Management believes that the IFC and other financial reporting were effective and adequate during the year under review.

Further, the adequacy of the same has been reported by the Statutory Auditors of your Company in their report as required under the Companies (Auditor's Report) Order, 2020.

The Company had appointed **M/s. Bipin Zavar & Associates, Chartered Accountants**, as Internal Auditor of the Company for the Financial Year 2021-22.

13. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, the draft Annual Return for the Financial Year ended March 31, 2022 made under the provisions of Section 92 (3) of the Act is made available on the website of the Company and can be accessed at: https://www.mangalamdrugs.com/wp-content/uploads/2022/08/Form_MGT_7.pdf

14. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report on the operations of the Company as required pursuant to Part B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and marked as **Annexure – D** and forms part of this Report.

15. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

In terms of the provisions of Section 197 (12) of the Act read with sub-rules 2 & 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the information required under Section 197 of the Act read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure – E**.

16. ANNUAL REPORT ON CSR ACTIVITIES / INITIATIVES FOR FINANCIAL YEAR 2021-22:

The Annual Report on CSR activities / Initiatives for Financial Year 2021-22 as required to be made in the Board's Report as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached herewith as **Annexure – F**.

17. CORPORATE GOVERNANCE REPORT:

The Corporate Governance Report pursuant to Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and marked as **Annexure – G** and forms part of this Report.

**18. SIGNIFICANT OR MATERIAL ORDERS PASSED AGAINST THE COMPANY:**

Securities Exchange and Board of India (SEBI) vide its Order dated September 22, 2020 under Section 11(1), 11(4), 1(4A), 11B read with Section 15HA and 15HB of the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and Rule 4 of SEBI (Procedure for holding inquiry and imposing penalties) Rules, 1995 with reference to the violation of Regulations 77(2) and 77(3) of SEBI ICDR Regulations 2009 r/w Regulation 169(2) of SEBI ICDR Regulations, 2018 and Section 12A(a), (b), (c) of SEBI Act, 1992 read with Regulations 3 (a), (b), (c), (d) & 4 (1) of SEBI (PFUTP) Regulations, 2003

In terms of SEBI Order, the Company and the certain entities / individual part of the promoter and promoter group have been restrained from accessing the securities market through issue of securities or subscription to securities, directly or indirectly, for a period 6 months and certain monetary penalties have been imposed on each of them.

The Company and certain entities / individuals part of the promoter and promoter group has filed an Appeal before the Hon'ble Securities Appellate Tribunal on November 6, 2020 against the order passed by Securities and Exchange Board of India (SEBI) through its whole-time member, Mr. Ananta Barua, dated September 22, 2020 (SEBI Order) and prayed for suitable reliefs and /or stay orders and Hon'ble SAT granted the interim reliefs vide its Order dated December 10, 2020 (SAT Interim Order) by directing that the effect and operation of the order passed by the SEBI shall remain stayed provided the Company and entities / individual part of the promoter and promoter group (Appellants) deposit a sum of Rs. 25 Lakhs before the SEBI within 4 (four) weeks from the date of SAT Interim Order. The amount so deposited shall be subject to the result of the appeal. The application for stay filed by appellants was accordingly disposed of. Appellants had deposited Rs. 25 Lakhs with SEBI on December 31, 2020 as per Hon'ble SAT Interim Order.

Further the Honorable SAT on 27th June 2022 pronounced the order in the favor of your Company which says that the impugned order passed by the SEBI against the Company cannot be sustained and hence quashed.

19. DETAILS OF PENDING PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG-WITH THEIR STATUS AS THE END OF THE FINANCIAL YEAR:

The said clause is not applicable.

20. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE AT TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANK OR FINANCIAL INSTITUTIONS ALONG WITH THE REASON THEREOF:

The said clause is not applicable.

21. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT:

Save and except as discussed in the Annual Report, no material changes have occurred and no commitments were given by the Company which affects the financial position between the end of financial year to which the financial statements relate and the date of this report.

22. LEGAL AND REGULATORY:

Compliance with laws and regulations is an essential part of your Company's business operations. We are subject to laws and regulations in diverse areas as trademarks, copyright, patents, competition, employee health and safety, the environment, corporate governance, listing and disclosure, employment and taxes.

Frequent changes in legal and regulatory regime and introduction of newer regulations with multiple authorities regulating same areas lead to complexity in compliance. We closely monitor and review our practices to ensure that we remain compliant with relevant laws and legal obligations.

23. SECRETARIAL STANDARDS OF ICSI:

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and approved by the Central Government.

24. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013 in relation to the audited financial statements of the company for the year ended March 31, 2022 the Board of Directors hereby confirms that

- A. In the preparation of the annual accounts, for the year ended March 31, 2022, the applicable Accounting Standards have been followed and that there are no material departures;
- B. Appropriate accounting policies have been selected 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 March 31, 2022 and of the loss of the Company for the year ended March 31, 2022;

- C. Proper and sufficient care has been taken for 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 Audited Financial Statements have been prepared on a "Going Concern" basis.
- E. Proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.
- F. Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

25. OTHER DISCLOSURES

A. DISCLOSURE UNDER SECTION 67 (3) OF THE COMPANIES ACT, 2013:

There were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

B. BUSINESS RESPONSIBILITY REPORT:

In accordance with Regulation 34 of the Listing Regulations, Business Responsibility Report is not applicable to the Company.

26. CAUTIONARY STATEMENT:

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include input costs, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

27. APPRECIATION / ACKNOWLEDGEMENT

Your directors place on records their sincere appreciation for the steadfast commitment and highly motivated performance by the employees at all levels which was instrumental in sustained performance of the Company. The Directors are also grateful and pleased to place on record their appreciation for the assistance and cooperation received from the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review. Your directors are also grateful to the customers, suppliers and business associates of your Company for their continued cooperation and support.

**For and On Behalf of the Board of Directors
Mangalam Drugs & Organics Limited**

Place : Mumbai
Date : 29th August, 2022

Sd/-
Shri Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086



ANNEXURE – A TO DIRECTORS’ REPORT

Information as per Section 134 (3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 and forming part of the Directors’ Report For the Year Ended 31st March, 2022

1. CONSERVATION OF ENERGY:

Sr. No.	Particulars	Details
1.	Energy Conservation Measures taken by the Company	<ul style="list-style-type: none"> The company has initiate condensate recovery system for reuse & recycle of steam condensate to boiler The Company has replaced conventional belt driven gear box with direct driven planetary gear box.
2.	Impact of above measures resulting in saving on account of units	Saving of water up to 10 KLD and saving up to 18 lakhs/ Annum and cost benefit of 3 Lakhs p.a. in term of energy consumption
3.	Steps taken by the Company for utilizing alternate sources of energy	Nil
4.	Natural ventilation equipment installed on the sheds to Conserve Energy	Nil
5.	Installed power factor control / capacitor banks to conserve energy	Nil
6.	Capital investment on energy conservation equipment	<ul style="list-style-type: none"> Condensate recovery system-10 lakhs Planetary gear box – Rs. 10 Lakhs

2. RESEARCH AND DEVELOPMENT (R & D):

Sr. No.	Particulars	Details
1.	Specific areas in which R & D carried out by the Company	NIL
2.	Benefits derived as a result of the above R & D	NIL
3.	Future plan of action	NIL
4.	Expenditure on R & D	NIL

3. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:

Sr. No.	Particulars	Details												
1.	Efforts, in brief, made towards technology absorption, adaptation and innovation	<ul style="list-style-type: none"> Quality upgradation of anti-malarial APIs which are on priority list of World Health Organization (WHO). Analytical method innovations to meet international quality demands. 												
2.	Benefits derived as a result of the above efforts	<ul style="list-style-type: none"> Optimal utilization of resources for the global market. We are the first company to feature on WHO’s API prequalification programme. We shall be a preferred source of future drug candidates and hence shall enjoy a competitive advantage 												
3.	Details of imported Technology	No technology has been imported												
4.	Future plan of action	<ul style="list-style-type: none"> Development of frontline antiretroviral APIs and their intermediates. Development of Antituberculosis API and intermediates. Augment the investment in sophisticated analytical instrumentation and plant machinery to boost the quality and cost efficiencies. 												
5.	Expenditure on R & D	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Current Year</th> <th>Previous Year</th> </tr> </thead> <tbody> <tr> <td>Capital</td> <td>20.92</td> <td>285.67</td> </tr> <tr> <td>Recurring</td> <td>-</td> <td>-</td> </tr> <tr> <td>Total</td> <td>20.92</td> <td>285.67</td> </tr> </tbody> </table>	Particulars	Current Year	Previous Year	Capital	20.92	285.67	Recurring	-	-	Total	20.92	285.67
Particulars	Current Year	Previous Year												
Capital	20.92	285.67												
Recurring	-	-												
Total	20.92	285.67												

4. FOREIGN EXCHANGE EARNINGS & OUTGO:

Sr. No.	Particulars	Details		
1.	Activities relating to exports	NIL		
2.	Initiatives taken to increase exports	NIL		
3.	Development of new export markets for products and services	NIL		
4.	Export Plans	NIL		
5.	Total foreign exchange outgo	NIL		
		Particulars	Current Year	Previous Year
		Raw material	21479.48	15059.69
		Commission	20.58	7.27
		Travelling Expenses	2.59	0
		Total	35568.03	28454.16
6.	Total foreign exchange earned	Current Year	: 14065.38	
		Previous Year	: 14212.70	

For and On Behalf of the Board of Directors
Mangalam Drugs & Organics Limited

Place : Mumbai
Date : 29th August, 2022

Sd/-
Shri Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086



ANNEXURE – B TO DIRECTORS’ REPORT SECRETARIAL AUDIT REPORT

FORM NO. MR. 3

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

For the Year Ended 31st March, 2022

To,
The Members,
MANGALAM DRUGS AND ORGANICS LIMITED
CIN: L24230MH1972PLC116413
3RD FLOOR, RUPAM BUILDING, 239,
P. D’MELLO ROAD, NEAR G.P.O.,
MUMBAI – 400001 IN.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MANGALAM DRUGS AND ORGANICS LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit; we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 (Audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 -Not applicable as the Company has not issued any shares / securities during the year under review;
 - d) The Securities and Exchange Board of India (Share Based Employees Benefits), Regulations, 2014 - Not Applicable as the Company has not issued any Shares / options to the Directors /Employees under the said Regulations during the year under review;
 - e) The Securities and Exchange Board of India(Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable as the Company has not issued any debt securities during the year under review;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not Applicable to the Company during the year under review.
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 -Not Applicable as the Company has not delisted its Equity Shares from any Stock Exchanges during the year under review;

- h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 - Not Applicable as the Company has not bought – back any of its securities during the year under review;
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have also examined compliance with the applicable Standards / Clauses / Regulations of the following:

Secretarial Standards with respect to the Meetings of the Board of Directors and Committee Meetings of the Board (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

The Uniform Listing Agreement entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

We further report that:

During the audit period under review there were no specific laws which were exclusively applicable to the Company / Industry. However, having regard to the compliance system prevailing in the Company and on examination of relevant documents and records on test - check basis, the Company has complied with the material aspects of the following significant laws applicable to the Company being engaged in the manufacturing activities:

1. Factories Act, 1948;
2. Acts prescribed under prevention and control of pollution;
3. Acts prescribed under Environmental protection.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. Further, Mr. Rakesh Milwani, was appointed as director during the year under review. Further Mr. Jayant Barde was appointed as Company Secretary and Compliance officer during the year under review and Ms. Geeta Karira given her resignation as Company Secretary and Compliance officer during the said period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members' on any of the matters during the year that were required to be captured and recorded as part of the minutes.

We further report that:

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit and compliance certificate(s) placed before the Board Meeting, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

We further report that:

The Compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditor(s) and other designated professionals.

We further report that the Securities and Exchange Board of India (SEBI) passed an order dated September 22, 2020 (SEBI Order) under Section 11(1), 11(4), 11(4A), 11B read with Section 15HA and 15HB of the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and Rule 4 of SEBI (Procedure for holding inquiry and imposing penalties) Rules, 1995 with reference to the violation of Regulations 77(2) and 77(3) of SEBI ICDR Regulations 2009 r/w Regulation 169(2) of SEBI ICDR Regulations, 2018 and Section 12A(a), (b), (c) of SEBI Act, 1992 read with Regulations 3 (a), (b), (c), (d) & 4 (1) of SEBI (PFUTP) Regulations, 2003. The Company and certain entities / individuals part of the promoter and promoter group has filed an Appeal before the Hon'ble Securities Appellate Tribunal on November 6, 2020 against SEBI Order and prayed for suitable reliefs and /or stay orders and Hon'ble SAT granted the interim reliefs vide its Order dated December 10, 2020 (SAT Interim Order) by directing that the effect and operation of the order passed by the SEBI shall remain stayed provided the Company and entities / individuals part of the promoter and promoter group (Appellants) deposit a sum of Rs. 25 Lakhs before the SEBI within 4 (four) weeks from the date of SAT Interim Order. The amount so deposited shall be subject to the result of the appeal. The application for stay filed by appellants was accordingly disposed of. Further, appellants had deposit



Rs. 25 Lakhs with SEBI on December 31, 2020 as per Hon'ble SAT Interim Order. The amount so deposited shall be subject to the result of the appeal. Further to this there were around 8 hearing conducted in this matter during the year under review. Further the Honorable SAT on 27th June 2022 pronounced the order in the favor of your Company which says that the impugned order passed by the SEBI against the Company cannot be sustained and hence quashed.

We further report that:

During the audit period under review, there were no instances of:

- a) Public/Right issue of shares/ debentures/sweat equity, etc.;
- b) Redemption / buy-back of securities;
- c) Obtaining the approval from Shareholders under Section 180 of the Companies Act, 2013;
- d) Merger / amalgamation / reconstruction, etc.;
- e) Foreign technical collaborations.

Place: Kolkata
Date: 27.08.2022
UDIN : FOO7057D000859183

Sd/-
Sudhanya Sengupta
Practising Company Secretary
M. No.: F7057
CP No: 7756
Peer Reviewer Code: 747

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

ANNEXURE - A

To,
The Members,
MANGALAM DRUGS AND ORGANICS LIMITED

CIN: L24230MH1972PLC116413
3RD FLOOR, RUPAM BUILDING, 239,
P. D'MELLO ROAD, NEAR G.P.O.,
MUMBAI – 400001 IN.

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

Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date: 27.08.2022
UDIN : FOO7057D000859183

Sd/-
Sudhanya Sengupta
Practising Company Secretary
M. No.: F7057
CP No: 7756
Peer Reviewer Code: 747



ANNEXURE – C TO DIRECTORS’ REPORT ANNUAL SECRETARIAL COMPLIANCE REPORT

[Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

For the Year Ended 31st March, 2022

To,
MANGALAM DRUGS AND ORGANICS LIMITED
L24230MH1972PLC116413
3RD FLOOR, RUPAM BUILDING 239, P. D’MELLO ROAD
MUMBAI – 400 001 IN

We, H Choudhary & Associates, Practicing Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by MANGALAM DRUGS AND ORGANICS LIMITED (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended on March 31, 2022 (“Review Period”) in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable as there were no instance falling under the said regulation during the audit period under review)
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable as there were no instance falling under the said regulation during the audit period under review)
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable as there were no instance falling under the said regulation during the audit period under review)
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable as there were no instance falling under the said regulation during the audit period under review)
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not Applicable as there were no instance falling under the said regulation during the audit period under review)
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and circulars/ guidelines issued thereunder; and based on the above examination, we hereby report that, during the Review Period:

- a) The listed entity has generally complied with all the material provisions of the above Regulations and circulars/ guidelines issued thereunder,
- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- c) As per the undertaking and declaration given by the Management, no other action has been taken against the Company / its promoters/

directors/ ~~material subsidiaries~~ either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.:

Sr. No.	Action taken by	Details of violation	Details of action taken e.g. fines warning letter debarment etc.	Observations / remarks of the Practicing Company Secretary, if any.
1.	Securities and Exchange Board of India (SEBI)	Order dated September 22, 2020 under Section 11(1), 11(4), 1(4A), 11B read with Section 15HA and 15HB of the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and Rule 4 of SEBI (Procedure for holding inquiry and imposing penalties) Rules, 1995 with reference to the violation of Regulations 77(2) and 77(3) of SEBI ICDR Regulations 2009 r/w Regulation 169(2) of SEBI ICDR Regulations, 2018 and Section 12A(a), (b), (c) of SEBI Act, 1992 read with Regulations 3 (a), (b), (c), (d) & 4 (1) of SEBI (PFUTP) Regulations, 2003.	In terms of SEBI Order, the Company and the certain entities / individuals part of the promoter and promoter group have been restrained from accessing the securities market through issue of securities or subscription to securities, directly or indirectly, for a period 6 months and certain monetary penalties have been imposed on each of them.	The Company and certain entities / individuals part of the promoter and promoter group has filed an Appeal before the Hon'ble Securities Appellate Tribunal on November 6, 2020 against the order passed by Securities and Exchange Board of India (SEBI) through its whole-time member, Mr. Ananta Barua, dated September 22, 2020 (SEBI Order) and prayed for suitable reliefs and /or stay orders and Hon'ble SAT granted the interim reliefs vide its Order dated December 10, 2020 (SAT Interim Order) by directing that the effect and operation of the order passed by the SEBI shall remain stayed provided the Company and entities / individuals part of the promoter and promoter group (Appellants) deposit a sum of Rs. 25 Lakhs before the SEBI within 4 (four) weeks from the date of SAT Interim Order. The amount so deposited shall be subject to the result of the appeal. The application for stay filed by appellants was accordingly disposed of. Appellants had deposited Rs. 25 Lakhs with SEBI on December 31, 2020 as per Hon'ble SAT Interim Order. Further to this there were around 8 hearing conducted in this matter during the year under review.



d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... <i>(The years are to be mentioned)</i>	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	Securities and Exchange Board of India (SEBI)	Order dated September 22, 2020 under Section 11(1),11(4), 1(4A), 11B read with Section 15HA and 15HB of the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and Rule 4 of SEBI (Procedure for holding inquiry and imposing penalties) Rules, 1995 with reference to the violation of Regulations 77(2) and 77(3) of SEBI ICDR Regulations 2009 r/w Regulation 169(2) of SEBI ICDR Regulations, 2018 and Section 12A(a), (b), (c) of SEBI Act, 1992 read with Regulations 3 (a), (b), (c), (d) & 4 (1) of SEBI (PFUTP) Regulations, 2003.	The Company and certain entities / individuals part of the promoter and promoter group has filed an Appeal before the Hon’ble Securities Appellate Tribunal on November 6, 2020 against the order passed by Securities and Exchange Board of India (SEBI) through its whole-time member, Mr. Ananta Barua, dated September 22, 2020 (SEBI Order) and prayed for suitable reliefs and /or stay orders and Hon’ble SAT granted the interim reliefs vide its Order dated December 10, 2020 (SAT Interim Order) by directing that the effect and operation of the order passed by the SEBI shall remain stayed provided the Company and entities / individuals part of the promoter and promoter group (Appellants) deposit a sum of Rs. 25 Lakhs before the SEBI within 4 (four) weeks from the date of SAT Interim Order. The amount so deposited shall be subject to the result of the appeal. The application for stay filed by appellants was accordingly disposed of. Appellants had deposited Rs. 25 Lakhs with SEBI on December 31, 2020 as per Hon’ble SAT Interim Order. Further to this there were around 8 hearing conducted in this matter during the year under review.	The Company and certain entities / individuals part of the promoter and promoter group has filed an Appeal before the Hon’ble Securities Appellate Tribunal on November 6, 2020 against the order passed by Securities and Exchange Board of India (SEBI) through its whole-time member, Mr. Ananta Barua, dated September 22, 2020 (SEBI Order) and prayed for suitable reliefs and /or stay orders and Hon’ble SAT granted the interim reliefs vide its Order dated December 10, 2020 (SAT Interim Order) by directing that the effect and operation of the order passed by the SEBI shall remain stayed provided the Company and entities / individuals part of the promoter and promoter group (Appellants) deposit a sum of Rs. 25 Lakhs before the SEBI within 4 (four) weeks from the date of SAT Interim Order. The amount so deposited shall be subject to the result of the appeal. The application for stay filed by appellants was accordingly disposed of. Appellants had deposited Rs. 25 Lakhs with SEBI on December 31, 2020 as per Hon’ble SAT Interim Order. Further to this there were around 8 hearing conducted in this matter during the year under review.

FOR H CHOUDHARY & ASSOCIATES
COMPANY SECRETARIES

Place: Mumbai
Date: 24.05.2022
UDIN : F008274D000377931
PEER REVIEW NO: 2147/2022

SD/-
HARNATH CHOUDHARY
PRACTICING COMPANY SECRETARY
PROPRIETOR
M.NO. F8274 C.P. 9369

ANNEXURE – D TO DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS REPORT

For the Year Ended 31st March, 2022

1. COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance involves balancing of the interest of a company's stakeholders. Corporate governance practices are a reflection of the values, policies and relationship with our stake holders. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability throughout the organization.

2. OUTLOOK:

The Company has concluded a technology transfer agreement with a leading pharmaceutical company based in Africa. The technology transfer agreement includes setting up of an API manufacturing facility for various Anti-Malarial APIs. The prevalence of severe Covid 19 infection has regressed allowing us to return to the prime focus on Antimalarials and other antivirals. Pre-covid price pressures have intensified which has resulted in fruitful backward integration of 4 critical in-house raw materials needed in the APIs in infectious and lifestyle segments. As on today we have 23 DMFs approved by World Health Organization, Geneva, which has helped us to attract several queries which include APIs which shall lose patent protection over next 5 years. Firming up the profitability of existing product portfolio and expanding the scope of regulatorily robust post-patent APIs are going to occupy us in the next financial year.

3. INDUSTRIAL STRUCTURE AND DEVELOPMENT:

The pharmaceutical industry is responsible for the research, development, manufacturing and distribution of medications. The industry has experienced a significant growth over the past two decades. The biologics market is also growing at a significant rate in the therapy areas such as oncology, diabetes and auto-immune diseases. The growth can be contributed to advancements in API manufacturing and rising prevalence in chronic diseases. Countries such as India are preferred over china for the export of the API owing to geopolitical situations and the demand to reduce dependence on china for API products. Though the pharmaceuticals industry is developing at a rapid pace, the growth won't come easily for this industry that is heavily influenced by the healthcare reforms, cost pressure, economic and geo-political fluidity, pricing regime, increased competition and challenging regulatory landscape with increased scrutiny.

4. OPPORTUNITIES RISK AND CONCERNS:

The Indian pharmaceutical industry is globally respected and India is the third largest industry player globally in volume terms. The country is the largest supplier of low-cost quality generics drugs and vaccines to the world. Indian pharmaceutical companies have also carved out a niche in both the Indian and world market with expertise in reverse engineering new processes for manufacturing of pharmaceuticals at low cost, which became the advantage for this industry.

The contribution of the pharmaceutical industry to the country's economy is immense. Apart from large employment generation, either directly or indirectly, this industry also contributes significantly to the country's GDP. The Indian pharmaceutical industry growth will be driven by R&D capabilities, cost efficiencies, huge talent pool of scientists and new opportunities in the emerging global economies.

The Indian pharmaceutical industry is expected to out-perform the global pharmaceutical industry and emerge as one of the leading pharmaceutical markets globally by absolute value. It is for this reason, India is truly hailed as the pharmacy of the world, providing essential low-cost medicines to countries across the globe. However, poor public healthcare funding and infrastructure, low per capita consumption of medicines in emerging economies including India, currency fluctuations, geo-political conflicts, regulatory issues, government mandated price control, inflation and resultant all round increase in input costs are a few causes of concern.

5. HUMAN RESOURCES:

The company recognizes human resources as one of its prime resources. The company enjoys good relations with the staff and workers during year under review and considers them as their most important assets. The company cares for its people, customers, suppliers and community at large which reflects in the company's policies, programs and development efforts.

The Total Employees strength of the company during the Financial Year 2021-22 is 479.

6. FINANCIAL RATIOS:

Sr. No.	Particulars	2021-22	2020-21
1.	Debtors Turnover Ratio	8.88	8.06
2.	Inventory Turnover Ratio	3.49	4.08
3.	Interest Coverage Ratio	3.48	5.24
4.	Operating Margin Ratio	0.09	0.13
5.	Net Profit Margin	0.04	0.07
6.	Return on net worth	0.13	0.21

**7. DETAILS PERTAINING TO NET-WORTH OF THE COMPANY;**

Particulars	31.03.2022 (In Rs.)	31.03.2021 (In Rs.)
Net-worth	150,56,14,000	130,78,60,000

8. HEALTH & SAFETY MEASURES:

The company is committed to ensure a sound safety, health and environment performance related to its activities, products and services. The company has been continuously taking various steps to develop and adopt safer process technologies and unit operations.

The company is making continuous efforts for adoption of safe and environmental friendly processes. Monitoring and periodic review of safety, health and environment performance is done on a continuous basis.

9. CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis outlining the Company's report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. Estimates, perceptions and expectations may be forward looking statements within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed herein above due to certain factors which may be beyond the control of the Company.

Important factors that could influence the Company's operations include the impact of Covid-19 Pandemic, global and domestic demand and supply, input costs, availability, changes in government regulations, tax laws, economic developments within the country and other factors

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. Reader should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise

**For and On Behalf of the Board of Directors
Mangalam Drugs & Organics Limited**

Place : Mumbai
Date : 29th August, 2022

**Sd/-
Mr. Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086**

ANNEXURE – E TO DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES & REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

[(Pursuant to Section 197 (12) of the Companies Act, 2013 read with rule 5 of Companies (Appointment & Remuneration) Rules, 2014)]

For the Year Ended 31st March, 2022

- A. The particulars of employees, who were in receipt of remuneration not less than Rs. 60 lacs for the Financial Year ended on March 31, 2022 are given below: Nil
- B. Disclosure under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Remuneration) Rules, 2014.
- I. The percentage increase in remuneration of the Executive Directors, Chief Financial Officer and Company Secretary during the financial year 2021-22, the ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year and the comparison of remuneration of each Executive Directors, Chief Financial Officer and Company Secretary against the performance of the Company is as under:

Sr. No.	Name	Designation	Remuneration for F.Y. 2021-22 (in Rs)	% Increase in the remuneration for financial year 2021-22	Ratio of remuneration of Director to median remuneration of employees	Comparison of the remuneration against the performance of the company
A.	Shri Govardhan M. Dhoot	Managing Director	20,00,000	Nil	6.64	1.01x
B.	Shri Brijmohan M. Dhoot	Whole Time Director	6,00,000	Nil	1.99	0.31x
C.	Mr. Ajay Samant	CFO	26,93,000	8.02 %	NA	1.32x
D.	Ms. Geeta Karira*	CS	7,40,000	20.12 %	NA	0.37x
E.	Mr. Jayant Barde**	CS	1,05,000	NA	NA	NA

* Ms. Geeta Karira has been resigned from the position of Company Secretary on 07th February, 2022.

** Mr. Jayant Barde is appointed on 08th Day of February, 2022 therefore the respective tabular field is not applicable.

Further, there is no any change in managerial remuneration in financial year 2021-22

- II. The percentage increase in the median remuneration of employees during the Financial Year is by 1.16%.
- III. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Average annual increase in salaries of employees was around 11.50 % in the Financial Year.
- IV. There were 479 permanent employees on the rolls of the Company as on March 31, 2022.
- V. It is hereby affirmed that the remuneration is paid as per the remuneration policy of the company. The salaries to employees are based on Remuneration policy of the Company that rewards people differentially based on their skills, experience and contribution to the success of the Company and also ensures that external market competitiveness and internal relativities are taken care of.
- VI. None of the Employee is relatives of Directors or Manager or KMP. All Employees are Permanent.

For and On Behalf of the Board of Directors
Mangalam Drugs & Organics Limited

Sd/-

Mr. Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086

Place : Mumbai
Date : 29th August, 2022

ANNEXURE – F TO DIRECTORS’ REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

**[Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]
For the Year Ended 31st March, 2022**

A. Introduction: The Company believes in the well-being of the society at large. As a part of Corporate Social Responsibility (CSR), the Company made focused efforts in the fields of Healthcare, Promoting Education and Eradicating Hunger & Malnutrition. In addition, the Company had generously supported needy families, governments etc. to fight with the COVID-19 pandemic as a part of CSR.

B. Our Vision: Vision of Mangalam Drugs and Organics Limited (“the Company”) is to run our business to produce an overall positive impact on the society on a continuous basis by contributing for the Economic Development and betterment of quality of life for all our stakeholders.

As a Corporate entity, we are thoroughly aware of our social responsibilities and are committed towards sustainability. The Company endeavors to make Corporate Social Responsibility (“CSR”) a key business process for attaining its CSR objectives.

C. Our Mission: To actively contribute to the social and economic development of the communities and build a better sustainable way of life for the weaker sections of society, through our meaningful engagement in the areas of Education, Health Care, Sustainable Livelihood, Infrastructure Development and Social Change. The Company’s CSR policy is placed on the Company’s website: <http://www.mangalamdrugs.com/images/pdf/corporate-social-responsibility-policy.pdf>

D. Our Approach:

- The Company is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Companies Act, 2013 (“the Act”) read together with Schedule VII to the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time (“the Rules”).
- To pursue CSR programmes primarily in areas that falls within the economic vicinity of our operations to enable close supervision and ensure maximum development impact. Community around the Company expects employment, development of infrastructure, care for the environment, educational institutions and other developmental activities from the Company operating around them.
- As per the Policy the CSR activities are focused not just around the plants and offices of the Company, but also in other geographies based on the needs of the communities.
- Volunteering for projects that address the felt need of those areas in which we operate while adhering to the core CSR objectives and plans.
- Partnering with non-government and social welfare organizations for achieving our CSR objectives

E. Composition of Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Govardhan M. Dhoot	Chairman & Managing Director (Chairman)	2	2
2.	Shri Subhash C. Khattar	Non-Executive Independent Director (Chairman)	2	2
3.	Shri Brijmohan M. Dhoot	Whole-time Director (Member)	N.A.	N.A.
4.	Mrs. Nidhi S. Mundada	Non-Executive Independent Director (Member)	1	1

Note: Shri Subhash C. Khattar had ceased to be a Director from the Board w.e.f. December 14, 2021 due to sudden demise and consequently cease to be a member of the CSR Committee. The Board of Directors through board resolution at meeting of directors passed on December 21, 2021 reconstituted with immediate effect the CSR Committee comprising of: (1) Shri Govardhan M. Dhoot- Chairman, (2) Shri Brijmohan M. Dhoot- Member, (3) Mrs. Nidhi S. Mundada- Member.

F. Web-link where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: <http://www.mangalamdrugs.com/images/pdf/corporate-social-responsibility-policy.pdf>
<https://www.mangalamdrugs.com/investors/>

G. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the companies (corporate social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

H. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

- I. **Average net profit of the Company as per section 135(5):** Rs. 1339.78 Lakhs
- J. **Two percent of average net profit of the Company as per section 135(5):** Rs. 26.80 Lakhs
- K. **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil
- L. **Amount required to be set off for the financial year, if any:** Nil
- M. **Total CSR Obligation for the financial year (7a+7b-7c):** Rs. 26.80 Lakhs
- N. **CSR amount spent or unspent for the financial year**

- Total Amount Spent for the Financial Year (in Rs.): Rs 12.67 Lakhs.

CSR obligation for FY 2021-22 is Rs. 26,80,000/- and there is an Excess amount of CSR Spent in FY 2020-21 amounting to Rs. 19,34,446/- therefore total amount of CSR obligation for the FY 2021-22 is to be spent after considering the excess amount is Rs. 7,45,554 and Total Amount actually Spent for the FY 2021-22 is Rs. 12,67,000/-

- Total Amount Unspent for the Financial Year (in Rs.):

Total Amount transferred to Unspent CSR Account as per Section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
-	-	-	-	-

- O. **Details of CSR amount spent against ongoing projects for the financial year**

1.	2.	3.	4.	5.		6.
Sr. No.	Name of the Project	Items from the list of activities in Schedule VII to the Act	Local Area (Yes / No)	Location of the project		Project duration
				State	District	

7.	8.	9.	10.	11.	
Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation – Direct (Yes / No)	Mode of implementation – Through Implementing Agency	
				Name	CSR Reg. No.

- P. **Details of CSR amount spent against other than ongoing projects for the financial year:**

Sr. No.	Name of the Project	Items from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation – Direct (Yes / No)	Mode of implementation – Through Implementing Agency	
				State	Dist			Name	CSR Reg. No.
1.	Purchase of ventilators for Rotary Charitable Trust Hospital	Helathcare/ Disaster Management, Relief, Rehabilitation & Reconstruction Activities	No	Gujrat	Vapi	645000	No	Rotary Charitable Trust	
2.	Setting up of COVID Care Centre	Helathcare/ Disaster Management, Relief, Rehabilitation & Reconstruction Activities	No	Gujrat	Vapi	600000	No	Shreyas Medicare	
3.	Medical help to the Girlchild	Healthcare/ Disaster Management, Relief, Rehabilitation & Reconstruction Activities	No	Gujrat	Vapi	22000	Yes	Help Care Society	



- Q. Amount spent in administrative overheads:** Nil
- R. Amount spent on Impact Assessment, if applicable:** Not Applicable
- S. Total amount spent for the financial year 2021-22 (8b+8c+8d+8e):** Rs. 12,67,000/-
- T. Excess amount for set off, if any**

Sr. No.	Particulars	Amount (in Rs.)
1.	Two percent of average net profit of the company as per section 135(5)	26,80,000
2.	Total amount spent for the Financial Year	12,67,000
3.	Excess amount spent for the financial year [(ii)-(i)]	5,21,446
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	19,34,446
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	5,21,446

U. Details of Unspent CSR amount for the preceding three financial years:

1.	2.	3.	4.	5.	6.	7.	8.
Sr. No.	Preceding Financial Year	Amount transferred to unspent CSR Account under Section 135 (6) (In Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
	2019-20	-	39,42,000	Not Applicable			Nil

V. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1.	2.	3.	4.	5.	6.	7.	8.
Sr. No.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (In Rs.)	Amount spent on the project in the reporting Financial Year (In Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the Project – Completed / Ongoing
Not Applicable							

W. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable

- Date of creation or acquisition of the capital asset(s)
- amount of CSR spent for creation or acquisition of capital asset
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)

X. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

**For and On Behalf of the Board of Directors
Mangalam Drugs & Organics Limited**

Place : Mumbai
Date : 29th August, 2022

Sd/-
Mr. Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086

ANNEXURE – G TO DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2022, in terms of Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the Auditors Certificate annexed as **Exhibit - A** to this report, on compliance with the conditions of Corporate Governance laid down for the year ended March 31, 2022.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company follows the highest standards of governance and disclosure. Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. Corporate governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined. Your Company has been following the Corporate Governance practices like striking out reasonable balance in the composition of Board of Directors, setting up Audit Committee and other business committees, adequate disclosures and business to be deliberated by the Board etc. It is the way of life, rather than mere legal compulsion. Your Company is committed to follow good Corporate Governance practices and improve upon them year after year. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("Act"). These codes are available on the Company's website. Further, The Board Members and Senior Management have affirmed compliance with the Code of Conduct. A declaration signed by the Company's Chairman on behalf of the Board is annexed and forms part of the Annual Report.

The Company's philosophy on Corporate Governance is thus concerned with the ethics, values and morals of the Company and its directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

The Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under the regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

2. BOARD OF DIRECTORS:

The Board Members are fully aware of their roles and responsibilities in discharge of the key functions. The Board Members strive to meet the expectation of operational transparency without compromising the need to maintain confidentiality of information.

The Board of Directors of the Company has an **optimum combination** of Executive and Non- Executive Directors with not less than Fifty percent of the Board of Directors comprising of Non- Executive Directors as on March 31, 2022. The Board of Directors of the Company had a balanced mix of Executive and Non-Executive Directors and also met the stipulated requirements under the Companies Act, 2013 ("the Act") and Listing Regulations. As on March 31, 2022, MANGALAM'S Board consists of 6 Directors. The Board comprises of two Executive Directors (including Chairman) and Four Non-Executive Directors (including one Woman Independent Director, two other Independent Directors and one Non-Executive Non-Independent Director). The Board provides strategic guidance to the Company and ensures effective monitoring of the corporate governance practices. The composition of the Board is in conformity with the Act and Listing Regulations. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Act.

Also, the Independent Directors on the Board are highly experienced and competent persons from their respective fields. The Independent Directors take active part at the Board Meetings and Committee Meetings which add value in the decision-making process of the Board of Directors.

3. COMPOSITION AND CATEGORY OF BOARD OF DIRECTORS:

The Composition of the Board and Directorship held in other Companies and Committees as on March 31, 2022 are prescribed below:

Sr. No.	Name of the Director(s)	Category of Directorship	Other Directorship	No. of Committee positions held including Company	
				Chairman	Member
1.	Shri Govardhan M. Dhoot	Chairman & Managing Director	1*	1	2
2.	Shri Brijmohan M. Dhoot	Whole-time Director	5**	0	2
3.	Shri Rukmesh P. Dhandhanian	Non-Executive (Independent Director)	0	0	2
4.	Smt. Nidhi S. Mundada	Non-Executive (Independent Director)	0	3	1
5.	Shri Praveen Saxena	Non-Executive (Independent Director)	2***	0	1
6.	Shri Rakesh K. Milwani	Non-Executive Non-Independent Director	1****	0	0



Category	No. of Directors	% Of Total Board
Managing Director (Executive)	01	16.67
Whole Time Director (Executive)	01	16.67
Non-Executive and Independent Director	03	50 %
Non-Executive and Non-Independent Director	01	16.66
Total	06	100%

*Shri Govardhan M Dhoot is a director in Beanstalk Retail Private Limited

** Shri Brijmohan M. Dhoot is also a director in four other private companies.

*** Shri Praveen Saxena is also a director in Devi Energies Private Limited and IMP Powers Limited

****Shri Rakesh K Milwani is a director in JBNB Power Private Limited

NOTES:

- All the Directors are appointed or re-appointed with the approval of the shareholders.
- None of the Directors has any business / material pecuniary relationship or transactions with the Company.
- Shri Govardhan M. Dhoot and Shri Brijmohan M. Dhoot are related to each other as brothers. Except as stated above, none of the Directors are related to other Directors on the Board in terms of definition of 'relative' as per the Companies Act 2013.
- None of the Directors on the Board hold directorships in more than ten public companies.
- None of them is a member of more than Ten Committees or Chairman of more than five committees across all the public companies in which he is a director.
- All Directors have intimated periodically about their Directorship and Membership in various Board and Committee positions of other Companies, which are within permissible limits of the Companies Act, 2013 and Corporate Governance Code.
- While considering the total No. of Companies directorship held in the Company and in private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013 are excluded. Further, it includes only the Chairmanship / Membership of the Audit Committee and Stakeholders' Relationship Committee.
- All Directors have informed the Company about the Committee Positions they occupy in other companies as per Regulation 26 of Listing Regulations, which were placed before the Board
other outside Committee positions held, Membership in committees of Private Companies, Section

4. BOARD MEETING AND ATTENDANCE OF DIRECTORS:

During the year under review, **(Nine) Board Meetings were convened and held on May 20, 2021, July 5, 2021, July 6, 2021, August 12, 2021, October 22, 2021, November 12, 2021, December 21, 2021, February 4, 2022 and March 10, 2022** in accordance with the provisions of the Companies Act, 2013.

Last Annual General Meeting (AGM) of the Company was held on September 24, 2021.

THE ATTENDANCE OF DIRECTORS AT THE BOARD MEETINGS AND LAST ANNUAL GENERAL MEETING WERE AS UNDER:

Dates on which the Meetings were held	Attendance of Directors						
	Shri Govardhan M. Dhoot	Shri Brijmohan M. Dhoot	Shri Rukmesh P. Dhandhanania	Smt. Nidhi S. Mundada	Shri Praveen Saxena	Shri Rakesh Kishinchand Milwani*	Shri Subhash C. Khattar**
Board Meeting							
20.05.2021	P	P	P	P	P	NA	P
05.07.2021	P	P	P	A	A	NA	P
06.07.2021	P	P	A	P	A	NA	P
12.08.2021	P	P	P	P	P	NA	P
22.10.2021	P	P	P	P	P	NA	P
12.11.2021	P	P	P	P	P	NA	P
21.12.2021	P	P	P	P	P	NA	NA
04.02.2022	P	P	P	P	P	NA	NA
10.03.2022	P	A	P	P	P	NA	NA

Annual General Meeting							
September 24, 2021	P	P	P	P	P	NA	P

* Appointed on 10.03.2022

** Ceased on 14.12.2021

5. BOARD PROCEDURE:

- The Board meets at least once a quarter to review the results and other items on the agenda, once a year for approval of annual budgets and strategy and also on the occasion of the annual shareholders' meeting. When necessary, additional meetings are held.
- The Board Meetings are convened by giving appropriate Notice and Agenda.
- The Notice and Agenda of the board meetings is drafted by the Company Secretary if appointed or person authorized by Board of Directors of the Company along with the explanatory notes and these are distributed in advance to the directors. Every Board member is free to suggest the inclusion of items on the agenda.
- All divisions / departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion/ approval/ decision in the board/ committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the board meetings. The agenda papers are prepared by the concerned officials of the respective department and are approved by the Chairman.
- Agenda papers are circulated to the Board by the Company Secretary if appointed or person authorized by Board of Directors. Additional items on the agenda are permitted with the permission of the Chairman and with the consent of all the Directors present at the meeting.
- The Board also passes resolutions by circulation on need basis. The Company has been providing the directors with an option to participate in Board Meetings through electronic mode.
- Minutes of the proceedings of the Board Meeting are prepared within stipulated time as per applicable law and thereafter the same is circulated to all Directors for their comments. The minutes of all the Committees of the Board of Directors of the Company and the minutes of the meetings of the Board of Directors of the Company are placed before the Board.
- The quarterly, half-yearly and the annual results of the Company are first placed before the Audit Committee of the Company and thereafter the same are placed before the Board of Directors.
- A Compliance Certificate, signed by the CFO and Executive Director in respect of various laws, rules and regulations applicable to the Company is placed before the Board, every quarter.

6. BRIEF PROFILE OF DIRECTORS OF THE COMPANY:

- Shri Govardhan M. Dhoot, Son of Shri Murlidhar R. Dhoot having DIN:01240086, has been the Managing Director of the Company since 1996. Being having commerce Back ground in educational filed, he has over four decades of experience in the Chemical Industry, handling marketing in both domestic and export market. He has travelled to many countries and visited important Industrial & Commercial Capitals all over the world.
- Shri Brijmohan M. Dhoot, Son of Shri Murlidhar R. Dhoot having DIN:01046420, has been Whole-time Director of the Company since May, 2015. He has more than 40 years of experience in the Chemical and Pharma Industry. He has vast knowledge and varied experience which is of great value to the company.
- Shri Rukmesh Dhandhanian, Son of Shri Prabhukumar Dhandhanian having DIN:02493968, has been Independent Director of the Company since November, 2017. He has acquired degree of Masters in Marketing Management and have 15 years of experience in Agency Business.
- Smt Nidhi S. Mundada, Daughter of Shri Subhash Sarda, having DIN:08134952, has been Independent Director of the Company since May, 2018. She has 5+ years of experience in diverse sectors - Financial Services, FMCG and I.T. contributed in setting up strategies and executing them end-to-end at companies like Infosys, HUL, Citi and Dinshaw's.
- Dr. Praveen Saxena, Son of Shri Kunwar Bahudar Saxena having DIN: 03199264, has been Independent Director of the Company since March, 2021. He is Chief Executive Officer for Skill Council for Green Jobs, Skill India Mission and is superannuated as Advisor in Ministry of New and Renewable Energy (MNRE) and Director General of National Institute of Solar Energy in 2015. Dr. Saxena is an international expert with enriched experience of providing leadership and strategic vision on energy policy issues, conceptualizing and supervising institutions and network of energy technology centers.
- Shri Rakesh K. Milwani, Son of Shri Kishinchand Milwani having DIN: 01115469, has been Non- Executive Non- Independent Director of the Company since March, 2022. He has acquired a degree of a Chartered Accountant from Institute of Chartered Accountants of



India and comes with over of 37 years of experience as a Practicing Chartered Accountant enriching himself with expertise in Financial Services. He has also completed his Bachelor's Degree of Commerce and Bachelors Degree of Law.

7. DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE:

Sr. No.	Name of Director	Inter - Se Relationship
1.	Shri Govardhan M. Dhoot	Brother of Shri Brijmohan M. Dhoot
2.	Shri Brijmohan M. Dhoot	Brother of Shri Govardhan M. Dhoot
3.	Shri Rukmesh P. Dhandhanania	No Relation
4.	Smt. Nidhi S. Mundada	No Relation
5.	Shri Praveen Saxena	No Relation
6.	Shri Rakesh K. Milwani	No Relation

8. TRAINING OF NON-EXECUTIVE DIRECTORS OF THE BOARD OF DIRECTORS:

All Non-Executive Directors are appointed on the Board of the Company are introduced to the culture through induction sessions. The Executive Directors and senior management provide an overview of the operations and familiarize the Non-executive Directors on matters the morals and principles of the Company.

They are introduced to the organization structures and various procedures. Non-Executive Directors are also briefed pertaining to the group structure and subsidiaries. Also, the Company has a detailed familiarization Programme for Non - Executive Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The details of familiarization programme imparted to independent directors are available on the Company's website link <https://www.mangalamdrugs.com/investors/>

Further, the terms and conditions of appointment of Independent Directors have been placed on the website of the Company <https://www.mangalamdrugs.com/investors/>.

9. NUMBER OF SHARES & CONVERTIBLE INSTRUMENTS HELD BY DIRECTORS AS ON MARCH 31, 2022 IS AS UNDER:

Name of Director	Director Category	Number of Shares / convertible instruments held in the Company
Shri Govardhan M. Dhoot	Chairman & Managing Director	Equity: 5,11,792
Shri Brijmohan M. Dhoot	Whole Time Director	Equity: 4,86,996
Shri Rukmesh P. Dhandhanania	Non-Executive (Independent Director)	Equity: Nil
Smt. Nidhi S. Mundada	Non-Executive (Independent Director)	Equity: Nil
Shri Praveen Saxena	Non-Executive (Independent Director)	Equity: Nil
Shri Rakesh Kishinchand Milwani	Non-Executive Non-Independent Director	Equity: Nil

10. REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR DURING THE FINANCIAL YEAR 2021-22:

During the Financial Year under review, there has been no resignation by Independent Director of the Company. However, Shri Subhash C. Khattar (DIN: 01122941) – Independent Director has been ceased to be the Independent Director of the Company due to his sudden demise on December 14, 2021.

11. LIST OF SKILLS / EXPERTISE / COMPETENCIES REQUIRED TO FUNCTION THE BUSINESS EFFECTIVELY:

Too many businesses fail because translating passion into a successful business model is a difficult task.

Developing a small business into a successful enterprise demands more than passion. Unfortunately, facts speak for themselves. Over half of new businesses fail mainly because the entrepreneur is unable to translate their passion into practical business skills. Success demands more than hard work, resilience, and expertise in your field. In order to succeed, you need to understand and to become proficient in a set of fundamental business skills.

Following are the essential skills that you are required to run the business of the Company:

A. FINANCIAL MANAGEMENT SKILL:

Being able to effectively manage your finances is critical. You will need to be able to forecast your cash flow and sales, as well as, monitor your profit and loss. Having sound financial management skills will help you to run your business profitably and protect your financial investment.

B. MARKETING, SALES AND CUSTOMER SERVICE SKILL:

It is important to be able to promote your products or services effectively. Providing good customer service and having a marketing strategy in place will help you to generate sales.

C. COMMUNICATION AND NEGOTIATION SKILL:

Communication and negotiation with your suppliers, potential investors, customers and employees is very important to have. Having effective written and verbal communication skills will help you to build good working relationships. Every communication should reflect the image you are trying to project.

D. MANAGEMENT SKILL:

These means offering other people opportunities to do work, even if you think it will benefit your own clout or resume to do it yourself. Delegation is an important part of time and resource management. If you take everything on yourself, chances are your work in key areas will suffer. Someone that excels in business will be able to manage their own workload by appropriately directing the appropriate colleagues and subordinates for the best tasks.

E. STRATEGIC PLANNING SKILL:

Strategic planning is a very important business activity. Strategic planning is a process of defining your company's strategy or direction and making decisions on allocations of resources of capital and people. The key is to know how to project your company's future performance, within a three-to-five-year framework or more, supported by your well-defined business plan.

IN TERMS OF REQUIREMENT OF LISTING REGULATIONS, THE BOARD HAS IDENTIFIED THE FOLLOWING SKILLS / EXPERTISE / COMPETENCIES OF THE DIRECTORS HOLDING DIRECTORSHIP AS ON March 31, 2022 AS GIVEN BELOW:

Skills and Its Description	Shri Govardhan M. Dhoot	Shri Brijmohan M. Dhoot	Shri Rukmesh P. Dhandhania	Smt. Nidhi S. Mundada	Shri Praveen Saxena	Shri Rakesh K. Milwani
Leadership experience of running large enterprise Experience	Yes	Yes	Yes	Yes	Yes	Yes
Experience of crafting Business Strategies	Yes	Yes	Yes	Yes	Yes	Yes
Understanding of Consumer and Customer Insights in diverse environments and conditions	Yes	Yes	Yes	Yes	Yes	Yes
Finance & Accounting Experience	Yes	Yes	No	Yes	Yes	Yes
Experience in overseeing large and complex Supply Chain	Yes	Yes	Yes	Yes	Yes	Yes
Understanding use of Digital / Information Technology	Yes	Yes	Yes	Yes	Yes	Yes
Experience of Large companies & understanding of the changing regulatory landscape	Yes	No	Yes	Yes	Yes	Yes
Communication & Negotiation Skill	Yes	Yes	Yes	Yes	Yes	Yes

**Shri Subhash C. Khattar (DIN: 01122941) – Independent Director has been ceased to be the Independent Director of the Company due to his sudden demise on December 14, 2021.*



12. COMMITTEES OF THE BOARD: Currently the Company is having 5 mandatory committees of the Board:

- A. Audit Committee.
- B. Stakeholders Relationship Committee.
- C. Nomination and Remuneration Committee.
- D. Corporate Social Responsibility Committee
- E. Internal Complaints Committee

A. AUDIT COMMITTEE:

i) COMPOSITION:

As required under section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with part C of schedule II thereto, the Board has complied with composition of Audit Committee which comprises of the following members as on March 31, 2022:

Name of the Member	Director Category	Position
Shri. Shri Subhash C. Khattar*	Independent Director	Chairman
Smt Nidhi S. Mundada-	Independent Director	Chairman
Shri Govardhan M. Dhoot -	Executive Director	Member
Shri Rukmesh P. Dhandhaniania -	Independent Director	Member

* Due to sad and sudden demise of Shri Subhash C. Khattar- Independent Director of the Company on December 14, 2021, Smt. Nidhi Mundada – Independent Director was appointed as Chairperson of the Committee then.

ii) CHANGE IN COMPOSITION:

There was a change in the composition of the Committee during the year due to sad and sudden demise of Shri Subhash C. Khattar- Independent Director of the Company on December 14, 2021, Smt. Nidhi Mundada – Independent Director was appointed as Chairperson of the Committee then.

iii) TERMS OF REFERENCE OF THE AUDIT COMMITTEE:

Terms of reference of the Committee has been hosted on the website of the Company at: <https://www.mangalamdrugs.com/disclosure/>

iv) ATTENDANCE RECORD OF THE MEMBERS:

The attendance records of each member of the Audit Committee at the Meeting are as followed:

Name of Member	Designation	Meetings & Attendance			
		20.05.2021	05.07.2021	06.07.2021	12.08.2021
Shri Subhash C. Khattar*- Independent Director	Chairman	P	P	P	P
Smt Nidhi S. Mundada- Independent Director	Chairperson	NA	NA	NA	P
Shri Govardhan M. Dhoot - Executive Director	Member	P	P	P	P
Shri Rukmesh P. Dhandhaniania - Independent Director	Member	P	P	P	P

Name of Member	Meetings & Attendance			
	22.10.2021	12.11.2021	04.02.2022	10.03.2022
Shri Subhash C. Khattar - Independent Director	P	P	-	-
Smt Nidhi S. Mundada- Independent Director	P	P	P	P
Shri Govardhan M. Dhoot - Executive Director	P	P	P	P
Shri Rukmesh P. Dhandhaniania - Independent Director	P	P	P	P

P- Present
NA-Not Applicable

Statutory Auditor and Internal Auditors have been invitees to the Audit Committee Meetings besides Chairman, Managing Director & Chief Financial Officer as an Invitee. Company Secretary attended most of the meeting of the Audit Committee as invitee as well.

The gap between two consecutive meetings did not exceed 120 Days. The necessary quorum was present for all the meetings.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE:

i) COMPOSITION:

The Shareholders' Relationship Committee of the Board is in compliance with the provisions of Section 178 (5) of the Companies Act and Regulation 20 of the SEBI Regulations read with Part D of Schedule II. The Stakeholder Relationship Committee comprises of the following Members as on March 31, 2022:

Name of the Member	Director Category	Position
Shri Subhash C. Khattar -	Independent Director*	Chairman
Smt Nidhi S. Mundada –	Independent Director#	Chairperson
Shri Govardhan M. Dhoot -	Executive Director	Member
Shri Brijmohan M. Dhoot -	Executive Director*	Member

*Shri Subhash C. Khattar had ceased to be Director from the Board w.e.f. December 14, 2021 due to sudden demise and consequently, he ceased to be a member of the SRC.

The Board of Director through Circular resolution reconstituted the SRC & appointed Smt. Nidhi S. Mundada, Chairperson of SRC w.e.f. December 21, 2021.

ii) CHANGE IN COMPOSITION:

Shri Subhash C. Khattar had ceased to be Director from the Board w.e.f. December 14, 2021 due to sudden demise and consequently, he ceased to be a member of the SRC.

Therefore, The Board of Director through Circular resolution reconstituted the SRC & appointed Smt. Nidhi S. Mundada, Chairperson of SRC w.e.f. December 21, 2021.

iii) TERMS OF REFERENCE OF THE STAKEHOLDER'S RELATIONSHIP COMMITTEE:

Terms of reference of the Committee has been hosted on the website of the Company at: <https://www.mangalamdrugs.com/disclosure/>

iv) ATTENDANCE RECORD OF THE MEMBERS:

Name of Members	Designation	Meetings & Attendance		
		20.05.2021	12.08.2021	12.11.2021
Shri Subhash C. Khattar - Independent Director	Chairman	P	P	P
Smt Nidhi S. Mundada – Independent Director	Chairperson	N.A.	N.A.	N.A.
Shri Govardhan M. Dhoot - Executive Director	Member	P	P	P
Shri Brijmohan M. Dhoot - Executive Director*	Member	P	P	P

P – Present, N.A. – Not Applicable

v) COMPLIANCE OFFICER:

During the Financial Year under review, Ms. Geeta G. Karira has resigned from the position of Company Secretary and Compliance officer on 07th February, 2022 and Mr. Jayant Barde was appointed as Company Secretary and Compliance officer of the Company on 08th February, 2022. Required under Regulation 6 of the SEBI (LODR) Regulations, 2015 ("Listing Regulations"). They have been entrusted the task of overseeing the Share Transfer work done by the Registrars and Share Transfer Agents and attending to grievances of the Shareholders and Investors intimated to the Company directly or through SEBI and Stock Exchanges. All complaints / grievances have been duly intimated to exchange under Regulation 13 of the SEBI (LODR) Regulations, 2015 to resolve the investor grievances.



During the Financial Year 2021-22, the status of Compliant is as follows:

No. of Investor complaints pending at the beginning of the Year	No. of Investor complaints received during the Year	No. of Investor complaints disposed of during the Year	No. of Investor complaints unresolved at the end of the Year
0	0	0	0

All share transfer and correspondence thereon are handled by the Company's Registrars and Share Transfer Agents viz., Link Intime India Pvt. Ltd, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.

C. NOMINATION AND REMUNERATION COMMITTEE:

i) COMPOSITION:

The Nomination & Remuneration Committee of the Board is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Regulations read with Part D of Schedule II. The minutes of the Remuneration Committee meetings are reviewed and noted by the Board from time to time. This Committee shall have the authority to Investigate into any matter that may be prescribed under Company Law for the time being in force

The Nomination and Remuneration Committee consists of 3 (three) Non-Executive - Directors as Members of the Committee as on March 31, 2022. The Nomination & Remuneration Committee comprises of the following Members:

Name of the Member	Position	Director Category
Shri Subhash C. Khattar*	Chairman	Independent Director
Smt. Nidhi S. Mundada #	Chairperson	Independent Director
Shri Rukmesh P. Dhandhaniania -	Member	Independent Director
Shri Praveen Saxena	Member	Independent Director

*Shri Subhash C. Khattar had ceased to be Director from the Board w.e.f. December 14, 2021 due to sudden demise and consequently, he ceased to be a member of the NRC. Further, the Board of Director through Circular resolution reconstituted the NRC & appointed Shri Praveen Saxena, member of NRC.

Due to sudden demise of Shri Subhash C. Khattar, Smt Nidhi S. Mundada had appointed as Chairperson of the NRC.

ii) CHANGE IN COMPOSITION:

Shri Subhash C. Khattar had ceased to be Director from the Board w.e.f. December 14, 2021 due to sudden demise and consequently, he ceased to be a member of the NRC. Further, the Board of Director through Circular resolution reconstituted the NRC & appointed Shri Praveen Saxena, member of NRC.

Due to sudden demise of Shri Subhash C. Khattar, Smt Nidhi S. Mundada had appointed as Chairperson of the NRC.

iii) CRITERIA FOR SELECTION OF NON-EXECUTIVE DIRECTORS:

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
 - Qualification, expertise and experience of the Directors in their respective fields;
 - Personal, Professional or business standing;
 - Diversity of the Board
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.
- The quantum of sitting fees payable if any to Independent Directors of the Company is in terms of provisions of the Act.

iv) **TERMS OF REFERENCE OF THE NOMINATION AND REMUNERATION COMMITTEE:**

Terms of reference of the Committee has been hosted on the website of the Company at: <https://www.mangalamdrugs.com/investors/>

v) **ATTENDANCE RECORD OF THE MEMBERS:**

Three Meetings of the Nomination and Remuneration Committee were held during the Financial Year 2021-22.

Name of Member	Status	Meetings & Attendance			
		19.05.2021	12.08.2021	04.02.2022	10.03.2022
Shri Subhash C. Khattar	Chairman	A	P	N.A.	N.A.
Smt. Nidhi S. Mundada	Chairperson	P	P	P	P
Shri Rukmesh P. Dhandhanian -	Member	P	P	P	P
Shri Praveen Saxena-	Member	N.A.	N.A.	p	P

A- Absent, P-Present, N.A.-Not Applicable

vi) **REMUNERATION POLICY:**

- The Remuneration Policy of the Company for managerial personnel is primarily based on the performance of the Company and track record, potential and performance of individual managerial personnel. The Remuneration Committee recommends to the Board the compensation package of the Executive Directors of the Company.
- Since the appointment of the Executive Director is by virtue of their employment with the Company, their service contract, notice period and severance fees, if any, is governed by the remuneration policy of the Company.
- The Company does not have any Employee Stock Option Scheme.
- Following are the details of remuneration paid to Directors of the Company during the Financial Year 2021-22:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		
		Shri Govardhan M. Dhoot	Shri Brijmohan M. Dhoot	Total Amount
1.	Gross salary	20,00,000	6,00,000	26,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others – Professional Consultancy Fees and Reimbursement	-	-	-
	Total (A)	20,00,000	6,00,000	26,00,000

Name of Director	Sitting fees paid (Rs.)	No. of shares held
Shri Subhash C. Khattar	36,000	Nil
Shri Rukmesh P. Dhandhanian	36,000	Nil
Smt. Nidhi S. Mundada	38,000	Nil
Shri Praveen Saxena	20,000	Nil
Shri Rakesh K. Milwani*	Not Applicable	Nil

*Shri Rakesh K. Milwani – Non-Executive Director (DIN: .01115469) was appointed on March 10, 2022 which was the last meeting of the Financial Year 2021-22 hence no remuneration was payable to him.

Sr. No.	Particulars of Remuneration	Name of KMPs			Total
		Company Secretary & Compliance Officer	Company Secretary & Compliance Officer	CFO	
		Geeta Karira	Jayant Barde	Ajay Samant	
1.	Gross salary	7,40,000	1,05,000	26,93,000	35,38,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17 (3) Income tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- As % of profit	-	-	-	-
	- Others, specify	-	-	-	-
5.	Others, please Specify	-	-	-	-
	Total	7,40,000	1,05,000	26,93,000	35,38,000

The remuneration policy of the Company is directed towards rewarding performance based on review of achievements on a periodic basis and is inconsonance with the existing industry practice which is hosted on the website of the Company at: <https://www.mangalamdrugs.com/investors/>

vii) DISCLOSURE AS PER SCHEDULE V OF COMPANIES ACT, 2013:

- All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors have been mentioned above in this report.
- Details of fixed component. and performance linked incentives along with the performance criteria have been mentioned above in this report.
- Service contracts, notice period, severance fees;

Service Contracts: In accordance with the applicable provisions of the Companies Act, 2013 our shareholders approve the salary, benefits of Executive Directors. We enter into service contracts with each of our directors containing the terms and conditions of employment including salary, performance bonus and other benefits including perks to be received by the Executive Directors.

Notice Period: The terms of our employment arrangements with Shri Govardhan M. Dhoot and Shi Brijmohan M. Dhoot have been as per appointment letter issued to them.

Severance Fees: The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of Directors.

- Stock Option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

No stock option has been issued by Company to any Director of the Company during Financial Year 2021-22.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to Section 135 of the Act, the Company has constituted Corporate Social Responsibility Committee (CSR), *inter-alia*, to formulate CSR Policy, to recommend the amount of expenditure to be incurred on social activities and to monitor the CSR Policy and CSR expenditure. The CSR Committee oversees the implementation and execution of CSR Policy and provides guidance on various CSR activities to be undertaken by the Company.

Based on the recommendations of the CSR Committee, the Company has laid down the CSR Policy, which is posted on the website of the Company <https://www.mangalamdrugs.com/investors/>.

During the Financial Year 2021-22, the Committee met twice on May 20, 2021 and September 11, 2021. The Composition of the CSR Committee and attendance of Members is as follows:

Name of Members	Designation	Meetings & Attendance	
		20.05.2021	11.09.2021
Shri Govardhan M. Dhoot - Executive Director	Chairman	P	P
Shri Subhash C. Khattar - Independent Director*	Member	P	P
Smt Nidhi S. Mundada – Independent Director#	Member	N.A.	N.A.
Shri Brijmohan M. Dhoot – Independent Director	Member	P	P

P – Present, N.A. – Not Applicable

*Shri Subhash C. Khattar had ceased to be Director from the Board w.e.f. December 14, 2021 due to sudden demise and consequently, he ceased to be a member of the CSR Committee.

The Board of Director through Circular resolution reconstituted the CSR Committee & appointed Smt. Nidhi S. Mundada, member of CSR Committee W.E.F. December 21, 2021.

E. INTERNAL COMPLAINT COMMITTEE FOR PREVENTION AND PROHIBITION OF SEXUAL HARASSMENT OF WOMAN:

i) COMPOSITION:

During the Financial Year 2021-22, the Company has not received any complaints on sexual harassment and hence no complaints remain pending as of March 31, 2022.

The Company had constituted a committee called as Internal Complaint Committee for prevention and prohibition of Sexual Harassment of woman at workplace which consists of following members: Ms. Geeta Karira, tendered her resignation from the post of Company Secretary w.e.f. closure of business hours of February 7, 2022, was one of the members of the Committee (Head Office – Mumbai) which amounts for the re-constitution of the committee during the year.

Sr. No.	Name of the Member & Designation	Designation
1.	Mrs. Falguni Desai - Manager – HR & Admin	Presiding Officer
2.	Mr. Sunil Malla - Manager – HR & Admin	Member
3.	Mrs. Reshma Kanaskar - Dy. Manager – Purchase	Member
4.	Ms. Kajal Sharma - HR & Admin	Member
5.	Mr. Piyush Dhanak - Advocate & legal Advisor	External Member

Further, the Company has complied with provisions relating to constitution of Internal Complaint Committee under Sexual Harassment of woman at workplace (prevention, prohibition and Redressal) Act, 2013.

Mrs. Reshma Kanaskar- Dy Manager-Purchase, ceases to be the member of the Committee pursuant to the resignation dated 11th July 2022. The Committee is then reconstituted vide Board meeting dated 05th August 2022 and Mrs. Shweta Deshmukh became the member accordingly.

ii) TERMS OF REFERENCE OF COMMITTEE:

Terms of reference of the Committee has been hosted on the website of the Company at: <https://www.mangalamdrugs.com/disclosure/>.

13. GENERAL BODY MEETINGS:

A. DETAILS OF LAST 3 ANNUAL GENERAL MEETING:

General Meeting	46 AGM	47 AGM	48 AGM
Day, Date & Time	Wednesday, September 25, 2019, 3:30 P.M.	Friday, September 25, 2020, 3:30 P.M.	Friday, September 24, 2021, 3:30 P.M.
Venue	Kilachand Conference Room, 2nd Floor, Indian Merchants Chamber Building, IMC Marg, Churchgate, Mumbai-400020	Meeting held through Video Conferencing which is deemed to be held at 3rd Floor, Rupam Building, 239, P. D'Mello Road, Near G.P.O., Mumbai – 400001, Maharashtra	
Details of Special Resolution(s) passed	Re-appointment of Shri Govardhan M. Dhoot (DIN: 01240086) as the Chairman & Managing Director of the Company.	-	a. Revision in terms of remuneration of Shri Govardhan M. Dhoot (DIN:01240086) Chairman & Managing Director of the Company. b. Re-appointment of Shri Brijmohan M. Dhoot (DIN: 01046420) as a Whole-time Director of the Company for term of 3 years w.e.f. August 14, 2021, who has attained the age of Seventy years.

**B. EXTRA ORDINARY GENERAL MEETINGS:**

In addition to Annual General Meeting, the Company holds Extra Ordinary General Meeting of the members of the Company as and when situation arises. During the year under review, the Company had not conducted any Extra Ordinary General Meeting.

C. POSTAL BALLOT:

Your Board of Director has to consider from time-to-time proposals for diversification into areas which would be profitable for the Company as part of diversification Plans. During the Year under review the Company no resolution was passed through Postal Ballot.

14. OTHER DISCLOSURES:**a) MANAGEMENT DISCLOSURES:**

The Senior Management Personal have been making disclosures to the Board relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large. Based on the disclosures received, none of the Senior Management Personnel has entered into any such transactions during the year.

b) MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

The matter has been set out in Directors' Report.

c) STATUS OF REGULATORY COMPLIANCES:

The Company has complied with all the mandatory requirements of Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is reviewed by the Board from time to time.

d) STRUCTURES AND PENALTIES:

The matter has been set out in Directors' Report.

e) RISK MANAGEMENT FRAMEWORK:

The matter has been set out in Directors' Report.

f) MAINTENANCE OF THE CHAIRMAN'S OFFICE:

The Company has Executive Chairman and the office provided to him for performing his executive duties is also utilized by him for discharging his duties as Chairman.

g) MODIFIED OPINION(S) IN AUDIT REPORT:

The matter has been set out in Directors' Report.

h) REPORTING OF INTERNAL AUDITOR:

The Internal Auditor directly reports to the Audit Committee and report of internal auditor is also placed before the Board of Directors of the Company.

i) TOTAL FEES PAID TO STATUTORY AUDITORS OF THE COMPANY:

M/s. V.S. Somani & Co., Chartered Accountants (ICAI FRN: 117589W) Statutory Auditor of the Company's, is responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

As required under Regulation 34 read with Part C of the Schedule V of the Listing Regulations, the total fees paid by the Company to the statutory auditor and all entities in the network firm / entity of which the statutory auditor is a part is during the Year Rs. 5,00,000/- (Rupees Five Lakhs Only) and for the Financial Year 2021-22.

j) PROHIBITION OF INSIDER TRADING CODE / PREVENTION OF INSIDER TRADING:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended by SEBI (Prohibition of Insider Trading) Regulations, 2015, which is effective from May 15, 2015, the Company has adopted a code of conduct for prohibition of insider trading. The Code is applicable to all Directors and such designated employees who are expected to have access to unpublished price sensitive information relating to the Company. As per the Code, the trading window is closed during the time of declaration of results and material events, etc. Disclosure of shareholding is taken from all the Directors and Designated Employees and other connected persons of the Company.

In January 2015, SEBI Notified the SEBI (Prohibition of Insider Trading) Regulations, 2015. that came into effect from May 15, 2015. Pursuant thereof, the Company as a listed Company has formulated and adopted a code for prevention of Insider Trading including Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, incorporating the requirements in accordance with the regulation, clarification and circulars the same are updated as and when required.

In line with the recent amendments in SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has updated its Code for prevention of Insider Trading including Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is effective from April 01, 2019 also is updated as per changes in regulations from time to time.

k) DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT:

During the year 2021-22, the Company has not raised any amount through preferential allotment or qualified institutions placement.

l) DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE PREVENTION, PROHIBITION & REDRESSAL ACT, 2013:

Your Company has zero tolerance for sexual harassment at its workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made there under for prevention and redressal of complaints of sexual harassment at workplace. The Company also has an Internal Committee comprising of two male and two female members. During the year under review:

- a) Number of complaints filed during the financial year : NIL
- b) Number of complaints disposed of during the financial year : NIL
- c) Number of complaints pending as on end of the financial year : NIL

m) SUBSIDIARIES:

During the year under review, the Company has no Subsidiary.

n) WEB LINK FOR POLICY FOR DETERMINING THE MATERIAL SUBSIDIARIES:

The policy for determining the material subsidiaries as approved by the Board may be accessed on the Company's website at the link: <https://www.mangalamdrugs.com/investors/>

o) DISCLOSURE OF ACCOUNTING TREATMENT:

There was no deviation in following the treatments prescribed in any of Accounting Standards (AS) in preparation of the Financial Statement of your Company.

p) ACCEPTANCE OF RECOMMENDATION OF COMMITTEE:

During the year 2021-22, all the suggestions /recommendations of all the committees of the Board, have been accepted by the Board of Directors.

15. DISQUALIFICATION / DEBAR OF DIRECTORS OF THE COMPANY:

A Certificate was provided by **M/s. Mustafa Bohra & Associates Co. Practicing Company Secretary** certifying on qualification of Directors of the Company. On the basis of certificate provided by M/s. Mustafa Bohra & Associates Co. Practicing Company Secretary the Board of Directors of the Company take a cognizance that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority. Certificate provided by M/s. Mustafa Bohra & Associates Co. Practicing Company Secretary is annexed hereto and marked as **Exhibit – B** to this report.

16. CEO / CFO CERTIFICATION:

The Certificate is placed before the Board by the Chairman and Executive Director & CFO of the Company. This certificate is being given to the Board pursuant to Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part B of the said regulations.

The aforesaid certificate duly signed by the Executive Director & CFO in respect of the Financial Period ended March 31· 2022 has been placed before the Board in the meeting held on August 25, 2022 is annexed hereto and marked as **Exhibit - C** to this report.

17. CODE OF CONDUCT AND CERTIFICATE ON COMPLIANCE THERE OF:

Certificate signed by the Managing Director stating that the members of Board and Senior Management personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management is annexed hereto and marked as **Exhibit – D** to this report.



18. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL:

As stipulated by SEBI a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and Listed capital. This audit is carried out periodically and thereon is submitted to the Stock Exchanges. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

19. MEANS OF COMMUNICATION:

The primary source of information to the shareholders, customers, analysts and other stakeholders of your Company and to public at large is through the website of your Company <https://www.mangalamdrugs.com>. The Annual Report, quarterly results, shareholding pattern, material events, corporate actions, copies of press releases, schedule of analysts / investor meets, among others, are regularly sent to Stock Exchanges and uploaded on the Company’s website. Quarterly/ annual financial results are regularly submitted to the Stock Exchanges in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The quarterly, half-yearly and annual results were published in respective Newspapers as prescribed under Regulation 46 of SEBI LODR Regulations 2015.

The Board of Directors have approved a policy for determining materiality of events for the purpose of making disclosure to the stock exchange. The Chief Financial Officer and the Managing Director of the Company are empowered to decide on the materiality of the information for the purpose of making disclosure to the Stock Exchanges.

The Company’s website www.mangalamdrugs.com contains a separate dedicated section ‘Investors’ where all the information required by the shareholder is available. Annual Report of the Company, Notices of Postal Ballot, and Outcome of Board Meeting etc. are regularly updated on the website. The Company’s presentations to institutional investors and analysts, if made would be put up on the website of the Company.

20. GENERAL SHAREHOLDER INFORMATION:

a) DETAILS OF AGM HELD IN FINANCIAL 2021-22:

Date : September 24, 2021

Time : 03:30 P.M.

Venue : Meeting held through Video Conferencing which is deemed to be held at 3rd Floor, Rupam Building, 239, P. D’Mello Road, Near G.P.O., Mumbai – 400001, Maharashtra

b) FINANCIAL YEAR:

April 1, 2021 to March 31, 2022.

The current financial year of the Company is March 31, 2022.

c) NAME OF THE STOCK EXCHANGE WHERE COMPANY’S SHARES ARE LISTED AND CONFIRMATION OF PAYMENT OF LISTING FEES TO STOCK EXCHANGES:

Bombay Stock Exchange	National Stock Exchange of India Limited
Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001, Maharashtra, India Phones : 91-022-22721233 / 91-22-66545695	Exchange Plaza Block G, C 1, Bandra Kurla Complex, G Block, Bandra East, Mumbai – 400051, Maharashtra, India Phones: 91- 022 2659 8100

The Company has duly paid the listing fees to Bombay Stock Exchange and National Stock Exchange for the Financial Year 2021-22.

d) DATE OF BOOK CLOSURE:

Not Applicable.

e) FINANCIAL CALENDAR (2021-22):

First Quarterly Results	August 12, 2021
Second Quarterly Results	November 12, 2021
Third Quarterly Results	February 04, 2022
Financial Year ending	May 26, 2022

f) **(TENTATIVE) RESULTS FOR FINANCIAL YEAR 2022-23:**

June 30, 2022	August 14, 2022
September 30, 2022	November 14, 2022
December 31, 2022	February 14, 2023
March 31, 2023	May 30, 2023
Annual General Meeting	September 30, 2023

g) **SUSPENSION OF SECURITIES OF THE COMPANY FROM STOCK EXCHANGE:**

During the year 2021-22, the Company's securities have not been suspended from trading on NSE and BSE Limited.

h) **STOCK DETAILS OF COMPANY:**

Name of Stock Exchange	BSE and NSE
BSE Ltd (BSE) Code	Equity : 532637
National Stock Exchange of India Limited (NSE) Code	Equity : MANGALAM
ISIN No.	Equity : INE584F01014

i) **OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS:**

Not Applicable

j) **DEMATERIALIZATION OF SHARES:**

The Company's shares are tradable compulsorily in electronic form. The Company has established through its Registrar and Share Transfer Agents, connectivity with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). **99.99%** of the equity shares of the company have been dematerialized as on March 31, 2022.

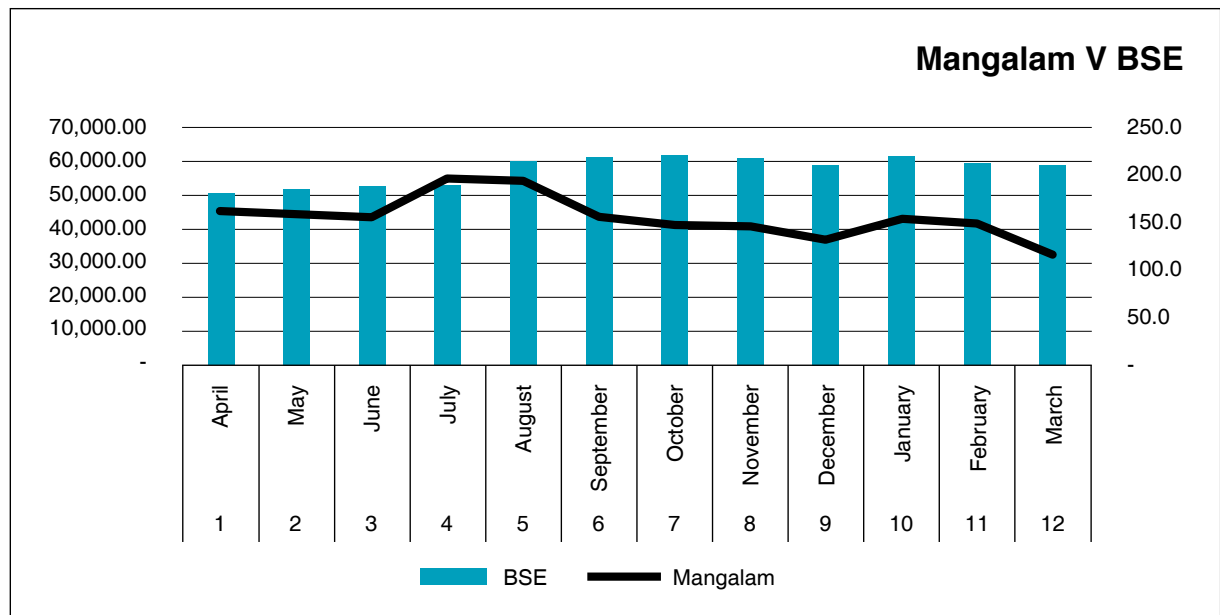
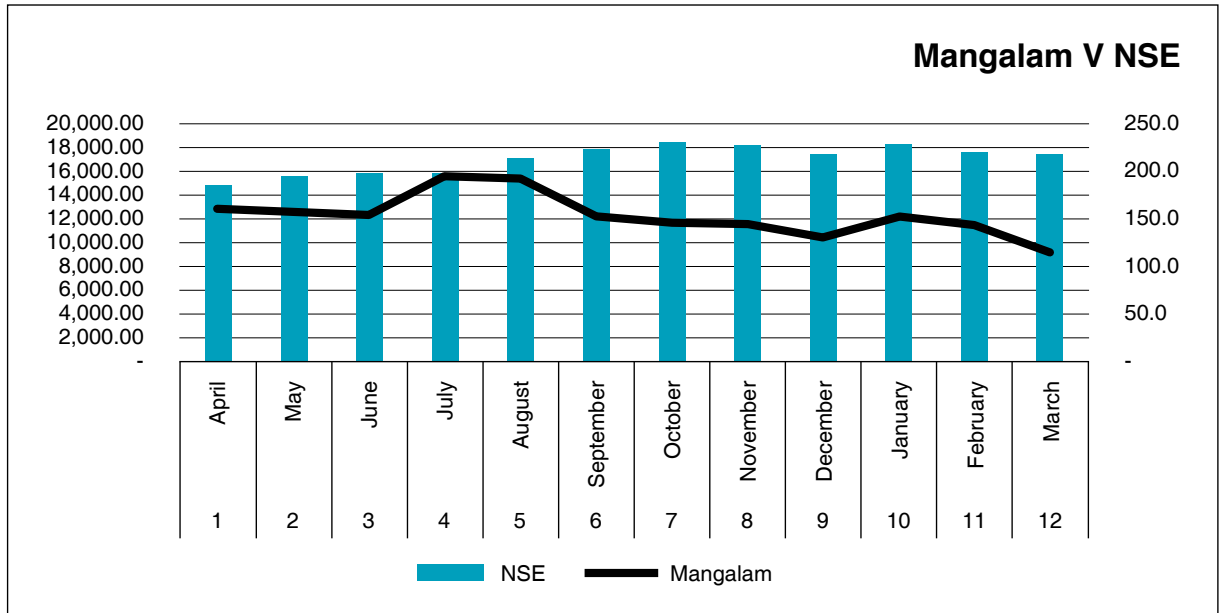
Details of No. of shares held in dematerialized and physical mode as on March 31, 2022:

Particulars	No. of Shares	% Of Total issued Capital
Held in Dematerialized form in CDSL	55,61,261	35.14 %
Held in Dematerialized form in NSDL	10,266,977	64.86 %
Physical Form	10	0.0 %
Total	1,58,28,248	100.00



k) PERFORMANCE IN COMPARISON TO BROAD BASED INDICES (SUCH AS SENSEX & NIFTY):

i. BSE & NSE Vis a Vis Mangalam Drugs and Organics Limited (Equity Shares):



I) HIGH/LOW OF MARKET PRICE OF COMPANY'S SHARES UP-TO MARCH 31, 2022:

Month (April 2021 to March 2022)	BSE		NSE	
	High (Rs)	Low (Rs)	High (Rs)	Low (Rs)
April	161.55	98	161.60	102
May	158	129	157.80	128.50
June	156.50	124.90	156.50	125
July	196.50	143.45	196.95	143
August	194.20	134	194.15	134
September	157.25	140.65	157.50	132.50
October	150.05	133	150.10	133
November	148	120.50	145	117.55
December	132.95	112	132.05	112.70
January	156.90	119	156.75	108.55
February	144.95	102.85	138.90	101.85
March	117.50	101.10	118.40	95.50

m) INVESTOR SERVICES:

The Company has appointed M/s. Link Intime India Private Limited whose address is given below, as its Registrar and Transfer Agents. The Registrar handles all matters relating to the shares of the Company including transfer, transmission of shares, dematerialization of share certificates, subdivision /consolidation of share certificates and investor grievances.

Details of M/s. Link Intime India Private Limited as follows:

Address	C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai – 400 083
Telephone No	022 – 49186000 Fax No.022 – 49186060
E-mail address	rnt.helpdesk@linkintime.co.in

n) ANY QUERY ON ANNUAL REPORT CONTACT AT CORPORATE OFFICER:

Name	Mr. Jayant Barde
Designation	Company Secretary and Compliance Officer
Officer Address	Rupam Building, 3 rd Floor, 239, P. D' Mello Road Near G.P.O., Mumbai – 400001
Email ID	cs@mangalamdrugs.com
Telephone	91 22 22616200 / 22616300

o) FACTORY LOCATION:

VAPI – UNIT 1

Plot No. 187, GIDC
Vapi, Dist. Valsad
Gujarat – 396 195

VAPI – UNIT 2

Plot No. 1203, GIDC
Vapi, Dist. Valsad,
Gujarat – 396 195

**p) SHARE TRANSFER SYSTEM:**

All the transfers received are processed by Registrar and Transfer Agents. Share transfers are registered and returned within maximum of 21 days from the date of lodgement if documents are complete in all respects. In case the shares are transferred through Demat mode, the procedure is adopted as stated in Depositories Act, 1996.

q) DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2022:**Distribution of Shareholding as on March 31, 2022****Distribution of shares by categories of shareholders:**

Sr. No.	Category	No. of Shares held	% of holding
A	Promoter and Promoter Group		
1.	Individual/Hindu Undivided Family	3046348	19.2463
2.	Bodies Corporate	4951698	31.2839
Total		7998046	50.52
B	Non-Promoter Holding		
1.	Financial Institutions/Banks	1306	0.0083
2.	Others	-	-
a.	Individuals	6940247	43.8473
b.	NBFCs registered with RBI	50	0.0003
c.	Hindu Undivided Family	244822	1.5467
d.	Bodies Corporate	381703	2.4116
e.	NRIs/NRNs	211323	1.3351
f.	Clearing Members	34703	0.2192
g.	Foreign nationals	16048	0.1014
Total		7830202	49.48
Grand Total		15828248	100 %

Distribution of shares according to size of holding:

From	To	No. of Shareholders	%	No. of Shares	% Of total Capital
1	500	18379	89.9917	1954827	12.3502
501	1000	1111	5.4399	887205	5.6052
1001	2000	457	2.2377	681387	4.3049
2001	3000	174	0.852	444771	2.8100
3001	4000	68	0.333	244611	1.5454
4001	5000	56	0.2742	268171	1.6943
5001	10000	90	0.4407	650595	4.1103
10000 & above		88	0.4309	10696681	67.5797
TOTAL		20423	100	15828248	100

r) UNCLAIMED DIVIDEND:

Not Applicable.

s) ADDRESS FOR CORRESPONDENCE:

MANGALAM DRUGS AND ORGANICS LIMITED
Rupam Building, 3rd Floor, 239, P. D' Mello Road,
Near G.P.O., Mumbai – 400 001

RTA
Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),

t) DISCRETIONARY REQUIREMENTS/ COMPLIANCE WITH MANDATORY AND NON- MANDATORY PROVISION:

Your Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed by Regulations 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to the Company.

The Company complies with following non-mandatory requirements of Regulation 27(1) of the Listing Regulations.

u) AUDIT QUALIFICATION:

The matter is set-out in Board Report.

**For and On Behalf of the Board of Directors
Mangalam Drugs & Organics Limited**

Place : Mumbai
Date : 29th August, 2022

Sd/-
Mr. Govardhan M. Dhoot
Chairman & Managing Director
DIN: 01240086



EXHIBIT - A (CORPORATE GOVERNANCE REPORT) AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members of Mangalam Drugs and Organics Limited

1. We have examined the compliance of conditions of Corporate Governance by Mangalam Drugs and Organic Limited (hereinafter the "Company"), for the year ended on March 31, 2022, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

2. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

3. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2022.
5. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
10. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

11. This Report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

12. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For V.S.Somani & Co
Chartered Accountants
Firm's Registration No: 117589W

Sd/-
V.S. Somani
Proprietor
Membership No: 102664
UDIN: 22102664AQFHIA5695

Date: 29th August, 2022
Place: Mumbai



EXHIBIT – B (CORPORATE GOVERNANCE REPORT) CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members

MANGALAM DRUGS AND ORGANICS LIMITED,
Address: 3rd Floor, Rupam Building 239, P. D'mello Road,
Mumbai-400001, Maharashtra, India.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **MANGALAM DRUGS AND ORGANICS LIMITED** having **CIN L24230MH1972PLC116413** and having registered office at 3rd Floor, Rupam Building 239, P. D'mello Road, Mumbai-400001, Maharashtra, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Companies Act, 2013.

Our responsibility is to express an opinion on these based on our verification:

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its Directors, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2022** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

TABLE A:

Sr. No.	Name of the Directors	Director Identification Number	Date of Appointment in Company
1.	Mr. Brijmohan Murlidhar Dhoot	01046420	02/05/2015
2.	Mr. Rakesh Kishinchand Milwani	01115469	10/03/2022
3.	Mr. Govardhan Murlidhar Dhoot	01240086	16/04/1996
4.	Mr. Rukmesh Prabhukumar Dhandhanania	02493968	20/11/2017
5.	Mr. Praveen Saxena	03199264	21/03/2021
6.	Mrs. Nidhi Shantanu Mundada	08134952	28/05/2018

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

M/s. Mustafa Bohra & Associates
Practising Company Secretaries

SD/-
Mr. Mustafa Bohra
Proprietor
ACS : A61727
C.P No : 24345
UDIN : A061727D000822531
Date : 20.08.2022
Place : Navi Mumbai

EXHIBIT – C (CORPORATE GOVERNANCE REPORT) CODE OF CONDUCT AND CERTIFICATE ON COMPLIANCE THERE OF

This is to confirm that Company has adopted the Code of Conduct for Directors and Senior Management of the Company and is available on the website of the Company.

I hereby confirm that the Company has obtained affirmation from all the Members of the Board and the Senior Management Personnel that they have complied with the Code of Conduct for the Financial Year 2021-22.

This certificate is being given pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**For and On Behalf of the Board of Directors
Mangalam Drugs & Organics Limited**

Sd/-

**Goverdhan M. Dhoot
Managing Director**

Date : 29th August, 2022

Place : Mumbai



EXHIBIT – D (CORPORATE GOVERNANCE REPORT)

CEO/CFO CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Board of Directors,
Mangalam Drugs and Organics Limited

We, Govardhan M. Dhoot – Chairman & Managing Director and Ajay Samant - Chief Financial Officer of the Company hereby certify that:

- A. We have reviewed the financial results and cash flow statement for the quarter / year ended March 31, 2022 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectifying these deficiencies.
- D. I have indicated to the Auditors and the Audit Committee:
1. Significant changes in internal control over financial reporting during the year;
 2. Significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-
Mr. Govardhan M. Dhoot
Managing Director
Place : Mumbai
Date : May 26, 2022

Sd/-
Mr. Ajay Samant
Chief Financial Officer
Place : Mumbai
Date : May 26, 2022

INDEPENDENT AUDITORS' REPORT

To the Members of MANGALAM DRUGS & ORGANICS LIMITED Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the financial statements of **Mangalam Drugs and Organics Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the statement of Profit and Loss, (statement of changes in equity) and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 March, 2022 its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

The Company has capitalised two vehicles amounting to Rs. 132 lakhs during the year ended 31 March, 2021 in the names of Individual Directors and has also disclosed the corresponding secured loans availed from banks as its liabilities, One of the Non - Executive Director has resigned during the year ended on 31 March, 2021. Ownership of the vehicles are not yet transferred in the name of the Company, hence the assets of the Company are overstated to the extent of Rs. 108.80 lakhs net of Depreciation. Liabilities are overstated to the extent of Rs. 67.92 lakhs.

Since the ownership of the vehicles are not in the name of the Company, the expenses are overstated for the year ended on March 31, 2022 by Rs. 22.01 lakhs to that extent Profit for the year ended has been understated.

We have been informed that the Company has taken possession of these vehicles as on March 29, 2022.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter Paragraph

Balances of Trade Receivables, Trade Payables, Loans and advances are subject to confirmation and reconciliation. Management has confirmed that the final impact upon reconciliation would not be material.

Our opinion is not modified in respect of these matters.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>Litigations, Provisions and Contingent Liabilities</p> <p>The Company has several litigations for direct taxes matters i .e. Income Tax, Excise Duty and other statute under dispute which involves significant judgment and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities .Refer Note No. 41 of INDAs Standalone financial statement.</p>	<p>Principal Audit Procedures</p> <p>As part of the audit process, we obtained from the management details of matters under disputes including ongoing and completed tax assessments, demands and other litigations.</p> <p>Our Audit approach for the above consists of the following audit procedures.</p> <ul style="list-style-type: none"> • Evaluation and testing of the design of internal controls followed by the Company relating to litigations and open tax positions for the disputed tax matters (Income Tax and Excise duty and under other statute) and processed followed to decide provisioning or disclosure as contingent liabilities; • Discussed with Company's legal team and taxation team for sufficient understanding of on-going and potential litigation matters impacting the Company. • We involved our internal expert to evaluate the management's underlying judgments in making their estimates with regard to such matters.



Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the 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 Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements 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.

Auditors' 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 Auditors' 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:

1. 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.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 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.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

1. 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.
2. 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
3. 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.
4. 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.
5. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
6. 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".
7. With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations on its financial position in its statements – Refer Note 41 to the financial statements.
 - 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.

For **V.S. SOMANI and Co.**,
Chartered Accountants
F. R. No.117589W

Sd/-
Vidyadhar Somani
Proprietor

Membership No.102664
UDIN: 22102664AJQYTM7026

Place: Mumbai
Date: May 26, 2022



The Annexure A referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2022 we report that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has conducted of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified every year.
 - (c) The title deeds of all the immovable properties (other than properties where the Company is the Lessee) and the lease agreements are duly executed in favour of the lessee disclosed in the financial statements are held in the name of the Company.
 - (d) The Company has neither revalued its Property, plant and equipment (including Right-of-use assets) nor Intangible assets during the year.
 - (e) No proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) Physical verification of inventory has been conducted at reasonable intervals by the management In our opinion, the coverage and procedure of such verification is appropriate; No discrepancies of 10% or more in physical verification of inventory were reported by them.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, from the banks on the basis of security of current assets; the quarterly statements filed by the Company with such banks are not in agreement with the books of account of the Company.

(Amount Rs. In Lacs)

Quarter	Statements filed to bank		As per books		Difference	
	Stock (a)	Debtors (b)	Stock (c)	Debtors (d)	Stock (a-c)	Debtors (b-d)
Q1	8850.53	5322.58	7936.46	5452.369	914.07	(129.79)
Q2	13006.46	5177.13	11369.14	5174.165	1637.32	2.96
Q3	13713.77	2524.66	12280.59	3340.247	1433.18	(815.59)
Q4	12502.06	3644.98	11710.5	4649.011	791.56	(1004.03)

The Company has not availed any working capital limits from financial institutions.

- iii. During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly reporting under clause 3 (iii) (a) to (f) of the Order is not applicable.
- iv. During the year, the Company has not given any loans, guarantees, and securities and invested any amount. Accordingly reporting under clause 3(iv) of the Order and of section 185 and 186 of the Act are not applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits, Hence the directives issued by the Reserve Bank of India and the provisions of the Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder, are not applicable. Accordingly reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the order made by the Central Government for maintenance of cost records prescribed under sub-section 1 of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii. According to the information and explanations given to us and the records of the Company examined by us, in our opinion,
 - a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

Further no undisputed amounts payable in respect of provident fund, employee state insurance, income tax, sales tax, service tax, GST, duty of customs, duty of excise, value added tax, cess and any other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- b) On the basis of our examination of the records of the Company, there are no statutory dues relating to Provident Fund, Employees State Insurance, or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute except Excise duty, service tax and income tax:

Name of the statute	Nature of Dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944 and Service Tax Act, 1994	Tax	187.48	2011-12	CESTAT
	Interest	277.99		
	Penalty	148.95		
	Tax	171.77	2015-16	CESTAT
The Income-tax Act, 1961	Income tax	2.20	2017-18	Commissioner of Income tax Appeals
	Income tax	0.88	2019-20	Central Processing Centre

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) During the year, the Company has not been declared a wilful defaulter by any bank or Financial institution or any other lender.
- (c) During the year, term loans availed from banks were applied for the purpose for which the loans were obtained.
- (d) During the year, funds raised on short term basis have not been utilised for long term purposes.
- (e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly reporting under clause ix (e) and (f) of the Order is not applicable.
- x. (a) During the year, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration whistle-blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedure.
- xii. In our opinion, the Company is not a Nidhi Company. Accordingly reporting under clause 3(xii)(a), (b) and (c) of the Order is not applicable.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable India accounting standards.
- xiv. (a) The Company has an internal audit system which has been conducted by the Independent Chartered Accountants which is in commensurate with the size and nature of its Business.
- (b) The internal audit reports of the Company issued by him, till date of the audit report for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him, as per referred to in section 192 of the Act.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable. (b) The Company has not conducted any Non- Banking Financial and housing finance activities.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) and (d) of the Order is not Applicable to the Company.



- xvii. The Company has not incurred any cash losses in the current and in the immediately preceding financial year.
- xviii. Erstwhile statutory auditor of the Company has been resigned during the year. The issues, objections or concerns raised by him during earlier year are taken into consideration by us.
- xix. On the basis of the financial ratios disclosed in note 47 to the financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they are due.
- xx. (a) The Company has complied the provisions under section 135 of the Act. Hence there are no unspent amount to a Fund specified in Schedule VII to the Act.
- (b) No amount remaining unspent under sub-section (5) of section 135 of the Act, pursuant to any ongoing project.

For **V.S. SOMANI and Co.**,
Chartered Accountants
F. R. No.117589W

Place: Mumbai
Date: May 26, 2022

Sd/-
Vidyadhar Somani
Proprietor
MembershipNo.102664
UDIN: 22102664AJQYTM7026

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **Mangalam Drugs and Organics Limited**. ("the Company") as of 31 March 2022 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 Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditors' 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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 and to the best of our information and according to the explanations give 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 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **V.S. SOMANI and Co.**,
Chartered Accountants
F. R. No.117589W

Vidyadhar Somani
Proprietor

Membership No.102664
UDIN: 22102664AJQYTM7026

Place: Mumbai
Date: May 26, 2022



BALANCE SHEET AS AT MARCH 31, 2022

(Amount in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
1 Non-currents assets			
(a) Property, Plant and Equipment	2	11,503.24	10,343.35
(b) Right to use Assets	2	1,158.27	591.10
(c) Capital work in progress	2A	17.96	486.92
(d) Intangible Assets	2	834.73	847.39
(e) Intangible Product Under Development	2B	552.90	148.27
(f) Financial Assets			
(i) Investments	3	0.43	22.35
(ii) Others financial assets	4	287.37	246.21
(g) Other Non Current Asset (Capital Advances)	5	241.11	333.21
2 Current assets			
(a) Inventories	6	11,710.55	5,858.75
(b) Financial Assets			
(i) Trade Receivables	7	4,649.01	5,431.22
(ii) Cash and cash equivalents	8	194.69	58.42
(iii) Bank Balance other than Cash and Cash Equivalents		0.76	0.76
(iv) Loans	9	3.61	0.91
(v) Other Current Asset (Capital Advances)	10	739.86	122.30
(c) Other current assets (Non Financials)	11	948.08	1,919.73
Total Assets		32,842.57	26,410.89
EQUITY AND LIABILITIES :-			
Equity			
(a) Equity share capital	12	1,582.82	1,582.82
(b) Other Equity	13	13,473.32	11,495.78
LIABILITIES			
1 Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	2,510.30	687.64
(ii) Lease Liability	15	521.40	318.96
(iii) Other financial liabilities	16	0.05	0.05
(b) Deferred tax liabilities (Net)	17	1,349.47	1,417.86
(c) Lease Liability	18	393.88	-
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	4,709.62	5,118.16
(ii) Lease Liability	20	387.67	255.31
(iii) Trade Payables	21		
Payable to MSME		442.13	551.54
Others		5,012.58	3,787.94
(iv) Other financial liabilities (other than those specified in item (c))	22	661.45	590.58
(b) Provisions	23	326.89	40.36
(c) Other current liabilities	24	1,470.99	563.88
Total Equity and Liabilities		32,842.57	26,410.89
Significant accounting policies	1		
The accompanying notes are an integral part of these financial statement			

As per our Report Annexed

For V.S. Somani and Co.,
Chartered Accountants

(CA Vidyadhar Somani)
Proprietor
Membership No 102664
Firm Registration No. 117589

Place : Mumbai
Date : May 26, 2022

For and on behalf of the Board of Directors

(Shri Govardhan M.Dhoot)
Chairman & Managing Director
DIN: 01240086

(Mr. Jayant Barde)
Company Secretary

(Shri Brijmohan M.Dhoot)
Director
DIN: 01046420

(Mr. Ajay Samant)
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2022

(Amount in Lakhs)

Particulars	Note No	Year ended March 31, 2022	Year ended March 31, 2021
I Revenue from operations	25	44,756.13	37,997.73
II Other Operating Income	26	350.71	472.06
III Total Income from Operations		45,106.84	38,469.78
IV Other Income	27	8.94	-
V Total Income (III +IV)		45,115.78	38,469.78
VI Expenses			
Cost of materials consumed	28	33,907.51	25,618.99
Purchases of Stock in Trade	29	131.24	-
Changes in inventories of finished goods, Stock in Trade and work in progress	30	(3,374.86)	(423.26)
Employee benefits expense	31	3,725.13	2,987.95
Finance costs	32	1,116.18	932.61
Depreciation and amortization expense		1,024.91	917.53
Other Expenses	33	5,812.37	4,484.06
Total Expenses(VI)		42,342.49	34,517.88
VII Profit/(loss) before exceptional items and tax (V-VI)		2,773.30	3,951.91
VIII Exceptional Items		-	-
IX Profit/(loss) before tax (VII-VIII)		2,773.30	3,951.91
X Tax expense:		807.55	1,154.82
(1) Current Tax	34	876.12	926.78
(2) Mat Credit Entitlement			
(3) Short / Excess Provision of Tax		4.66	-
(4) Deferred tax	34	(73.24)	228.04
XI Profit/(loss) for the period (IX-X)		1,965.75	2,797.09
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		16.64	(133.71)
(ii) Income tax relating to above		(4.85)	38.94
XII Total Other Comprehensive Income (A)		11.79	(94.77)
XIII Total Comprehensive Income for the period (XI+XII)		1,977.54	2,702.31
XIV Earnings per equity share (Face value per equity share Rs. 10)	42		
(1) Basic (In Rs.)		12.42	17.67
(2) Diluted (In Rs.)		12.42	17.67
Significant accounting policies	1		
The accompanying notes are an integral part of these financial statement			

As per our Report Annexed

For and on behalf of the Board of Directors

For V.S. Somani and Co.,
Chartered Accountants

(CA Vidyadhar Somani)
Proprietor
Membership No 102664
Firm Registration No. 117589

(Shri Govardhan M.Dhoot)
Chairman & Managing Director
DIN: 01240086

(Shri Brijmohan M.Dhoot)
Director
DIN: 01046420

Place : Mumbai
Date : May 26, 2022

(Mr. Jayant Barde)
Company Secretary

(Mr. Ajay Samant)
Chief Financial Officer



CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2022

(Amount In Lakhs)

Particulars	For the Period ended March 31, 2022	For the Period ended March 31, 2021
A. Cash flow from operating activities		
Net profit before tax and extra ordinary items.	2,773.30	3,951.91
Add / (Less) :		
Depreciation and amortisation	1,024.91	917.53
Interest expenses	1,116.18	932.61
Dividend Income	(0.05)	-
(Gain)/loss on sale of fixed assets	17.36	3.03
Asset Discarded	60.99	4.32
(Gain)/loss on sale of investments	(8.89)	-
Provision for Diminution in value of Investment	10.10	-
Remeasurements of the defined benefit plans	16.64	(133.71)
Operating profit before working capital changes	5,010.53	5,675.69
Adjustment for :		
(Increase)/decrease in short term loans and advances	(2.70)	0.06
(Increase)/decrease in other current assets	354.10	(648.69)
(Increase)/decrease in trade receivables	782.21	(1,360.84)
(Increase)/decrease in inventory	(5,851.80)	625.51
(Increase)/decrease in other non-current assets	50.94	265.82
Increase/(decrease) in Other Equity		
Increase/(decrease) in trade payables	1,115.22	(1,391.47)
Increase/(decrease) in other current liabilities	977.98	177.20
Increase/(decrease) in provisions	286.53	(42.20)
Increase/(decrease) in current lease liabilities	132.36	141.77
Increase/(decrease) in non-current liabilities	393.88	-
Increase/(decrease) in deposits	-	-
Increase/(decrease) in non current lease liabilities	202.44	238.91
	(1,558.84)	(1,993.94)
Cash generated from operations	3,451.70	3,681.75
Add / (Less) :		
Income Tax (Paid)/ Refund	(880.79)	(926.78)
Net cash from operating activities	2,570.91	2,754.97
B. Cash flow from investing activities :		
Purchase of fixed assets including Capital WIP	(2,766.90)	(3,143.61)
Sale of fixed assets	13.57	15.08
Sale/(Purchase) of investments	20.71	-
Divided Income	0.05	-
Net cash from investing activities	(2,732.57)	(3,128.53)

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2022

(Amount In Lakhs)

Particulars	For the Period ended March 31, 2022	For the Period ended March 31, 2021
C. Cash flow from financing activities :		
Proceeds/(repayment) of short term borrowing	(408.54)	932.08
Proceeds/(repayment) of long term borrowing	1,822.66	270.36
Interest Paid	(1,116.18)	(932.61)
Issue of Share	-	-
Net cash used in financing activities	297.93	269.83
Net increase / (decrease) in cash and cash equivalents	136.27	(103.73)
Cash and cash equivalents - opening balance	58.42	162.16
Cash and cash equivalents - closing balance	194.69	58.42
Details of cash and cash equivalent at the end of the Period / Year		
- Cash in hand	11.61	5.73
- Balance in current and fixed deposit accounts	183.08	52.69
Total	194.69	58.42

Note 1 Figures in brackets represent outflows

As per our Report Annexed

For V.S. Somani and Co.,
Chartered Accountants

(CA Vidyadhar Somani)
Proprietor
Membership No 102664
Firm Registration No. 117589

Place : Mumbai
Date : May 26, 2022

For and on behalf of the Board of Directors

(Shri Govardhan M.Dhoot)
Chairman & Managing Director
DIN: 01240086

(Shri Brijmohan M.Dhoot)
Director
DIN: 01046420

(Mr. Jayant Barde)
Company Secretary

(Mr. Ajay Samant)
Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2022**

(Rupees in Lakhs)

Particulars	Share capital	Reserves and Surplus			Items of Other Comprehensive Income	Total
		Securities premium reserve	General Reserve	Retained Earnings		
Balance as at March 31, 2021	1,582.82	2,237.53	1,079.05	8,233.64	(54.44)	11,495.78
Profit for the Year	-	-	-	1,965.75	-	1,965.75
Other comprehensive income for the Year, net of tax	-	-	-	-	11.79	11.79
Total Comprehensive Income for the Year	-	-	-	1,965.75	11.79	1,977.54
Dividend	-	-	-	-	-	-
Balance as at March 31, 2022	1,582.82	2,237.53	1,079.05	10,199.39	(42.65)	13,473.32

As per our Report Annexed

For and on behalf of the Board of Directors**For V.S. Somani and Co.,**
Chartered Accountants**(CA Vidyadhar Somani)**
Proprietor
Membership No 102664
Firm Registration No. 117589**(Shri Govardhan M.Dhoot)**
Chairman & Managing Director
DIN: 01240086**(Shri Brijmohan M.Dhoot)**
Director
DIN: 01046420Place : Mumbai
Date : May 26, 2022**(Mr. Jayant Barde)**
Company Secretary**(Mr. Ajay Samant)**
Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Corporate Information

Mangalam Drugs and Organics Limited commenced its manufacturing of Active Pharmaceutical Ingredients (APIs) and Intermediates at VAPI – Gujarat in 1977. It has a multi-product manufacturing facility on two locations, and an inhouse Research and Development laboratory recognized by the department of Scientific and Industrial Research, Delhi Government of India (DSIR).

1. Significant Accounting Policies

1.1 Basis of Preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirement of Division II of schedule III of the Companies Act, 2013 (INDAS compliant schedule III)

1.2 Basis of accounting

The Company maintains its accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair values in accordance with Ind AS. Further, the guidance notes / announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable, except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

1.3 Presentation of Financial Statements

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1.4 Significant Accounting Judgements, Estimates And Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in the relevant note.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below) that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. The management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period.

B. Key source of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Property, Plant and Equipment

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

b) Recognition and measurement of Defined Benefit Obligations

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 attrition rate. The discount rate is determined based on the prevailing market yields of Indian Government Securities as at the Balance Sheet Date for the estimated term of the obligations. 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.

c) Recognition of Deferred Tax Assets / Liabilities

A deferred tax asset / liability is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

d) Recognition and measurement of Other Provision

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

e) Discounting of long-term Financial Instrument

All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

2. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

3. Property, Plant and Equipment

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

4. Intangibles:

Research & Development:

Company capitalize the Research and Development phase expense as Intangible assets in accordance with Ind AS 38;

In-process research and development project meets the definition of an intangible asset when it:

- (a) meets the definition of an asset; and
- (b) is identifiable, i.e. is separable or arises from contractual or other legal rights.

The expenditure to be capitalized include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognized in profit or loss as incurred.

Acquired research and development intangible assets which are under development, are recognized as Capital Work In-Process Research and Development assets (CWIP). These assets are not amortized, but evaluated for potential impairment on an annual basis or when there

are indications that the carrying value may not be recoverable. Any impairment charge on such assets is recognized in profit or loss. Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are tested for impairment annually, or more frequently when there is an indication that the assets may be impaired. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable.

Amortization is recognized on a straight-line basis over the estimated useful lives of intangible assets based on its cash generation as estimated by the Management. Intangible assets that are not available for use are amortized from the date they are available for use. Generally, the useful life is similar to life of Plant & Machinery.

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

5. Inventories

Items of Inventories are measured at lower of cost and net realizable value after providing for obsolescence and damage, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incidental to purchase in bringing them to their respective present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost of trading and other products are determined on specific identification basis.

6. Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's net selling price or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in the statement of profit and loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

7. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial Assets

Initial Recognition

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost

Subsequent Measurement

For the purpose of subsequent measurement financial assets are classified into two broad categories:-

- Financial Assets at Fair Value
- Financial Assets at Amortized Cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss, or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at amortized cost:-

- Business Model Test: The objective of the company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through OCI:-

- **Business Model Test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

b) Impairment of financial asset

For impairment of financial assets, Company applies expected credit loss (ECL) model. Following financial assets and credit risk exposure are covered within the ECL model:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables including receivables recognised under service concession arrangements.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, then the impairment loss is provided based on lifetime ECL.

C) Financial Liabilities

Initial Recognition

All financial liabilities are initially recognized at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs

Subsequent Measurement

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

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

8. Leases:

The company has entered in to various contracts for lease of Equipments as per INDAS116. At inception of a contract, the company assesses whether a contract is, or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of identified asset for a period of time in exchange for consideration. The assessment of whether a contract conveys a right to control the use of an identified asset depends on whether the company obtains substantially all the economic benefits for the use of an asset and whether the company has the right to direct the use of the asset.

Company as a Lessee

Recognition: At the commencement date, right-of-use asset and a lease liability are recognized.

Measurement:

Right of Use Asset

At the commencement date, right-of-use asset is measured at cost.

The cost of the right-of-use asset shall comprise:

- (a) the amount of the initial measurement of the lease liability.
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the lessee; and
- (d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Lease Liability:

The lease liability is measured at the present value of the lease payments that are not paid. The lease payments are discounted using the incremental borrowing rate of the Company.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- (c) amounts expected to be payable by the lessee under residual value guarantees;
- (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- (e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Short term lease

Company has not recognized operating lease accounting and not recognize lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases).

Subsequent measurement & depreciation

Lessees accrete lease liability to reflect interest and reduce the liability to reflect lease payments made.

The depreciation requirements in Ind AS 16, Property, Plant and Equipment is applied, in depreciating the right-of-use asset, subject to the requirements. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-to-use assets are subject to impairment testing under IAS 36 Impairment of Assets.

9. Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that there will be an outflow of resources that will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their



present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent Liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent Assets are neither recognized nor disclosed in the financial statements.

10. Revenue Recognition

Revenue from sale of goods and services:

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied over time or at a point in time. The period over which revenue is recognised is based on right to payment for performance completed. In determining whether an entity has right to payment, the entity shall consider whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than entity’s failure to perform as per the terms of the contract. An asset is transferred when (or as) the customer obtains control of that asset.

Transaction price is the amount of consideration to which a company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money

Interest and Dividend Income: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the Company’s right to receive dividend is established, which is generally when shareholders approve the dividend.

Export Incentive: Incentive on Export Income is recognized when certainty of receipts is established.

Insurance Claim: Claims receivable are accounted at the time when such income has been earned by the Company depending on the certainty of receipts.

11. Depreciation

Depreciation on PPE is provided to the extent of depreciable amount on the Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II of The Companies Act, 2013.

The estimated useful lives are as follows:-

Particulars of Assets	Useful life of Assets (In Years)
Building	30
Plant & Equipment’s and pipe fitting	20 and 5
Furniture & Fixtures	10
Vehicles	08
Office Equipment’s	5
Electrical Installation	10
Computers	03

12. Foreign currency reinstatement and translation:

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates as on balance sheet date and the resulting exchange difference recognised in statement of profit and loss. Differences arising on settlement of monetary items are also recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively). Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other finance gains / losses are presented in the statement of profit and loss on a net basis.

In case of items which are covered by foreign exchange contracts the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and premium paid on forward contracts if any is recognised over the life of the contract.

13. Borrowing Costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

14. Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period present.

15. Cash Flow statement

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

16. Employee Benefits

Short Term Employment benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post Employment Employee Benefits

Retirement benefits to employees comprise payments to government provident funds, gratuity fund and Employees State Insurance.

Defined Contribution Plans

The Company's contribution to defined contributions plans such as Provident Fund, Employee State Insurance are recognised in the Statement of Profit and Loss in the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective Funds.

Defined Benefit Plans

Gratuity liability is defined benefit obligation. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary, using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Actuarial gains/losses are recognized in the other comprehensive income.

17. Income Taxes

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternative tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the year that MAT is permitted to be set off under the Income Tax Act, 1961 (specified year). In the year, in which the MAT credit becomes eligible to be recognized as an asset the said asset is created by way of a credit to the Statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay income tax higher than MAT during the specified year.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

18. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

For cash and other liquid assets, the fair value is assumed to approximate to book value, given the short term nature of these instruments. For those items with a stated maturity exceeding twelve months, fair value is calculated using a discounted cash flow methodology.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

19. Government grants

Government grants/ subsidies are recognised when there is a reasonable assurance that the Company will comply with all the conditions attached to them and that the grant/ subsidy will be received. The Company has determined that reasonable assurance is established upon receipt of sanction letter approving the incentive amount in accordance with the respective state industrial promotion subsidy.

20. Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprises Cash at bank and on hand.

21. Segmental reporting

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

22. Earnings per share ("EPS")

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company after adjusting of dilution shares by the weighted average number of equity shares outstanding during the year plus weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares

23. Current and non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

NOTE : 2 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN PROGRESS

Particulars	(Amount In Lakhs)																		
	Land	Factory Buildings	Other Building (Resident Flat)	Plant and Machinery	Laboratory Equipment	Office Equipments	Electrical Equipments	Furniture and fixtures	Vehicles*	Air Conditioner	Computer	TOTAL TANGIBLE ASSET	Leasehold Improvements	Research and Development	Computer Software	C.W.I.P	Intangible Product under Development	Total	
Gross Carrying amount																			
As at April 01, 2020	54.40	3,183.50	78.29	10,859.36	496.92	122.78	438.30	208.82	249.55	83.11	148.23	15,923.26	-	761.78	112.79	80.77	43.26	16,921.86	
Additions	-	77.09	-	1,276.31	135.99	2.63	95.99	7.33	193.42	2.32	26.48	1,817.54	-	285.67	2.56	1,375.37	360.93	3,842.08	
Disposals	-	-	-	-	-	-	-	-	(54.63)	-	-	(54.63)	-	-	-	(969.23)	(255.92)	(1,279.78)	
Capitalised																			
As at March 31, 2021	54.40	3,260.59	78.29	12,135.66	632.91	125.42	534.29	216.15	388.34	85.43	174.71	17,686.17	-	1,047.45	115.35	486.92	148.27	19,484.15	
Additions																			
Disposals																			
Capitalised																			
As at March 31, 2022	54.40	3,619.98	78.29	13,379.62	738.42	132.57	686.80	287.80	418.76	91.63	185.92	19,674.19	9.59	1,068.37	119.39	17.96	552.90	21,442.40	
Accumulated Depreciation																			
As at April 01, 2020	-	669	27	5,061.74	116.98	101	204	103.20	150.12	58	103.13	6,594.06	-	167.72	93.27	-	-	6,855.04	
Depreciation for the year	18	97	1	488.46	23.84	9	35	14.94	42.13	12	41.10	780.97	-	34.86	19.57	-	-	835.40	
Disposals																			
As at March 31, 2021	18	766	28	5,550	141	109	239	118	160	70	144	7,342.83	-	202.58	112.83	-	-	7,658.24	
Depreciation for the Year	0.55	107.56	0.86	582.40	29.58	7.80	50.15	15.91	41.76	8.00	11.29	855.85	0.10	45.40	1.71	-	-	903.07	
Disposals																			
As at March 31, 2022	18.13	873.83	28.51	6,119.51	170.40	117.05	288.99	134.05	187.17	77.78	155.52	8,170.95	0.10	247.98	114.54	-	-	8,533.57	
NET BOOK VALUE :																			
As at March 31, 2021	36.82	2,494.32	50.64	6,585.46	492.09	16.16	295.44	98.01	228.29	15.64	30.48	10,343.35	-	844.87	2.52	486.92	148.27	11,825.92	
As at March 31, 2022	36.27	2,746.15	49.78	7,260.10	568.03	15.52	397.80	153.75	231.59	13.85	30.40	11,503.24	9.50	820.38	4.85	17.96	552.90	12,908.83	

The existence and amounts of restrictions on title, and property, plant and equipment mortgaged as security for liabilities (Refer Note No. 14, 19 and 43 to the Financial Statement)

The Amortisation of Land of Rs.17.58 lakhs for previous year has been deducted from the reserve.

*Certain vehicles are held in the name of the directors

Refer Note No -2 for accounting Policy on Leases

Note 2 : Right of Use assests

(Amount In Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Lease Assets	Lease Office	Total	Lease Assets	Lease Office	Total
Opening net Carrying balance	820.45	-	820.45	293.77	-	293.77
Addition during the year	615.62	73.39	689.01	526.68	-	526.68
Depreciation	323.64	27.56	351.19	229.35	-	229.35
Total	1,112.44	45.83	1,158.27	591.10	0	591.10

Note no 2A

Capital Work in Progress (CWIP) Ageing Schedule

(Amount In Lakhs)

As at March 31, 2022

Particulars	Amount In CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in Progress (DBA)	9.64	-	-	-	9.64
Projects Pilot and 2A	8.32	-	-	-	8.32
Projects temporarily suspended	-	-	-	-	-
Total	17.96	-	-	-	17.96

As at March 31, 2021

(Amount In Lakhs)

Particulars	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in Progress (DBA)	486.92	-	-	-	486.92
Projects temporarily suspended	-	-	-	-	-
-	486.92	-	-	-	486.92

Note no 2B

For CWIP / Intangible Assets ,Whose completion is overdue or has exceeded its cost compared to its original plan.
CWIP completion schedule mandatory.

Intangible assets under development in Ageing Schedule

As at 31, March 22

(Amount In Lakhs)

Particulars	to be completed in			
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years
Projects R and D Product Development --- (1)	-	-	-	552.90
	-	-	-	-
	-	-	-	552.90

As at 31, March 21

(Amount In Lakhs)

Intangible assets under development	Less than 1 year	1-2 Years	2-3 Years	More than 3 years
Projects R and D Product Development --- (1)	-	-	-	148.27
	-	-	-	-
Projects Pilot and 2A	-	-	-	-
	-	-	-	148.27

**Note: 3- Non Current investments**

(Amount in lakhs)

Particulars	As At 31.03.2022		As At 31.03.2021	
	No. of Shares	Rs. In Lakhs	No. of Shares	Rs. In Lakhs
Investments in equity instruments				
<i>Quoted</i>				
IMP Power Limited	-	-	172,172	11.63
Gujarat State Financial Corpn Limited	-	-	900	0.19
<i>Unquoted Investments</i>				
National savings certificates	-	0.18	-	0.18
Shares of Saraswat Bank Limited	2,500	0.25	2,500	0.25
Shares of Punjab and Maharashtra Co-opeartive Bank Limited	42,560	10.10	42,560	10.10
Less: Provision for diminution of value of investment	(42,560)	(10.10)	-	-
Total	2,500	0.43	218,132	22.35

Note: 4 - Other non-current financial assets

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits :-		
Considered Good	287.37	246.21
Considered Doubtful	0.00	0.00
Total	287.37	246.21

Note:-5 - Other Non Current Asset

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance against Fixed Asset	241.11	333.21
Total	241.11	333.21

Note: 6 - Inventories

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw and Packing materials	1,927.54	2,100.02
RM Stock in Transit	3,232.56	583.14
Trading Stock and Unbilled Services	90.50	-
Work-in-progress	3,873.24	1,725.82
Finished Goods	2,586.72	1,449.78
Total Inventories	11,710.55	5,858.75

Note: 7 - Trade Receivables

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured :-		
Considered Good	4,649.01	5,431.22
Total Receivables	4649.01	5431.22

Trade Receivables ageing schedule as on March 31,2022

(Amount in lakhs)

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	4,638.50	9.41	1.10	-	-	4,649.01
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-

Trade Receivables ageing schedule as on March 31,2021

(Amount in lakhs)

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	5,426.01	5.21	-	-	-	5,431.22
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-

No trade receivables are due from directors or other officers of the company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner , a director or a member .

Note: 8 - Cash and cash equivalents

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- in current accounts	131.12	1.88
Deposits with maturity of less than 3 months	51.96	50.81
Cash on hand	11.61	5.73
Total cash and cash equivalents	194.69	58.42
Bank Balance other than Cash and Cash Equivalents	0.76	0.76
Total Bank Balance other than Cash and Cash Equivalents	0.76	0.76

Note: 9 - Loans

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured and considered good		
Loan to employees	3.61	0.91
Total	3.61	0.91

Note:10 - Other Current Assets

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance against Fixed Asset	739.86	122.30
	739.86	122.30

**Note:11 - Other Current Assets**

(Amount in lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Balance with Government authorities	569.08	1,282.88
Prepaid Expenses	205.35	189.67
Other Current Asset	173.65	176.45
MAT credit entitlement	-	216.70
Advance Tax (Net of Provision for Tax)	-	54.04
Total	948.08	1,919.73

Note: 12 - Share Capital

(Amount in lakhs)

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
a) Authorised				
(3,00,00,000 Equity Shares of Rs.10 Each)	30,000,000	3,000.00	30,000,000	3,000.00
(Previous Year:300,00,000 Equity shares of Rs.10 each)		-		-
	30,000,000	3,000.00	30,000,000	3,000.00
b) Issued, subscribed and fully paid up				
1,58,28,248 Equity Shares of Rs.10/-each fully paid up	15,828,248	1,582.82	15,828,248	1,582.82
(Previous Year 1,58,28,248 Equity Shares of Rs.10/-each)				
	15,828,248	1,582.82	15,828,248	1,582.82

Reconciliation of the number of equity shares

(Amount in lakhs)

Particulars	Number of shares	Amount
As at 31.03.2020	15,828,248	1,582.82
Increase/Decrease during the year	-	-
As at 31.03.2021	15,828,248	1,582.82
Increase/Decrease during the year	-	-
As at 31.03.2022	15,828,248	1,582.82

Terms and conditions

The Company has only one class of equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per equity share. Dividend is recommended by the Board of directors and is subject to the approval of the members at the ensuing Annual General Meeting except interim dividend. The Board of Directors have a right to deduct from the dividend payable to any member, any sum due from him to the Company.

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

The shareholders have all other rights available to equity shareholders as per the provision of the Companies Act applicable in India read together with Memorandum of Association and Articles of Association of the Company, as applicable.

The company doesnot have any holding company

Top more than 5% Share holders for 31/03/2022

SR. No.	Name	31/03/2022		31/03/2021	
		Shares	%	Shares	%
1	Shri JB Pharma LLP	2650000	16.74	2650000	16.74
		2650000	16.74	2650000	16.74
2	Shree Kishoriju Trading and Investment Private Limited	1097000	6.93	0	0.00
	Shree Kishoriju Trading and Investment Private Limited	1515	0.01	1098515	6.94
	Shree Kishoriju Trading and Investment Private Limited	0	0.00	0	0.00
		1098515	6.94	1098515	6.94
3	Shree Rasbihari Trading and Investment Private Limited	511663	3.23	1011663	6.39
	Shree Rasbihari Trading and Investment Private Limited	500000	3.16	0	0.00
		1011663	6.39	1011663	6.39
		1011663	6.39	1011663	6.39

Details of promoters shares holding in the company

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Number	% of holding	Number	% of holding
Equity shares of Rs.10/- fully paid				
Promoter				
Dhoot Govardhan Murlidhar	511792	3.23	511792	3.23
Dhoot Brijmohan Murlidhar	486996	3.08	486996	3.08
Shree Kishoriju Trading and Investment Private Limited	1098515	6.94	1098515	6.94
Shree Rasbihari Trading and Investment Private Limited	1011663	6.39	1011663	6.39
Subtotal (a)	3108966	19.64	3108966	19.64
Promoter Group				
Chandrakanta Murlidhar Dhoot	430067	2.72	430067	2.72
Radhika A Dhoot	292500	1.85	292500	1.85
Smita A. Dhoot	292500	1.85	292500	1.85
Rajkumari R. Dhoot	275948	1.74	275948	1.74
Govardhan Murlidhar Dhoot (HUF)	155330	0.98	155330	0.98
Dhoot Rekha Govardhan	148760	0.94	148760	0.94
Ajay R. Dhoot	138687	0.88	138687	0.88
Dhoot Jyoti Brijmohan	104550	0.66	104550	0.66
Aditya R. Dhoot	89225	0.56	89225	0.56
Brijmohan Murlidhar Dhoot (HUF)	77473	0.49	77473	0.49
Rajkamal Sukhani	23520	0.15	23520	0.15
Shweta Govardhan Dhoot	19000	0.12	19000	0.12
Shri Jb Pharma Llp	2650000	16.74	2650000	16.74
Raj Exports Private Limited	191520	1.21	191520	1.21
subtotal (b)	4889080	30.89	4889080	30.89
Total (a+b)	7998046	50.53	7998046	50.53

**Note: 13 - Other equity**

(Amount in lakhs)

Particulars	31.03.2022	31.03.2021
A) Reserves & Surplus		
Securities premium reserve	2237.53	2237.53
General Reserve	1079.05	1079.05
Retained Earnings	10156.74	8179.20
B) Money received against share warrant	0.00	0.00
Total Reserves and Surplus	13473.32	11495.78

i) Securities premium reserve

(Amount in lakhs)

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Particulars	31.03.2022	31.03.2021
Opening Balance	2237.53	2,237.53
Exercise of options- proceeds received	-	-
Closing Balance	2237.53	2237.53

ii) General Reserve

(Amount in lakhs)

The reserve arises on transfer portion of the net profit pursuant to earlier provisions of companies Act 1956. Mandatory transfer to general reserve is not required under the companies Act 2013.

Particulars	31.03.2022	31.03.2021
Opening Balance	1079.05	1,079.05
Addition/ (deletion)	-	-
Closing Balance	1079.05	1079.05

iii) Retained earnings

(Amount in lakhs)

Particulars	31.03.2022	31.03.2021
Opening balance	8179.20	5,494.47
Net profit for the period	1965.75	2797.09
Items of other comprehensive income recognised directly in retained earnings	-	-
Remeasurements of post-employment benefit obligation, net of tax	11.79	(94.77)
Ind-AS Adjustments*	-	(17.58)
Closing balance	10156.74	8179.20

* Leasehold land amortised over a period of lease for earlier years

Note: 14 - Non-current borrowings

(Amount in lakhs)

Particulars	31.03.2022	31.03.2021
Secured		
Term Loans		
Ruppee loan from banks	2,287.07	529.24
Other loan from banks	198.23	133.40
	2485.30	662.64
Unsecured		
Loan from related Party	25.00	25.00
	25.00	25.00
Total non-current borrowings	2510.30	687.64

NOTE:

Term loan from State Bank of India is secured by way of;

- First Pari passu charge on entire fixed assets of the company(both present and future).
- Second Pari passu charge on entire current assets of the company(both present and future).
- Vehicle loans are against hypothecation of vehicles
- Other Loan are against hypothecation of current assets.
- The secure loans are against the personal guarantee given by the Managing director of the company

Name of Security	Terms of repayment
Term loan from banks	
i) March 31, 2022 : 1274.67 Lakhs, March 31, 2021 : Nil Lakhs	Repayable in 60 Monthly equal installment, Rate of Interest 9.45%.
ii) March 31, 2022 : 79.56 Lakhs, March 31, 2021 : Nil Lakhs	Repayable in 60 Monthly equal installment, Rate of Interest 11%.
Other Loans	
i) March 31, 2022 : 8.32 Lakhs, March 31, 2021 : 13.10 Lakhs	Repayable in 19 Monthly equal installment, Rate of Interest 7.60%.
ii) March 31, 2022 : 27.34 Lakhs, March 31, 2021 : Nil Lakhs	Repayable in 60 Monthly equal installment, Rate of Interest 7.00%.
iii) March 31, 2022 : 16.33 Lakhs, March 31, 2021 : Nil Lakhs	Repayable in 56 Monthly equal installment, Rate of Interest 7.25%.
iv) March 31, 2022 : 11.34 Lakhs, March 31, 2021 : Nil Lakhs	Repayable in 56 Monthly equal installment, Rate of Interest 7.25%.
v) March 31, 2022 : 11.34 Lakhs, March 31, 2021 : Nil Lakhs	Repayable in 56 Monthly equal installment, Rate of Interest 7.25%.
vi) March 31, 2022 : 11.87 Lakhs, March 31, 2021 : 17.08 Lakhs	Repayable in 24 Monthly equal installment, Rate of Interest 7.75%.
vii) March 31, 2022 : 10.23 Lakhs, March 31, 2021 : 12.61 Lakhs	Repayable in 41 Monthly equal installment, Rate of Interest 7.75%.
viii) March 31, 2022 : 9.98 Lakhs, March 31, 2021 : 12.44 Lakhs	Repayable in 41 Monthly equal installment, Rate of Interest 7.75%.
ix) March 31, 2022 : 11.63 Lakhs, March 31, 2021 : 14.27 Lakhs	Repayable in 43 Monthly equal installment, Rate of Interest 8.40%.
x) March 31, 2022 : 33.98 Lakhs, March 31, 2021 : 42.03 Lakhs	Repayable in 43 Monthly equal installment, Rate of Interest 8.00%.
xi) March 31, 2022 : 33.94 Lakhs, March 31, 2021 : 42.01 Lakhs	Repayable in 43 Monthly equal installment, Rate of Interest 8.00%.
xii) March 31, 2022 : 7.69 Lakhs, March 31, 2021 : 10.72 Lakhs	Repayable in 28 Monthly equal installment, Rate of Interest 8.55%.
xiii) March 31, 2022 : 12.59 Lakhs, March 31, 2021 : Nil Lakhs	Repayable in 56 Monthly equal installment, Rate of Interest 7.25%.
xiv) March 31, 2022 : 143.00 Lakhs, March 31, 2021 : Nil Lakhs	Repayable in 60 Monthly equal installment, Rate of Interest 7.50%.
xv) March 31, 2022 : 243.00 Lakhs, March 31, 2021 : Nil Lakhs	Repayable in 60 Monthly equal installment, Rate of Interest 9.25%.
xvi) March 31, 2022 : 310.76 Lakhs, March 31, 2021 : Nil Lakhs	Repayable in 60 Monthly equal installment, Rate of Interest 9.25%.
xvii) March 31, 2022 : 43.93 Lakhs, March 31, 2021 : 177.76 Lakhs	Repayable in 04 Monthly equal installment, Rate of Interest 7.40%.
xviii) March 31, 2022 : 144.97 Lakhs, March 31, 2021 : Nil Lakhs	Repayable in 72 Monthly equal installment, Rate of Interest 7.95%.
xix) March 31, 2022 : 210.98 Lakhs, March 31, 2021 : Nil Lakhs	Repayable in 60 Monthly equal installment, Rate of Interest 7.95%.
xx) March 31, 2022 : 405.30 Lakhs, March 31, 2021 : 423.00 Lakhs	Repayable in 46 Monthly equal installment, Rate of Interest 7.95%.
xx) March 31, 2022 : 83.99 Lakhs, March 31, 2021 : 148.50 Lakhs	Repayable in 15 Monthly equal installment, Rate of Interest 8.10%.

**Note 15:- Lease Liability**

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
from Non Banking Finance company	521.40	318.96
	521.40	318.96

Note 16: Deposits

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
J.B Pharma-related party	0.05	0.05
Total Deposits Received	0.05	0.05

Note: 17 - Deferred Tax Liability (Net)

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax (liabilities):		
On difference between book balance and tax balance of Depreciation	1,492.62	1,528.85
On expenditure deferred in the books but allowable for tax purposes	4.85	(38.94)
Total of Deferred Tax Liability	1497.47	1489.92
Deferred tax assets:		
Provision for Compensated absences, gratuity and other employee benefits	148.00	72.06
Total of Deferred Tax Asset	148.00	72.06
Net deferred tax (assets)/liabilities:	1349.47	1417.86

Note: 18 - Other Non current liabilities

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory remittances	23.35	-
Accrued salaries and benefits	370.53	-
Total Other Non current liabilities	393.88	0.00

Note: 19 - Current borrowings

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
From Bank	4,692.17	5,001.77
Unsecured		
From Others-related party	17.45	116.39
Total current borrowings	4709.62	5118.16

Note:

Working capital facilities from State Bank of India, Indian Bank, Central Bank of India and Bank of Maharashtra are secured by

- First Pari Passu charge on the entire current assets of the company(both present and future).
- Second Pari Passu charge on the entire fixed assets of the company(both present and future)
- The secured loans are against the personal guarantee given by the Managing director of the company

Name of Security	Terms of repayment
OD/CC Facility from Bank	
(i) March 31, 2022 : 947.07 Lakhs, March 31, 2021 : 1086.18 Lakhs	Repayable on demand, Rate of Interest 10.50%.
(ii) March 31, 2022 : 188.51 Lakhs, March 31, 2021 : 362.60 Lakhs	Repayable on demand, Rate of Interest 10.00%.
(iii) March 31, 2022 : 1602.97 Lakhs, March 31, 2021 : 1705.75 Lakhs	Repayable on demand, Rate of Interest 10.50%.
(iv) March 31, 2022 : 1953.62 Lakhs, March 31, 2021 : 1848.85 Lakhs	Repayable on demand, Rate of Interest 9.50%.

Note: 20 - Lease Liability

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
from Non Banking Finance company	387.67	255.31
	387.67	255.31

Note: 21 - Trade payables

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Due to Micro and Small Enterprises	442.13	551.54
Other Payables	5,012.58	3,787.94
Total trade payables	5454.71	4339.48

Trade Payable ageing as on March 31, 2022

(Amount in lakhs)

PARTICULARS	Outstanding for following periods from due date of payments				Total
	less than 1 years	1-2 years	2-3 years	more than 3 years	
(1) MSME	442.13				442.13
(2) OTHERS	4240.89	547.78	165.03	58.89	5,012.58
(3) Disputed due -MSME					
(4) Disputed due-Others					
					5,454.71

Trade Payable ageing as on March 31, 2021

(Amount in lakhs)

PARTICULARS	Outstanding for following periods from due date of payments				Total
	less than 1 years	1-2 years	2-3 years	more than 3 years	
(1) MSME	551.54				551.54
(2) OTHERS	3562.38	167.49	4.97	53.10	3,787.94
(3) Disputed due -MSME					
(4) Disputed due-Others					
					4339.48

Note: 22 - Other Current financial liabilities

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of Long Term Debt		
Rupee loan from banks	573.54	535.71
Other loan from banks	87.91	54.86
Total other Current financial liabilities	661.45	590.58

**Note: 23 - Provisions**

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Expenses	99.94	40.36
Total Other current liabilities	99.94	40.36
Current tax liabilities		
Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Provision for Tax (Net of Advance Tax)	226.95	-
Total	226.95	-
TOTAL PROVISIONS	326.89	40.36

Movement in Provision as per Ind As 37 - Provision , Contingent Liabilities and Contingent Asset

(Amount in lakhs)

Particulars	Provision for Expenses
Opening Provision	40.36
Addition provision made during the year	326.89
Amount paid/ reversed	40.36
Closing Provision	326.89

Note: 24 - Other current liabilities

(Amount in lakhs)

Particulars	31/3/2022	31/3/2021
Statutory remittances	138.84	175.61
Accrued salaries and benefits	278.00	310.05
Interest Payable	4.95	6.14
Advances from Customer	1,049.21	72.08
Total Other current liabilities	1470.99	563.88

Note: 25 - Revenue from operations

(Amount in lakhs)

Particulars	31/3/2022	31/3/2021
Sale of products	42,449.19	37,979.65
Sale of Scrap	19.42	18.08
Trading Sales	46.53	-
Engineering service charges received	2,241.00	-
Revenue from Operations	44,756.13	37,997.73

Note: 26 - Other Operating Income

(Amount in lakhs)

Particulars	31/3/2022	31/3/2021
Duty Drawback Rebate Claim	16.57	32.22
Rent Received	3.44	3.33
Insurance Claim Received	0.68	-
Gain on Exchange rate fluctuation	330.02	374.26
Interest on income tax refund	-	62.24
Total Other Operating Income	350.71	472.06

Note: 27 - Other Income

(Amount in lakhs)

Particulars	31/3/2022	31/3/2021
Dividend Income on Long-term Investments	0.05	-
Profit on sale of Investment	8.89	-
Total Other Income	8.94	0.00

Note: 28 - Cost of materials consumed

(Amount in lakhs)

Particulars	31/3/2022	31/3/2021
Raw materials at the beginning of the year	2,661.06	3,708.50
Add:Purchases	36,387.79	24,571.55
Less:raw materials at the end of the year	5,141.34	2,661.06
Total cost of materials consumed	33,907.51	25,618.99

Major Raw Materials

Artimesinin	11,076	8,896
Lumefantrine-3	4,307	6,877
EMME	694	766
Ethyl Acetate	803	697
PMPA	376	688

Note: 29 - Purchase of Stock in Trade

(Amount in lakhs)

Particulars	31/3/2022	31/3/2021
Purchases *	131.24	-
Total Purchase of Stock in Trade	131.24	-

* Project Equipments and installation services

Note: 30 - Changes in inventories of work-in-progress, stock in trade and finished goods.

(Amount in lakhs)

Particulars	31/3/2022	31/3/2021
Opening Balance		
Work-in progress	1,725.82	1,434.56
Finished goods	1,449.78	1,317.77
Trading Goods	-	-
Total opening goods	3,175.59	2,752.33
Closing balance		
Work-in progress	3,873.24	1,725.82
Finished goods	2,586.72	1,449.78
Trading Goods	90.50	-
Total closing balance	6,550.45	3,175.59
Total changes in inventories of work-in-progress, stock in trade and finished goods.	(3,374.86)	(423.26)

Note: 31 - Employee benefit expenses

(Amount in lakhs)

Particulars	31/3/2022	31/3/2021
Salaries and Wages	3,141.26	2,709.14
Contributions to provident and other funds	85.42	111.26
Staff welfare expenses	153.55	133.70
Others	344.90	33.85
Total	3,725.13	2,987.95

**Note: 32 - Finance costs (Net)**

(Amount in lakhs)

Particulars	31/3/2022	31/3/2021
Interest expense on:		
Borrowings	602.38	583.53
Others:		
Bank Charges	130.68	77.13
Other Borrowing Cost	265.27	223.40
Interest on Lease Liability	117.86	48.56
Total	1,116.18	932.61

Note: 33 - Other expenses

(Amount in lakhs)

Particulars	31/3/2022	31/3/2021
Power and Fuel	2,290.12	1,611.57
Repairs and Maintenance	344.71	384.25
Laboratory Expenses	251.07	190.46
Testing Fees	112.11	84.75
Pollution Control Expenses	744.87	340.22
Stores and Spares	455.69	405.79
ADMINISTRATIVE EXPENSES		
Directors Remuneration	26.00	26.00
Corporate Social Responsibility(CSR) Expenses	26.80	19.93
Insurance Charges	108.30	89.86
Legal and Professional Fees	162.49	140.75
Miscellaneous Expenses	194.86	81.48
Postage and Telegram	15.25	10.11
Printing and Stationery	52.35	45.15
Rent,Rates and Taxes	81.39	98.48
Travelling and Conveyance	53.89	35.62
Vehicle Expenses	52.55	42.30
Service charges	28.37	21.37
Office Expenses	38.96	46.35
Telephone telex and fax charges	14.81	14.72
Registration and Licence Fees	23.34	71.89
AUDITORS REMUNERATION EXPENSES		
Statutory Audit Fees	5.00	4.75
Tax Audit Fees		
Certification Fees		
SELLING AND DISTRIBUTION EXPENSES		
Advertisement and Sales Promotion	244.42	61.36
Packing and Forwarding	207.71	151.65
Carriage Outward,Freight and Insurance	208.25	457.53
Sales Commission and Discount	69.04	47.73
Total	5,812.37	4,484.06

Note: 34 - Income Taxes

(Amount in lakhs)

a. Income tax (expense)/benefit recognized in the Comprehensive income statement

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Current income tax charge	880.78	926.78
Adjustments in respect of current income tax of previous year.		-
Mat Credit Entitlement		-
Deferred taxes (expense)/benefit	(73.24)	228.04
Income tax expense recognized in the statement of profit and loss (A)	807.54	1,154.82
Income tax expense on net (gain)/loss on remeasurement of defined benefit plans	4.85	(38.94)
Income Tax charged to OCI (B)	4.85	(38.94)
Total Income tax (expense)/benefit recognized in the Comprehensive income statement (A+B)	812.39	1,115.88

b. Reconciliation of tax

	Year Ended March 31, 2022	Year Ended March 31, 2021
Reconciliation :-		
ACCOUNTING PROFIT BEFORE INCOME TAX	2,773.30	3,951.91
Enacted tax rate in India	29.12	29.12
Computed Tax Expense	880.78	926.78
Add:-		
Tax effects of amounts which are not deductible/(taxable) in calculating taxable income:		
Less:-		
Tax effect of income that is exempted from taxation		
Expenses allowable on payment basis		
Depreciation allowed		
Effect of incremental deduction on account of research and development and other allowances		
Tax Effect of donation		
Prior Year Tax Provision / (Reversal)		
Mat Credit Entitlement		
Deferred tax on difference in WDV	(73.24)	228.04
Deferred tax on disallowance		
Deferred tax on OCI	4.85	(38.94)
INCOME TAX EXPENSE	812.39	1,115.88

Note: 35 - Categories of Financial Instruments

(Amount in lakhs)

	As at March 31, 2022			As at March 31, 2022		
	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost
Financial Assets						
Investments :-						
In Equity Instruments (Quoted)	-	-	-	-	-	11.82
In Equity Instruments (Unquoted)	-	-	0.25	-	-	10.35
Govt. Securities	-	-	0.18	-	-	0.18
Trade Receivables	-	-	4,649.01	-	-	5,431.22
Loans	-	-	951.68	-	-	1,920.64
Cash and cash equivalents	-	-	194.69	-	-	58.42
Security Deposit			287.37			246.21
Other current assets(Capital Advances)			739.86			122.30
Total Financial Assets	-	-	6,823.04	-	-	7,801.15
Financial Liabilities						
Borrowings	-	-	7,219.91	-	-	5,805.80
Trade payables	-	-	5,454.70	-	-	4,339.48
Other Financial Liability	-	-	661.45	-	-	590.58
Total Financial liabilities	-	-	13,336.06	-	-	10,735.86

NOTE : 36
Note : Financial Risk Management

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

A) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

a) Trade and Other Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential sale and lease rental business as the same is due to the fact that in case of its residential sell business it does not handover possession till entire outstanding is received. No impairment is observed on the carrying value of trade receivables.

b) Cash and Cash Equivalents

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Board. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans, debentures and inter-corporate loans.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The Working Capital Position of the Company is given below:

(Amount in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and Cash Equivalent	194.69	58.42
Trade Receivables	4,649.01	5,431.22
Inventories	11,710.55	5,858.75
Loans and other Financial Assets	951.68	1,920.64
Total	17,505.93	13,269.03

The table below provides details regarding the contractual maturities of significant financial liabilities :

Particulars	Less than 1 Year	1-3 Years	Total
31.03.2022			
Borrowings	4,709.61	2,510.30	7,219.91
Trade payables	5,454.71		5,454.71
Other financial liabilities	661.45		661.45
Total	10,825.77	2,510.30	13,336.07

Contractual Maturities	Less than 1 Year	1-3 Years	Total
31.03.2021			
Borrowings	5,118.16	687.64	5,805.80
Trade payables	4,339.48		4,339.48
Other financial liabilities	590.58		590.58
Total	10,048.22	687.64	10,735.86

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to commodity prices and the market value of its investments.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

**NOTE : 37****EMPLOYEE BENEFIT PLANS**

As per actuarial report

(a) Defined benefit plans: Gratuity

(Amount in lakhs)

Particulars	Gratuity	
	2021-22 funded	2020-21 funded
I Change in present value of projected benefit obligation		
Present Value of obligation as at the beginning of the period	356.25	327.11
Interest Cost	24.40	22.34
Current Service Cost	39.69	34.08
Past Service Cost		
Liability Transferred In/ Acquisitions		
Benefits Paid	(7.56)	(14.78)
Total Actuarial (Gain)/ Loss on obligation		
Actuarial Gains/(Losses) on obligations due to change in Demographic assumption	0.31	
Actuarial Gains/(Losses) on obligations due to change in financial assumption	(14.41)	(0.69)
Actuarial Gains/(Losses) on obligations due to experience	(3.93)	(11.81)
Present Value of obligation as at the end of the period	394.75	356.25
II Change in fair value of plan assets during the year		
Fair Value of plan assets at the beginning of the period	250.33	215.81
Adjustment to opening fair value of plan assets		
Return on Plan Assets excl. interest income	(1.39)	(0.90)
Interest Income	17.15	14.74
Employer contribution	18.44	35.46
Employee contribution		
Benefits paid	(7.56)	(14.79)
Actuarial gain/(loss) for the year on asset		
Fair Value of plan assets at the end of the period	276.97	250.32
III Asset/ (liability) recognised in the balance sheet		
Present value of obligation at the end of the Period	(394.75)	(356.25)
Fair Value of plan assets at the end of the Period	276.97	250.32
Funded Status (Surplus/ (Deficit))	(117.78)	(105.93)
Net (Liability)/Asset Recognized in the Balance Sheet	(117.78)	(105.93)
IV Net Liability		
PVO At the beginning of the period	356.25	327.11
Fair value of assets at beginning of period	250.33	215.81
Net Liability	105.92	111.30

(Amount in lakhs)

Particulars	Gratuity	
	2021-22 funded	2020-21 funded
V Net Interest cost for the current period		
Interest Expenses	24.40	22.34
Interest Income	(17.15)	(14.74)
Net Interest	7.25	7.60
VI Expense recognised in the statement of profit or loss during the year		
Current Service cost	39.69	34.08
Net interest cost	7.25	7.60
Past Service Cost	0.00	0.00
Total expense recognised in the employee benefit expense	46.94	41.68
VII Recognised in other comprehensive income for the year		
Actuarial (Gains)/Losses on Obligation For the Period	(18.03)	(12.50)
Return on Plan Assets, Excluding Interest Income	1.39	0.90
Change in Asset Ceiling	0.00	0.00
Net (Income)/Expense For the Period Recognized in OCI	(16.64)	(11.60)
VIII Movement in the liability recognised in Balance Sheet		
Opening Net Liability	105.92	111.30
Expenses recognised in Statement of Profit and Loss	46.94	41.68
Employer's Contribution	(18.44)	(35.46)
Expenses recognised in Other Comprehensive Income	(16.64)	(11.60)
Net (Income)/Expense For the Period Recognized in OCI	117.78	105.92
IX Category of Assets		
Cash and Cash Equivalents	0.00	0.00
Gratuity Fund	0.00	0.00
Debt Security - Government Bond	0.00	0.00
Equity Securities - Corporate debt securities	0.00	0.00
Insurance Fund	276.96	250.33
Total :-	276.96	250.33
X Net interest cost for next year		
Interest Cost	28.54	24.40
Interest Income	(20.02)	(17.15)
	8.52	7.25
XI Expense recognised in the statement of profit or loss during the year		
Current Service cost	42.28	39.69
Net interest cost	8.52	7.25
Expected contribution by the employee	0.00	0.00
Expenses recognised	50.80	46.94



(Amount in lakhs)

Particulars	Gratuity	
	2021-22 funded	2020-21 funded
XII Actuarial assumptions		
Return on Plan Assets	7.23%	6.85%
Discount Rate	7.23%	6.85%
Future salary increase	10% P.A.	10% P.A.
Mortality rate during employment	Indian assured live mortality (2012-14)	Indian assured live mortality (2006-08)
Retirement Age	60 Years	60 Years
Rate of Employee Turnover	5%	5%
XIII Quantitative sensitivity analysis for significant assumptions is as below		
Projected benefit obligation on current assumption	394.74	356.25
a) Impact of change in discount rate		
Impact due to increase of 1%	(33.99)	(31.68)
Impact due to decrease of 1%	39.95	37.32
b) Impact of change in salary increase		
Impact due to increase of 1%	34.41	32.88
Impact due to decrease of 1%	(30.98)	(29.34)
b) Impact of change in employee turnover		
Impact due to increase of 1%	(6.55)	(7.06)
Impact due to decrease of 1%	7.48	8.07

Note: 38 - Capital management

The company's objectives when managing capital are to:

- > Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- > Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure.

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio:

(i) Debt Equity Ratio

(Amount in lakhs)

Particulars	March 31, 2022	March 31, 2021
Gross Debt	7,219.91	5,805.80
Less: -		
Cash and Cash Equivalent	194.69	58.42
Net debt (A)	7,025.22	5,747.38
Total Equity (B)	15,056.14	13,078.60
Net debt to equity ratio	0.47	0.44

Note: 39 - Related Party Disclosures

Particulars	
a. Key Managerial Personnel	
Shri Govardhan M. Dhoot	Chairman and Managing Director
Shri Brijmohan M.Dhoot.	Executive Director
Shri Praveen Saxena	Independent Director
Shri Subhash C.Khattar(Till 14.12.2021)	Independent Director
Shri Rukmesh Dhandhania	Independent Director
Shri Rakesh K Milwani (wef 10.03.2022)	Non Executive non independent director
Mrs Nidhi Mundada	Independent Director
Mr. Ajay Samant	Chief Financial Officer
Ms. Geeta Karira (Till 07.02.2022)	Company Secretary
Mr. Jayant Barde (wef 08.02.2022)	Company Secretary
b. Relatives of Key Managerial Personnel	
Mrs. Rekha G. Dhoot	
Mrs. Jyoti B. Dhoot	
Ms. Shweta G. Dhoot	
Mrs. Krishnapriya Nawal	
c. Enterprise under control of Key Managerial Personnel or their relatives	
Raga Organics Private Limited.	
IMP Power Limited	
Shri JB Pharma LLP	
d. Employees Group Gratuity scheme	
e. Relatives of Key Managerial Personnel*	
Mrs.Radhika A. Dhoot	
Mrs.Smita A. Dhoot	
Ms.Shrikripa A. Dhoot	
Ms.Mahima A.Dhoot	
Mr.Yaduraj A.Dhoot	
*(These are related parties for the FY-2020-21)	
f Enterprise under control of Key Managerial Personnel or their relatives*	
IMP Power Ltd.	
*(It is a related party for the FY-2020-21)	

Note: 40 - Related Party transactions**(A) Details of transactions with related parties during the year ended March 31, 2022**

(Amount in lakhs)

Particulars	March 31, 2022	March 31, 2021
Loan Payables		
Shri Govardhan M. Dhoot	25.00	25.00
Interest Paid on Loan		
Shri Govardhan M. Dhoot	3.50	4.14



(Amount in lakhs)

Particulars		March 31, 2022	March 31, 2021
Inter Corporate Deposit Received			
Raga Organics Private Limited		17.45	15.45
Interest Paid on ICD			
Raga Organics Private Limited		2.05	0.71
Commission on Sales Payables			
Shri J.B Pharma		-	0.69
Purchases			
IMP Power Limited		-	540.00
Rent Deposit			
Shri Govardhan M. Dhoot		7.00	7.00
Rent Received			
Shri JB Pharma LLP		0.06	0.06
Raga Organics Private Limited		0.06	-
Sitting Fees			
Shri Subhash C.Khattar	KMP	0.36	0.28
Mrs Nidhi Mundada	KMP	0.38	0.10
Shri Rukmesh Dhandhanian	KMP	0.36	0.22
Shri Praveen Saxena	KMP	0.20	-
Total :-		1.30	0.60
Gratuity provision		85.79	-

(B) Key management personnel compensation:

(Amount in lakhs)

Particulars		March 31, 2022	March 31, 2021
Short- term employee benefits			
Remuneration			
Shri Govardhan M. Dhoot	KMP	20.00	20.00
Shri Brijmohan M.Dhoot.	KMP	6.00	6.00
Salary			
Mrs. Rekha G. Dhoot	Relative of KMP	29.42	24.52
Mrs. Jyoti B. Dhoot	Relative of KMP	29.42	24.52
Ms. Shweta G. Dhoot	Relative of KMP	8.83	8.83
Mrs. Krishnapriya Nawal	Relative of KMP	26.90	12.19
Mrs.Radhika A. Dhoot	Relative of KMP	-	8.56
Mrs.Smita A. Dhoot	Relative of KMP	-	8.56
Ms.Shrikripa A. Dhoot	Relative of KMP	-	8.58
Ms.Mahima A.Dhoot	Relative of KMP	-	6.79
Mr.Yaduraj A.Dhoot	Relative of KMP	-	1.75
Mr. Ajay Samant	Chief Financial Officer	26.93	25.09
Ms. Geeta Karira	Company Secretary	7.06	6.28
Mr. Jayant Barde	Company Secretary	0.99	-
Total :-		155.55	127.43
Post-employment benefits			
Long-term employee benefits			

(Amount in lakhs)

Particulars		March 31, 2022	March 31, 2021
Termination benefits			
Mr. Ajay Samant	KMP	0.68	0.59
Ms. Geeta Karira	KMP	0.34	0.27
Mr. Jayant Barde	KMP	0.06	-
Mrs. Rekha G. Dhoot	Relative of KMP	0.58	0.46
Mrs. Jyoti B. Dhoot	Relative of KMP	0.58	0.46
Ms. Shweta G. Dhoot	Relative of KMP	0.17	0.17
Mrs. Krishnapriya Nawal	Relative of KMP	0.63	0.29
Total :-		3.04	2.24

Note: 41 - Contingent Liabilities

(Amount in lakhs)

Particulars		As at March 31, 2022	As at March 31, 2021
A) Performance Guarantees/ Bonds			
(i) Guarantee executed in favor of Assistant Collector of Customs		-	-
(ii) Guarantee executed in favor of Export Parties		-	-
B) Excise duty and Service Tax & GST			
2011-12		187.48	208.37
2015-16		171.77	171.77
2019-20		29.12	350.45
C) Income Tax			
ASST.YEAR-2003-2004		-	0.88
ASST.YEAR-2006-2007		-	21.42
ASST.YEAR- 2011-2012		-	56.14
ASST.YEAR- 2018-2019		2.20	-
ASST.YEAR- 2020-2021		0.88	-
D) Others			
(i) Guarantee given to GSPC Gas Co Limited		168.99	152.44
(ii) Guarantee given to GPCB for Compliance Assurance		10.00	-
(iii) GPCB Panalty Payment for Enviromental Damage Charges		50.00	-
(iv) SEBI -Penalties		6.00	-

Bills Discounting facility - HDFC Bank Limited. Outstanding balance as on 31.03.22 is Rs. 30.77 Cr.

Bills Discounting facility - ICICI Bank Limited. Outstanding balance as on 31.03.22 is Rs. 8.78 Cr.

**Note: 42 - Earnings per Share (Basic and Diluted)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

a) Basic Earnings Per Share	March 31, 2022	March 31, 2021
Profit for the Year (Rs. In Lakhs) - (A)	1,965.75	2797.09
Weighted average number of equity shares for basic and diluted EPS - (B)	1,58,28,248	1,58,28,248
Earnings Per Share – Basic and Diluted (Rs.) - (A/B)	12.42	17.67
Nominal value of an equity share (Rs.)	10.00	10.00

Note: 43 - Assets Pledged as Security

(Amount in lakhs)

The carrying amount of assets pledged as security for current and non-current borrowing

	March 31, 2022	March 31, 2021
Current		
Financial assets		
Inventories	11,710.55	5,858.75
Trade Receivables	4,649.01	5,431.22
Total current assets pledged as security	16,359.56	11,289.97
Non-current		
Property, Plant and Equipments (Net Block)		
Land	36.27	36.81
Factory Building	2,746.15	2,494.32
Other Building (Resident Flat)	49.78	50.64
Plant and Machinery	7,260.10	6,585.46
Laboratory Equipment	568.03	492.09
Office Equipments	15.52	16.16
Electrical Equipments	397.80	295.44
Furniture and Fixtures	153.75	98.01
Vehicles	231.59	228.29
Air Conditioner	13.85	15.64
Computer	30.40	30.48
Intangible Assets (Net Block)		
Lease Assets	1,112.44	591.10
Lease office	45.83	-
Leasehold improvements	9.50	-
Computer Software	4.85	2.52
Research and Development	820.38	844.87
Capital Work in Process	17.96	486.91
Intangible Product under Development	552.90	148.27
Total non-current assets pledged as security	14,067.10	12,417.01
Total assets pledged as security	30,426.66	23,706.98

Note: 44 - Lease

Particular	March 31, 2022	March 31, 2021
Right of Use asset	1158.27	591.10
Lease Liability	909.07	574.27
Interest Expense	117.86	48.56
Depreciation Charge	121.84	99.72

Note: 45- SEBI Matter

Securities and Exchange Board of India (SEBI) conducted an investigation in the matter of trading activities of certain entities in the script of Mangalam Drugs and Organics Limited ("the Company") for the period March 17, 2015 to December 31, 2015. On the basis of above investigation, the SEBI had issued a Show Cause Notice (SCN) dated December 31, 2019 to the Company and the certain entities / individuals part of the promoter and promoter group for inter-alia, alleging certain compliance / disclosure lapses on the part of the Company in relation to preferential allotment of warrants to one of the promoter group entities which were undertaken in September 2015. The Company had suitably replied to the SCN and also attended the personal hearing scheduled by the SEBI. SEBI through its whole-time member, had passed an order dated September 22, 2020 (SEBI Order) for violation of Regulation 77(2) and 77(3) of SEBI (ICDR) Regulations, 2009 r/w Regulation 169(2) of SEBI (ICDR) Regulations 2018 and Section 12A(a),(b),(c) of SEBI Act, 1992 r/w Regulations 3(a), (b),(c),(d) and 4(1) of SEBI (PFUTP) Regulation, 2003 and through SEBI Order, the Company and the certain entities / individuals part of the promoter and promoter group have been restrained from accessing the securities market through issue of securities or subscription to securities, directly or indirectly, for a period 6 months and certain monetary penalties have been imposed on each of them. The Company and certain entities / individuals part of the promoter and promoter group had filed an Appeal before the Securities Appellate Tribunal (SAT) on November 6, 2020 against SEBI Order and prayed for suitable reliefs and /or stay orders. The Hon'ble SAT granted the interim reliefs vide its Order dated December 10, 2020 (SAT Interim Order) by directing that the effect and operation of the order passed by the SEBI shall remain stayed provided the Company and entities / individuals part of the promoter and promoter group (Appellants) deposit an amount mentioned by the SAT before the SEBI within 4 (four) weeks from the date of SAT Interim Order. The amount so deposited shall be subject to the result of the appeal. The application for stay filed by appellants was accordingly disposed of. Appellants had deposited Rs. 25 Lakhs with SEBI as per Hon'ble SAT Interim Order and the final order in the matter is awaited.

Further the Honorable (Securities and Appellate Tribunal) SAT on 27th June 2022 pronounced the order in the favor of your Company which says that the impugned order passed by the SEBI against the Company cannot be sustained and hence quashed.

Note: 46

The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity, Statement of Significant Accounting Policies and the Other Explanatory Notes forms an integral part of the financial statements of the Company for the year ended March 31, 2022.



Note:- 47

Ratio analysis and its elements

S No	Description	Numerator	Denominator	Mar-22	Mar-21	Variance %	Reasons
1	Trade receivables turnover ratio	Net credit sales	Average trade receivables	44,756.13	37,997.73		
				5040.12	4714.76		
				8.88	8.06	10.18	-
2	Inventory turnover ratio	cost of goods sold	average inventory	30,663.89	25195.73		
				8,784.65	6171.51		
				3.49	4.08	-14.50	-
3	Interest coverage ratio	Earnings before interest and tax/ Interest	Interest	3889.48	4884.52		
				1116.18	932.61		
				3.48	5.24	-33.47	Note 1
4	Current ratio	Current assets	Current Liabilities	18246.56	13392.09		
				13011.33	10907.77		
				1.40	1.23	14.22	-
5	Debt equity ratio	Total borrowings and lease liab/ total equity	Shareholders funds	8790.48	6970.69		
				15056.14	13078.6		
				0.58	0.53	9.54	-
6	Operating margin ratio	Earnings before interest and tax	revenue from operations	3889.48	4884.52		
				44,756.13	37,997.73		
				0.09	0.13	-32.40	Note 2
7	Net profit margin	Earnings after tax	revenue from operations	1965.75	2797.09		
				44,756.13	37,997.73		
				0.04	0.07	-40.33	Note 3
8	Return on net worth	Earnings after tax	Shareholders funds	1965.75	2797.09		
				15056.14	13078.6		
				0.13	0.21	-38.95	Note 4

S No	Description	Numerator	Denominator	Mar-22	Mar-21	Variance %	Reasons
9	Net capital turnover ratio	Revenue from operations	Capital employed	44,756.13	37,997.73		
				5235.23	2421.31		
				8.55	15.69	-45.52	Note 5
10	Return on capital employed	Earnings before interest and tax	Capital employed	3889.48	4884.52		
				19831.24	15503.22		
				0.20	0.32	-37.75	Note 6
11	Debt service coverage ratio	Earnings after tax + depreciation+ interest	Debt	4106.84	4647.23		
				9906.62	7903.25		
				0.41	0.59	-29.50	Note 7
12	Trade payable turnover ratio	Net credit sales	Average trade payable	44,756.13	37,997.73		
				4897.10	4999.41		
				9.14	7.60	20.25	
13	Return on investment	Investment income	Investment	8.94	0		
				0.43	22.35		
				20.79	0	0	

Note 1 The company has paid interest on incremental borrowings

Note 2 The raw material cost has increased which has not been compensated by increase in sales price

Note 3 The interest and raw material cost has increased

Note 4 The interest and raw material cost has increased

Note 5 The profit has reduced due to increase in interest and raw material cost

Note 6 The profit has reduced due to increase in interest and raw material cost

Note 7 The interest cost has increased



Mangalam Drugs & Organics Limited

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