



Independent Auditors' Report
To the Members of Mangalam Brands Private Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Mangalam Brands Private Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2024 and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2024,
- b) In case of Statement of Profit & Loss, of the **Profit** for the year ended on that date, and
- c) In case of Cash Flow Statement, cash flow for the year ended on that date.

Basis for Opinion

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

Key audit matters

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

We have nothing to report in this regard.

Other Information

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

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

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

We have nothing to report in this regard.



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

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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



- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 1. the Company has no material pending litigations as on balance sheet date;
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
4. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("intermediaries"), with the understanding, whether recoded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ("funding parties"), with the understanding, whether recoded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- i) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

Place: Mumbai
Date: 29 May 2024



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

Bhupendra S Gandhi
Partner

Mem. No. 122296

UDIN – 24122296BKBLYC5733

ANNEXURE – A TO THE AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of Mangalam Brands Private Limited ("the Company") on the Financial Statements for the year ended 31st March, 2024, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) The Company has maintained proper records showing full particulars of intangibles assets.
- (c) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (d) The title deeds of immovable properties are held in the name of the company except that they are mortgaged to bank as per the report given by the external valuer during the year and as per the management and we have relied upon the same.
- (e) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
- (f) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. As explained to us, there is no material discrepancy noticed on physical verification of inventory as compared to book records.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. Hence reporting under clause (ii)(b) of the Order is not applicable.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in register maintained under section 189 of the Companies Act, 2013 ('the Act'). Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits from the public.
- vi. To the best of our knowledge and belief and according to the information and explanation given to us, no cost records are required to be maintained by the Company under the Companies (Cost Audit Rules), 2014.
- vii. a. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the company is *generally regular* in depositing with the appropriate authorities undisputed statutory dues including provident fund, income tax, value added tax, duty of customs, service tax, Goods and Service Tax, cess and other material statutory dues applicable to it.
- b. There were no material undisputed amounts payable in respect of provident fund, income tax, goods and service tax, value added tax, duty of customs, service tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.



- c. According to the information and explanations given to us, there are no material dues of income tax, goods and service tax, sales tax, service tax, wealth tax, duty of excise, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (43 of the 1961).
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. Further, the Company has not issued any debenture.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- (c) On an overall examination of the financial statements of the Company, term loans have been utilised for the purpose it was taken.
- (d) On an overall examination of the financial statements of the Company, the Company has not used funds raised on short-term basis in the form of short-term loans, cash credits from Banks, commercial papers, Inter Corporate Deposits and other financial liabilities for long-term purposes.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) According to the information and explanations given to us, no material fraud by company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor /secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Since the Company has not borrowed money from banks and public financial institutions in excess of 50 crore rupees, this clause is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where



applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv. Being a private limited company with turnover, borrowings less than prescribed limits, internal audit is not required and hence reporting of clause (xiv) of the Order is not applicable.
- xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xvi) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvii) of the Order is not applicable.
- xvii. The Company has not incurred cash loss in the current year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The company does not fall in category of companies specified in section 135 of Companies Act, 2013 and hence clause (xx) of the Order is not applicable.

Place: Mumbai
Date: 29 May 2024



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

Bhupendra S Gandhi

Bhupendra S Gandhi
Partner

Mem. No. 122296

UDIN - 24122296BKBLYC5733

ANNEXURE – B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Mangalam Brands Private Limited** ('the company'), as of 31 March 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, 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.

Place: Mumbai
Date: 29 May 2024



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

Bhupendra S Gandhi

Bhupendra S Gandhi
Partner

Mem. No. 122296

UDIN – 24122296BKBLYC5733

Particulars	Note No	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
- Property, Plant and Equipment	3	29,76,87,276	22,58,89,444
- Capital work-in-progress	3	4,74,44,944	1,41,49,703
- Financial Assets			
- Other financial assets	3.1	1,81,000	1,61,000
- Deferred tax assets (net)		-	6,88,623
Current assets			
- Inventories	4	15,48,83,223	17,28,10,950
- Financial Assets			
- Trade receivables	5.1	12,50,73,649	5,85,22,927
- Cash and cash equivalents	5.2	63,50,921	17,04,721
- Bank balances & other than (iii) above	5.3	27,78,441	20,00,000
- Current tax assets (net)	5.4	20,81,539	13,64,559
- Other current assets	6	1,71,17,395	2,58,76,592
Total Assets		65,35,98,388	50,31,68,519
EQUITY AND LIABILITIES			
Equity			
- Equity Share capital	7	10,00,000	10,00,000
- Other Equity	A)	1,73,94,987	(25,81,092)
	B)	1,83,94,987	(15,81,092)
Liabilities			
Non-current liabilities			
- Financial Liabilities			
- Borrowings	8	20,65,78,946	27,52,10,073
- Provisions	9	25,57,260	8,19,227
- Deferred tax liabilities (net)		31,26,517	-
		21,22,62,723	27,60,29,300
Current liabilities			
- Financial Liabilities			
- Borrowings	10	4,53,93,702	1,63,41,745
- Trade payables	11	-	-
- Micro and Small Enterprises		37,04,58,029	20,67,48,416
- Creditors other than Micro and Small Enterprises	12	70,47,476	56,26,854
- Other current liabilities	13	41,471	3,296
- Provisions		42,29,40,678	22,87,20,311
Total Equity and Liabilities		65,35,98,388	50,31,68,519

Notes forming integral part of the financial statements

As per our report of even date attached

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

Bhupendra Gandhi
Bhupendra Gandhi
Partner
Mem. No. 122296

Place: Mumbai
Dated: 29 May 2024



For and on behalf of Board of Directors

Kamalkumar Dujodwala
Kamalkumar Dujodwala
Director
DIN - 00546281

Pannkaj Dujodwala
Pannkaj Dujodwala
Director
DIN - 00546353

	Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
I	Revenue from Operations	14	1,60,10,83,597	1,00,20,78,450
II	Other Income		1,25,090	-
III	TOTAL INCOME (I+II)		1,60,12,08,687	1,00,20,78,450
IV	Expenses			
	Cost of materials consumed	15	85,51,26,979	69,07,38,691
	Purchases of Stock-in-trade		-	-
	Changes in inventories of finished goods and work-in-progress	16	1,11,38,679	(11,95,00,018)
	Employee benefits expenses	17	11,39,85,693	10,78,36,706
	Finance costs	18	2,28,69,258	2,00,04,150
	Depreciation and amortization expense		1,00,17,485	85,74,489
	Other expenses	19	56,43,68,474	29,13,96,624
	TOTAL EXPENSES (IV)		1,57,75,06,568	99,90,50,642
V	(Loss)/ Profit before exceptional items and tax (III - IV)		2,37,02,119	30,27,808
VI	Exceptional Items			-
VII	(Loss)/ Profit before tax (V-VI)		2,37,02,119	30,27,808
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		37,92,715	43,943
IX	(Loss)/ Profit for the period (VII-VIII)		1,99,09,404	29,83,864
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	Remeasurment of defined benefit plan		89,100	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(22,425)	-
	- Defined benefit plans			-
	B (i) Items that will be reclassified to profit or loss			-
	(ii) Income tax relating to items that will be reclassified to profit or loss			-
XI	Total Comprehensive Income for the period (IX + X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		1,99,76,079	29,83,864
XII	Earnings per equity share:			
	(1) Basic and Diluted		199.76	29.84

Notes forming integral part of the financial statements

As per our report of even date attached

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

Bhupendra
Bhupendra Gandhi
Partner
Mem. No. 122296



Place: Mumbai
Dated: 29 May 2024

For and on behalf of Board of Directors

Kamalkumar
Kamalkumar Dujodwala
Director
DIN - 00546281

Pannkaj
Pannkaj Dujodwala
Director
DIN - 00546353

		For the year ended 31 March 2024	For the year ended March 31, 2023
A.	Cash flow from operating activities :		
	Net profit before tax	2,37,02,119	30,27,808
	Adjustment For :		
	Depreciation	1,00,17,485	85,74,489
	Interest Income	1,25,090	-
	Dividend received	-	-
	Interest paid	2,27,66,475	1,97,71,630
	Other comprehensive income	-	-
	Operating profit before working capital changes	5,66,11,169	3,13,73,927
	Adjustment For :		
	Trade & other receivables	(5,85,89,966)	(4,41,41,508)
	Inventories	1,79,27,727	(16,30,23,049)
	Trade and other payables	16,69,06,443	19,53,42,795
	Cash generated from operations	18,28,55,373	1,95,52,165
	Income tax paid	(6,27,880)	(13,48,163)
	Net cash generated from operating activities - I	18,22,27,493	1,82,04,002
B.	Cash flow from investing activities :		
	Payments for property, plant and equipment	(11,51,10,558)	(8,15,61,407)
	Interest income	(1,25,090)	-
	Dividend received	-	-
	Proceeds from property, plant and equipment	-	-
	Purchase of non current investments	-	-
	Net cash used in investing activities - II	(11,52,35,648)	(8,15,61,407)
C	Cash flow from financing activities		
	Proceeds/(Repayment) form/of short term borrowings	2,90,51,957	-
	Proceeds from issue of shares	-	-
	Dividend and dividend distribution tax paid	-	-
	(Repayment)/ proceed of/ from long term borrowings	(6,86,31,127)	8,30,48,863
	Interest paid	(2,27,66,475)	(1,97,71,630)
	Net cash used in financing activities - III	(6,23,45,645)	6,32,77,233
	Net increase in cash and cash equivalents	46,46,200	(80,172)
	Opening balance of cash & cash equivalents	17,04,721	17,84,893
	Closing balance of cash & cash equivalents	63,50,921	17,04,721

Notes:

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

As per our Report of Even Date

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

Bhupendra Gandhi
Partner
Mem. No. 122296

Place: Mumbai
Dated: 29 May 2024



For and on behalf of Board of Directors

Kamalkumar Dujodwala
Director
DIN - 00546281

Pannkaj Dujodwala
Director
DIN - 00546353

Mangalam Brands Private Limited
Notes to Financial Statements for the year ended 31 March 2024

3. Property, Plant & Equipment and Intangible Assets

Particular	Freehold Land	Office Premises	Building	Plant & Machinery	Computer	Furniture & Fixture	Vehicle	Office Equipment	Total
Gross Carrying value as on 01.04.2023	5,68,01,105	-	2,98,32,428	14,30,73,046	6,04,322	43,62,100	7,65,297	89,049	23,55,27,347
Additions	-	-	2,76,41,815	5,17,23,830	2,28,403	20,76,047	1,45,224	-	8,18,15,318
Deletions	-	-	-	-	-	-	-	-	-
Gross Carrying value as on 31.03.2024	5,68,01,105	-	5,74,74,242	19,47,96,875	8,32,724	64,38,147	9,10,521	89,049	31,73,42,664
Accumulated depreciation as on 01.04.2023	-	-	7,43,708	77,74,338	1,77,777	8,27,640	1,14,374	66	96,37,903
Depreciation charge for the year	-	-	9,44,694	80,80,258	2,24,109	6,75,015	90,546	2,863	1,00,17,485
Depreciation on deletion	-	-	-	-	-	-	-	-	-
Accumulated depreciation as on 31.03.2024	-	-	16,88,402	1,58,54,596	4,01,886	15,02,655	2,04,920	2,929	1,96,55,388
Net Book Value:-	-	-	-	-	-	-	-	-	-
At 31st March 2024	5,68,01,105	-	5,57,85,841	17,89,42,279	4,30,839	49,35,492	7,05,601	86,120	29,76,87,276
At 31st March 2023	5,68,01,105	-	2,90,88,720	13,52,98,708	4,26,545	35,34,460	6,50,923	88,983	22,58,89,444



3.1 Other non-current financial asset (at amortised cost)

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits	1,81,000	1,61,000
Total	1,81,000	1,61,000

4 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	80,11,611	2,02,85,214
Finished goods	11,81,49,240	12,86,33,696
Packing materials	2,82,72,047	2,32,37,817
Stock in trade	-	6,54,223
Stores and spares	4,50,325	-
Total	15,48,83,223	17,28,10,950

5.1 Trade receivables

(Carried at amortised cost, except otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good*	12,50,73,649	5,85,22,927
Unsecured, considered doubtful	-	-
Less : Allowance for expected credit loss	-	-
Total	12,50,73,649	5,85,22,927
Break up of security details		
Secured, considered good	-	-
Unsecured, considered good	12,50,73,649	5,85,22,927
Doubtful	-	-
Total	12,50,73,649	5,85,22,927

*Includes amounts due from related parties

- For ageing analysis of trade receivables, refer note 5.1.1



5.2 Cash & cash equivalents (at amortised cost)

Particulars	As at 31 March 2024	As at 31 March 2023
Cash and Cash Equivalents		
Balances with Banks		
In Current Account	62,63,254	15,43,395
Cash on Hand	87,667	1,61,326
Total	63,50,921	17,04,721

5.3 Bank balances & other Cash & Cash equivalents (at amortised cost)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance in unpaid dividend account	-	-
Fixed deposits with remaining maturity for less than 12 months	27,78,441	20,00,000
Total	27,78,441	20,00,000

5.4 Current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance income tax & TDS (net of provision for tax)	20,81,539	13,64,559
Total	20,81,539	13,64,559

6 Other Current Assets (at amortised cost)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance to Suppliers	1,41,45,428	1,15,53,699
Balance with Revenue Authorities	29,71,967	1,43,22,893
Total	1,71,17,395	2,58,76,592



7 Equity
A) Equity Share Capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised 100,000 (As at 31st March, 2023: 100,000) Equity Shares of Rs 10 each	10,00,000	10,00,000
Issued, Subscribed and Paid up 1,00,000 (As at 31st March, 2023: 100,000) Equity Shares of Rs 10 each	10,00,000	10,00,000
Total	10,00,000	10,00,000

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

Issued, subscribed and paid up share capital	No of shares	No of shares
Balance as at 1st April	1,00,000	1,00,000
Add / (Less): Changes during the year	-	-
Balance as at 31st March	1,00,000	1,00,000

7.2 Terms / Rights attached to Equity Shares

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

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

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

As at 31st March 2024

Shareholders	No. of shares	% of holding
Mangalam Organics Limited	99,990	99.99

As at 31st March 2023

Shareholders	No. of shares	% of holding
Mangalam Organics Limited	99,990	99.99

Shareholding of Promoters

Shares held by promoters at the end of the year

As at 31st March 2024

Promoter's Name	No. of shares	% of holding	% Change during the year
Mangalam Organics Limited	99,990	99.99	Nil

Shares held by promoters at the end of the year

As at 31st March 2023

Promoter's Name	No. of shares	% of holding	% Change during the year
Mangalam Organics Limited	99,990	99.99	Nil

As at 31st March 2022

Promoter's Name	No. of shares	% of holding	% Change during the year
Mangalam Organics Limited	99,990	99.99	99.99

B) Other Equity

Particulars	As at 31 March 2024	As at 31 March 2023
General reserve	-	-
Surplus/(Deficit) in the Statement of Profit and Loss		
- Opening Balance	(25,81,092)	(55,64,957)
- Total Comprehensive Income for the Period	1,99,76,079	29,83,864
	1,73,94,987	(25,81,092)
Total	1,73,94,987	(25,81,092)



8 Non -Current borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
(Carried at amortised cost, unless otherwise stated)		
<u>Secured Loans - From Bank</u>		
Term Loans	5,65,78,946	12,51,48,575
Vehicle Loan	-	61,498
[Vehicle loan is secured against vehicles financed]		
<u>Unsecured Loans</u>		
Loan from Holding Company	15,00,00,000	15,00,00,000
Total	20,65,78,946	27,52,10,073
Term loan from HDFC Bank Limited is secured against entire fixed assets of the company.		
The loan carries interest rate of % P.A.		-



9 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
<u>Provision for employee benefits</u> Gratuity and leave encashment	25,57,260	8,19,227
Total	25,57,260	8,19,227

10 Short Term Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
<u>Loan Repayable on Demand - From Bank</u> Current liabilities of long term borrowings	4,53,93,702	1,63,41,745
Total	4,53,93,702	1,63,41,745

11 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Micro and Small Enterprises Creditors other than Micro and Small Enterprises	37,04,58,029	20,67,48,416
Total	37,04,58,029	20,67,48,416

- For ageing analysis of trade payables, refer note 11.1

12 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Other Liabilities	46,61,580	39,95,506
<u>Statutory Payables</u> TDS and TCS payable	12,53,480	6,76,549
Other statutory dues payable	11,32,416	9,54,799
Total	70,47,476	56,26,854

13 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
<u>Provision for employee benefits</u> Gratuity and leave encashment	41,471	3,296
Total	41,471	3,296



Mangalam Brands Private Limited
Notes to Financial Statements for the year ended 31 March 2024

14 Revenue From Operations

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
(a) Sale of Products/ Services:		
- Local Sales	1,60,10,83,597	1,00,20,78,450
	1,60,10,83,597	1,00,20,78,450
Revenue from operations	1,60,10,83,597	1,00,20,78,450

13 Other Income

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
- Interest Income	1,25,090	-
- Others - carried at amortised cost		-
Total	1,25,090	-

15 Cost of material consumed

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Inventory at the beginning of the year	2,02,85,214	-
Add: Purchase	84,28,53,376	71,10,23,905
Less: Inventory at the end of the year	80,11,611	2,02,85,214
Total Cost of materials consumed	85,51,26,979	69,07,38,691

16 Changes in inventories of finished goods and work in progress

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Closing stock		
Work-in-progress	-	-
Finished goods	11,81,49,240	12,86,33,696
Stock in trade	-	6,54,223
Opening stock		
Work-in-progress	-	-
Finished goods	12,86,33,696	97,87,901
Stock in trade	6,54,223	-
Total	1,11,38,679	(11,95,00,018)



Mangalam Brands Private Limited
Notes to Financial Statements for the year ended 31 March 2024

17 Employee benefit expenses

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Salaries, wages and bonus	10,26,04,899	10,18,75,340
Contribution to provident and other funds	70,17,170	46,06,521
Gratuity & Leave expenses	13,28,130	8,22,523
Staff welfare expenses	30,35,494	5,32,322
Total	11,39,85,693	10,78,36,706

18 Finance cost

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Interest expenses	2,27,66,475	1,97,71,630
Bank charges	1,02,783	2,32,520
Total	2,28,69,258	2,00,04,150

19 Other expenses

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Manufacturing expenses:		
Consumption of stores and spare parts	(6,12,089)	59,55,372
Power and fuel	4,60,66,931	3,53,30,540
Advertisement Expenses	7,68,59,258	26,47,868
Consumption of packing materials	21,65,20,678	16,12,23,098
Warehouse Charges	1,89,74,228	60,55,914
Repairs and Maintenance:	-	-
- Building & others	19,00,957	25,94,897
- Machinery	91,03,094	2,51,917
Administrative and selling expenses:		
Insurance	11,89,692	11,66,612
Rates and taxes	89,16,180	30,08,747
Director sitting fees	-	-
Legal and professional fees	22,47,962	15,14,917
Miscellaneous expenses	11,06,53,116	2,43,31,999
Payment to auditor:		
<u>As auditors:</u>		
- Audit fee	30,000	30,000
- Tax audit fees	-	-
<u>In other capacity:</u>		
- Other services (certification fees)		
Freight and forwarding charges	4,55,74,120	3,15,61,554
Travelling & Conveyance Expenses	2,69,44,347	1,57,23,189
Total	56,43,68,474	29,13,96,624



Note 1: Corporate information

Mangalam Brands Private Limited ('the Company') (CIN no. U24100MH2020PTC339492) is a company domiciled in India and is incorporated on 21 April 2020 under the provisions of Companies Act applicable in India. Mangalam Brands Private Limited is a wholly owned subsidiary of Mangalam Organics Limited. The registered office of the Company is 812/813, Tulsiani Chambers, Free Press Journal Marg, 212 Nariman Point, Mumbai, Maharashtra - 400 021.

Note 2: Significant accounting policies and key accounting estimates and judgements

2.1 Basis of preparation

(i) Compliance with Indian Accounting Standards (Ind-AS)

The financial statements of the Company as at and for the year ended 31 March 2024 have been prepared and presented in accordance with Indian Accounting Standards ("Ind-AS") notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015], as amended from time to time and other relevant provisions of the Act and accounting principles generally accepted in India.

These financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective or elected for early adoption at the Company's annual reporting date, 31 March 2024.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis and on accrual basis, except financial assets and liabilities are measured at fair value or at amortised cost depending on classification.

(iii) Functional currency and rounding of amounts

The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the Company. All amounts disclosed in the financial statements and notes have been rounded-off to the nearest lakhs or decimal thereof as per the requirement of Schedule III, unless otherwise stated. Amount less than INR 500/- is presented as INR 0.00 lakhs.

2.2 Current and non-current classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act and Ind AS 1, *Presentation of Financial Statements*.

Assets:

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

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

Liabilities:

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



Current assets and liabilities include the current portion of non-current assets and liabilities, respectively. All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are always disclosed as non-current.

2.3 Use of estimates and judgements

The preparation of financial statements requires management of the Company to make estimates and assumptions that affect the reported assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognised prospectively in the current and future periods.

Following are the critical estimates:

(i) Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2.4 Impairment of non-financial assets

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

2.5 Taxes

Income tax expense comprises of current tax expense and deferred tax expense/benefit. Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity.

(i) Current income tax:

Current income tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the applicable income tax law. The current tax is calculated using tax rates that have been enacted or substantively enacted, at the reporting date, and any adjustment to tax payable in respect of previous years.

(ii) Deferred tax:

Deferred tax is recognized using the Balance sheet approach on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts.



Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be recovered or settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less.

2.7 Fair value measurement

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

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.

(i) Financial assets

(a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- those to be measured at amortized cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

(b) Initial recognition and measurement

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.



(c) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in below categories:

- Debt instruments at amortised cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI).
- Derivatives and equity instruments at fair value through profit or loss (FVTPL).
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

(d) De-recognition

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(e) Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a Group of financial assets is impaired. A financial asset or a Group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an expected 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a Group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

(ii) Financial liabilities

(a) Classification

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

(b) Initial recognition and measurement

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

(c) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:



Mangalam Brands Private Limited
Summary of significant accounting policies as at and for the year ended 31 March 2024

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

(d) De-recognition

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss.

(iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Note 3. Recent accounting pronouncements

The amendments in IND-AS are not expected to have any significant impact on company's financial statements.



Note 20 : Earnings per share (EPS)

Disclosure as required by Indian Accounting Standard (Ind AS) 33 Earnings Per Share

Particulars	As at 31 March 2024	As at 31 March 2023
Profit attributable to equity holders for basic and diluted EPS	199.76	30
Weighted average number of equity shares for basic and diluted	1,00,000	1,00,000
Basic and Diluted EPS	199.76	29.84

Note 21. Note Related Party Disclosures.

The following details give the information pursuant to Accounting Standard (AS) 18 " Related Party Disclosures".

[A] Key Management Personal (KMP)

1. Kamalkumar Dujodwala - Director
2. Pannkaj Dujodwala - Director

(a) Name of the Related Parties and the Nature of Relationship

Name of the Related Parties	Nature of Relationship
Manglam Organics Limited	Holding Company
Manglam Pooja Stores Private Limited	Fellow Subsidiary Company
Manglam Pooja Speciality Chemicals Private Limited	Fellow Subsidiary Company

(b) Details of Related Party transactions during the year ended 31st March, 2024

(Amount in Lakhs)

Name of Person/Entity	Relationship	Nature of Payment	Transaction during the year	
			C.Y.	P.Y.
Manglam Organics Ltd.	Holding Company	Purchase of goods	7,154.18	6,700.36
Manglam Organics Ltd.	Holding Company	Unsecured loans taken during the	-	997.24
Manglam Organics Ltd.	Holding Company	Interest paid on unsecured loan	129.72	91.55
Manglam Organics Ltd.	Holding Company	Sales of goods	177.44	792.76
Manglam Pooja Stores Private Limited	Fellow Subsidiary Company			

Name of Person/Entity	Relationship	Nature of Payment	Closing balance	
			As at 31 March 24	As at 31 March 23
Manglam Organics Ltd.	Holding Company	Equity investment	10.00	10.00
Manglam Organics Ltd.	Holding Company	Corporate guarantee	3,800.00	3,800.00
Manglam Organics Ltd.	Holding Company	Unsecured loans	1,500.00	1,500.00
Manglam Organics Ltd.	Holding Company	Trade payable	3,077.07	1,598.17

Note 22 : Other significant notes

(i) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(ii) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

(iii) The Company does not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

(iv) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

(v) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) The Company has not advanced any fund to any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the person or entity shall :

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
- (b) provide any guarantee, security or the like on behalf of the Company,

(viii) The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.



Mangalam Brands Private Limited

Notes to financial statements for the year ended 31st March 2024

(All amounts in Rs. lakhs, unless otherwise stated)

Note 23: Employee Benefits

a) Defined contribution plan

The Company has recognised provident fund & other fund contribution of Rs. 70.17 Lakhs (previous period: Rs 46.07 Lakhs) in the Statement of Profit and Loss under the head Company's contribution to provident fund.

b) Defined benefit plan- Gratuity Benefits (unfunded)

Description of the Gratuity Plan:

The Company is statutorily required to provide for gratuity a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement, death, incapacitation, termination of employment, of amounts that are based on salaries and tenure of the employees. The gratuity liability is not funded by the company.

Present Liability of Gratuity is accounted based on actuarial valuation done by a professional actuary.

	For the year ended 31-Mar-23	For the year ended 31-Mar-23
I. Actuarial assumptions :		
Discount Rate	7.50%	7.50%
Future Salary Rise**	7.00%	7.00%
** The Estimates of future salary increases considered in actuarial valuation, take account of inflation,		
II. Table showing change in Benefit Obligation:		
Liability at the beginning of the period	8,22,523	-
Current service cost	12,66,564	8,22,523
Interest Cost	61,566	-
Actuarial (gain) loss on Obligation	(89,100)	-
Benefits Paid	-	-
Opening Liability recognised during the year		
Liability at the end of the period	20,61,553	8,22,523
III. Fair Value of Plan Assets:		
Opening fair value of assets	-	-
Expected return	-	-
Actuarial gain and (losses)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Opening plan assets recognised	-	-
Closing balance of fund	-	-
IV. Actual Return on Plan Assets:	-	-
V. Amount Recognised in the Balance Sheet:		
Liability at the end of the period	20,61,553	8,22,523
Fair value of plan assets at the end of the period	-	-
Difference	20,61,553	8,22,523
Unrecognised past service cost	-	-
Amount recognised in the balance sheet - Liability	20,61,553	8,22,523
VI. Percentage of each category of Plan assets to total fair value of Plan Assets.	-	-
VII. Expenses Recognised in the Statement of Profit & Loss:		
Current service cost	12,66,564	8,22,523
Interest Cost	61,566	-
Expected return on plan assets	-	-
Other Comprehensive Income	(89,100)	-
Opening Liability Recognised	-	-
Expense recognised in statement of profit & loss	12,39,030	8,22,523



Note 24 : Key Financial Ratios

Note 24 : Key Financial Ratios										
Ratio	Numerator	Year ended 31st March 2024	Year ended 31st March 2023	Denominator	Year ended 31st March 2024	Year ended 31st March	Year ended 31st March	Year ended 31st March	Year ended 31st March	Reason for Variance
Current ratio	Current Assets	3,082.85	2,622.80	Current Liabilities	4,229.41	2,287.20	0.73	1.15		
Debt equity ratio	Total Debt	6,352.03	5,047.50	Total Equity	183.95	(15.81)	34.53	(319.24)	1.37	
Debt service coverage ratio	Profit before exceptional items & tax (+) interest expenses (+) depreciation & amortisation (-) current tax Net Profits after taxes (including continuing and discontinuing operations) (-) Interest on Perpetual securities	565.89	316.06	Interest expense (+) scheduled principal repayment of longterm debt and lease liabilities during the period	682.63	230.32	0.83	(0.97)		
Return on equity ratio		199.76	29.84	Average Shareholder's Equity	84.07	(30.73)	2.38			
Inventory turnover ratio (No. of Days)	Average Inventories (X) number of days	1,638.47	912.99	Cost of material consumed	8,551.27	6,907.39	69.94	0.13		
Trade receivables turnover ratio (No. of Days)	Average receivable (X) number of days	917.98	309.79	Gross Sales	16,010.84	10,020.78	20.93	0.03		
Trade payables turnover ratio (No. of Days)	Average trade payable (X) number of days	2,886.03	1,121.23	Net credit purchases	8,428.53	7,110.24	124.98	0.16		
				Working capital = Current assets (-) Current liabilities	(1,146.56)	335.59	(13.96)	29.86		
Net capital turnover ratio	Revenue from operation	16,010.84	10,020.78		16,010.84	10,020.78	0.01	0.00		
				Revenue						
Net profit ratio	Net Profit after Tax (excluding exceptional item)	199.76	29.84							
				Average Capital employed (Shareholder's equity + Total Debt + Deferred tax liability)	5,783.83	3,624.81	0.08	0.01		
Return on capital employed	Profit before tax and exceptional item	455.71	30.28							
				Average Capital employed (Shareholder's equity + Total Debt + Deferred tax liability)	5,783.83	3,624.81	0.07	0.06		
Pre tax	(+) interest expense	428.45	229.88							
	Profit after tax and exceptional item + interest expense									
Post Tax										

Note 25: Post reporting date events

No adjusting or significant non-adjusting events have occurred between 31 March 2024 and the date of authorisation of these Financial Statements.

Note 26 : Authorization of financial statements

The financial statements for the year ended 31 March 2023 were approved by the board of directors on 29 May 2024.

As per our report of even date

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

Bhupendra Gandhi
Partner
Mem. No.- 122296
Place: Mumbai
Dated: 29 May, 2024



For and on behalf of board of directors

Director

Ph B. B. B.

Director