

Dated: 23.08.2019

To

Corporate Relationship Department
BSE Limited
1st Floor, New Trading Ring, Rotunda Building
P J Towers, Dalal Street, Fort,
Mumbai – 400 001

Scrip Code - 539400

Dear Sir/Madam,

Sub: Submission of 35th Annual Report for FY 2018-2019

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the 35th Annual Report of Mallcom (India) Limited for the Financial Year 2018-2019.

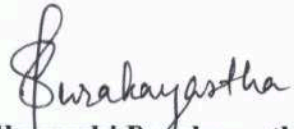
The same will be available on the Company's website at www.mallcom.in.

This is for your information and record.

Thanking you,

Yours truly,

For Mallcom (India) Limited


Shuvanki Pufakayastha
Company Secretary

Encl: 35th Annual Report for FY 2018-19

**35TH
ANNUAL REPORT
2018-2019**

35
YEARS

mallcom 

GROWTH IS THE ONLY CONSTANT.



Values of Mallcom

COIN

COMMITMENT OWNERSHIP INTEGRITY



We live to give back -
sponsoring athletes,
creating a greener earth,
promoting girl child education
and many more



Ajay Kumar Mall

MD, Mallcom (India) Ltd.



Mehuli Ghosh
10m Air Rifle



Manasi Joshi
Para-Badminton



Biomass



Solar Power



Girl Child Education

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CORPORATE INFORMATION

Board of Directors

Ajay Kumar Mall, Chairman & Managing Director

Giriraj Mall, Non-Executive Director

R. P. Singh, Non-Executive Independent Director

Barsha Khattry, Non-Executive Independent Director

Chief Financial Officer

Shyam Sundar Agrawal

Company Secretary

Shuvanki Purakayastha

Auditors

S. K. Singhanian & Co.

19A, Jawaharlal Nehru Road, Kolkata -700 087

Registrar & Share Transfer Agent

Niche Technologies Pvt. Ltd.

3A Auckland Place, 7th Floor

Room No. 7A & 7B, Kolkata- 700017

Ph: (033) 2280 6616 / 17 / 18; Fax: (033) 2280 6619

Email: nichetechpl@nichetechpl.com

Registered Office

Mallcom Tower, EN-12, Sector-V, Salt Lake City

Kolkata -700091

Corporate Identity Number

L51109WB1983PLC037008



Works

- 1) Plot No. 1665 & 1666, Zone-9
Kolkata Leather Complex
Bantala, 24 Parganas (South)
- 2) 34B & C, C. N. Roy Road
Kolkata - 700039
- 3) Plot No. 35 & 36, Sector-1
FSEZ, Falta
24 Parganas (South)
- 4) Plot No. 32, Sector-3A
Integrated Industrial Estate
Haridwar, Uttrakhand



Bankers

Citibank N.A.
Standard Chartered Bank
State Bank of India
United Bank of India
ICICI Bank
Axis Bank Limited



DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Thirty-Fifth Annual Report on the business and operation of the company together with Audited Statement of Accounts for the year ending 31st March, 2019.

₹ in Lakhs

Particulars	Consolidated		Standalone	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Total Revenue	30097.49	24876.52	30094.04	24910.98
Profit Before Tax (PBT)	2269.00	1354.14	2174.43	1496.48
Provision for Tax	782.01	509.60	766.02	513.99
Profit After Tax (PAT)	1499.11	844.54	1408.37	982.49
Other Comprehensive Income (Net of Tax)	75.84	3.07	75.84	3.07
Total Comprehensive Income for the period	1574.95	847.61	1484.21	985.56
Appropriations				
Transfer to General Reserve	1400.00	825.00	1400.00	825.00
Dividend	-	124.80	-	124.80
Dividend Distribution Tax	-	25.65	-	25.65
Surplus carried to the next year's account	[347.26]	[517.69]	120.41	22.72

OVERVIEW OF COMPANY PERFORMANCE

Over the last couple of Years, Mallcom has shifted its focus to improve its profitability, introduce newer and better products in the market, and build a universal brand for superior quality products. During the year under consideration your company continuing with focus on strengthening its front end operations, has achieved a Standalone Income of ₹ 30094.04 Lakhs and profit after tax of ₹ 1408.37 Lakhs as against ₹ 24,910.98 Lakh and ₹ 982.49 Lakh respectively for the previous year. The Consolidated Income and Profit after tax of the company for the year was ₹ 30097.49 Lakh and ₹ 1499.11 Lakh as against ₹ 24,876.52 Lakh and ₹ 844.54 Lakh respectively for the previous year.

SHARE CAPITAL

The paid-up Equity Share Capital as at March 31 st, 2019 was ₹ 624.00 Lakhs. During the year under review, the company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.



EBIDTA & Net Profit Growth



Leather Complex unit, Bantala

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

There have been no material changes and/or commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financials relate.

CHANGE IN NATURE OF BUSINESS

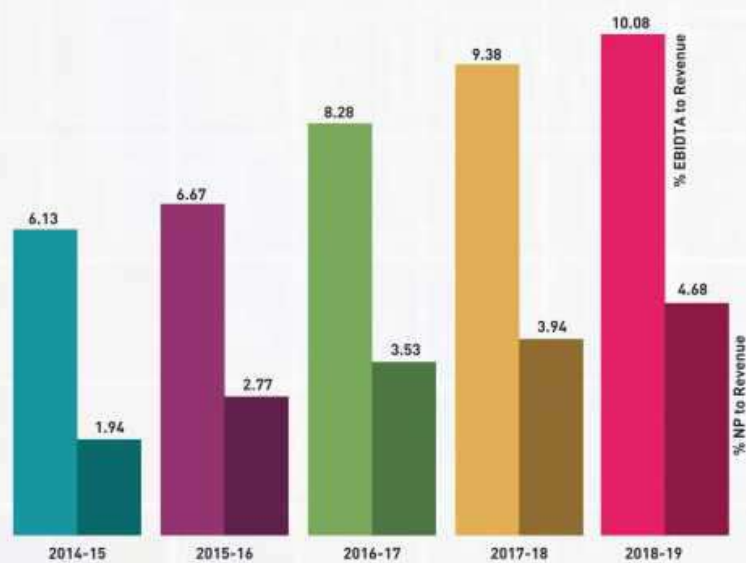
There has been no change in the nature of business of the company. Your company continues to be one of the leading Personal Protective Equipment (PPE) brands in the country.

DIVIDEND

Your Board has recommended dividend of ₹ 2.00 per share for the financial year ended 31st March, 2019 i.e., 20% on an Equity Share of ₹ 10 each. The dividend, if approved by the shareholders at the ensuing Annual General Meeting, shall be paid to those shareholders whose names appear in the Register of Members as on the Book Closure Date. Total dividend of 20% for the year 2018-19 would absorb ₹ 124.80 Lakhs exclusive of dividend tax.

TRANSFER TO RESERVE

Your Company has transferred an amount of ₹ 1400.00 Lakhs to the General Reserve for the financial year ended March 31st, 2019.



EBIDTA & Net Profit % Revenue

TRANSFER OF UNPAID AND UNCLAIMED AMOUNT TO IEPF

Pursuant to the provision of Section 124(5) of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend/unclaimed amount is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of Companies Act, 2013. During the year under review the unclaimed dividend for the financial 2010-11 has been transferred to IEPF within its respective due date.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis forms part of this annual report and is annexed to this report.

CORPORATE GOVERNANCE

The Company is committed to adopt good corporate governance practices. The report on Corporate Governance for the financial year ended March 31st 2019, as per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms a part of this Annual Report. The requisite Certificate from Practicing Company Secretary for confirming the compliance with the conditions of Corporate Governance is annexed to this Report.

SUBSIDIARY COMPANIES

The Company is having two subsidiary companies namely Mallcom VSFT Gloves Pvt. Ltd. and Mallcom Safety Pvt. Ltd. The Company regularly monitors the performance of these companies.

The Company shall make available the annual accounts of the subsidiary companies to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the registered office of the Company. Further, the annual accounts of the subsidiaries are also available on the website of the Company www.mallcom.in. The consolidated financial statement presented by the Company includes the financial results of its subsidiary companies.

Pursuant to the provision of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statement of the aforesaid Subsidiaries, in Form AOC-1, is annexed herewith as Annexure - A of this report.

The policy for determining material subsidiaries as approved may be accessed from the Company website at the www.mallcom.in.

EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 in compliance with Section 92 of the Companies Act, 2013

read with applicable Rules made thereunder is annexed herewith as **Annexure-B**. The extract of Annual Return may be accessed from the Company website at www.mallcom.in.



Earnings Per Share Trend



Automatic processing plant at FSEZ, Falta

AUDITORS STATUTORY AUDITORS

Pursuant to Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 the members of the Company in its 32nd Annual General Meeting approved the appointment of M/s. S. K. Singhania & Co., Chartered Accountants, as the Statutory Auditors of the Company to hold office until the conclusion of 36th AGM.

The Report given by M/s. S. K. Singhania & Co., Chartered Accountants, on the financial statements of the Company for the financial year 2018-19 forms part of this Annual Report. There is no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had appointed Ms. Anju Agarwal, Company Secretary in whole-time practice to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit report forms part of this Report as **Annexure – C-1**. The Secretarial Audit Report does not contain any qualification, reservation and adverse remark.



Book Value Per Share Trend

Further, pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Audit Reports of the Companies material unlisted subsidiaries for the financial year 2018-19 forms part of this Report as **Annexure – C-2**.

Further, pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Annual Secretarial Compliance Report of the Company for the financial year 2018-19 form part of this Report as **Annexure – C-3**.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of Companies Act, 2013 read with rules made there under, the Directors have constituted a Corporate Social Responsibility Committee. As part of its initiative under Corporate Social Responsibility, the company has contributed for the purpose of scheme as provided in CSR Policy. The CSR Policy may be accessed on the Company's website at www.mallcom.in and further details about the initiatives taken by the Company on CSR during the year under review have been appended in **Annexure - D** to this Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy may be accessed on the Company's website www.mallcom.in.

RISK MANAGEMENT

Risk Management has always been an integral part of the corporate strategy which complements the organizations capabilities with business opportunities, robust planning and execution. A key factor in sustainable value is the risk that the company is willing to take and its ability to manage them effectively. In line with new regulatory requirements, the Company has framed a Risk Management Policy to identify the key risk areas, monitor and report compliance and effectiveness. Appropriate actions pursuant to the Policy from time to time are taken to mitigate adverse impact of various Risks which may adversely affect the performance of the Company.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Board of Directors in consonance with the recommendation of Nomination and Remuneration Committee (NRC) has adopted a terms of reference which, inter alia, deals with the manner of selection of Director and Key Managerial Personnel of the Company. The NRC recommends appointment of Director, Chief Executive Officer and Manager based on their qualifications, expertise, positive attributes and independence in accordance with prescribed provisions of the Companies Act, 2013 and rules framed there under. The NRC is responsible for identifying and recommending persons who are qualified to become directors or part of senior management of the Company. Remuneration Policy for the members of the Board and Executive Management has been framed,



Shareholders Fund



Performance of Kulle Khan from 35th Annual Day

the said policies earmark the principles of remuneration and ensure a well balanced and performance related compensation package taking into account shareholders' interest, industry practices and relevant corporate regulations in India.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Articles of Association of the company, Mr. Giriraj Kumar Mall (DIN 01043022), Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

All Independent directors have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.

During the year under review, the following changes took place in the Board of Directors:

- a) Mr. Ajay Kumar Mall was re-appointed as Managing Director & Chief Executive Director ('CEO') for a period of 5 years.
- b) Mr. Giriraj Kumar Mall re-appointed as Non-Executive Non-Independent Director.
- c) Dr. Barsha Khattry and Ravindra Pratap Singh were re-appointed as Independent Directors of the Company for a period of 5 years.



Reserves & Surplus

A Certificate of Non-Disqualification of Directors, pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 obtained from Ms. Anju Agarwal, Practicing Company Secretary has been annexed as **Annexure – E** of this report.

MEETINGS

The Board met four times during the year, the details of which are given in the Corporate Governance Report. The intervening gap between the Meeting was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

The Particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 are given in the notes to the Financial Statements.

CODE OF CONDUCT

The Company's code of conduct is based on principle that business should be conducted in a professional manner with honesty and integrity and thereby enhancing the reputation of the Company. The Code ensures lawful and ethical conduct in all affairs and dealings of the Company.

BOARD EVALUATION

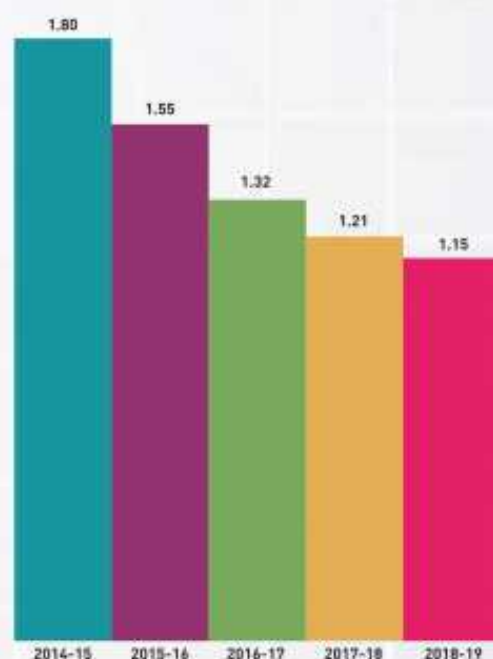
As per the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the formal annual evaluation was carried out for the Board's own performance, its committee & Individual directors. The manner and detail in which evaluation was carried out is stated in the Corporate Governance Report which is annexed and forms a part of this report.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and the provision of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in form AOC-2 in terms of Section 131 of the Companies Act, 2013 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel.

The Company has formulated a policy on dealing with Related Party transaction. The Policy is disclosed on its website www.mallcom.in.

The details of related party disclosure under the relevant accounting standard from part of the notes to the financial statement provided in the annual report.



Debt-Equity Ratio Stabilisation



Best stall award in OSH Hyderabad, 2019

PARTICULARS OF EMPLOYEES

Your Company has no employee of the category as specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Disclosure pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 read with Rules 5 (1) of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure - F**.

CREDIT RATING

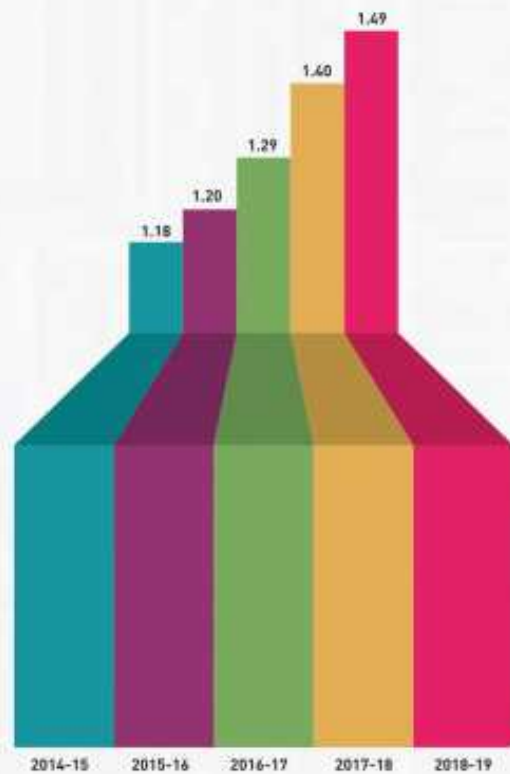
During the year under review, the company has been assigned Long Term Rating of **ICRA BBB+** with a stable outlook by ICRA Limited.

DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARRASMENT OF WOMEN AT WORKPALCE (PREVENTION, PROHIBITION AND REDRESSAL), ACT, 2013.

The Company's policy on prevention of sexual harassment of women provides for the protection of women employees at the workplace and for prevention and redressal of complaints. There were no complaints received during the financial year.

DEPOSIT

During the financial year under review, the company did not accept any deposit covered under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.



Current Ratio Improvement

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details of the internal control system and adequacy are covered in Management Discussion and Analysis Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual accounts for the year ended 31st March, 2019 the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the company that are adequate and were operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of the applicable laws and these are adequate and are operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies [Accounts] Rules, 2014, is annexed herewith as **Annexure - G**.

SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATION

There were no significant and material order passed by the Regulators or Courts or Tribunal during the year impacting the going concern status and the operations of the Company in future.

ACKNOWLEDGEMENT

Your Directors wishes to place on record their sincere appreciation to employee at all level for their hard work, dedication and commitment towards Company's operations and performance. Your Directors also wish to place on record their gratitude for the valuable assistance and co-operation extended to the Company by the Central Government, State Governments, banks, institutions, investors and customers.

Date: May 25th, 2019

Place: Kolkata

For and behalf of the Board

Ajay Kumar Mall
Chairman, Managing Director & CEO
(DIN: 00470184)

Annexure B

FORM NO.MGT 9 EXTRACT OF ANNUAL RETURN

as on financial year ended on March 31 st, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS :

i	CIN	L51109WB1983PLC037008
ii	Registration Date	13th December,1983
iii	Name of the Company	Mallcom (India) Limited
iv	Category/Sub-category of the Company	Public Company /Limited by shares
v	Address of the Registered office & contact details	"EN-12, Sector-V, Salt Lake City, Kolkata-700091 Tel: +91 33 401 61 000, Fax:+91 33 401 61 010 Website: www.mallcom.in"
vi	Whether listed company	Yes / No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	"Niche Technologies Private Limited 3A Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata - 700017

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl No.	Name & Description of main products/services	NIC Code of the products/service	% to total turnover of the company
1	Manufacturer of Personnel Protective Equipment.	265	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	"Mallcom Safety Pvt. Ltd. Add: EN-12, Sector-V, Salt Lake City, Kolkata-700091 .	U19200WB2007PTC120303	Subsidiary	99.99	2(87)
2	Mallcom VSFT Gloves Pvt. Ltd. Add: EN-12, Sector-V, Salt Lake City, Kolkata-700091 .	U74999WB2006PTC109074	Subsidiary	99.80	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	1363020	-	1363020	21.843	1363020	-	1363020	21.843	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	3192166	-	3192166	51.157	3242142	-	3242142	51.957	0.801
e) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	4555186	-	4555186	73.000	4605162	-	4605162	73.801	0.801
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	4555186	-	4555186	73.000	4605162	-	4605162	73.801	0.801
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
c) Central Governments	-	-	-	-	-	-	-	-	-
d) State Governments	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors (FII)	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	81028	100	81128	1.300	30684	100	30784	0.493	-0.807
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	169168	28835	198003	3.173	190845	24485	215330	3.451	0.278
ii) Individual shareholders holding nominal share capital in excess of Rs 1	50000	-	50000	0.801	40000	-	40000	0.641	-0.160
c) Others Specify									
1. NRI	1305726	-	1305726	20.925	1299313	-	1299313	20.822	-0.103
2. Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
3. Foreign Nationals	46950	-	46950	0.752	46950	-	46950	0.752	-
4. Clearing Members	3007	-	3007	0.048	2461	-	2461	0.039	-0.009
5. Trusts	-	-	-	-	-	-	-	-	-
6. Foreign Bodies - D.R.	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	1655879	28935	1684814	27.000	1610253	24585	1634838	26.199	-0.801
Total Public Shareholding (B) = (B)(1)+(B)(2)	1655879	28935	1684814	27.000	1610253	24585	1634838	26.199	-0.801
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	6211065	28935	6240000	100.000	6215415	24585	6240000	100.000	0.000

ii. Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in share - holding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Ajay Kumar Mall	1025320	16.431	-	1025320	16.431	-	-
2	Anmol Component Pvt. Ltd.	-	-	-	50000	0.801	-	0.801
3	Chaturbujh Impex Pvt. Ltd.	104700	1.678	-	104700	1.678	-	-
4	Dnb Exim Private Ltd	85300	1.367	-	85300	1.367	-	-
5	Giriraj Mall	49300	0.790	-	49300	0.790	-	-
6	Kadambini Securities Private Ltd	2189606	35.090	-	2189606	35.090	-	-
7	Karani Dan Mall (Huf)	500	0.008	-	500	0.008	-	-
8	Kiran Devi Mall	28600	0.458	-	28600	0.458	-	-
9	Mallcom Holdings Pvt. Ltd.	613600	9.833	-	613600	9.833	-	-
10	Movers Constructions Private Ltd	78000	1.250	-	83976	1.346	-	0.096
11	Preeti Mall	4400	0.071	-	4400	0.071	-	-
12	Rohit Mall	3200	0.051	-	3200	0.051	-	-
13	Sanjay Kumar Mall	6500	0.104	-	6500	0.104	-	-
14	Sunita Mall	149200	2.391	-	149200	2.391	-	-
15	Surabhi Mall	96000	1.538	-	96000	1.538	-	-
16	SSR Enterprises Pvt. Ltd. (formerly Vikram Traders Pvt. Ltd.)	120960	1.938	-	114960	1.842	-	-0.096
	TOTAL	4555186	73.000	-	4605162	73.801	-	0.801

iii. Change in Promoter's Shareholding

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	AJAY KUMAR MALL				
	a) At the Beginning of the Year	1025320	16.431	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	1025320	16.431
2	ANMOL COMPONENT PRIVATE LIMITED				
	a) At the Beginning of the Year	-	-	-	-
	c) At the End of the Year	-	-	50000	0.801
3	CHATURBUJH IMPEX PRIVATE LIMITED				
	a) At the Beginning of the Year	104700	1.678	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	104700	1.678
4	DNB EXIM PRIVATE LIMITED				
	a) At the Beginning of the Year	85300	1.367	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	85300	1.367
5	GIRIRAJ MALL				
	a) At the Beginning of the Year	49300	0.790	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	49300	0.790
6	KADAMBINI SECURITIES PRIVATE LIMITED.				
	a) At the Beginning of the Year	2189606	35.090	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	2189606	35.090
7	KARANI DAN MALL (HUF)				
	a) At the Beginning of the Year	500	0.008	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	500	0.008
8	KIRAN DEVI MALL				
	a) At the Beginning of the Year	28600	0.458	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	28600	0.458
9	MALLCOM HOLDINGS PRIVATE LIMITED				
	a) At the Beginning of the Year	613600	9.833	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	613600	9.833

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Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	MOVERS CONSTRUCTIONS PRIVATE LTD				
	a) At the Begining of the Year	78000	1.250	-	-
	b) Changes during the year	-	-	-	-
	Date Reason				
	28/12/2018 Transfer	5792	0.093	83792	1.343
	04/01/2019 Transfer	182	0.003	83974	1.346
	11/01/2019 Transfer	2	0.000	83976	1.346
	c) At the End of the Year	-	-	83976	1.346
11	PREETI MALL				
	a) At the Beginning of the Year	4400	0.071	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	4400	0.071
12	ROHIT MALL				
	a) At the Beginning of the Year	3200	0.051	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	3200	0.051
13	SANJAY KUMAR MALL				
	a) At the Beginning of the Year	6500	0.104	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	6500	0.104
14	SUNITA MALL				
	a) At the Beginning of the Year	149200	2.391	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	149200	2.391
15	SURABHI MALL				
	a) At the Beginning of the Year	96000	1.538	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	96000	1.538
16	VIKRAM TRADERS PRIVATE LIMITED				
	a) At the Begining of the Year	120960	1.938	-	-
	b) Changes during the year	-	-	-	-
	Date Reason				
	21/12/2018 Transfer	-6000	0.096	114960	1.842
	c) At the End of the Year	-	-	114960	1.842
	TOTAL	4555186	73.000	4605162	73.801

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs):

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ANMOL COMPONENT PRIVATE LIMITED				
	a) At the Beginning of the Year	50000	0.801	-	-
	c) At the End of the Year	-	-	-	-
2	ARUN KHERA				
	a) At the Beginning of the Year	7515	0.120	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	7515	0.120
3	HEINRICH GERARDUS CRAMER				
	a) At the Beginning of the Year	46950	0.752	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	46950	0.752
4	JAY KUMAR DAGA				
	a) At the Beginning of the Year	1303213	20.885	-	-
	b) Changes during the year	-	-	-	-
	Date Reason				
	14/09/2018 Transfer	-4719	0.076	1298494	20.809
	c) At the End of the Year	-	-	1298494	20.809
5	KHETBAI NARSHI GADA				
	a) At the Beginning of the Year	7004	0.112	-	-
	b) Changes during the year	-	-	-	-
	Date Reason				
	03/08/2018 Transfer	-1004	0.016	6000	0.096
	17/08/2018 Transfer	-5124	0.082	876	0.014
	c) At the End of the Year	-	-	876	0.014
6	MANGLA SHANTILAL GADA				
	a) At the Beginning of the Year	8591	0.138	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	8591	0.138
7	PLUTUS CAPITAL MANAGEMENT LLP				
	a) At the Beginning of the Year	29530	0.473	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	29530	0.473
8	S N GADA				
	a) At the Beginning of the Year	8342	0.134	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	8342	0.134

v. Shareholding of Directors and Key Managerial Personnel

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	AJAY KUMAR MALL				
	a) At the Beginning of the Year	1025320	16.431	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	1025320	16.431
2	GIRIRAJ MALL				
	a) At the Beginning of the Year	49300	0.790	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	49300	0.790
	TOTAL	1074620	17.221	1074620	17.221

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i.e, 01.04.2018				
i) Principal Amount	449,378,792	-	-	449,378,792
ii) Interest due but not paid	1,235,886	-	-	1,235,886
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	450,614,678	-	-	450,614,678
Change in Indebtedness during the financial year				
Additions	1,347,868,230	-	-	1,347,868,230
Reduction	1,451,473,018	-	-	1,451,473,018
Net Change	(103,604,788)	-	-	(103,604,788)
Indebtedness at the end of the financial year i.e, 31.03.2019				
i) Principal Amount	452,939,232	-	-	452,939,232
ii) Interest due but not paid	1,459,154	-	-	1,459,154
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	454,398,386	-	-	454,398,386

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	395,242	1,053,000	1,448,242
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	395,242	1,053,000	1,448,242

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

The details of penalties, punishments, compounding of offences for the year ended March 31, 2019 are as follows :

Type	Section of the Companies Act	Brief description	Details of penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made if any (give details)
1. COMPANY					
PENALTY	-	-	-	-	-
PUNISHMENT	-	-	-	-	-
COMPOUNDING	-	-	-	-	-
2. DIRECTORS					
PENALTY	-	-	-	-	-
PUNISHMENT	-	-	-	-	-
COMPOUNDING	-	-	-	-	-
3. OTHER OFFICER IN DEFAULT					
PENALTY	-	-	-	-	-
PUNISHMENT	-	-	-	-	-
COMPOUNDING	-	-	-	-	-

For and on behalf of the Board

Ajay Kumar Mall
 Managing Director & CEO
 [DIN:00470184]

Place: Kolkata
 Date: May 25th, 2019

Annexure C-1

Form No. MR-3

Secretarial Audit Report

For the financial year 1st April, 2018 to 31st March, 2019

[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]

To,
The Members
Mallcom (India) Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mallcom (India) Ltd. [hereinafter called "**the Company**"]. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Mallcom (India) Ltd. 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019 ('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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31 March 2019 according to the provisions of:

- (i) The Companies Act, 2013 (**The Act**) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (till November 9, 2018); **Not applicable during the review period**
 - d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 9, 2018); **Not applicable during the review period**
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not applicable during the review period**
 - f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable during the review period**
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable during the review period** and
 - i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable during the review period; **Not applicable during the review period**

lvii. Other Law applicable to the Company namely:

- a) Factories Act, 1948;
- b) Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution, welfare, provident fund, insurance, compensation etc.;
- c) Industries (Development & Regulation) Act, 1991;
- d) Acts and Rules prescribed under prevention and control of pollution;
- e) Acts and Rules relating to environmental protection and energy conservation;
- f) Acts and Rules relating to hazardous substances and chemicals;
- g) Acts and Rules relating to electricity, fire, petroleum, motor vehicles, explosives, boilers etc.;
- h) Other local laws as applicable to various plants and offices.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director and Independent Directors.

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 clarification on the agenda items before the meeting and for meaningful participation at the meeting. All decisions are carried out unanimously as recorded in the minutes of the Meeting.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that there were no other instances having a major bearing on the company's affairs, under above referred laws, rules, regulations, guidelines, standards etc.

During the period under review I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for the compliances under other applicable Acts, Laws and Regulations to the Company.

Anju Agarwal
Company Secretary in Practice

Place: Howrah
Date: 25th May, 2019

Proprietor
CP No.: 14376

Annexure C-2

Form No. MR-3

Secretarial Audit Report

For the financial year 1st April, 2018 to 31st March, 2019

[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]

To,

The Members

MALLCOM SAFETY PRIVATE LIMITED

[Material Unlisted Subsidiary of Listed Entity Mallcom (India) Limited]

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MALLCOM SAFETY PRIVATE LIMITED** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019 ('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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31 March 2019 according to the provisions of:

- (i) The Companies **Act, 2013** (The Act) and the Rules made there under;
- (ii) The Securities Contracts [Regulation] Act, 1956 ('SCRA') and the rules made thereunder; **Not applicable**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. **Not applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**'): **Not applicable**
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (till November 9, 2018);
 - d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 9, 2018);
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable during the



To,
The Members,
MALLCOM SAFETY PRIVATE LIMITED

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

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes 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. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Kolkata
Date: 25th May, 2019

Twinkle Pandey
Company Secretary in Practice
M.No.: A49208
CP No.: 22187

Form No. MR-3**Secretarial Audit Report****For the financial year 1st April, 2018 to 31st March, 2019**

[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]

To,

The Members

MALLCOM VSFT GLOVES PRIVATE LIMITED

(Material Unlisted Subsidiary of Listed Entity Mallcom (India) Limited)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MALLCOM VSFT GLOVES PRIVATE LIMITED** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019 ('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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31 March 2019 according to the provisions of:

- (i) The Companies **Act, 2013** (The Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not applicable**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. **Not applicable**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): **Not applicable**
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (till November 9, 2018);
 - d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 9, 2018);
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable during the review period;
- (vi) Other Law applicable to the Company namely:

- a) Factories Act, 1948;
- b) Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution, welfare, provident fund, insurance, compensation etc.;
- c) Industries (Development & Regulation) Act, 1991;
- d) Acts and Rules prescribed under prevention and control of pollution;
- e) Acts and Rules relating to environmental protection and energy conservation;
- f) Acts and Rules relating to hazardous substances and chemicals;
- g) Acts and Rules relating to electricity, fire, petroleum, motor vehicles, explosives, boilers etc.;
- h) Other local laws as applicable to various plants and offices.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director and Independent Directors.

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 clarification on the agenda items before the meeting and for meaningful participation at the meeting. All decisions are carried out unanimously as recorded in the minutes of the Meeting.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that there were no other instances having a major bearing on the company's affairs, under above referred laws, rules, regulations, guidelines, standards etc.

During the period under review I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for the compliances under other applicable Acts, Laws and Regulations to the Company.

Place: Kolkata
Date: 25th May, 2019

Twinkle Pandey
Company Secretary in Practice
M.No.: A49208
CP No. 22187

To,
The Members,
MALLCOM VSFT GLOVES PRIVATE LIMITED

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

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes 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. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Kolkata
Date: 25th May, 2019

Twinkle Pandey
Company Secretary in Practice
M.No.: A49208
CP No.: 22187

Annexure C-3

SECRETARIAL COMPLIANCE REPORT FOR THE YEAR ENDED 31ST MARCH, 2019

[Pursuant to requirements of Regulation 24A of the Listing Regulation]

To
The Members
Mallcom (India) Ltd.

I, ANJU AGARWAL, practicing Company Secretary have examined:

- (a) all the documents and records made available to me and explanation provided by Mallcom (India) 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 31st March, 2019 ["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, 2009 (till November 9, 2018); Not applicable during the review period
- (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 9, 2018); Not applicable during the review period
- (d) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (e) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable during the review period
- (f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not applicable during the review period
- (g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable during the review period
- (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; Not applicable during the review period
- (i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- (k) Any other regulations, circular etc issued by SEBI applicable to the Company.

and based on the above examination, I hereby report that, during the Review Period:

- a) The Listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr.No	Compliance Requirement (Regulations/circulars /guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
None			

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.

- c) The following are the details of actions taken against the listed entity / 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.
None				

- 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 31.03.2019	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable				

Place: Howrah
Date: 25th May, 2019

Anju Agarwal
Company Secretary in Practice
Proprietor
CP No.: 14376

Annexure D

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES FOR THE FINANCIAL YEAR 2018-19

[Pursuant to Section 135 of the Companies Act, 2013 Read with Companies (Corporate Social Responsibility Policy), Rules, 2014]

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

Corporate Social Responsibility is strongly connected with the principles of sustainability; an organization should make decision not only on financial factors, but also considering the social and environmental consequences. As a corporate citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the people, society and the environment for inclusive growth of the society where we operates. Company aims to continue its efforts to build on its tradition of social responsibility to empower people and deepen its social engagements.

The company understands the needs for promoting education, growth and development of children from lower socio-economic section of society and has also contributed to promote Olympic Sports during the financial year 2018-19.

The Corporate Social Responsibility (CSR) Committee has formulated and recommended to the Board, this Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website www.mallcom.in.

2. The composition of the CSR Committee:

We have CSR Committee of the Board of Directors who oversees the CSR undertakings to ensure that the CSR objectives are met. Our CSR Committee Comprises of:-

- Mr. Ajay Kumar Mall , Managing Director - Chairman
- Giriraj Kumar Mall, Non-Executive Director - Member
- Dr. Barsha Khattry, Non-Executive Independent Director - Member

3. Average Net Profit of the company for the last three Financial Year and prescribed CSR expenditure:

Section 135 of the Companies Act, 2013 and rules made there under prescribes that every company having a net worth of rupees 500 Crores or more, or turnover of rupees 1000 Crores or more or a net profit of rupees 5 Crores or more during any financial year shall ensure that the Company spends, in every financial year atleast 2% of the average net profit made during the three immediately preceding financial years, in pursuance of its CSR Policy. The provisions pertaining to corporate social responsibility ('CSR') as prescribed under the Companies Act, 2013 are applicable to the Company.

(₹ in Lakhs)

Particulars	Amounts
Average net profit of the Company for last three financial years	1,085.40
Prescribed CSR Expenditure (2% of the average net profit)	21.40
Details of CSR expenditure during the financial year :	
Total amount to be spent for the financial year	21.40
Amount Spent	35.94
Unspent Amount	-

ANNUAL REPORT 2018-2019

4. Prescribed CSR expenditure (two percent of the amount as in item 3 above):

(₹ in Lakhs)

Sl. No.	Project or activity identified	Sector	Location	Amount outlay (budget) Project or Program wise	Amount spent on the Projects or Programs (1) direct exp. (2) overhead	Cumulative expenditure up to the reporting period	Amount spent: direct or through implementing agency
1	Training & Promotion of Olympics Sports via Air Rifle Shooter India, Ms. Mehuli Ghosh and Para Badminton Athlete Ms. Manasi Joshi	Olympics Sports	-	35 Lakhs	35 Lakhs	35 Lakhs	Direct

Ms. Mehuli Ghosh is one of the youngest Air Rifle Shooters of India and according to the International Shooting Sport Federation (ISSF), she has a world ranking of sixth and Asian ranking of third. Para Badminton Athlete Ms. Manasi Joshi is currently ranked World No. 2 in Singles.

In addition to the mandatory requirements as specified under Section 135 of the Companies Act, 2013, the Company has taken initiative to spend for benefitting the community at large. The details of the expenditure made are as below:-

(₹ in Lakhs)

Sl. No.	Project or activity identified	Sector	Location	Amount Outlay (budget) Project or Program wise	Amount spent on the Projects or Programs (1) direct exp. (2) overhead	Cumulative expenditure up to the reporting period	Amount spent: direct or through implementing agency
1.	Promoting Education	Child Education	Local Area Kolkata	0.94 lakh	0.94 lakh	0.94 lakh	Karani Dan Mall Charitable Trust: 0.94 Lakh

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and policy

Ajay Kumar Mall
Managing Director, CEO & Chairman of CSR Committee
DIN:00470184

Giriraj Kumar Mall
Director & Member of CSR Committee
DIN:01043022



Annexure E

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 Member
Mallcom (India) Limited
EN-12, Sector-V
Salt Lake City
Kolkata-700091

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. Mallcom (India) Limited** having CIN L51109WB1983PLC037008 and having registered office at EN-12, Sector-V, Salt Lake City, Kolkata-700 091 [hereinafter referred to as '**the Company**'], produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority for the Financial Year ending on 31st March, 2019.

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

Anju Agarwal
Company Secretary in Practice
COP No.: 14376
Place: Kolkata
Date: May 25th, 2019

Annexure F

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for FY 2018-19 (Rs. in Lakh)	% increase in Remuneration in FY 2018-19	Ratio of remuneration of each Director to median remuneration of employees
1.	Ajay Kumar Mall Managing Director	31.63	6.04	16.47
2.	Giriraj Mall Director	NA	NA	NA
3.	Ravindra Pratap Singh Independent Director	NA	NA	NA
4.	Barsha Khattry Independent Director	NA	NA	NA
5.	Shyam Sundar Agarwal Chief Financial Officer	10.53	0.90	NA
6.	Twinkle Pandey Company Secretary	4.01	0.40	NA

Sitting Fees paid to the Directors have not been considered as remuneration.

The median remuneration of employees of the Company during the financial year was Rs. 1.92 Lakh. In the financial year, there was an increase of 54.83% in the median remuneration of employees.

There were 346 permanent employees on the rolls of Company as on March 31, 2019 out of which 33% were women.

Average percentile increase made in the salaries of employees other than the managerial personnel and its comparison with the percentile increase in the Managerial Remuneration and justification thereof:

Average percentage increase in the salaries of employees other than Managerial Personnel is 15.27% while percentile increase in the Managerial Remuneration is 6.04%. The average increase every year is an outcome of the Company's market competitiveness, salary benchmarking survey, inflation and talent retention.

It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy of the Company.

For and behalf of the Board

Ajay Kumar Mall
Managing Director & CEO

Annexure G

INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED TO BE DISCLOSED UNDER SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 ARE PROVIDED HEREUNDER:

A. CONSERVATION OF ENERGY

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

The Company is preventing wastage of energy usage by relentless optimization process to achieve lower fuel/energy consumption. The Company has also placed well-structured energy management system.

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

The Company is exploring viability of renewable source of energy at its selected site and during the Financial Year 2018-19 has increased the usage of rice husk in manufacturing activities of its subsidiary company.

(iii) The capital investment on energy conservation equipment's:

The Company has not made any material capital investment on energy conservation equipment during the year.

B. TECHNOLOGY ABSORPTION

As your Company has not entered into technical collaboration with any entity, there are no particulars relating to technology absorption and has not imported any technology during the year. The Company however has been continuously upgrading its manufacturing facility with the latest equipments and gadgets available in the market for automation as well as improved quality control.

The Company do have Research & Development (R&D) section and keeps developing various new products as per the market requirement either on demand or as per its own innovation and has been continuously adding to its range of products. Expenditure incurred by the company on R&D activities are clubbed with the normal business expenses and are not being shown separately since it is not material in nature apart from investment made on Laboratory Equipments.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars with regard to Foreign Exchange Earnings and Outgo are as follows:

	(₹ in Lakhs)	
	2018-19	2017-18
Foreign Exchange earnings	25134.01	16308.23
Foreign Exchange Outgo	1448.19	108.74

For and behalf of the Board

Ajay Kumar Mall
Managing Director & CEO

MANAGEMENT DISCUSSION AND ANALYSIS

Your Company has been supporting and promoting the business interests of its members and is united in the goal of protecting the health and safety of people worldwide. We share a personal and professional commitment to protect the safety and health of our employees, contractors, customers and the people of the communities in which we operate.

FY2017-18 was characterised by broad-based and synchronised growth across all major economies. On the contrary, FY2018-19 saw a range-bound global economic growth, largely supported by the continued strong momentum in the US economy. The growth trend, coupled with tight labour market participation, pushed the US Fed to increase its policy rates four times during the year, each time by 25 bps. At the same time, growth in Europe slowed down due to the high deficit concerns in Italy and political uncertainties around Brexit.

The cyclical global growth phase appears to be slowing down and this could potentially impact the export sectors in the economy. Moreover, the consequences of the ongoing US & China trade talks as well as the final outcome of the now-delayed Brexit will have ramifications on supply chain networks and financial markets across the globe. As always, a lot would also hinge on the crude price stability as well as stable foreign exchange markets to support the global growth.

On the domestic front, the full-year GDP growth rate is pegged at 7% for FY2018-19. This was due to the waning effects of the demonetisation exercise and the disruption in supply chains following the implementation of the Goods and Services Tax (GST). However, the growth trends continued to remain uneven throughout the year. Industrial activity across sectors showed only a marginal improvement as labour-intensive sectors such as textiles, gems and jewellery, etc. continued to struggle throughout the year. Crude prices saw a significant uptrend in the first half of the year, rising by more than 40% before retracing back during the second half. However, overall inflation in the economy remained contained on the back of low food prices resulting from higher agriculture output and low global food prices. Credit growth was affected in the second half of the financial year with the non-banking financial sector under stress from defaults by a few large players in the sector. The Indian currency saw a significant depreciation, falling to lows of 74.3 per USD mark mid-year before recovering. The last month of FY2018-19 saw the Rupee recover sharply to 68-69 per USD range on the back of renewed portfolio inflows

as well as revised views on a likely long pause from the US Fed on its interest rates. FY2019-20 is likely to start on a tentative note due to the after effects of the general elections in the country. Varying early indications of the monsoon season might only add to this uncertainty as the rural economy still depends to a great extent on rains, especially given the low reservoir levels across the country. Recent round of policy rate cuts announced by the Reserve Bank of India are expected to alleviate the tight credit conditions that have persisted since the second half of FY2018-19 and thus provide a boost to the industrial sector.

The global personal protective equipment (PPE) market is projected to witness a CAGR of 6.6% and the industry is likely to expand from USD 43.2 billion in 2017 to USD 67.6 billion by 2024. The growth can be primarily attributed to the augmenting workplace safety concerns for employees. This has promoted the use of protective clothing and equipment across several industrial applications. Also, significant growth in the demand for multipurpose equipment from a diverse range of industries has fuelled market growth over the years to come. Furthermore, numerous mandatory safety regulations imposed by international organizations such as NFPA, OSHA and NIOSH is expected to positively influence the market demand.

The market for personal protection equipment in the country is currently in its nascent stage due to lack of awareness about workforce health & safety. According to recent reports of the Govt. of India, the personal protective equipment (PPE) market in India will grow steadily during the next four years and post a CAGR of about 14% by 2020. The Personal Protective Equipment Manufacturing industry thrives on safety regulations. Revenue growth depends on industrial production and construction activity because these downstream markets are the largest purchasers of personal protective equipment.

Personal protection equipment find applications in industries such as construction, automotive, chemical, medical, pharmaceutical, oil & gas, steel and fabrication, etc. Construction and automotive sectors are anticipated to continue their dominance in India's personal protection equipment market over the next five years. The high cost associated with workplace hazards, coupled with the launch of industry specific personal protection equipment by the companies are contributing towards boosting PPE adoption in India.

We are extremely enthusiastic about the opportunities in

2019 and beyond. We finished 2018 in a much stronger position than we started, with our businesses delivering on our strategic priorities and generating positive momentum across the board. We are driving growth that is rooted in the fundamental business model.

Going forward, there is an increasing shift being witnessed towards the organised sector owing to brand and quality awareness. With wider choice, product innovation and warranty being offered by organised players, customers are putting more focus on this segment. "Mallcom" enjoys a privileged position because of its high quality standard confirming to ISO 9001:2008 and strict adherence to time schedule at the most competitive prices over the decades.

Financial Performance and Outlook

The financial Statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Policies in India.

The Company has recorded a profit after tax of Rs. 1408.37 Lakh during the financial year ended 31st March 2019 as against Rs. 982.49 during the financial year ended 31st March, 2018. The basic & diluted earnings per share are Rs.22.57 for financial year 2019 as against the basic & diluted earnings per share of Rs. 15.75 for financial year 2018.

Opportunities and Threats

The Personal Protective Equipment Manufacturing industry thrives on safety regulations. The Occupational Safety and Health Administration (OSHA) has continued to implement an increasing number of regulations to protect workers. As a result, more workers in hazardous conditions must use personal protective equipment to prevent injury, which has and will continue to sustain demand for industry products and mitigate industry volatility. Demand from construction and industrial growth will continue to drive demand for personal protective equipment and clothing over the five years to 2024.

As usual, your Company faces normal competition in all its businesses, from Indian as well as international companies. Mallcom's globally competitive cost positions and well crafted business strategies have enabled it to retain its market positions.

Your Company strongly believes in brand equity and its ability to provide its customers with innovative solutions.

The SWOT analysis with respect to the company and its products is discussed below:

Strengths

- Mallcom (India) Ltd. (MIL) is one of the few established manufacturer and exporter of "Personal Protective Equipments" with unique advantage of offering maximum range of products vis-à-vis its competitors from India;
- MIL has a long track record in the Personal Protective Equipment (PPE) Category;
- MIL has been a rapidly growing and profit-making organization and a recognized Trading House, with quality standard confirming to ISO 900:2008 and SA 8000:2008 Certified Company;
- MIL has been assigned Long Term Debt Rating of ICRA BBB+ for its Working Capital Bank Borrowings by ICRA Limited;
- MIL is a debt free company [except working capital borrowings] complying with key ratios benchmarks confirming the solid financials and liquidity position of the company providing ample opportunity for the company to leverage on its fundamentals and market reputation to expand its scale of operations to meet future demands;
- Usage of Personal Protective Equipment (PPE) being mandatory at most of the work places both in India and abroad and rising awareness for the work safety coupled with advancement of work culture/ technology will result in consistent growth in demand for company's products;
- The Company has a first mover's advantage and strong Brand value for its products range and marketing in domestic market. Quality of Indian fabrics and the growth momentum in India, despite rising inflation, may be taken as an opportunity for Indian exports.

Challenges

- Strategies like product innovations or modifications require investments. These strategies entail higher costs and higher risks.
- The nature of business the company is in has been traditionally a low margin business with possibility of moderate scale of operations and lower cash accruals.
- The operating profitability margins are sensitive to incentives provided to the Sector by GOI and its agencies;
- High working capital intensity of the business adversely effect the liquidity position and profitability of the company;

Risks and Concerns

- The Company's results are affected by competitive conditions and customer preferences.
- High manpower costs, stringent labour laws and short age of skilled workers are the major risk concern.
- The operations are subject to risk arising from fluctuations in exchange rates with reference to currencies in which the company transacts.

Internal Control Systems and Adequacy

In order to ensure orderly and efficient conduct of business, the Company management has put in place necessary internal control systems commensurate with size and nature of business. The internal control systems provide for well documented policies/guidelines and authorization and approval procedures. Company through its own Internal Audit Department carries out periodical Audits at all locations and functions. Some of the salient features of the Internal Control systems in vogue are:

- (i) A robust ERP system connecting all plants, sales offices and Head Office to enable seamless data inflow. This is constantly reviewed from Internal Control stand point.
- (ii) Preparation of annual budget for operations and services and monitoring the same against the actual at periodic intervals.
- (iii) All assets are properly recorded and system put in place to safeguard against any losses or unauthorized use or disposal.
- (iv) Periodic physical verification of fixed assets and all inventories.
- (v) Observations arising out of the Internal Audit are periodically reviewed at the Audit Committee meeting and follow up action taken.

- (vi) Periodic Presentations made to the Audit Committee on various operations and financial risks faced by the Company and action proposed to mitigate such risks

Human Resources/ Industrial Relations

Your Company considers its brands and its people strength as its major assets. Mallcom HR structure has been designed to support the business in achieving sustainable growth and also groom the employees' talents considering the future requirements. Mallcom has formulated uniform HR Policies for all employees/ workers to define the HR functions and to make Mallcom such a place or institution where the people working has defined role and responsibilities with a sense of belongingness amongst them. Further it has created platforms for recognizing and motivating employees for the good work they do in the organization.

The Company has established listening and feedback systems from employees through usage of 360 degree feedback for leadership team. Such feedbacks help the company to have a collaborative, open and transparent culture. During the year under review, the company has focused on motivation and health training programs.

We maintained cordial and harmonious Industrial relations in all our manufacturing units. Several HR and industrial relations initiatives implemented by the Company have significantly helped in improving the work culture, enhancing productivity and enriching the quality of life of the workforce.

For and on behalf of the Board

Ajay Kumar Mall

Managing Director & CEO

DIN:00470184

Date: May, 25th 2019

Place: Kolkata

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Highlights of Financial Performance :

(₹ in Lakhs)

Sl. No.	Particulars	Standalone		Consolidated	
		2018-19	2017-18	2018-19	2017-18
1.	Net Sales/ Income from Operations	30,072.74	24,830.22	30,078.76	24,794.00
2.	Other Income from Operations	21.30	80.76	18.73	82.52
3.	Total Income from Operations (1+2)	30,094.04	24,910.98	30,097.49	24,876.52
4.	Total Expenditure	27,919.62	23,414.50	27,828.51	23,522.38
5.	Operating Profit	2,959.08	2,337.47	3,171.07	2,314.84
6.	Operating Margin	9.83%	9.41%	10.53%	9.34%
7.	Depreciation	467.11	427.91	565.15	537.71
8.	Provision for Tax	766.06	513.99	782.01	514.89
9.	Profit/Loss after Tax	1,408.37	982.49	1,499.11	844.54

Cash flow analysis:

(₹ in Lakhs)

Sl. No.	Particulars	Standalone		Consolidated	
		2018-19	2017-18	2018-19	2017-18
Sources of cash					
1.	Cash flow from Operations	2,959.08	2,188.76	3,171.07	2,162.44
2.	Non-Operating Cash flows	9.84	52.40	5.04	54.16
3.	Increase/ (Decrease) in Cash & Cash Equivalent	(106.50)	(51.95)	(100.76)	(30.91)
	Total	2,862.42	2,189.21	3,075.35	2,185.69
Use of Cash					
1.	Net Capital Expenditure	502.60	469.66	853.31	511.32
2.	Financial Expenses	333.37	331.27	336.20	339.26
3.	Dividend (Including Dividend Tax)	150.45	150.21	150.45	150.21
4.	Direct Taxes Paid	566.36	463.40	672.68	469.45
5.	Increase/ (Decrease) in Non-Current Investments	545.18	(633.40)	520.18	(615.11)
6.	Repayment of borrowings	(35.60)	40.52	179.45	194.90
7.	Net Change in Working Capital	800.06	1,367.55	363.08	1,135.66
	Total	2,862.42	2,189.22	3,075.35	2,185.69

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or forecast may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

REPORT ON CORPORATE GOVERNANCE

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Our Corporate Governance philosophy is aimed at creating and nurturing a valuable bond with stakeholders to maximise stakeholders' value. Your Company considers Corporate Governance a pre-requisite for meeting the needs and aspirations of its shareholders and other stakeholders in the Company and firmly believes that the same could be achieved by maintaining transparency in its dealings, creating robust policies and practices for key process and systems with clear accountability, integrity, transparent governance practices and the highest standards of regulatory compliances. Malcom (India) Ltd. aspires to reach the highest standards of Corporate Governance, while emphasising on transparency, creating a sustainable culture and setting industry-leading benchmarks.

The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Board considers itself as a trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. In addition to compliance with regulatory requirements, the Company endeavours to ensure that highest standards of ethical and responsible conduct are met throughout the organisation.

BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite power, authorities and duties. The Board has an appropriate mix of vast knowledge, wisdom and varied industry experience to guide the Company in achieving its objectives in a sustainable manner.

COMPOSITION AND CATEGORY OF DIRECTORS

Pursuant to the requirement of Companies Act, 2013 read with SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 ('LODR'), the Company has judicious mix of Executive, Non-Executive and Independent Directors. The Board of Directors of your Company comprises of four members, out of which one is an Executive Director, one a Non-Executive Director, and two Non-Executive Independent Directors including one Women Director. The Chairman cum Managing Director of the Company is Executive Director and half of the Board consist of Independent Directors which is in conformity with the requirement of SEBI (LODR) Regulations, 2015 and applicable provisions of Companies Act, 2013.

The names and categories of the Directors on the Board, their attendance at Board Meetings/Annual General Meeting held during the year 2018-19 and the number of Directorships and Committee Chairmanships/Memberships held by them in other Companies are given herein below:

Name of Director	Category of Directorship	No of Board Meetings		Attendance at the last AGM held on 27.08.2018	No. of Directorship held in other Companies	No. of other Committee		No. of Shares and Convertible instruments by Non-Executive Directors
		Held	Attended			Members	Chairman	
Mr. Ajay Kumar Mall (DIN : 00470184)	Managing Director & CEO	4	4	Yes	Nil	Nil	Nil	NA
Mr. Giriraj Kumar Mall (DIN : 01043022)	Non-Executive, Non-Independent Director	4	4	Yes	Nil	Nil	Nil	49,300
Mr. Ravindra Pratap Singh (DIN : 00240910)	Non-Executive, Independent Director	4	3	Yes	Nil	Nil	Nil	Nil
Dr. Barsha Khattry (DIN : 01974874)	Non-Executive, Independent Director	4	4	Yes	Nil	Nil	Nil	Nil

- For the purpose of considering the limit of the number of directorship in the other companies, only listed public companies are included and all other companies including unlisted public company, private limited companies, foreign companies and companies under section 8 of the companies act, 2013 have been excluded.
- For the purpose of considering the limit of the number of chairmanship/membership in committees of other companies only listed public companies are included and all other companies including unlisted public Company, private limited companies, foreign Companies and companies under section 8 of the Companies Act, 2013 have been excluded.
- Only Audit Committee and Stakeholders Relationship Committee of the Listed Public Company have been considered for the purpose of ascertaining number of membership & Chairmanship of the Committee.

NUMBER OF BOARD MEETINGS HELD AND THE DATES ON WHICH HELD

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board businesses. The Board met four (4) times during the financial year 2018-19 i.e. on 30th May, 2018, 13th August, 2018, 9th November, 2018 and 13th February, 2019. The maximum interval between any two meetings was well within the maximum allowed time gap of 120 days. Directors attending the meeting actively participated in the deliberations at these meetings.

INFORMATION PLACED BEFORE THE BOARD OF DIRECTORS

The Board has unrestricted access to all Company-related information. In addition to matters statutorily requiring approval of the Board, all major items relating to mobilization of resources, capital expenditure, investments, acquisitions, technology adoption and risk management are discussed in the Board. All information prescribed under the Corporate Governance Code is placed before the Board of Directors. All the items on the Agenda are accompanied by notes giving comprehensive information on the related subject and for certain matters such as financial/business plans, financial results, detailed presentations are made. The agenda for Board meeting with relevant notes are sent in advance separately to each Director to enable the Board to take informed decisions.

Compliance

The Board reviews compliance reports of all laws applicable to the Company, presented by Managing Director at its meetings.

Independent Director

The Independent Directors play an important role in deliberations and decision making at the Board Meeting and bring to the Company wide experiences in their respective fields. They also contribute in significant measure to Board Committees. The independent role vis-a-vis the Company means they have a special contribution to make in situations where they add broader perspective by ensuring that the interests of all stakeholders are kept in acceptable balance and in providing an objective view in instances where potential conflicts may arise between shareholders.

All Independent Directors make annual disclosure of their Independence to the Company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company or its subsidiaries, apart from receiving sitting fee as an Independent Director.

Meeting of Independent Director

The Independent Directors of the Board met on March 28, 2019, without the presence of the Non-Independent Directors and members of the Management, inter alia to evaluate:

1. Performance of Non-Independent Directors, the Board as a whole including its Committees;
2. Performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
3. The quality, quantity and timeliness of flow of information between the Company Management and the Board.

All Independent Directors were present at the meeting.

Familiarization Programme

In compliance with the requirements of the SEBI (LODR) Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of familiarization programmes arranged for the Independent Directors have been disclosed on the website of the company and can be accessed from the Company's website i.e., www.mallcom.in.

Board Evaluation

During the year, the Board adopted a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and individual Directors, including the Chairman of the Board. For Board and its Committees, the exercise was carried out through a structured evaluation

process covering various aspects of the Board's functioning such as composition of the Board and committees, experience and competencies, performance of specific duties and obligations, governance issues etc. In case of evaluation of the individual Directors, one to one meeting of each Director with the Chairman of the Board and the Chairman of the Nomination and Remuneration Committee is held. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees.

Code of Conduct

The Board of Directors has laid down the Code of Conduct for all the Board members and senior management personnel. The Code covers amongst other things the Company's commitment to honest and ethical personal conduct, fair competition, sustainable environment and compliance of laws and regulations etc. The Code of Conduct can be accessed from the Company's website i.e. www.mallcom.in.

All Board members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the code for the year ended on 31st March, 2019. Declaration to this effect signed by the Managing Director for the year ended on March 31, 2019 has been included elsewhere in this report.

Prevention of Insider Trading

Pursuant to the requirement of SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018, the Company has adopted a Code of Fair Disclosure and Conduct and Determination of Legitimate Purpose for Prevention of Insider Trading. All the Directors, employees in the management and the third parties such as auditors, consultants etc. who could access to the unpublished price sensitive information of the Company are governed by this code. The Trading window is closed during the time of declaration of results and occurrence of any material events as per the code.

During the year under review there has been due compliance with the said code.

AUDIT COMMITTEE

The Board of the Company has constituted a qualified and Independent Audit Committee in line with the provisions of SEBI (LODR) Regulations, 2015 read with Companies Act, 2013. The Committee acts as a link between Auditors and Board. The Committee is vested with following powers and terms of references as prescribed under relevant provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015:

Terms of Reference:

The Audit Committee of the company is entrusted with the

responsibility to supervise the company's internal control and financial reporting process inter alia, performs as follows:-

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the Annual Financial Statements before submission to the Board for approval, with particular reference to:-
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by the management;
 - d) Significant adjustments made in the Financial Statements arising out of Audit findings;
 - e) Compliance with listing and other legal requirements relating to Financial Statements;
 - f) Disclosure of any related party transactions;
 - g) Qualifications, if any, in the draft Audit Report.
 - h) The going concern assumption.
5. Reviewing and monitoring with the management, the quarterly Financial Statements before submission to the Board for approval.
6. Approval of any subsequent modification of transactions of the company with related parties.
7. Scrutiny of inter-corporate loans and investments.
8. Valuation of undertakings or assets of the listed entity, wherever it is necessary.
9. Evaluation of internal financial controls and risk management systems.
10. Reviewing with the management performance of Statutory and Internal Auditors, adequacy of the internal control systems.

11. Discussing with Internal Auditors any significant findings and following up thereon.
12. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the same to the Board.
13. Discussing with Statutory Auditors before the Audit commences about the nature and scope of Audit as well as post-audit discussion to ascertain any area of concern.
14. To look into the reasons for substantial defaults in the payment to the shareholders, (in case of non-payment of declared dividends) suppliers and other creditors, if any.
15. To review the functioning of the Whistle Blower Mechanism, in case the same exists.
16. Carrying out any other functions as is mentioned in the terms of reference of the Audit Committee.

In addition to the above, the Audit Committee also reviews the following:-

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the audit committee), submitted by the management.

3. Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
4. Internal Audit Reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
6. The quarterly/half yearly/annual financial performance of the Company before being presented to the Board.
7. Achievement of the actual financial results vis-à-vis the budget of the Company.
8. The Statement of uses/application of funds raised through preferential issue.

Composition, Meeting and Attendance:

Audit Committee's composition and terms of reference are in compliance with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. During the year under review, the Audit Committee met four times during the financial year 2018-19 i.e. on 30th May, 2018, 13th August, 2018, 9th November, 2018 and 13th February, 2019. The gap between the two meetings was not more than 120 days. The meeting of Audit Committee is also attended by the Executives, including the Chief Financial Officer, Statutory Auditors and Internal Auditors as it considers their presence to be appropriate. The Company Secretary acts as the Secretary

The details of member's attendance at Audit Committee meetings during the financial year 2018-19 are as under.

Sl. No.	Name Of the Member	Position	Category	No. Of Meetings	
				Held	Attended
1.	Mr. Ravindra Pratap Singh [DIN:00240910]	Chairman	Non-Executive, Independent Director	4	3
2.	Mr. Giriraj Kumar Mall [DIN:01043022]	Member	Non-Executive, Non-Independent Director	4	4
3.	Dr. Barsha Khattry [DIN: 01974874]	Member	Non-Executive, Independent Director	4	4

NOMINATION AND REMUNERATION COMMITTEE

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, as amended from time to time.

The terms of Reference of the Committee are as below:

1. To identify persons who are qualified to become Director and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend

of the Committee to the Board their appointment and/or removal.

2. To formulate the criteria for determining qualifications, positive attributes and independence of a Directors, and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
3. To formulate the criteria for evaluation of Independent Directors and the Board.
4. To devise a policy on Board diversity.

5. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

The Nomination and Remuneration Committee's composition

The details of member's attendance at the Nomination & Remuneration Committee Meeting held during the financial year 2018-19 are as follows:

Sl. No.	Name Of the Member	Position	Category	No. Of Meetings	
				Held	Attended
1.	Dr. Barsha Khattry (DIN: 01 974874)	Chairperson	Non-Executive, Independent Director	1	1
2.	Mr. Ravindra Pratap Singh (DIN: 00240910)	Member	Non-Executive, Independent Director	1	1
3.	Mr. Giriraj Kumar Mall (DIN: 01 043022)	Member	Non-Executive, Non- Independent Director	1	1

Remuneration Policy

Pursuant to provision of the Companies Act, 2013 and SEBI [LODR] Regulations, 2015 the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Remuneration Policy for Directors and Senior Management. The details of which forms part of the Director's Report. All decisions relating to the remuneration of the Directors were taken by the Board on recommendation of nomination and remuneration committee and in accordance with the Shareholder's approval wherever necessary. The remuneration policy of the Company is devised in such a manner as to remain competitive in the industry to attract and retain talent and appropriately reward employees on their contributions.

The details of the remuneration paid to Executive Directors during the financial year 2018-2019 are as :-

Name of Executive Director	Category	Salary	Perquisites	No. of Shares Held As On 31.03.2019
Mr. Ajay Kumar Mall (DIN:00470184)	Managing Director & CEO	₹ 31,62,960	Nil	10,25,320

Remuneration of Non Executive Director

The Non-Executive Directors receive sitting fees for attending meetings of the Board and its Committees and that the same does not exceed the maximum amount provided in Section 197(5) of the Companies Act, 2013 read with Rules 4 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Non-Executive Directors of the

and terms of reference are in compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, the Committee met on 30th May, 2018 and the Company Secretary acts as the Secretary of the Committee.

Remuneration of Executive Director

The Committee recommends to the Board, remuneration of Executive Directors subject to approval by the Members and such other authorities, as may be necessary. While recommending the remuneration, the Committee considers various factors such as qualifications, experience, expertise, position, leadership qualities, prevailing remuneration in the industry, volume of the Company's business and profits earned by it and the responsibilities taken by the director concerned. The remuneration are within the limits as prescribed under Section 197 and Schedule V of the Act and Rules made there under. Executive Directors are not paid sitting fees for attending the Meetings of the Board and its Committees thereon. The details of remuneration paid to Executive Directors during the financial year 2018-2019 are as:-

Company are not paid any other remuneration or commission. There is no other pecuniary relationship or transaction of Non-Executive Directors with the Company which has potential conflicts with the interest of the Company at large. The details of remuneration, sitting fees and commission paid to each of the non-executive Director during the financial year 2018-2019 are as follows:-

Name of Non-Executive Director	Category	Sitting Fees	Commission	No. of Shares Held As On 31.03.2019
Mr. Ravindra Pratap Singh [DIN: 00240910]	Non-Executive, Independent Director	90,000	Nil	Nil
Dr. Barsha Khattry [DIN: 01974874]	Non-Executive, Independent Director	62,000	Nil	Nil
Mr. Giriraj Kumar Mall [DIN:01043022]	Non-Executive, Non - Independent Director	Nil	Nil	49,300

CSR COMMITTEE

Pursuant to the requirement of Section 135 of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted Corporate Social Responsibility (CSR) Committee of Directors inter-alia, to oversee the Corporate Social Responsibility (CSR) and other related matters as referred by the Board of Directors and discharges the roles as prescribed under section 135 of the Companies Act, 2013.

Terms of Reference:

1. Formulation and ensuring compliance of CSR Policy;

2. Ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget;
3. Ensure compliance with the laws, rules and regulations governing the CSR and periodically report to the Board of Directors.

During the year, the CSR Committee met on 30th May, 2018 to discharge its functions and the Company Secretary acts as the Secretary of the Committee. The composition and attendance details of the members of the CSR Committee are given below:

The composition and attendance details of the members of the CSR Committee are given below:

Sl. No.	Name Of the Member	Position	Category	No. Of Meetings	
				Held	Attended
1.	Mr. Giriraj Kumar Mall [DIN:01043022]	Member	Non-Executive, Non- Independent Director	1	1
2.	Mr. Ajay Kumar Mall [DIN:00470184]	Chairman	Managing Director & CEO	1	1
3.	Dr. Barsha Khattry [DIN: 01974874]	Member	Non-Executive, Independent Director	1	1

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, as amended from time to time.

Terms of Reference:

1. Consider, resolve and monitor redressal of investor's/shareholder's grievances related to transfer of securities, non-receipts of Annual Reports, non-

receipts of declared dividend etc;

2. Oversee the performance of the Company's Registrar And Share Transfer Agent.
3. Carry out any other function as is referred by the Board from time to time and/or enforced by any statutory notification/amendment or modification as may be applicable.
4. Perform such other functions as may be necessary or appropriate for the performance of its duties.

The composition of the Stakeholders' Relationship Committee is as under:

Sl. No.	Name Of The Member	Position	Category
1.	Mr. Giriraj Kumar Mall (DIN:01043022)	Chairman	Non-Executive, Non- Independent Director
2.	Mr. Ajay Kumar Mall (DIN:00470184)	Member	Managing Director & CEO
3.	Dr. Barsha Khattry (DIN: 01974874)	Member	Non-Executive, Independent Director

During the year, the Stakeholders Relationship Committee met on 30th May, 2018 and the requisite quorum was present at the meeting. Company Secretary is designated as the "Compliance Officer" who oversees the redressal of the investor's grievances.

The Status of Investor Complaints as on March 31, 2019, as reported under the Listing Regulations are as under:

Received (In Nos.)	Resolved (In Nos.)	Pending At The End
Nil	Nil	Nil

All the requests for transfer of shares have been processed on time and there are no transfer pending for more than 15 days.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance towards sexual harassment at the workplace. The company has in place the sexual harassment policy, duly approved by its board and has also formed committees called Internal Complaints Committee at corporate office and at all regional offices for prevention and prohibition of sexual harassment and redressal against complaints of sexual harassment of working women at the workplace as per Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013 read with

Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Rules, 2013. This Internal Complaints Committee has the power/ jurisdiction to deal with complaints of sexual harassment of working women as per the rules specified therein. All the employees [permanent, contractual, temporary, trainees] are covered under this policy. During the financial year 2018-19, no such complaints were received across the organisation.

GENERAL BODY MEETINGS

The particulars of last three Annual General Meetings of the Company are provided as under. All the resolutions set out in the respective notices were passed by the shareholders.

Nature Of Meeting	Date And Time	Venue	Whether Special Resolution Passed or Not
Thirty -Fourth Annual General Meeting	27th August, 2018 at 12:05 p.m.	"Rabindra Okakura Bhavan", Block - DD, 27/A/1, Sector - 1, DD Block, Salt Lake City, Kolkata - 700064	Yes
Thirty - Third Annual General Meeting	29th August, 2017 at 12.00 p.m.	"Rabindra Okakura Bhavan", Block - DD, 27/A/1, Sector - 1, DD Block, Salt Lake City, Kolkata - 700064	No
Thirty - Second Annual General Meeting	8th September, 2016 at 11.00 a.m.	"Gyan Manch", 11 Pretoria Street, Kolkata700071	Yes

Postal Ballot

The following special resolutions were passed via postal ballot/ remote e-voting during the year:

1. "RESOLVED THAT pursuant to the applicable provisions of Foreign Exchange Management Act, 1999, as amended ("FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended up to date, the current Consolidated Foreign Direct Investment Policy Circular of 2017, the Companies Act, 2013 as amended, Companies Act, 1956, as the case may be and all other applicable acts, rules, regulations, provisions and guidelines (including any statutory modifications or re-enactments thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions of the Foreign Investment Promotion Board, The Reserve Bank of India, Ministry of Finance, Ministry of Corporate Affairs, Government of India and other concerned authorities and subject to such conditions as may be prescribed by any of the said concerned authorities while granting such approvals, permissions or sanctions, the limit of investment by Foreign Portfolio Investors (as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014, as amended) in the equity shares of the Company under the Portfolio Investment Scheme under FEMA, be and is hereby increased from 24% to 49% of the paid-up equity share capital of the Company;

RESOLVED FURTHER THAT any Director, Chief Financial officer and Company Secretary of the Company be and is hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolution, including without limitation, intimating the Reserve Bank of India of the increase in investment limits applicable to Foreign Portfolio Investors and to comply with all other requirements in this regard;

RESOLVED FURTHER THAT any Director, Chief Financial Officer and Company Secretary of the Company be and is hereby severally authorized to take all steps for giving effect to the above Resolution including filing of the necessary forms with the Registrar of Companies".

2. "RESOLVED THAT pursuant to the applicable provisions of Foreign Exchange Management Act, 1999, as amended ("FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended up to date, the current Consolidated Foreign Direct Investment Policy Circular of 2017, the Companies Act, 2013 as amended,

Companies Act, 1956, as the case may be and all other applicable acts, rules, regulations, provisions and guidelines (including any statutory modifications or re-enactments thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions of the Foreign Investment Promotion Board, The Reserve Bank of India, Ministry of Finance, Ministry of Corporate Affairs, Government of India and other concerned authorities and subject to such conditions as may be prescribed by any of the said concerned authorities while granting such approvals, permissions or sanctions, the limit of investment by Non-Resident Indians (as defined under FEMA) in the equity shares of the Company under FEMA, be and is hereby increased from 10% to 24% of the paid-up equity share capital of the Company;

RESOLVED FURTHER THAT any Director, Chief Financial officer and Company Secretary of the Company be and is hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolution, including without limitation, intimating the Reserve Bank of India of the increase in investment limits applicable to non-Resident Indians and to comply with all other requirements in this regard;

RESOLVED FURTHER THAT any Director, Chief Financial Officer and Company Secretary of the Company be and is hereby severally authorized to take all steps for giving effect to the above Resolution including filing of the necessary forms with the Registrar of Companies".

MEANS OF COMMUNICATION

1. Financial Results: The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchange immediately after they are approved by the Board. These are normally published in the Financial Express, Business Standard and other newspaper.
2. Website: These results are simultaneously posted on the website of the Company at www.mallcom.in and also uploaded on the website of the Exchange where the Company is listed. The Company has not made any presentation to the institutional investors or to the analysts during the financial year.
3. Green environment: The Company's philosophy focuses on making the environment greener for the benefit of posterity. In this regard, Your Company requests its shareholders to register/update the e-mail ids for communication purpose thereby contributing to our environment.

DISCLOSURE

- During the year 2018-2019, the Company had no significant material transaction with its related parties, which is considered to have potential conflict with the interest of the Company at large.
- The Company has formulated policy for determining Material Subsidiary pursuant to provisions of listing regulations and the same is been disclosed on the company's website i.e www.mallcom.in.
- The Company has followed all relevant Accounting Standards while preparing Financial Statements.
- There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other Statutory Authority, on any matter relating to the capital markets, during the last three years.
- Your Company has established a Vigil Mechanism/ Whistleblower Policy to enable stakeholders (including Directors and employees) to report unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director[s]/ employee[s] and have direct access to the Chairman of the Audit Committee in exceptional cases. The protected disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman. The Whistle Blower Policy has been disclosed on the Company's website www.mallcom.in.
- The Company has an approved Risk Management Policy by the Board. Risk evaluation and management is an ongoing process within the organization and is periodically reviewed by the Board of Directors.

CERTIFICATE ON CORPORATE GOVERNANCE

In Compliance with the Regulation 34(3) and Schedule V of

c) Dividend history for the last 5 years is as under:

Financial Year	Rate of Dividend (%)	Dividend Per Share (Rs.)	Total Dividend Amount (In Rs.)
2014	15	1.50	93,60,000
2015	15	1.50	93,60,000
2016	20	2.00	1,24,80,000
2017	20	2.00	1,24,80,000
2018	20	2.00	1,24,80,000

the SEBI (LODR), Regulations, 2015 a certificate from Practicing Company Secretary conforming compliance with the conditions of corporate governance is annexed to this report.

CEO/CFO CERTIFICATION

The Managing Director and Chief Financial Officer have provided Compliance Certificate to the Board in accordance with Regulation 17(8) read with Part B of Schedule II of the SEBI (LODR) Regulation, 2015 for the financial year ended March 31, 2019.

POLICY ON MATERIAL SUBSIDIARY

In terms of Regulation 16 of SEBI (LODR), Regulations, 2015, the Company has formulated a policy for material subsidiary which is disclosed on Company's website at www.mallcom.

The requirements of the Regulation 24 of SEBI (LODR), Regulations, 2015 with regard to subsidiary companies have been duly complied with.

GENERAL SHAREHOLDER'S INFORMATION**a) Annual General Meeting:**

Day: Thursday

Date: 19th September, 2019

Time: 12:05 p.m.

Venue: Rabindra Tirtha, DG-17, DG Block (New Town), Action Area 1, New Town, Kolkata- 700 156

Dates of Book Closure: 13th September 2019 to 19th September 2019

[both days inclusive] for the purpose of Annual General Meeting and Dividend, if approved.

b) Dividend Payment:

Dividend, if declared, shall be paid within 30 days from the date of the Annual General Meeting. Dividend shall be remitted electronically i.e. through NECS, NEFT etc. wherever bank details of shareholders are available with the Company, and in other cases, through physical warrants, payable at par.

d) Electronic Clearing Service (ECS):

The Company has extended the ECS facility to shareholders to enable them to receive dividend through electronic Mode in their bank account. The Company encourages members to avail this facility as ECS provide adequate protection against fraudulent interception and encashment of Dividend warrants, apart from eliminating loss/damage of dividend warrants in transit and correspondence with the Company on revalidation/issuance of duplicate dividend warrants.

e) Share Transfer System:

M/s. Niche Technologies Pvt. Ltd., having its office at 3A Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata 700 017, is the Company's Registrar and Share Transfer Agent (RTA). All the documents received from shareholders are scrutinized by the Company's RTA. The shares lodged for transfer, etc. are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects.

The Board of Directors of the Company have delegated the authority to approve the transfer of shares, transmission of shares, requests for deletion of name of the shareholder etc. to the Stakeholder's Relationship Committee. A summary of approved transfers, transmissions, deletion requests, etc.

is placed before the Board of Directors from time to time as per the Listing Regulations.

Transactions involving issue of share certificates, namely, issuance of duplicate share certificates, split, rematerialisation, consolidation and renewal of share certificates are approved by the Stakeholder's Relationship Committee.

SEBI, vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, introduced a documented framework for streamlining and strengthening the systems and processes of RTAs, Issuer Companies and Bankers to an issue with regards to handling and maintenance of records, transfer of securities and payment of dividend, as may be applicable. In the said Circular, SEBI has suggested measures to make the systems and processes among the RTAs, Issuer Companies and Bankers, more robust and transparent.

The said SEBI Circular, inter alia, provides for some key requirements like maintenance of dividend master file, reconciliation of dividend account(s), updation of PAN and Bank mandates by the Shareholders, wherever not available, enhanced due diligence, etc.

The Company and its RTA are in compliance with the applicable requirements of the set framework.

f) Dematerialization of shares:

Break up of shares in physical and demat form as on 31st March, 2019 is as follows:

Particulars	No. of Shares	% of Shares
Dematerialised Shares	6215415	99.60
Physical Shares	24585	0.40
Total Issued Capital	6240000	100.00

SEBI vide its Circular No. SEBI/LAD-NRO/ GN/2018/24 dated 8th June, 2018, amended Regulation 40 of SEBI Listing Regulations pursuant to which after 1st April, 2019, transfer of securities cannot be processed unless the securities are held in the dematerialized form with a depository.

g) Financial Calendar of the Company (tentative):

Sl. No.	Event	Period
1.	Financial Year	April, 2019 to March, 2020
2.	First Quarter Results	By or within 15th August, 2019
3.	Half yearly Results	By or within 15th November, 2019
4.	Third Quarter Results	By or within 15th February, 2019
5.	Financial Results for year ending 31st March, 2020	By end of May, 2020
6.	36th Annual General Meeting for the year ending 31st March, 2020	Before September 30, 2020

h) Listing of Equity Shares on Stock Exchange:

Equity shares of Mallcom (India) Ltd. are listed on BSE Limited. The annual listing fees and custodian fees have been paid to the Stock Exchanges and Depositories within the stipulated due dates.

i) Stock Code

Stock	Code
BSE LIMITED	539400
ISIN	INE389C01015

j) Comparison of the performance of market share price at BSE with BSE (Sensex):

The high and low at BSE and BSE (Sensex) price during each month of the Financial year 2018-19 at is given below:-

Month	Share Price At BSE		BSE SENSEX	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2018	315.00	261.50	35,213.30	32,972.56
May, 2018	305.00	257.10	35,993.53	34,302.89
June, 2018	288.90	228.00	35,877.41	34,784.68
July, 2018	275.00	205.00	37,644.59	35,106.57
August, 2018	288.00	237.00	38,989.65	37,128.99
September, 2018	290.00	230.00	38,934.35	35,985.63
October, 2018	253.90	221.10	36,616.64	33,291.58
November, 2018	270.75	240.05	36,389.22	34,303.38
December, 2018	269.95	231.10	36,554.99	34,426.29
January, 2019	257.25	230.00	36,701.03	35,375.51
February, 2019	246.95	193.00	37,172.18	35,287.16
March, 2019	243.00	215.10	38,748.54	35,926.94

k) Distribution of Shares:

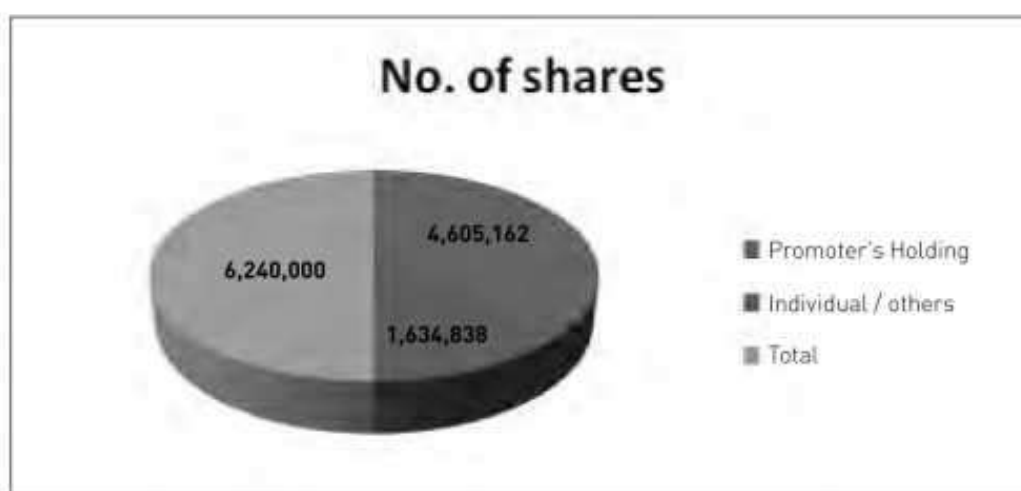
The shareholding distribution of the equity shares as on March 31, 2019 is given below:-

Group Of Shares	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
1 to 500	970	91.42	68,765	1.10
501 to 1000	31	2.92	26,097	0.42
1001 to 5000	37	3.49	83,928	1.35
5001 to 10000	7	0.66	55,674	0.89
10001 to 50000	6	0.57	2,44,380	3.92
50001 to 100000	3	0.28	2,65,276	4.25
100001 and above	7	0.66	54,95,880	88.07
TOTAL	1061	100.00	62,40,000	100.00

l) Shareholding Pattern:

The shareholding of different categories of the shareholders as on March 31, 2019 is given below:-

Category	No. of shares	percentage
Promoter's Holding	46,05,162	73.80
Individual/others	16,34,838	26.20
Total	6240000	100.00



m) Outstanding GDRs /ADRs /Warrants or any Convertible instruments:

Not Applicable.

n) Commodity price risks or Foreign Exchange risk and Hedging activities:

The Company is exposed to the risk of price fluctuation. The Company proactively manages these risks through forward booking and proactive vendor development practices. The Company's reputation for quality, products differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods.

o) Plant Location:

The Company's plants are located at:

West Bengal (i) Plot No. 1665 and 1666, Zone - 9, Kolkata Leather Complex, Bantala, 24 Parganas (South) - 743 502

(ii) 34B and C, C.N. Roy Road, Kolkata - 700 039

(iii) Plot No. 35 and 36, Sector - 1, FSEZ, Falta, 24 Parganas (South), West Bngal.

Uttarakhand (iv) Plot No. 32, Sector - 3A, Integrated Industrial Estate, Haridwar - 249403, Uttarakhand

p) Address for correspondence:

Registered office: EN-12, Sector-V, Salt Lake City, Kolkata- 700091
 Tel: +91 33 40161000
 Fax:+91 33 40161010
 E-mail: investors@mallcom.in
 Website: www.mallcom.in

q) Audit of reconciliation of share capital:

As stipulated by SEBI, a practising company secretary carries out the audit of reconciliation of share capital to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL) and the total issued and the paid up capital. The audit is carried out every quarter and the report there on is submitted to

the stock exchange and is placed before the board of directors of the company. The audit, inter alia, confirm that the total issued and paid aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical form.

r) Corporate Identity Number (CIN):

CIN of the company as allotted by the Ministry Of Corporate Affairs, Government of India is L51109WB1983PLC037008.

s) Compliance with mandatory requirements

The Company has complied with all mandatory requirements as specified in Regulation 17 to 27 and Regulation 46 of SEBI (LODR) Regulation, 2015.

t) Bank details for Electronic shareholder:

Members are requested to furnish complete details of their bank accounts, including the MICR codes of their banks, to their Depository Participant (DP).

u) Furnish copies of Permanent Account Number (PAN):

The members are requested to furnish their PAN which will help us to strengthen compliance with KYC norms and provisions of Prevention of Money Laundering Act,

2002 and for transfer of shares in physical form. SEBI has made it mandatory for the transferee to submit a copy of PAN card to the Company.

The Company has written to shareholders holding shares in physical form requesting them to furnish their PAN as mandated by SEBI vide Circular dated 20th April, 2018. Those shareholders who are yet to respond to the Company's request in this regard are once again requested to take action in the matter at the earliest.

v) Discretionary Requirements:

1. Office for Non-Executive Chairman at company's expense: Not Applicable
2. Half-yearly declaration of financial performance including summary of the significant events in last six-months to each household of shareholders: Not Adopted
3. Modified option[s] in Audit Report: The Auditors of the company have issued an unmodified report on financial statements for FY 2018-2019.
4. Separate posts of Chairman and Chief Executive Officer: Not Adopted
5. Reporting of Internal Auditors directly to the Audit Committee: Complied

For and on behalf of the Board

Ajay Kumar Mall
Managing Director & CEO
(DIN:00470184)

Place: Kolkata
Date: May 25th, 2019



DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

To,
The Members
Mallcom (India) Limited

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2019.

Date: May, 25th 2019
Place: Kolkata

Ajay Kumar Mall
Managing Director & CEO

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO)

To,
The Board of Directors
Mallcom (India) Limited

We, Ajay Kumar Mall, Managing Director and Shyam Sundar Agarwal, Chief Financial Officer of Mallcom (India) Limited, certify that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2019 and to the best of our knowledge and belief, we state that -
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) 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 our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2019, which are fraudulent, illegal or violative of the Company's Code of Conduct;
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and the Audit committee, and the steps have been taken or propose to take to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii) We are not aware of any instances during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Ajay Kumar Mall
Managing Director & CEO

S.S. Agarwal
Chief Financial Officer

Date: May, 25th 2019
Place: Kolkata

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Mallcom (India) Limited

I have examined the compliance of conditions of Corporate Governance by Mallcom (India) Limited, for the financial year ended March 31, 2019, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the 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.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchanges.

I have to state that as per the records maintained by the Company, there were no investor grievances remaining unattended/pending for more than 30 days.

I further 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.

Anju Agarwal
Practicing Company Secretary
[ACS No. 25188]
[M.No.14376]

Place: Kolkata
Dated: May 25th, 2019

FIVE YEARS HIGHLIGHTS

A. Profit & Loss Statement

(₹ In Lakhs)

Particulars	2018-19	2017-18	2016-17	2015 - 16	2014-15
Revenue from Operations	30072.74	24,830.22	25,848.80	27567.19	26490.71
Other Income	21.30	80.76	252.44	18.31	37.22
Total Revenue	30094.04	24,910.98	26,101.24	27,585.50	26,527.93
EBIDTA	3032.04	2,337.47	2,161.70	1,839.68	1,625.96
Depreciation & Amortizations	467.11	427.91	436.04	426.36	415.8
Finance Costs	390.5	413.08	330.16	221.59	335.69
Profit Before Tax	2174.43	1,496.48	1,395.50	1,191.73	874.47
Tax Expenses	766.06	513.99	473.58	428.31	361.01
Net Profit	1408.37	982.49	921.92	763.42	513.46
Cash Profit (in Rs.)	1875.48	1,417.04	1,349.44	1,200.13	942.22
Basic and Diluted EPS (In Rs.)	22.57	15.79	14.89	12.23	8.23

B. Balance Sheet

(₹ In Lakhs)

Particulars	2018-19	2017-18	2016-17	2015 - 16	2014-15
Net Block of Fixed Assets	3046.33	3,083.19	2,923.18	2,866.50	2312.86
Shareholders Fund / Total Capital Employed	8753.63	7,434.66	6,451.14	5,664.39	5051.18

C. Key Ratios

Particulars	2018-19	2017-18	2016-17	2015 - 16	2014-15
EBIDTA to Revenue from Operations (%)	10.08	9.52	8.36	6.67	6.14
Return on Equity / Capital Employed (%)	16.09	13.22	14.29	13.48	10.17

Notes:

The Company has adopted Indian Accounting Standards ("IND AS") from 1st April, 2017.

Figures have been regrouped and rearranged wherever necessary.

INDEPENDENT AUDITOR'S REPORT

to the Members of MALLCOM (INDIA) LIMITED

Report on the Audit of the standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of MALLCOM (INDIA) LIMITED (the 'Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('IndAS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

5. Key Audit Matter that require to be communicated in our report:

Basis for opinion

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

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone 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.

(i) Completeness, existence and accuracy of Revenue Recognition See note 18 to the standalone financial statements [Refer to Note 3.14 and 23 to the standalone financial statements]

Key Audit Matters	How the matter was addressed in our audit
<p>Revenue recognition /Adoption of New Accounting Standard Ind AS 115: Revenue from contracts with customers [Refer to Note 3.14 and 23 to the standalone financial statements]</p> <p>Revenue is one of the key profit drivers and is therefore susceptible to mis-statement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year. The Company manufactures and sells a number of products to its customers. The Company has adopted the new accounting standard Ind AS 115 as at April 1, 2018 and accordingly has reviewed its sales contracts for determining the principles for recognizing revenue in accordance with the new standard.</p>	<p>Principal audit procedures:</p> <p>a) Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures.</p> <p>b) Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to the identification of performance obligations and timing of revenue recognition.</p> <p>c) Selected a sample of contracts and reassessed contractual terms to determine adherence to the requirements of the new accounting standard</p>

(ii) Existence and Valuation of Inventories [Refer note 3.9(i) & (ii) and 9 of the Standalone Financial Statements]

Key Audit Matters	How the matter was addressed in our audit
<p>The Company's major part of inventory comprises Raw Material/ Accessories/ Work-in-Progress/ finished goods which are geographically spread over multiple locations such as factories producing different products. These inventories are also procured at many times as per customer specification and order requirement and customized as such. The whole inventory is counted by the Company on a cyclical basis and accordingly provision for</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <p>a) Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to physical verification of inventories by the management and the internal auditors of the Company, identification of obsolete and</p>

Key Audit Matters	How the matter was addressed in our audit
<p>obsolescence of inventories is assessed and recognized by the management in the financial statements based on management estimation as at end of reporting period.</p> <p>The Company manufactures and sells goods which may be subject to changing consumer demands and product developments. Significant degree of judgment is thereby required to assess the net realizable value of the inventories and appropriate level of provisioning for items which may be ultimately sold below cost. Such judgment includes management's expectations for future sale volumes, inventory liquidation plans and future selling prices less cost to sell.</p> <p>Based on above, existence and valuation of inventories has been identified as a key audit matter.</p>	<p>slow moving inventories, inventories with low or negative gross margins, monitoring of inventory ageing and assessment of provisioning and of net realizable values.</p> <p>b) Assessing whether items in the inventory ageing report prepared by the management were classified within the appropriate ageing bracket;</p> <p>c) Performing a review of the provisions for inventories by examining movements in the balance during the current year and new provisions made for inventory balances as at 31 March 2018 during the current year to assess the historical accuracy of management's inventory provisioning process;</p> <p>d) Assessing, on a sample basis, the net realizable value of slow-moving and obsolete inventories and inventories with low or negative gross margins as calculated by management with reference to prices achieved and costs to sell after the financial year end.</p> <p>e) Attending cyclical inventory counts at various godown & factories at regular intervals during the reporting period and evaluating the results of the cycle counts performed by the management throughout the year to assess management's estimation of the provisioning.</p>

Information other than the financial statements and Auditor's Report thereon

6. 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 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.

Responsibilities of Management and Those Charged with Governance for the standalone financial statements

7. 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 state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS 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.

8. 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.

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

Auditor's Responsibilities for the Audit of the financial statements

10. 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 Standards on Auditing 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.

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

a) 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.

b) 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 explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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.

e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

12. 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.

13. 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.

14. 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

15. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

16. As required by the Companies [Auditor's Report] Order, 2016 [the 'Order'] issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

17. Further to our comments in Annexure A, 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 purpose 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 standalone financial statements dealt with by this report are in agreement with the books of account;

d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;

f) we have also audited the internal financial controls over financial reporting [IFCoFR] of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per Annexure B expressed an unmodified opinion;

g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies [Audit and Auditors] Rules, 2014 [as amended], in our opinion and to the best of our information and according to the explanations given to us:

i) the Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements;

ii) the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019;

iv) the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

18. As required by the Companies [Auditor's Report] Order, 2016 [the 'Order'] issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For S. K. Singhania & Co.

Chartered Accountants,
Firm Registration No: 302206E

Place: Kolkata
Dated: May 25th, 2019.

Rajesh Kr. Singhania
Partner Membership No. 52722

ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT

(Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date)

In respect of its fixed assets:

1. a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b) According to the information and explanations given to us, such fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on verification.
- c) Based upon the audit procedure performed and according to the records of the company, the title deeds of all the immovable Properties are held in the name of the company.

In respect of its inventories:

2. a) The inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
- b) The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
3. Since the company has not granted any loans, secured or unsecured, clause (a), (b) & (c) of section (iii) of Para 3 of the Order is not applicable.

4. Since the company does not have any loan, as such provisions of section 185 and 186 of the Act are not applicable.
5. Since the company has not accepted any deposits, section (v) of Para 3 of the Order is not applicable.
6. We have broadly reviewed the accounts and records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment Rules, 2014 specified by the Central Government under section 148 of the Act, and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. a) According to the information and explanations given to us, the company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.
- b) According to the information and explanations given to us, the details of disputed amount of Income Tax, Value Added Tax, Sales Tax, Excise Duty, Customs Duty and Service Tax are deposited by the Company are as follows :
8. In our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of loans or borrowings from Banks. The company did not have outstanding loans from Financial Institutions, Debenture Holders or Government.

Name of the Statute	Nature of the dues	Amount [Rs. in lakhs]	Period to which dispute is pending	Forum where the
Income Tax Act	Income Tax demand	9.46	A.Y. 2015-16	.CIT (Appeal)
		15.31	A.Y. 2014-15	
		9.04	A.Y. 2013-14	
		44.08	A.Y. 2012-13	
Income Tax Act	Income Tax demand	45.90	A.Y. 2011-12	Income Tax Tribunal
Service Tax	Service Tax	31.88	2009-10 to 2011-12	CESTAT, Kolkata

9. Since the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, section (ix) of Para 3 of the Order is not applicable.
10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company, as such section (xii) of Para 3 of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Standalone Ind As financial statements as required by the applicable Indian accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, clause 3(xiv) of the order is not applicable.
15. According to the information and explanations 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 them, as such section (xv) of Para 3 of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For S. K. Singhania & Co.
Chartered Accountants,
Firm Registration No. 302206E

Place: Kolkata
Dated: May 25th, 2019

Rajesh Kr. Singhania
Partner Membership No. 52722

ANNEXURE B TO THE AUDITORS' REPORT

[Referred to in Paragraph 2(F) under the heading "Report on other legal and regulatory requirements" of our report of even date]

Report on the Internal Financial Controls under Clause (i) of subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of MALLCOM (INDIA) LIMITED ("the Company") as of 31st March 2019 in conjunction with our audit of the Standalone Ind AS 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 the 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 were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate

to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction 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 the 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 Limitation 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 period 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 31st March 2019, 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 S. K. Singhania & Co.
Chartered Accountants,
Firm Registration No. 302206E

Place: Kolkata
Dated: May 25th, 2019

Rajesh Kr. Singhania
Partner Membership No. 52722

BALANCE SHEET as at 31st March 2019

(₹ in Lakhs)

Sl. NO.	Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
I.	ASSETS			
	Non-Current Assets			
	Property, Plant and Equipment	5	2,996.12	3,000.46
	Capital work-in-progress	5a	42.82	10.20
	Intangible assets	6	50.21	82.73
	Financial Assets			
	Investments	7	590.06	590.06
	Loans	8	78.57	79.48
	Current Tax Asset (Net)		94.68	78.21
			3,852.44	3,841.14
	Current Assets			
	Inventories	9	6,768.32	6,481.62
	Financial Assets			
	Investments	10	544.85	-
	Trade Receivables	11	3,514.77	3,348.34
	Cash and Cash Equivalents	12	292.21	184.06
	Other Bank Balances	13	7.43	9.08
	Loans	8	29.48	23.56
	Other Current Assets	14	3,836.05	2,559.38
			14,993.11	12,606.04
	Total Assets		18,845.57	16,447.18
II.	EQUITY AND LIABILITIES			
	Equity			
	Equity Share Capital	15	624.00	624.00
	Other Equity	16	8,139.89	6,810.66
			8,763.89	7,434.66
	Deferred Tax Liability (Net)	22	23.68	2.55
	Liabilities			
	Current Liabilities			
	Financial Liabilities			
	Borrowings	17	4,529.39	4,493.79
	Trade Payables	18	3,840.48	3,278.82
	Other Financial Liabilities	19	438.63	162.23
	Other Current Liabilities	20	1,206.02	1,033.60
	Provisions	21	43.48	41.53
			10,081.68	9,012.52
	Total Equity and Liabilities		18,845.57	16,447.18

Significant accounting policies

3

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date.

For S. K. Singhania & Co.
 Chartered Accountants
 Firm Registration No. 302206E

Rajesh Singhania
 Partner
 Membership No. 52722
 Place: Kolkata
 Date: 25th May, 2019

For and on behalf of the Board

A.K.Mall
 Managing Director

G.K.Mall
 Director

S.S.Agrawal
 Chief Financial Officer

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2019

[₹ in Lakhs]

Sl. NO.	Particulars	Note	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	INCOME			
I	Revenue from operations	23	30,072.74	24,830.22
II	Other Income	24	21.30	80.76
III	TOTAL INCOME		30,094.04	24,910.98
	EXPENSES			
	Cost of materials consumed	25	17,229.87	15,607.87
	Purchase of Traded Goods	26	2,003.73	1,433.98
	Changes in inventories of finished goods and work-in-progress	27	(349.26)	(467.01)
	Excise Duty on Sales		-	70.64
	Employee Benefits Expense	28	1,158.24	1,077.44
	Finance Costs	29	390.50	413.08
	Depreciation and Amortization Expense		467.11	427.91
	Manufacturing and Other Operational Expenses	30	6,654.89	4,498.74
	Other Expenses	30 (a)	364.54	351.85
IV	TOTAL EXPENSES		27,919.62	23,414.50
V	PROFIT BEFORE TAX		2,174.43	1,496.48
VI	Tax Expense	35		
	Current Tax		766.02	507.35
	Deferred Tax (Credit)/Charge		0.04	6.64
VII	PROFIT FOR THE PERIOD		1,408.37	982.49
VIII	OTHER COMPREHENSIVE INCOME			
	Items that will not be Reclassified to Profit or Loss		-	-
	Income Tax relating to items that will not be Reclassified to Profit or Loss		-	-
	Fair Value of Investment / Exchange difference on transaction of foreign operations	32 (b)	117.53	4.71
	Income Tax relating to these items		(31.96)	(1.64)
	Items that will not be Reclassified to Profit or Loss (Re-measurement of post employment benefit obligations)		(14.96)	-
	Income Tax relating to these items		5.23	-
			75.84	3.07
IX	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (Comprising Profit and Other Comprehensive Income for the Period)		1,484.26	985.56
X	Earning per equity share of ₹ 10 each (In ₹)	37		
	Cash		30.43	22.71
	Basic and Diluted		22.57	15.75

Significant Accounting Policies

3

The accompanying notes are an integral part of the Financial Statements:

As per our Report of even date.

For S. K. Singhania & Co.Chartered Accountants
Firm Registration No. 302206E**Rajesh Singhania**Partner
Membership No. 52722

Place: Kolkata

Date: 25th May, 2019**For and on behalf of the Board****A.K.Mall**
Managing Director**G.K.Mall**
Director**S.S.Agrawal**
Chief Financial Officer

CASH FLOW STATEMENT for the year ended 31st March, 2019

(₹ in Lakhs)

Sl. No.	Particulars	For the Year ended 31.03.2019		For the Year ended 31.03.2018	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit before Taxation and Extraordinary Items		2,174.43		1,496.48
	Adjustments For:				
	Depreciation and Amortisation Expense	467.11		427.91	
	Balances Written Back (Net)	(5.99)		(19.22)	
	Interest Income	(3.85)		(4.29)	
	Profit on sale of Property, Plant & Equipment (Net)/Assets Written Off	(5.99)		(48.11)	
	Remeasurement/gain of DBQ/DBP	-		4.71	
	Finance Costs	333.37	784.65	331.27	692.27
	Operating Profit before Working Capital Changes		2,959.08		2,188.76
	Adjustments For:				
	(Increase)/Decrease in Trade and Other Receivables	(1,447.78)		(173.75)	
	(Increase)/Decrease in Inventories	(286.70)		(1,892.37)	
	Increase/(Decrease) in Trade and Other Payables and Provisions	934.42	(800.06)	698.56	(1,367.56)
	Cash Generated From Operations		2,159.02		821.20
	Direct Taxes Paid (Net of Refunds)		(566.36)		(463.40)
	Net Cash from Operating Activities		1,592.66		357.80
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Profit on sale of Property, Plant & Equipment (Net)/Assets Written Off	5.99		48.11	
	Purchase of Property, Plant and Equipments (Including Capital Work-in-Progress and Advances)*	(502.60)		(469.66)	
	Purchases/Proceeds from sale of Investments	(545.18)		633.40	
	Interest Income	3.85	(1,037.94)	4.29	216.14
	Net Cash from/ (Used in) Investing Activities		(1,037.94)		216.14
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds / (Repayment) of Short Term Borrowings (Net)	35.60		(40.52)	
	Interest and Financial Charges Paid	(333.37)		(331.27)	
	Dividend and Tax paid thereon (Interim, special and Final)	(150.45)	(448.22)	(150.21)	(522.00)
	Net Cash from/ (Used in) Financing Activities		(448.22)		(522.00)
	Net Increase/(Decrease) in cash or cash equivalents (A+B+C)		106.50		51.94
	Cash or Cash equivalents at the beginning of the year		193.14		141.20
	Cash or Cash equivalents at the end of the year		299.64		193.14

The accompanying notes are an integral part of the Financial Statements.

1 Reconciliation of Financial Liabilities arising from Financing Activities

Particulars	Opening Balance	Financing Cash Flow Changes		Non-Financing Cash Flow Changes		Closing Balance
	As at 31.03.2018	Principal	Repayment	Fair Value Changes	Forex Changes	As at 31.03.2019
Short Term Borrowings	4,493.79	16,300.00	16,264.40	-	-	4,529.39
Long term Borrowings	-	-	-	-	-	-

2 Direct Taxes are treated as arising from operating activities and are not bifurcated between investing and financing activities.

3 The above cash flow statement has been prepared under the indirect method set out in Ind AS-7 'Statement of Cash Flows'.

4 For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprises the followings:

Particulars	As at 31.03.2019	As at 31.03.2018
Balances with Banks	292.21	184.06
Cash in Hand	7.43	9.08
Total	299.64	193.14

As per our Report of even date.

For S. K. Singhania & Co.
Chartered Accountants
Firm Registration No: 3022b6E

Rajesh Singhania
Partner
Membership No. 52722
Place: Kolkata
Date: 25th May, 2019

For and on behalf of the Board

A.K.Mall
Managing Director

G.K.Mall
Director

S.S.Agrawal
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2019**A. EQUITY SHARE CAPITAL (Refer Note 15)**

Particulars	(₹ in Lakhs)	
	Numbers	Amount
Equity Shares of ₹ 10 each, issued, subscribed and fully paid-up		
As at 31.03.2019	6,240,000	624.00
As at 31.03.2018	6,240,000	624.00

B. OTHER EQUITY (Refer Note 16)
For the year ended 31st March, 2019

Particulars	(₹ in Lakhs)				
	Reserves and Surplus				
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Opening Balance as at 01.04.2018	401.49	511.00	5,725.00	173.17	6,810.66
Profit for the Current Year	-	-	-	1,408.37	-
Comprehensive Income for the year	-	-	-	75.84	-
Total Comprehensive Income for the year	-	-	-	1,484.21	1,484.21
Transfer to/(from) Retained Earnings	-	-	1,400.00	(1,400.00)	-
Remeasurement of DBP/DBQ/Investment	-	-	-	(4.52)	(4.52)
Dividend	-	-	-	(124.80)	(124.80)
Dividend Distribution Tax	-	-	-	(25.65)	(25.65)
Closing Balance as at 31.03.2019	401.49	511.00	7,125.00	102.41	8,139.89

For the year ended 31st March, 2018

Particulars	(₹ in Lakhs)				
	Reserves and Surplus				
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Opening Balance as at 01.04.2017	401.49	511.00	4,900.00	14.65	5,827.14
Profit for the Current Year	-	-	-	982.49	-
Comprehensive Income for the year	-	-	-	3.07	-
Total Comprehensive Income for the year	-	-	-	985.56	985.56
Transfer to/(from) Retained Earnings	-	-	825.00	(825.00)	-
Remeasurement of DBP/DBQ/Investment	-	-	-	(2.04)	(2.04)
Dividend	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Closing Balance as at 31.03.2018	401.49	511.00	5,725.00	173.17	6,810.66

As per our Report of even date.

For S. K. Singhania & Co.
Chartered Accountants
Firm Registration No. 302206E

Rajesh Singhania
Partner
Membership No. 52722
Place: Kolkata
Date: 25th May, 2019

For and on behalf of the Board

A.K.Mall
Managing Director

G.K.Mall
Director

S.S.Agrawal
Chief Financial Officer

Notes to Financial Statements for the year ended March 31, 2019.

1. Corporate Information

"Mallcom (India) Limited ("the Company") is a public limited company domiciled in India and is incorporated in the year 1983 under Companies Act applicable in India. Its shares are listed on one recognized stock exchanges in India. The registered office of the company is located at EN-12, Sector-V, Salt Lake, Kolkata- 700091, India.

The company is one of the established manufacturers - exporter of Personal Protective Equipments. It has a long track record in the Industrial Safety Products category.

These financial statements are approved and adopted by the Board Of Directors of the Company in their meeting dated 25th May, 2019."

2. Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance

The financial statements of the company have been prepared in accordance with India Accounting Standards (Ind As) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards)(Amendment), Rules, 2016.

"The company has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The effect is described below:

- a. The Company has adopted Ind AS 115, Revenue from Contract with Customers with effect from 1st April 2018.
- b. The Company has elected to recognize cumulative effect of initially applying Ind AS 115 retrospectively as an adjustment to opening balance sheet as at 1st April 2018 on the contracts that are not completed contract as at that date. There was no impact of above on the opening balance sheet as at 1st April 2018 and on the Statement of Profit and Loss for the year ended 31st March, 2019.
- c. The Company has adopted Appendix B to Ind AS 21, Foreign currency transactions and advance consideration with effect from 1st April 2018 prospectively to all assets, expenses and income initially recognized on or after 1st April 2018 and the impact on implementation of the Appendix is immaterial."

2.2 Recent accounting pronouncements - Standards issued but not yet effective:

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying new standards and amendments to certain

issued standards. These amendments are applicable to the Company from 1st April, 2019. The Company will be adopting the below stated new standards and applicable amendments from their respective effective date.

- a) Ind AS 116, Leases: Ind AS 116 supersedes Ind AS 17, Leases. Under Ind AS 116, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use asset) at the commencement date of lease. Lessees will be required to separately recognise interest expense on the lease liability and depreciation expense on the right of use asset. Lessor accounting under Ind AS 116 remains substantially unchanged from accounting under Ind AS 17. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019.
- b) Endments of Ind AS 19, Employee Benefit : On March 31, 2019, Ministry of Corporate Affairs have issued Amendments to Ind AS 19, Employee Benefit. The amendments clarifies the accounting for defined benefit plans on plan amendments, curtailment and settlement and specifies how companies should determined pension expenses when changes to defined benefit plan occurs. The amendments requires Company to use the updated assumption from remeasurement to determine current service cost and net interest for the remainder of the reporting period after change to the plan. Currently Ind AS 19 did not specify how to determine the expenses for the period after change to the plan. The amendments are expected to provide useful information to users of financial statement by requiring the use of updated assumption.
- c) Appendix C, Uncertainty over Income Tax Treatment to Ind AS 12, Income Taxes: The Appendix clarifies how to apply the recognition and measurement principles while recognizing current tax, deferred tax, taxable profits (losses), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over tax treatments under Ind AS 12. As per the Appendix, the Company needs to assess whether it is probable that a tax authority will accept an uncertain tax treatment used or a treatment which is being proposed to be used in its income tax filings.
- d) Amendment to Ind AS 12, Income Taxes: The amendment clarifies that an entity shall recognize income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The impact on the Financial Statements is being evaluated.

3. Significant Accounting Policies

3.1 Basis of Measurement

The Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivatives financial instruments
- Certain Financial assets measured at fair value [refer accounting policy regarding financial instruments]

The financial statements are prepared in Indian Rupees ("INR") and all values are rounded to the nearest Lakhs, except otherwise indicated.

3.2 Property, Plant and Equipment

Property, Plant and equipment are stated at cost less accumulated depreciation/amortization and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost of acquisition/bringing the asset to its working condition for its intended use (net of credit availed, if any)

When significant parts of the plant and equipment are required to be replaced at intervals the company depreciates them separately based on their specific useful lives. Capital work in progress is carried at cost and directly attributable expenditure during construction period which is allocated to the property, plant and equipment on the completion of project.

Borrowing costs directly attributable to the acquisition/construction of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Depreciation and Amortisation

Depreciation is provided on written down value method over the estimated useful lives of the assets. Leasehold Property are depreciated over their expected lease terms. No depreciation is charged on Freehold land. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Plant & Machinery	14 Years
Building	29 Years
Electric Installations	14 Years
Mould & Dies	14 Years
Furniture & Fixtures	9 Years

Vehicles	7 Years
Office Equipment	4 Years
Computers	2 Years
Computer License	5 Years
Patent Right	5 Years

Gains or Losses arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of Profit and loss when the asset is derecognized.

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

3.3 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Cost comprises of purchase price and directly attributable cost of acquisition/bringing the asset to its working condition for its intended use (net of credit availed, if any)

Amortization is provided on a written down value method over estimated useful lives.

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

3.4 Derecognition of Tangible and Intangible assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.5 Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease rentals are recognized as an expense in the Statement of Profit and Loss

3.6 Impairment of Non-Financial Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal & external factors. An impairment loss is recognized wherever the carrying amounts of an

asset exceed its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. Reversal of impairment loss is recognized immediately as Income in the Statement of Profit and Loss.

3.7 Financial Assets and Financial Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current, if they are expected to be realised or settled within operating cycle of the Company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortised Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition

i) Cash & Cash equivalents

Cash & Cash equivalents consist of Cash on Hand, Cash at Bank, Term Deposits & Cheques in Hand. All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

ii) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial

asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition

iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income

iv) For the purpose of para (iii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit and loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

vi) Derivative and Hedge Accounting

The Company enters into derivative financial instruments such as foreign exchange forward, swap and option contracts to mitigate the risk of changes in foreign exchange rates in respect of financial instruments and forecasted cash flows denominated in certain foreign currencies. The Company uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The hedge instruments are designated

and documented as hedges and effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments", is categorised as a financial asset, at fair value through profit or loss. Transaction costs attributable are also recognised in Statement of profit and loss. Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognised in the Statement of profit and loss.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented within equity as cash flow hedging reserve to the extent that the hedge is effective

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and thereafter to the extent hedge accounting being discontinued is recognised in Statement of profit and loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of profit and loss.

vii) Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

viii) Derecognition of financial instruments

The Company derecognizes a financial asset or a

Company of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognised in statement of profit and loss.

On derecognition of assets measured at Fair Value through Other Comprehensive Income (FVTOCI), the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment

Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in Statement of Profit and Loss

3.8 Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investment. All other investments are classified as long term investments. Current Investments are carried at lower of cost and fair value determined on individual investment basis. Long-term investments are carried at cost. A provision of diminution is made to recognize a decline, other than temporary, in the value of long-term investments

3.9 Inventories

Inventories are valued at lower of cost or net realisable value. Cost of inventories is ascertained on 'FIFO' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the related finished products are expected to be sold at or above cost.

i) Raw Materials, Stores and spares

These are valued at the lower of cost and estimated net realizable value, after providing for cost of obsolescence and other anticipated losses, wherever, considered necessary.

ii) Work-in-progress and Finished Goods

These include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.

3.10 Foreign Currency Transaction

Foreign currency transactions are recorded in the reporting currency prevailing at the date of the transaction. Realized gains/ losses on foreign exchange transactions during the year are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currency are translated at the year end rates and resultant gains/losses from foreign exchange translations are recognized in the Statement of Profit and loss.

Forward Exchange Contracts not intended for trading or speculation purposes.

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

3.11 Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.12 Provisions & Contingent Liabilities

Provisions are recognized when an enterprise has a present obligation as a result of past event that probably requires an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. They are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not provided for and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle

the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the financial statement by way of notes to accounts when an inflow of economic benefits is probable.

3.13 Employee Benefits

i) Short Term Employee Benefits

Short term employee benefits, such as salaries, wages, incentives etc. are recognized as expenses at actual amounts, in the Statement of Profit and Loss of the year in which the related services are rendered. Leave not availed in a year can be carried forward up to 30 days.

ii) Defined Contribution Plans

Defined contribution plans are Provident Fund Scheme, Employee State Insurance Scheme and Government administered Pension Fund Scheme for the employees. The company makes monthly contributions towards these funds / schemes, which are recognized in the Statement of Profit & Loss in the financial year to which they relate. There is no obligation other than the monthly contributions.

iii) Defined Benefit Plans

The company has a defined benefit plan for Post-employment benefit in the form of Gratuity for all employees. Contribution on account of gratuity payment is made to the Gratuity Trust. Liability for above defined benefit plan is provided on the basis of actuarial valuation, as at the Balance Sheet date. The actuarial method used for measuring the liability is the Projected Unit Credit method. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

iv) Leave Encashment

The Company treats accumulated leaves expected to be carry forward beyond 12 months, as long term employee benefit for measurement purpose. Such long term accumulated leaves are provided for based on the actuarial valuation using projected unit credit method at the end of each financial year.

3.14 Revenue recognition

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with delivery.

Sale of goods : Revenue from the sale of goods is recognised when the company transfers control of the

product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the company has not retained any significant risks of ownership or future obligation with respect to the product ship. Amounts disclosed as revenue are net off returns, trade allowances, rebates and indirect taxes.

Export Benefits

Export incentives are accounted for on export of goods in the year of export if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim is fulfilled.

Interest & Dividend

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

Dividend income is recognized when the shareholders' right to receive payment is established by the balance sheet date.

3.15 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method.

3.16 Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Deferred income tax reflects the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset arising on account of unabsorbed depreciation or carry forward tax losses are recognized only if there is virtual certainty supported

by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably or virtually certain, as the case may be, that sufficient income will be available against which deferred tax asset can be realized.

3.17 Earnings Per Share

Basic Earnings per Share is calculated by dividing the net profit or loss after tax for the year attributable to Equity Shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue, bonus elements in a right issue to existing shareholders and share splits.

For the purpose of calculating Diluted Earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.18 Segment Reporting

Segment is identified and reported taking into account the nature of products and services, the different risks and returns and the integral business reporting systems. The Company primary business segment is Industrial Safety Products. The Industrial Safety Products business incorporates product Companies' viz. Leather hand Gloves, Industrial Work Garments, Seamless Knitted Gloves, Leather Shoe Upper, Safety Shoes and Nitrile Dipped Gloves, which mainly have similar risks and returns. Thus the Company business activity falls within a single primary business segment.

4 Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the financial statements in conformity with the measurement principle of 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 assets and 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. Differences between the actual results and estimates are recognised in the year in which the results are known /materialised and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

4.1 Depreciation / amortisation and impairment on property, plant and equipment / intangible assets.

Property, Plant and Equipment and Intangible assets are depreciated/amortised on straight-line/written down value basis over the estimated useful lives (or lease term if shorter) in accordance with Company accounting policy, taking into account the estimated residual value, wherever applicable.

The Company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation Asset's recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rates which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortisation and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

4.2 Arrangements containing leases and classification of leases

The Company enters into service / hiring arrangements for various assets / services. The determination of lease and classification of the service/hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of

minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

4.3 Claims and Compensation

Claims including insurance claims are accounted for on determination of certainty of realisation thereof.

4.4 Impairment allowances on trade receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

4.5 Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

4.6 Defined benefit obligation (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

4.7 Provisions and Contingencies

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

NOTE 5: PROPERTY, PLANT AND EQUIPMENT (As at March 31, 2019)

(₹ in Lakhs)

Sl. NO.	Particulars	GROSS BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK
		Opening as at 01.04.2018	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2019	Opening as at 01.04.2018	Provisions During the Year	Deductions/ Adjustments During the year	Up to 31.03.2019	As at 31.03.2019
(i)	Tangible Assets:									
1	Free Hold Land	459.52	-	-	459.52	-	-	-	-	459.52
2	Buildings	1,051.04	50.03	6.62	1,094.45	186.78	84.27	0.91	270.14	824.30
3	Plant and Equipment	1,920.93	376.87	7.96	2,289.84	510.02	284.95	1.25	793.72	1,496.12
4	Electrical Installations	174.29	2.20	4.75	171.74	37.85	24.81	0.21	62.44	109.29
5	Mould & Dies	51.39	4.60	-	55.99	14.73	7.72	-	22.46	33.53
6	Furniture & Fixtures	65.28	5.70	-	70.99	21.51	12.07	-	33.58	37.40
7	Vehicles	64.50	0.95	13.43	52.02	30.63	10.83	11.07	30.39	21.63
8	Office Equipments	11.73	5.66	-	17.39	4.58	3.76	-	8.34	9.05
9	Computer Software	26.95	3.57	-	30.52	19.08	6.19	-	25.27	5.26
	Total	3,825.64	449.58	32.76	4,242.45	825.18	434.60	13.44	1,246.34	2,996.12

NOTE 5a: CAPITAL WORK IN PROGRESS (As at March 31, 2019)

(₹ in Lakhs)

Sl. NO.	Particulars	COST				AMORTIZATION				NET CARRYING AMOUNT
		Opening as at 01.04.2018	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2019	Opening as at 01.04.2018	Provisions During the Year	Deductions/ Adjustments During the year	Up to 31.03.2019	As at 31.03.2019
1	Plant & Equipment	10.20	26.61	10.20	26.61	-	-	-	-	26.61
2	Building	-	13.73	-	13.73	-	-	-	-	13.73
3	Electrical Installations	-	1.08	-	1.08	-	-	-	-	1.08
4	Computer Software	-	1.40	-	1.40	-	-	-	-	1.40
	Total	10.20	42.82	10.20	42.80	-	-	-	-	42.82

NOTE 6: INTANGIBLE ASSETS (As at March 31, 2019)

(₹ in Lakhs)

Sl. NO.	Particulars	COST				AMORTIZATION				NET CARRYING AMOUNT
		Opening as at 01.04.2018	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2019	Opening as at 01.04.2018	Provisions During the Year	Deductions/ Adjustments During the year	Up to 31.03.2019	As at 31.03.2019
(ii)	Intangible Assets:									
1	Computer License	84.86	-	-	84.86	7.86	30.26	-	38.12	46.74
2	Patent Right	10.06	-	-	10.06	4.32	2.25	-	6.57	3.48
	Total	94.92	-	-	94.92	12.18	32.51	-	44.69	50.21

NOTE 7: NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Sl. NO.	Particulars	Face Value (In ₹)	As at 31.03.2019		As at 31.03.2018	
			No.	Amount	No.	Amount
1	UNQUOTED					
	Subsidiary Company Fully Paid Equity Shares					
	Mallcom VSFT Gloves Pvt. Ltd. Mallcom Safety Pvt. Ltd.	10 10	4,894,000 1,000,000	490.00 100.00	4,894,000 1,000,000	490.00 100.00
	Total			590.00		590.00
2	Other Instruments					
	Investment in Government or Trust Securities [NSC Placed with VAT Authorities]		-	0.06	-	0.06
	Total		-	590.06	-	590.06

NOTE 8: FINANCIAL ASSETS- LOANS

(₹ in Lakhs)

Sl. NO.	Particulars	Non-Current		Current	
		As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
1	(Unsecured and Considered Good) Loans and Advances	-	-	29.48	23.56
2	Security Deposits	78.57	79.48	-	-
	Total	78.57	79.48	29.48	23.56

NOTE 9: INVENTORIES (Valued at Lower of Cost or Net Realizable Value)

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Raw Materials [includes in transit ₹ 217.48 lakhs (As at 31.03.2018 ₹ 257.69 lakhs)]	3871.14	4208.5
2	Stores and Spares	747.94	473.13
3	Work-in-Progress	1340.51	952.21
4	Finished Goods	808.73	847.78
	Total	6,768.32	6,481.62

NOTE 10 : CURRENT INVESTMENTS

(₹ in Lakhs)

Sl. NO.	Particulars	Face Value (In ₹)	As at 31.03.2019		As at 31.03.2018	
			No.	Amount	No.	Amount
1	Investments at Amortised Cost					
	QUOTED					
	Bonds					
	Edelweiss Capital Limited , NCD	100,000	500	544.85	-	-
	Total		-	544.85	-	-

10.1 AGGREGATE CARRYING AMOUNT AND MARKET VALUE OF QUOTED INVESTMENTS

[₹ in Lakhs]

Particulars	As at 31.03.2019		As at 31.03.2018	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
Quoted Investments:				
In Bonds and Units of Mutual Funds	544.85	544.85	-	-
Total	544.85	544.85	-	-

NOTE 11: TRADE RECEIVABLES

[₹ in Lakhs]

Sl. NO.	Particulars	Current	
		As at 31.03.2019	As at 31.03.2018
1	Secured, Considered Good	-	-
2	Unsecured		
	Considered Good	3,514.77	3,348.34
	Considered Doubtful	-	-
	Total	3,514.77	3,348.34

NOTE 11.1: Ageing of Trade Receivable

[₹ in Lakhs]

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Within the credit period	3,514.77	3,348.34
2	1-180 days past due	-	-
	Total	3,514.77	3,348.34

NOTE 12: CASH AND CASH EQUIVALENTS

[₹ in Lakhs]

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Balance with Banks	283.19	178.10
2	Cash in Hand	9.02	5.96
	Total	292.21	184.06

NOTE 13 : OTHER BANK BALANCES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Margin Money [Pledged with Banks]*	7.43	9.08
	Total	7.43	9.08

* The above amount is provided against issuance of Bank Guarantee.

NOTE 14 : OTHER CURRENT ASSETS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
	[Unsecured and Considered Good]		
1	Advances to Suppliers and Contractors	1,780.51	1,027.52
2	Prepaid Expenses	12.47	22.66
3	Balance with Revenue Authorities [Indirect Taxes]	2,043.07	1,509.20
	Total	3,836.05	2,559.38

NOTE 15 : SHARE CAPITAL

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	AUTHORIZED CAPITAL 1,00,00,000 Equity Shares of Rs. 10/- each	1,000.00	1,000.00
		1,000.00	1,000.00
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL 62,40,000 [62,40,000] Equity Shares of Rs. 10/- each fully paid-up	624.00	624.00
	Total	624.00	624.00

15.1 DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES OF THE COMPANY

Sl. No.	Name of Shareholders	No. of Shares Held as at 31.03.2019	% of Total paid-up Equity Share Capital	No. of Shares Held as at 31.03.2018	% of Total paid-up Equity Share Capital
1.	AJAY KUMAR MALL	10,25,320	16.43	10,25,320	16.43
2.	KADAMBINI SECURITIES PRIVATE LIMITED,	21,89,606	35.09	21,89,606	35.09
3.	JAY KUMAR DAGA	12,98,494	20.81	13,03,213	20.88
4.	MALLCOM HOLDINGS PRIVATE LIMITED	6,13,600	9.83	6,13,600	9.83

15.2 The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

15.3 In the event of liquidation of the company, the holders of 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.

15.4 As no fresh issue or reduction in capital is made during the current year as well as during the previous period, hence there is no change in the opening and closing capital. Accordingly, reconciliation of share capital has not been given.

15.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date:

As at 31.03.2019	As at 31.03.2018
Nil	Nil

15.6 The Equity Shares of the company are listed at BSE Limited and the annual listing fees has been paid for the year

NOTE 16: OTHER EQUITY

Nature of Reserves

Capital Reserve

Capital Reserve represents the amount, being the purchase price lower than the fair market value of the capital assets acquired by the company and used for the purposes of its business.

Securities Premium Reserve

Securities Premium Reserve represents the amount received in excess of par value of equity shares of the company. The same, inter alia, may be utilized by the company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the companies Act, 2013.

General Reserve

General Reserve represents the reserve created by apportionment of profit generated during the year or transfer from other reserves either voluntary or pursuant to statutory requirements. The same is a free reserve and available for distribution.

Retained Earnings

Retained Earnings represents the undistributed profits of the company.

NOTE 17: CURRENT BORROWINGS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
	Secured		
1	Loan Repayable on Demand		
	From Bank		
	Export Packing Credit	4,529.39	4,409.79
	Packing Credit Foreign Currency Loan	-	83.9
	Total	4,529.39	4,493.79

17.1 Demand loans from banks are secured by hypothecation of all present/future stock and receivables, all present/future fixed assets (excluding Land & Building) and Corporate guarantee by Kadimbini Securities Private Limited and Mallcom Holdings Private Limited and further personal guarantee of Managing Director.

17.2 There is no default in repayment of principal and interest thereon

NOTE 18 : TRADE PAYABLES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	For Supplying of Goods	3,325.31	2,661.87
2	For Supplying of Services	515.17	616.95
	Total	3,840.48	3,278.82

18.1 Trade Payables are based on the information available with the Company regarding the status of the Suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and there are no delays in payments to Micro, Small and Medium enterprises as required to be disclosed under the said Act.

NOTE 19 : FINANCIAL LIABILITIES- OTHERS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Security Deposits from Customers, Vendors & Others	438.63	162.23
	Total	438.63	162.23

NOTE 20 : OTHER LIABILITIES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Customer Advances	1026.53	860.85
2	Statutory Liabilities	179.49	172.75
	Total	1,206.02	1,033.60

NOTE 21: PROVISIONS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Provision for Employee Benefits		
	Gratuity	8.85	-
	Other Staff Benefit Schemes (Leave Encashment)	34.63	41.53
	Total	43.48	41.53

NOTE 22: DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Deferred Tax Assets:		
	Arising on account of:		
	Expenses allowed for tax purpose when paid	(12.62)	8.77
2	Deferred Tax Liabilities:		
	Arising on account of:		
	Depreciation and Amortization	11.06	11.32
	Net Deferred Tax Assets/(Liabilities)	(23.68)	(2.55)

Components of Deferred Tax Assets / [Liabilities] as at March 31, 2019 are given below

Particulars	As at 31.03.2018	Charge/ [Credit] Recognised in Profit or loss	Charge/ [Credit] Recognised in Other Com- prehensive Income	As at 31.03.2019
Deferred Tax Assets:				
Fair Valuation of financial assets and Liabilities	[1.68]	[30.28]	-	[31.96]
Provision For Post retirement and other Employee Benefits	11.72	2.39	-	14.11
Remeasurement Of Defined Benefit Obligation	[3.93]	-	9.16	5.23
Total Deferred Tax	6.11	[27.89]	9.16	[12.62]
Deferred Tax Liabilities:				
Timing Difference with respect to property, Plant and equipment and Other Intangible assets	8.66	2.40	-	11.06
Total Deferred Tax Assets	8.66	2.40	-	11.06
Net Deferred Tax Assets/ (Liabilities)	[2.55]	[30.29]	9.16	[23.68]

Components of Deferred Tax Assets / [Liabilities] as at March 31, 2018 are given below

Particulars	As at 31.03.2017	Charge/ [Credit] Recognised in Profit or loss	Charge/ [Credit] Recognised in Other Com- prehensive Income	As at 31.03.2018
Deferred Tax Assets:				
Fair Valuation of financial assets and Liabilities	[1.68]	-	-	[1.68]
Provision For Post retirement and other Employee Benefits	11.72	-	-	11.72
Remeasurement Of Defined Benefit Obligation	[2.29]	-	[1.64]	[3.93]
Total Deferred Tax	7.75	-	[1.64]	6.11
Deferred Tax Liabilities:				
Timing Difference with respect to property, Plant and equipment and Other Intangible assets	0.39	8.27	-	8.66
Total Deferred Tax Assets	0.39	8.27	-	8.66
Net Deferred Tax Assets/ (Liabilities)	7.36	[8.27]	[1.64]	[2.55]

NOTE 23: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Sale of Manufactured Goods		
	Leather Gloves	4,820.10	4,963.34
	Textile Garments	8,787.65	7,216.64
	Nitrile Dipped Gloves	3,231.21	3,024.25
	Safety shoes	9,054.14	5,845.75
	Shoe Upper	782.09	420.56
	Knitted Gloves	668.04	383.07
	Helmet/Facemask/Eye Protection	66.59	32.11
	Others	111.10	3.66
	Excise Duty on Sales	-	70.64
		27,520.92	21,960.02
2	Sale of Traded Goods		
	Leather Gloves	153.50	768.72
	Textile Garments	580.00	-
	Nitrile Dipped Gloves	28.50	77.02
	Helmet/Facemask/Eye Protection	-	9.30
	Cotton Knitted Gloves	-	8.03
	Safety shoes	285.70	561.76
	Others	7.50	8.35
		1,055.20	1,433.19
3	Service Exports	93.16	-
4	Job Work Charges	26.49	20.70
5	Foreign Exchange Gain	289.52	270.22
6	Export Incentives	1,087.45	20.70
		1,496.62	1,146.09
	Total	30,072.74	24,830.22

NOTE 24: OTHER INCOME

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Interest Income	3.85	4.29
2	Profit on sale of Fixed asset	5.99	-
3	Profit on sale of Investment	-	48.11
4	Balances Written Back	5.99	19.22
5	Other Non Operating Income	5.48	9.14
	Total	21.31	80.76

NOTE 25: COST OF MATERIALS CONSUMED

[₹ in Lakhs]

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
a)	Opening Stock	4,681.64	3,256.28
	PURCHASES OF RAW MATERIALS AND STORES		
1	Raw Materials (Including Carriage Inward)	14,764.29	14,921.43
2	Stores and Spares	1,739.22	1,584.91
3	Packing Materials	663.79	526.89
	Sub-Total	17,167.30	17,033.23
	Closing Stock	4,619.07	4,681.64
	Cost of Materials Consumed	17,229.87	15,607.87
	Total	17,229.87	15,607.87

NOTE 26: PURCHASE OF TRADED GOODS

[₹ in Lakhs]

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Safety Shoes	1,246.19	483.86
2	Nitrile Dipped Gloves	27.95	112.30
3	Leather Gloves	152.75	765.68
4	Textile Garments	546.96	-
5	Cotton Knitted Gloves	-	7.30
6	Eye Protection	-	34.82
7	Others	7.01	14.12
8	Custom Duty on Purchase	22.87	15.91
	Total	2,003.73	1,433.98

NOTE 27: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

[₹ in Lakhs]

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Closing stock		
	Work-in-Progress	1,340.50	952.20
	Finished Goods	808.74	847.78
		2,149.24	1,799.98
2	Opening stock		
	Work-in-Progress	952.20	889.05
	Finished Goods	847.78	443.92
		1,799.98	1,332.97
3	(Increase)/Decrease	(349.26)	(467.01)

[₹ in Lakhs]

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Finished Goods		
	Leather Gloves	20.53	45.39
	Textile Garments	58.04	174.57
	Nitrile Dipped Gloves	248.22	97.49
	Safety Shoes	334.72	273.67
	Shoe Upper	-	36.93
	Knitted Gloves	14.66	1.09
	Helmets	60.00	-
	Personal Protective Equipments (Others)	72.57	218.63
		808.74	847.78
2	Work-in-progress		
	Leather Gloves	33.90	178.48
	Nitrile Dipped Gloves	240.75	62.95
	Textile Garments	396.70	191.00
	Knitted Gloves	19.90	2.24
	Safety Shoes	24.09	20.65
	Leather	33.80	-
	Shoe Uppers	591.37	495.07
	Face Mask	-	1.82
		1,340.51	952.20

NOTE 28 : EMPLOYEE BENEFIT EXPENSES

[₹ in Lakhs]

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Salaries, Wages and Bonus	1,089.57	1,011.03
2	Contribution to Provident and Other Funds (Refer Note 32)	60.47	44.36
3	Leave Encashment	(6.89)	8.29
4	Staff Welfare Expenses	15.09	13.76
	Total	1,158.24	1,077.44

NOTE 29 : FINANCE COSTS

[₹ in Lakhs]

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Interest Expenses	333.37	331.27
2	Bank and Finance Charges	57.13	81.81
	Total	390.50	413.08

NOTE 30 : MANUFACTURING AND OTHER OPERATIONAL EXPENSES

[₹ in Lakhs]

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Fabrication and Processing Charges	5,146.79	3,176.35
2	Factory Maintenance	61.85	55.79
3	Freight- Export	201.28	220.37
4	Terminal Handling Charges - Export	62.94	76.56
5	Clearing & Forwarding expenses	111.06	89.41
6	Insurance	20.65	18.21
7	Carriage Outward	91.10	56.64
8	Sales Promotion Expenses	387.08	343.17
9	Trade Fair Expenses	20.08	31.22
10	Sales Commision	32.84	10.54
11	Other Selling Expenses	179.34	154.58
12	Power and Fuel	208.49	166.96
13	Repairs to Building	20.77	8.93
14	Repairs to Plant and Machinery	68.93	54.74
15	Security Charges	41.69	35.27
	Total	6,654.89	4,498.74

NOTE 30(a) : OTHER EXPENSES

[₹ in Lakhs]

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Rent	58.85	29.00
2	Rates and Taxes	9.33	8.57
3	Travelling & Conveyance	104.67	101.69
4	Directors' Sitting Fees	1.52	0.96
5	Loss on sale of Fixed Assets	-	2.15
6	Postage, Telephone & Telex	15.95	35.62
7	Printing & Stationery	19.66	17.05
8	Filing Fees	1.72	0.69
9	Legal & Professional Fees	35.90	44.62
10	Membership & Subscription	17.26	6.21
11	Payment to Auditors (refer details below)	4.38	4.38
12	Miscellaneous Expenses	26.90	100.91
13	Irrecoverable Receivables Written Off	68.40	-
	Total	364.54	351.85
	Payment to Auditor		
	As Auditor:		
	Audit Fee	2.75	2.75
	Tax Audit Fee	0.5	0.5
	Certification Charges	0.8	0.8
	Other Services	0.33	0.33
	Total	4.38	4.38

NOTE 31 : CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)

(₹ in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
a) Contingent Liabilities		
Export bills duly discounted/negotiated under LC and for which acceptance already received and/or moved to bank line (previous years figures relates to Bill drawn under LC only)	689.52	706.90
Outstanding Bank guarantee issued by SBI and CITI Bank	5.00	5.00
Bond under customs issued in the favor of Assistant Commissioner of Customs covering the purchase of imported / indigenous capital goods/ raw materials without payment of Custom duty with respect to 100% E.O.U. for Manufacture of Safety Work Garments	250.00	250.00
Bond cum Legal undertaking issued in favour of Development Commissioner Indigenous capital goods/ raw materials without payment of Custom duty with respect to 100% FSEZ unit	310.00	310.00
Sales Tax demand in respect of earlier years, Which has been disputed by the company	2.80	3.96
Income Tax Demand in respect of earlier years, which has been disputed by the company	124.79	134.79
Service Tax Demand in respect of earlier years which has been disputed by the company	31.88	31.88
Corporate Guarantee Given in favor of Citibank N.A for the term loan extended by them to the Subsidiary Company " Mallcom VSFT Gloves Pvt. Ltd"	-	600.00

- b) The company has the following outstanding export forward contracts against the confirmed orders in hand hence no contingent liability has been estimated

Particulars	As at 31.03.2019	As at 31.03.2018
USD	33,10,315.35	26,20,520.34
EURO	29,95,800.10	32,59,622.56

NOTE 32: EMPLOYEE BENEFITS (REFER NOTE 28)

- (a) Contribution to defined Contribution Plans recognized as expenses are as under:-

(₹ in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Providend Fund	31.70	27.69
ESIC	19.92	16.67
Total	51.62	44.36

- (b) Defined Benefit Plan

Gratuity - The company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with HDFC Standard Life Insurance Co Ltd.

Disclosure for defined benefit plans based on actuarial reports:

(₹ in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Changes in Defined Benefit Obligations:		
Present value of defined benefit obligation at the beginning of the year	80.70	75.70
Current Service Cost	9.21	8.96
Interest Cost	6.26	5.87
Remeasurements (gains)/losses	15.47	(6.67)
Benefits paid	(4.09)	(3.16)
Present value of defined benefit obligation at the end of the year	107.55	80.70
Change in Plan Assets:		
Fair value of plan assets at the beginning of the year	85.4	82.33
Expected Return on Plan Assets	6.62	6.38
Remeasurements (gains)/losses	0.51	(0.15)
Contributions	-	-
Benefits paid	(4.09)	(3.16)
Fair value of plan assets at the end of the year	88.44	85.40
Fair Value of Planned Assets:		
Fair value of plan assets at the beginning of the year	85.40	82.33
Actual Return on plan assets	7.13	6.23
Contributions	-	-
Benefits Paid	(4.09)	(3.16)
Fair value of plan assets at the end of the year	88.44	85.40
Actuarial (Gain)/Loss on Planned Assets:		
Actual Return on plan assets	7.13	6.24
Expected Return on Plan Assets	6.62	6.38
Actuarial (Gain)/Loss	0.51	(0.14)
Actuarial (Gain)/Loss recognized:		
Actuarial (gain)/loss- obligation	(15.47)	(14.50)
Actuarial (gain)/loss- plan assets	0.51	0.14
Total Actuarial (Gain)/Loss	(14.96)	(14.36)
Actuarial (Gain)/Loss recognized	(14.96)	(14.36)
Outstanding actuarial (gain)/loss at the end of the year	-	-
Experience adjustment:		
Experience Adjustment (Gain)/Loss for Plan Liabilities	(15.47)	(5.32)
Experience Adjustment (Gain)/Loss for Plan Assets	(0.51)	(0.14)
Summary of membership data at the date of valuation and statistics based thereon:		
Number of employees	356	353
Total monthly salary	2,422,969	2,197,664
Average Past Service(Years)	8.2	6.6
Average Future Service(Years)	21.4	21.6
Average Age(Years)	38.60	38.40
Weighted average duration (based on discounted cash flows) in years	13	14
Average Monthly Salary	6,806	6,226
Expenses Recognized in the statement of Profit and Loss		
Current Service Cost	9.22	8.96
Interest Cost	6.25	5.87
Expected Return on Plan Assets	(6.62)	(6.38)
Past Service Cost	-	7.84
Expenses Recognized in the statement of Profit and Loss	8.85	16.29

(₹ in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Expenses Recognized in Other Comprehensive Income (OCI)		
Actuarial (gains)/losses arising from changes in financial assumptions	19.10	(4.71)
Total recognized in Other Comprehensive Income	19.10	(4.71)
Total recognized in Total Comprehensive Income	27.95	11.58
Amount recognized in the Balance Sheet consists of		
Present Value of Defined Benefit Obligation	107.54	80.70
Fair Value of Plan Assets	88.44	85.40
Net Liability	19.10	(4.70)
The Major Categories of Plan Assets as a % of Total Plan		
Qualifying Insurance Policy	100%	100%

The Principal actuarial assumption used:

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Discount Rate	7.75% per annum	7.75% per annum
Salary Growth Rate	5.00% per annum	5.00% per annum
Mortality Rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected Rate Of Return	7.75% per annum	7.75% per annum
Withdrawal Rate (Per Annum)	6.95% p.a	6.95% p.a

The estimates of future salary increases have been considered in actuarial after taking into consideration the impact of inflation, Seniority, promotion and other relevant factors such as supply and demand situation in the employment market. Same assumptions were considered for comparative period i.e 2017-18 as considered in previous GAAP on transition to Ind AS. The Gratuity Scheme is invested in group Gratuity cash accumulation policy offered by HDFC Standard Life Insurance Co Ltd. The gratuity plan is not exposed to any significant risk in view of absolute track record, Investment is as per IRDA guidelines and mechanism is there to monitor the performance of the fund.

Benefits Valued:

Normal Retirement Age	60 Years	60 Years
Salary	Terminal Basic Salary [Excluding all other Allowances and Perquisites]	Terminal Basic Salary [Excluding all other Allowance and Perquisites]
Vesting Period	5 Years of Service	5 Years of Service
Benefits of Normal Retirement	15/26*Salary Number of Completed Years of Service	15/26*Salary Number of Completed Years of Service
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2,000,000.00	2,000,000.00

Current Liability:

Particulars	2018-19	2017-18
Current Liability	29.09	-*
Non Current Liability	78.46	-
Total Liability	107.55	-

* Because of Overfunding.

* Current Liability: It is probable outlay in next 12 months as required by the Companies Act

Sensitivity Analysis:

Assumptions Sensitivity Level	Discount Rate		Salary Growth Rate		Withdrawal Rate	
	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligation (₹ in Lakhs)	75.78	86.28	86.37	75.62	81.53	79.75

The company expects to contribute ₹ 8.85 Lakhs [Previous Year ₹ 11.12 lakhs] to gratuity fund.

The weighted average duration of the defined benefit obligation as at 31.03.2019 is 14 years (as at 31.03.2018: 16 years).

Estimate of expected benefit payments (In absolute terms i.e. undiscounted).

Particulars	(₹ in Lakhs)
01 st April 2018 to 31 st March 2020	29.08
01 st April 2019 to 31 st March 2021	7.71
01 st April 2020 to 31 st March 2022	8.79
01 st April 2021 to 31 st March 2023	8.64
01 st April 2022 to 31 st March 2024	8.18
01 st April 2024 Onwards	68.73

(c) Provident fund managed by a trust set up by the company

In terms of the guidance note issued by the Institute of Actuaries for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumption provided below. The details of the plan assets and obligations position are as follows:

(₹ in Lakhs)

Particulars	As at	
	31.03.2019	31.03.2018
Plan assets at the year end, at fair value	80.70	75.70
Present value of defined obligation at year end	85.40	82.33
Net liability/(asset) recognized in the Balance Sheet	(4.70)	(6.63)

NOTE 33: SEGMENT REPORTING

- (A) The Company's primary business segment is Industrial Safety Products. The Industrial Safety Products business incorporates product groups viz. Leather hand Gloves, Industrial Work Garments, Seamless Knitted Gloves, Leather Shoe Upper, Safety Shoes and Nitrile Dipped Gloves, which mainly have similar risks and returns. Thus the Company's business activity falls within a single primary business segment.
- (B) For the purpose of geographical segments, total sales are divided into India and other countries. The following table shows the distribution of the company's sales by geographical market regardless of where the goods are produced:

(₹ in Lakhs)

Particulars	For the Year ended	
	31.03.2019	31.03.2018
Segment Revenue from Operations:		
Outside India	20,704.94	18,020.70
Within India	9,367.80	6,809.52
Total	30,072.74	24,830.22

(₹ in Lakhs)

Particulars	For the Year ended	
	31.03.2019	31.03.2018
Trade Receivables:		
Outside India	3,044.99	2,865.84
Within India	469.78	482.50
Total	3,514.77	3,348.34

The company has common fixed assets for producing goods for domestic and export markets. Hence, Separate figures for fixed assets/additions to fixed assets are not furnished

NOTE 34: RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)

a) Subsidiaries	i) Mallcom Safety Pvt. Ltd. [MSPL] ii) Mallcom VSFT Gloves Pvt. Ltd. [VSFT]
b) Associates	i) Kadambini Securities Pvt. Ltd. [KSPL] ii) Mallcom Holdings Pvt. Ltd. [MHPL] iii) Movers Construction Pvt. Ltd. [MCPL] iv) Chaturbujh Impex Pvt. Ltd. [CIPL] v) DNB Exim Pvt. Ltd. [DNB] vi) Two Star Tannery Pvt. Ltd. [TSTPL] vii) Best Safety Pvt. Ltd [BSPL] viii) SSR Enterprises Pvt. Ltd. [SSR] [formerly Vikram Traders Pvt. Ltd.] ix) Mallcom Lexotic Exports Pvt. Limited [MLEPL] x) Anmol Components Pvt. Ltd. [ACPL] xi) Trencher Online Services Private Limited [TOSPL]
c) Key Managerial Personnel	i) Mr. Ajay Kumar Mall (Managing Director)
d) Relatives of Key Managerial Personnel	i) Mr. Sanjay Kumar Mall ii) Mrs. Sunita Mall iii) Mr. Giriraj Mall iv) Mr. Rohit Mall v) Ms. Kiran Devi Mall vi) Mrs. Preeti Mall vii) Ms. Surabhi Mall

e) Transaction with related parties during the year and balance outstanding at the year end:

[₹ in Lakhs]

Type of Transaction	Transaction with subsidiaries referred to in (a) above		Transaction with associates referred to in (b) above		Transaction with Key Managerial (KMP) referred to in (c) above to in (d)		Relatives of Key Managerial referred above	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Sale of goods & services	3.49	36.39	1,065.59	422.89	-	-	-	-
Purchase of goods & services	-	1,652.68	3,124.65	2,476.97	-	-	-	-
Job Work Charges paid	875.79	-	285.59	406.47	-	-	-	-
Advance Payable	-	-	-	7.78	-	-	-	-
Advance Given	-	134.84	-	149.30	-	-	-	-
Refund of Advance Given	-	344.31	-	309.80	-	-	-	-
Unsecured Loan & Advance Taken	13.63	-	9.07	-	-	-	-	-
Unsecured Loan & Advance Repaid	13.63	-	7.91	-	-	-	-	-
Security Deposit Receivable	-	80.72	-	73.13	-	-	-	-
Unsecured Loan & Advances Receivable	-	106.18	-	12.27	-	-	-	-
Remuneration	-	-	-	-	36.23	34.18	10.20	7.00
Dividend Paid	-	-	75.07	64.84	20.51	20.51	6.75	6.75
Rent Paid	-	-	54.00	24.00	-	-	-	-
Reimbursement of expenses	-	-	-	20.36	-	-	-	-

As the future liability of gratuity is provided on actuarial basis for the company as a whole, the amount pertaining to the related party is not included above

e) Details of compensation paid to KMP during the year are as follows:

(₹ in Lakhs)

Particulars	For the Year ended	For the Year ended
	31.03.2019	31.03.2018
Short-term employee benefits	31.62	29.83
Post-employment benefits*	-	-
Other long-term benefits*	-	-

* Post-employment benefits and other long-term benefits have been disclosed based on actual payment made on retirement/resignation of services, but does not includes provision made on actuarial basis as the same is available for all the employees together.

NOTE 35: INCOME TAX EXPENSE

(₹ in Lakhs)

Particulars	For the Year ended	For the Year ended
	31.03.2019	31.03.2018
Current Tax	766.02	507.35
Deferred Tax		
Relating to origination and reversal of temporary differences	-	8.28
Tax Expense attributable to Current Year's/Period's Profit	766.02	515.63
Adjustments in respect of Income Tax of Earlier Years		-
Income Tax Expense reported in the Statement of Profit and Loss	766.02	515.63
Current Tax related to items recognized in Other Comprehensive Income during the year/period		
Net (gain)/Loss on remeasurement of defined benefit plan	26.73	(1.64)
Income Tax Charged to Other Comprehensive Income	26.73	(1.64)

NOTE 36: FINANCIAL INSTRUMENTS

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:-

(₹ in Lakhs)

Particulars	As at 31.03.2019		As at 31.03.2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets (Current and Non-Current)				
Financial Assets measured at Amortised Cost				
Trade Receivables	3,514.77	3,514.77	3,348.34	3,348.34
Cash and Cash Equivalents	292.21	292.21	184.06	184.06
Other Bank Balances	7.43	7.43	9.08	9.08
Loans	108.05	108.05	103.04	103.04
Financial Assets measured at Fair Value through Profit and Loss Account				
Investment in Equity Instruments and Bonds	1,134.91	1,134.91	590.06	590.06
Financial Liabilities (Current and Non-Current)				
Financial Liabilities measured at Amortised Cost				
Borrowings	4,529.39	4,529.39	4,493.79	4,493.79
Trade Payables	3,840.48	3,840.48	3,278.82	3,278.82
Other Financial Liabilities	438.63	438.63	162.23	162.23

Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, current trade receivables and payables, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

A substantial portion of the company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the present borrowing rate of the company.

Investments [Other than Investments in Associates, Joint Venture and Subsidiaries] traded in active market are determined by reference to the quotes from the stock exchanges as at the reporting date. Investments in liquid and short-term mutual funds are measured using quoted market prices at the reporting date multiplied by the quantity held. Quoted Investments for which quotations are not available have been included in the market value at the face value/paid up value, whichever is lower except in case of debentures, bonds and government securities where the net present value at current yield to maturity have been considered. Unquoted investments in shares have been valued based on the historical net asset value as per the latest audited financial statements.

Derivative financial assets and liabilities:

The Company follows established risk management policies, including the use of derivatives to hedge its exposure to foreign fluctuations on foreign currency assets/liabilities. The counter party in these derivative instruments is a bank and the company considers the risks of non-performance by the counter party as non-material.

The following tables present the aggregate contracted principal amounts of the company's derivative contracts outstanding:

Underlying Purpose	Category	As at 31.03.2019		As at 31.03.2018		Currency
		No. of deals	Amount in Foreign Currency	No. of deals	Amount in Foreign Currency	
Export Receivables	Forward	19	33,10,315.35	32	26,20,520.34	USD/INR
Export Receivables	Forward	17	29,95,800.10	27	32,59,621.56	EURO/INR

FINANCIAL RISK FACTORS

The Company's activities and exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

MARKET RISK

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instruments. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes trade receivables, borrowings, investments and trade and other payables.

Foreign Currency Risk

Foreign Currency risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowings, trade receivables and trade or other payables.

The Company has adopted a comprehensive risk management review system wherein it actively hedges its foreign exchange exposures within defined parameters through use of hedging instruments such as forward contracts. The Company periodically reviews its risk management initiatives and also takes experts advice on regular basis on hedging strategy.

Interest Rate Risk

The company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and financial institutions. Borrowings at fixed interest rate exposes the company to the fair value interest rate risk.

Other price risk

The Company's equity exposure in Subsidiaries are carried at cost or deemed cost and these are subject to impairment testing as per the policy followed in this respect. The company's current investments which are fair valued through profit and loss are not material. Accordingly, other price risk of the financial instrument to which the company is exposed is not expected to be material.

CREDIT RISK

The credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables). The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly and the company obtains necessary security including letter of credits and/or bank guarantee to mitigate.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being large and unrelated. Of the trade receivable balance at the end of the year (other than subsidiaries), there are no single customer accounted for more than 10% of the accounts receivable and 10% of revenue as at March 31, 2019 and March 31, 2018.

LIQUIDITY RISK

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet it's cash and collateral requirements at all times. The company's assets represented by financial instruments comprising of receivables are largely funded against borrowed funds. The company relies on borrowings and internal accruals to meet its fund requirements. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

NOTE 37: EARNING PER SHARE (EPS)

A. Basic and Diluted EPS:

Particulars		2018-19	2017-18
Profit or Loss attributable to ordinary Equity Shareholders	₹ in Lakhs	1,408.37	982.49
Equity Share Capital	₹ in Lakhs	624.00	624.00
Weighted average number of equity shares outstanding (Face value of ₹ 10/- per share)	Nos.	62,40,000	62,40,000
Earnings Per Share- Basic and Diluted	₹	22.57	15.75

B. Cash EPS: [Profit for the year+Depreciation and Amortisation Expense+Deferred tax]/Weighted average number of equity shares outstanding

NOTE 38: LEASE

In case of asset taken on lease:

Operating Lease:

The company has taken certain premises on lease for 3 years to 99 years. There are no subleases.

Particulars	₹ in Lakhs	
	2018-19	2017-18
Lease payment for the year	4.39	4.09
Minimum Lease payment not later than 1 year	4.39	4.08
Later than one year but not later than Five years	8.78	9.02
Later than Five years	31.86	31.65

NOTE 39: MICRO, SMALL AND MEDIUM ENTERPRISES

There were no dues outstanding to the suppliers as on 31.03.2019 registered under the Micro, Small and Medium Enterprises [Development] Act, 2006, to the extent such parties have been identified from the available documents/ information. No interest in terms of such Act has either been paid or provided during the year.

NOTE 40: In the opinion of the management and to the best of their knowledge and belief, the value of realization of loans and advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet

NOTE 41: Provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility (CSR) is applicable in case of the company. The Company was required to incur a minimum amount of ₹ 21.40 lakhs (₹ 23.15 lakhs) being two percent of average net profits of the company made during the three immediately preceding financial years as calculated as per section 198 of the Companies Act, 2013. The company has incurred a sum of ₹ 35.94 lakhs in the year and the excess amount was duly approved by CSR Committee, Audit Committee and Board. All expenses have been incurred in cash.

NOTE 42: Figures less than 50,000 have been shown actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest Lakhs.

NOTE 43: The Board of Directors has recommended dividend of ₹ 2/- per equity (previous year ₹ 2/-) of ₹ 10/- each for the year ended 31st March, 2019

Note 44: These Financial Statements have been approved by Board of Directors of the Company on 25th May 2019 for issue to the shareholders for their adoption.

As per our Report of even date.

For S. K. Singhania & Co.
Chartered Accountants
Firm Registration No. 302206E

Rajesh Singhania
Partner
Membership No. 52722
Place: Kolkata
Date: 25th May, 2019

For and on behalf of the Board

A.K.Mall **G.K.Mall**
Managing Director Director

S.S.Agrawal
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

to the Members of MALLCOM (INDIA) LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Mallcom India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2019, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash

flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements for current period.

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

(i) Completeness, existence and accuracy of Revenue Recognition See note 18 to the standalone financial statements [Refer to Note 3.14 and 23 to the standalone financial statements]

Key Audit Matters	How the matter was addressed in our audit
Revenue recognition /Adoption of New Accounting Standard Ind AS 115: Revenue from contracts with customers [Refer to Note 3.14 and 23 to the standalone financial statements]	Principal audit procedures: a) Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory

Key Audit Matters	How the matter was addressed in our audit
<p>Revenue is one of the key profit drivers and is therefore susceptible to mis-statement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year. The Company manufactures and sells a number of products to its customers. The Company has adopted the new accounting standard Ind AS 115 as at April 1, 2018 and accordingly has reviewed its sales contracts for determining the principles for recognizing revenue in accordance with the new standard.</p>	<p>reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures.</p> <p>b) Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to the identification of performance obligations and timing of revenue recognition.</p> <p>c) Selected a sample of contracts and reassessed contractual terms to determine adherence to the requirements of the new accounting standard.</p>

(ii) Existence and Valuation of Inventories(Refer note 3.9(i) & (ii) and 9 of the Standalone Financial Statements)

Key Audit Matters	How the matter was addressed in our audit
<p>The Company's major part of inventory comprises Raw Material/ Accessories/ Work-in-Progress/ finished goods which are geographically spread over multiple locations such as factories producing difference products. These inventories are also procured at many times as per customer specification and order requirement and customized as such. The whole inventory is counted by the Company on a cyclical basis and accordingly provision for obsolescence of inventories is assessed and recognized by the management in the financial statements based on management estimation as at end of reporting period.</p> <p>The Company manufactures and sells goods which may be subject to changing consumer demands and product developments. Significant degree of judgment is thereby required to assess the net realizable value of the inventories and appropriate level of provisioning for items which may be ultimately sold below cost. Such judgment includes management's expectations for future sale volumes, inventory liquidation plans and future selling prices less cost to sell. Based on above, existence and valuation of inventories has been identified as a key audit matter.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <p>a) Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to physical verification of inventories by the management and the internal auditors of the Company, identification of obsolete and slow moving inventories, inventories with low or negative gross margins, monitoring of inventory ageing and assessment of provisioning and of net realizable values.</p> <p>b) Assessing whether items in the inventory ageing report prepared by the management were classified within the appropriate ageing bracket;</p> <p>c) Performing a review of the provisions for inventories by examining movements in the balance during the current year and new provisions made for inventory balances as at 31 March 2018 during the current year to assess the historical accuracy of management's inventory provisioning process;</p> <p>d) Assessing, on a sample basis, the net realizable value of slow-moving and obsolete inventories and inventories with low or negative gross margins as calculated by management with reference to prices achieved and costs to sell after the financial year end.</p> <p>e) Attending cyclical inventory counts at various godown & factories at regular intervals during the reporting period and evaluating the results of the cycle counts performed by the management throughout the year to assess management's estimation of the provisioning.</p>

Information other than the Financial Statements and Auditor's Reports

5. The Holding 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 consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained 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. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements.

Management's responsibility for Consolidated Financial Statements

6. The Holding 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 consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further,

in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group, and its associate companies and joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. Those Board of Directors are also responsible for overseeing the Group's financial reporting process. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements.

Auditor's Responsibility for Audit of Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing

will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

10. As part of an audit in accordance with Standards on Auditing, 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 holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude

that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. 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.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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

14. As required by Section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, on separate financial statements / consolidated financial statements of the subsidiaries, we report that the Holding Company and two subsidiary companies covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

15. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and other financial information of the subsidiaries we report, to the extent applicable, that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies covered under the Act,

none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2019 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 Holding Company, and its subsidiary companies, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements / consolidated financial statements as also the other financial information of the subsidiaries:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii. Provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies during the year ended 31 March 2019;

For S. K. Singhania & Co.
Chartered Accountants,
Firm Registration No. 302206E

Place: Kolkata
Dated: May 25th, 2019

Rajesh Kr. Singhania
Partner Membership No. 52722

CONSOLIDATED BALANCE SHEET as at 31st March 2019

(₹ in Lakhs)

SL. NO.	Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
I.	ASSETS			
	Non-Current Assets			
	Property, Plant and Equipment	6	4,524.12	4,263.92
	Intangible assets	7	93.08	125.98
	Capital work-in-progress	8	45.65	10.20
	Financial Assets			
	Investments	9	0.06	0.06
	Loans	10	122.60	123.51
	Current Tax Assets (Net)		166.61	134.21
			4,952.12	4,657.89
	Current Assets			
	Inventories	11	6,775.88	6,490.75
	Financial Assets			
	Investments	12	544.85	25.00
	Trade receivables	13	3,591.45	3,425.28
	Cash and cash equivalents	14	294.10	191.68
	Other Bank Balances	15	7.43	9.08
	Loans	10	29.48	23.56
	Other Current Assets	16	3,675.20	2,455.81
			14,918.39	12,621.16
	Total Assets		19,870.51	17,279.05
II.	EQUITY AND LIABILITIES			
	Equity			
	Equity Share Capital	17	624.00	624.00
	Other Equity	18	8,697.35	7,277.37
			9,321.35	7,901.37
	Liabilities			
	Non Current Liabilities			
	Financial Liabilities			
	Long Term Borrowing	19	355.17	355.17
	Deferred Tax Liabilities (Net)	20	64.31	34.24
			419.48	389.41
	Current Liabilities			
	Financial Liabilities			
	Short-Term Borrowings	21	4,529.39	4,708.85
	Trade Payables	22	3,840.48	2,367.36
	Other Financial Liabilities	23	438.63	162.23
	Other Current Liabilities	24	1,277.70	1,708.31
	Provisions	25	43.48	41.53
			10,549.16	9,377.68
	Total Equity and Liabilities		19,870.51	17,279.05

Significant Accounting Policies

4

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date.

For S. K. Singhania & Co.

 Chartered Accountants
 Firm Registration No. 302206E

Rajesh Singhania

 Partner
 Membership No. 52722

 Place: Kolkata
 Date: 25th May, 2019

For and on behalf of the Board
A.K.Mall
 Managing Director

G.K.Mall
 Director

S.S.Agrawal
 Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2019

[₹ in Lakhs]

Sl. NO.	Particulars	Note	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	INCOME			
I	Revenue from operations	26	30,078.76	24,794.01
II	Other Income	27	18.73	82.51
III	TOTAL INCOME		30,097.49	24,876.52
	EXPENSES			
	Cost of materials consumed	28A	17,229.87	14,927.91
	Purchase of Traded Goods	28B	2,003.73	1,571.60
	Excise Duty on Sales		-	70.64
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	29	(347.68)	31.12
	Employee Benefit Expense	30	1,247.27	1,155.01
	Finance Costs	31	394.71	422.99
	Depreciation and Amortization Expense	6 & 7	565.15	537.71
	Manufacturing and other Operational Expenses	32	5,836.02	3,982.46
	Other Expenses	32(a)	899.42	822.93
IV	TOTAL EXPENSES		27,828.49	23,522.38
V	Profit before exceptional and extraordinary items and tax		2,269.00	1,354.14
	Prior Period Item		-	-
	Profit before tax		2,269.00	1,354.14
VI	Tax Expense			
	Current tax		778.56	507.35
	Deferred tax		8.95	1.34
	Income Tax for Earlier Years		(5.14)	0.90
			782.37	509.60
			1,486.63	844.54
	Add; Adjustment for MAT Credit Receivable		12.48	-
VII	PROFIT FOR THE PERIOD		1,499.11	844.54
	Less: Non Controlling Interest		-	-
VIII	PROFIT FOR THE PERIOD		1,499.11	844.54
IX	OTHER COMPREHENSIVE INCOME			
	Items that will not be Reclassified to Profit or Loss		-	-
	Income Tax relating to items that will not be Reclassified to Profit or Loss		-	-
	Fair value of Investment / Exchange difference on transaction of Foreign operations	34 (b)	117.53	4.71
	Income Tax relating to these items		-	-
	Items that will not be Reclassified to Profit or Loss (Re-measurement of post employment benefit obligations)		(31.96)	-
	Income Tax relating to these items		(14.96)	-
			5.23	(1.64)
			75.84	3.07
X	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (Comprising Profit and Other Comprehensive Income for the Period)		1,574.95	847.61
XI	Earning per equity share of ₹ 10 each (In ₹)	39		
	Cash		34.11	22.17
	Basic & Diluted		24.02	13.53

Significant Accounting Policies

4

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date.

For S. K. Singhania & Co.Chartered Accountants
Firm Registration No. 302206E**Rajesh Singhania**Partner
Membership No. 52722Place: Kolkata
Date: 25th May, 2019**For and on behalf of the Board****A.K.Mall**
Managing Director**G.K.Mall**
Director**S.S.Agrawal**
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2019

(₹ in Lakhs)

Sl. No.	Particulars	For the Year ended 31.03.2019		For the Year ended 31.03.2018	
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit before Taxation and Extraordinary Items		2,268.78		1,354.14
	Adjustments for :				
	Balances Written Back (Net)	5.98		[19.22]	
	Depreciation and Amortisation Expense	565.15		537.71	
	Finance Costs	336.20		339.26	
	Interest Income	[5.04]		[6.04]	
	Net (gain)/loss on Fair Valuation of Current Investments	-		-	
	Remeasurement Gain of DBO/DBP	-		4.71	
	Profit on sale of Property, Plant & Equipment (Net)/Assets Written Off	-	902.29	[48.12]	808.30
	Operating Profit before Working Capital Changes		3,171.07		2,162.44
	Adjustments for :				
	(Increase)/Decrease in Inventories	[285.13]		[1,193.68]	
	(Increase)/Decrease in Trade and Other Receivables	[1,527.70]		[279.21]	
	Increase/(Decrease) in Trade & Other Payables & Provisions	1,449.75	[363.08]	337.24	[1,135.65]
	Cash generated from Operations		2,807.99		1,026.79
	Direct Taxes paid/ Net of Refunds		672.67		469.45
	Net Cash from Operating Activities		2,135.32		557.34
B.	CASH FLOW FROM INVESTING ACTIVITIES				
	Interest Income	5.04		6.04	
	Profit on sale of Property, Plant & Equipment (Net)/Assets Written Off	-		48.12	
	Purchase of Property, Plant and Equipments (Including Capital Work-in-Progress and Advances)	[853.31]		[511.32]	
	Purchases/Proceeds from sale of Investments	[520.18]	[1,368.45]	615.11	157.95
	Net Cash from/ (Used in) Investing Activities		[1,368.45]		157.95
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Repayment of Long Term Loans	-		[191.18]	
	(Repayment)/ Proceeds from Short Term Borrowings	[179.45]		[3.72]	
	Interest and Financial Charges Paid	[336.20]		[339.26]	
	Dividend and Tax paid thereon (Interim, special and Final)	[150.45]	[666.10]	[150.21]	[684.37]
	Net Cash from/ (Used in) Financing Activities		[666.10]		[684.37]
	Net Increase/(Decrease) in cash or cash equivalents (A+B+C)		100.77		30.91
	Cash or Cash equivalents at the beginning of the year		200.76		169.85
	Cash or Cash equivalents at the end of the year		301.53		200.76

The accompanying notes are an integral part of the Financial Statements.

1 Reconciliation of Financial Liabilities arising from Financing Activities

Particulars	Opening Balance As at 31.03.2018	Financing Cash Flow Changes		Non-Financing Cash Flow Changes		Closing Balance As at 31.03.2019
		Principal	Repayment	Fair Value Changes	Forex Changes	
Short Term Borrowings	4,708.85	16,300.00	16,479.46	-	-	4,529.39
Long term Borrowings	355.17	-	-	-	-	355.17

- Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financial activities.
- The above Cash Flow Statement has been prepared under the indirect method set out in Ind AS-7 Statement of Cash Flows.
- For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprises the followings:

Particulars	As at 31.03.2019	As at 31.03.2018
Balances with Banks	292.41	190.01
Cash in Hand	9.12	10.75
Total	301.53	200.76

As per our Report of even date.

For S. K. Singhania & Co.
Chartered Accountants
Firm Registration No. 302206E

Rajesh Singhania
Partner
Membership No. 52722
Place: Kolkata
Date: 25th May, 2019

For and on behalf of the Board

A.K.Mall
Managing Director

G.K.Mall
Director

S.S.Agrawal
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2019**A. EQUITY SHARE CAPITAL (Refer Note 17)**

[₹ in Lakhs]

Particulars	Numbers	Amount
Equity Shares of ₹ 10 each, issued, subscribed and fully paid-up		
As at 01.04.2019	6,240,000	624.00
As at 31.03.2018	6,240,000	624.00

B. OTHER EQUITY (Refer Note 16)
For the year ended 31st March, 2019

[₹ in Lakhs]

Particulars	Reserves and Surplus				
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Opening Balance as at 01.04.2018	401.49	1,268.12	5,975.00	(367.24)	7,277.37
Profit for the Current Year	-	-	-	1,499.11	-
Comprehensive Income for the year	-	-	-	75.84	-
Total Comprehensive Income for the year	-	-	-	1,574.95	1,574.95
Transfer to/(from) Retained Earnings	-	-	1,400.00	(1,400.00)	-
Remeasurement of DBP/DBO/Investment	-	-	-	(4.52)	(4.52)
Dividend	-	-	-	(124.80)	(124.80)
Dividend Distribution Tax	-	-	-	(25.65)	(25.65)
Closing Balance as at 31.03.2019	401.49	1,268.12	7,375.00	(347.26)	8,697.35

For the year ended 31st March, 2018

[₹ in Lakhs]

Particulars	Reserves and Surplus				
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Opening Balance as at 01.04.2017	401.49	1,268.12	5,150.00	(387.81)	6,431.80
Profit for the Current Year	-	-	-	844.54	-
Comprehensive Income for the year	-	-	-	3.07	-
Total Comprehensive Income for the year	-	-	-	847.61	847.61
Transfer to/(from) Retained Earnings	-	-	825.00	(825.00)	-
Remeasurement of DBP/DBO/Investment	-	-	-	(2.04)	(2.04)
Dividend	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Closing Balance as at 31.03.2018	401.49	1,268.12	5,975.00	(367.24)	7,277.37

As per our Report of even date.

For S. K. Singhania & Co.
Chartered Accountants
Firm Registration No. 302206E

Rajesh Singhania
Partner
Membership No. 52722
Place: Kolkata
Date: 25th May, 2019

For and on behalf of the Board

A.K.Mall
Managing Director

G.K.Mall
Director

S.S.Agrawal
Chief Financial Officer

Notes to Financial Statements for the year ended March 31, 2018

1. Group Information

Mallcom (India) Limited (MIL or 'the Company') is a public limited company domiciled in India and its subsidiaries (namely Mallcom Safety Pvt. Ltd & Mallcom VSFT Gloves Pvt. Ltd) are incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on BSE Limited, which is a recognized stock exchange in India. The registered office of the Company is located at EN-12, Sector-V, Salt Lake City, Kolkata-700091.

The Group is engaged in the manufacture, export and distribution of a wide range of Personal Protective Equipment (PPE)

For Company's principal shareholders, Refer Note No.17

These consolidated financial statements are approved and adopted by the Board of Directors of the Company in its meeting dated 25th May 2019.

2. Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind As) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) (Amendment), Rules, 2016.

The company has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The effect is described below:

- a. The Company has adopted Ind AS 115, Revenue from Contract with Customers with effect from 1st April 2018.
- b. The Company has elected to recognize cumulative effect of initially applying Ind AS 115 retrospectively as an adjustment to opening balance sheet as at 1st April 2018 on the contracts that are not completed contract as at that date. There was no impact of above on the opening balance sheet as at 1st April 2018 and on the Statement of Profit and Loss for the year ended 31st March, 2019.
- c. The Company has adopted Appendix B to Ind AS 21, Foreign currency transactions and advance consideration with effect from 1st April 2018 prospectively to all assets, expenses and income initially recognized on or after 1st April 2018 and the impact on implementation of the Appendix is immaterial.
- [a] The Consolidated Financial Statement (CFS) comprises the financial statements of Mallcom (India) Limited and its subsidiaries - Mallcom Safety Pvt. Ltd. and Mallcom VSFT Gloves Pvt. Ltd. which are incorporated in India.

- [b] The effect of intra group transactions between the company and its subsidiaries are eliminated on consolidation.

2.2 Recent Pronouncements

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying new standards and amendments to certain issued standards. These amendments are applicable to the Company from 1st April, 2019. The Company will be adopting the below stated new standards and applicable amendments from their respective effective date.

- a) Ind AS 116, Leases: Ind AS 116 supersedes Ind AS 17, Leases. Under Ind AS 116, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use asset) at the commencement date of lease. Lessees will be required to separately recognise interest expense on the lease liability and depreciation expense on the right of use asset. Lessor accounting under Ind AS 116 remains substantially unchanged from accounting under Ind AS 17. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019.
- b) Amendments of Ind AS 19, Employee Benefit : On March 31, 2019, Ministry of Corporate Affairs have issued Amendments to Ind AS 19, Employee Benefit. The amendments clarifies the accounting for defined benefit plans on plan amendments, curtailment and settlement and specifies how companies should determined pension expenses when changes to defined benefit plan occurs. The amendments requires Company to use the updated assumption from remeasurement to determine current service cost and net interest for the remainder of the reporting period after change to the plan. Currently Ind AS 19 did not specify how to determine the expenses for the period after change to the plan. The amendments are expected to provide useful information to users of financial statement by requiring the use of updated assumption.
- c) Appendix C, Uncertainty over Income Tax Treatment to Ind AS 12, Income Taxes: The Appendix clarifies how to apply the recognition and measurement principles while recognizing current tax, deferred tax, taxable profits (losses), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over tax treatments under Ind AS 12. As per the Appendix, the Company needs to assess whether it is probable that a tax authority will accept an uncertain tax treatment used or a treatment which is being proposed to be used in its income tax filings.

- d) Amendment to Ind AS 12, Income Taxes: The amendment clarifies that an entity shall recognize income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The impact on the Financial Statements is being evaluated.

3. Principles of Consolidation

The Subsidiaries considered in the preparation of these Consolidated Financial Statements are:

Name of the Subsidiary Company	Principal Activity	Country of Incorporation	% Shareholding	
			As at 31.03.2019	As at 31.03.2018
Mallcom Safety Pvt. Ltd	Dealers in Personal Protective Equipment(PPE)	India	100	100
Mallcom VSFT Gloves Pvt. Ltd	Manufacturer & Exporter of Nitrile Dipped & Other Synthetic Gloves	India	100	100

The Consolidated Financial Statements of the Group are prepared on following basis:

- The Consolidated Financial Statements are prepared in accordance with Ind AS 110- "Consolidated Financial Statements" notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014.
- The Financial Statements of the Company and its Subsidiary Companies are combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating Intra-group balances and intra-group transactions and resulting unrealized profits or losses in accordance with Ind AS 110.
- The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's Standalone Financial Statements.
- The Financial Statements of the Company and its Subsidiaries used in the consolidation are drawn up to the same reporting date i.e. 31st March, 2019.

4. Significant accounting policies

a) Basis of Measurement

The consolidated financial statements are prepared on historical cost convention on accrual basis except for insurance claims which are accounted for on cash/acceptance basis due to uncertainty of realization.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest Lakhs, except otherwise indicated.

Subsidiaries

- Subsidiaries are entities over which the Group has control and the Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its:
 - Power over the investee
 - Exposure or rights to variable returns from its involvement with the investee
 - The ability to use its power over the investee to affect its returns

Subsidiaries are consolidated from the date control over the subsidiary is acquired and they are discontinued from the date of cessation of control.
- The Group combines the financial statements of the Company and its subsidiaries based on a line-by-line consolidation by adding together the book value of like items of assets and liabilities, revenue and expenses as per the respective financial statements. Intra group balances, intra group transactions and the unrealized profits on stocks arising out of intra group transaction have been eliminated.
- The consolidated financial statements are prepared using uniform accounting policies for similar material transactions and other events in similar circumstances otherwise as stated elsewhere.
- The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the consolidated financial statements as Goodwill or Capital reserve as the case may be. The said goodwill is not

amortised, however it is tested for impairment at each balance sheet date and impairment loss, if any is recognized in the consolidated financial statements.

- v. Non-controlling interest's share of net profit of subsidiaries for the year is identified and adjusted against the revenue of the Group in order to arrive at the net revenue attributable to the owners of the Company. The excess of loss for the year over the non-controlling interest is adjusted in owner's interest.
- vi. Non-controlling interest's share of net assets of subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

Non-controlling Interest

Non-controlling interests represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Company's owners.

Non-controlling interests are initially measured at proportionate share on the date of acquisition of the recognised amounts of the acquiree's identifiable net assets. Subsequent to the acquisition, the carrying amount of the non-controlling interests is the amount of the interest at initial recognition plus the proportionate share of subsequent changes in equity.

b) Property, Plant and Equipment

Property, Plant and equipment are stated at cost less accumulated depreciation/amortization and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost of acquisition/bringing the asset to its working condition for its intended use (net of credit availed, if any). When significant parts of the plant and equipment are required to be replaced at intervals the company depreciates them separately based on their specific useful lives. Capital work in progress is carried at cost and directly attributable expenditure during construction period which is allocated to the property, plant and equipment on the completion of project.

Borrowing costs directly attributable to the acquisition/construction of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Depreciation and Amortisation

Depreciation is provided on written down value method over the estimated useful lives of the assets. Leasehold

Property are depreciated over their expected lease terms. No depreciation is charged on Freehold land. Estimated useful lives of the assets are as follows:

Plant & Machinery	14 years
Building	29 years
Electric Installations	14 years
Mould & Dies	14 years
Furniture & Fixtures	9 years
Vehicles	7 years
Office Equipment	4 years
Computers	2 years
Computer License	5 years
Patent Right	5 years

Depreciation methods, useful lives and residual values and are reviewed, and adjusted as appropriate, at each reporting date.

c) Intangible Assets

Intangible Assets excluding land are stated at cost less accumulated depreciation/amortization and impairment, if any. Cost comprises of purchase price and directly attributable cost of acquisition/ bringing the asset to its working condition for its intended use (net of credit availed, if any). Such assets, are amortised over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Depreciation methods, useful lives and residual values and are reviewed, and adjusted as appropriate, at each reporting date.

d) Derecognition of Tangible and Intangible assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

e) Impairment of Non-Financial Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal & external factors. An impairment loss is recognized wherever the carrying amounts of an asset exceed its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. Reversal of impairment loss is recognized immediately as Income in the Statement of Profit and Loss.

f) Financial Assets and Financial Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current, if they are expected to be realised or settled within operating cycle of the Group or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortised Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

i. Cash & Cash equivalents

Cash & Cash equivalents consist of Cash on Hand, Cash at Bank, Term Deposits & Cheques in Hand. All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

ii. Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts

estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

iii. Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.

iv. For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

v. Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit and loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

vi. Derivative and Hedge Accounting

The Group enters into derivative financial instruments such as foreign exchange forward, swap and option contracts to mitigate the risk of changes in foreign exchange rates in respect of financial instruments and forecasted cash flows denominated in certain foreign currencies. The Group uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the Group. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments" is categorised as a financial asset, at fair value through profit or loss. Transaction

costs attributable are also recognised in Statement of profit and loss. Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognised in the Statement of profit and loss.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented within equity as cash flow hedging reserve to the extent that the hedge is effective.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and thereafter to the extent hedge accounting being discontinued is recognised in Statement of profit and loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of profit and loss.

vii. Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The Group measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

viii. Derecognition of financial instruments

The Group derecognises a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognised in statement of profit and loss.

On derecognition of assets measured at Fair Value through Other Comprehensive Income (FVTOCI), the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in Statement of Profit and Loss.

g) Revenue recognition

i) Sales

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with delivery.

Sale of goods : Revenue from the sale of goods is recognised when the company transfers control of the product. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the company has not retained any significant risks of ownership or future obligation with respect to the product ship. Amounts disclosed as revenue are net off returns, trade allowances, rebates and indirect taxes.

ii) Export Benefits

Export incentives are accounted for on export of goods in the year of export if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim is fulfilled.

iii) Interest & Dividend

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

Dividend income is recognized when the shareholders' right to receive payment is established by the balance sheet date.

h) Provisions & Contingent Liabilities

Provisions are recognized when an enterprise has a present obligation as a result of past event that probably requires an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. They are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not provided for and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the consolidated financial statements by way of notes to accounts when an inflow of economic benefits is probable.

i) Foreign Currency Transaction

Foreign currency transactions are recorded in the reporting currency prevailing at the date of the transaction. Realized gains/ losses on foreign exchange transactions during the year are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currency are translated at the year end rates and resultant gains/losses from foreign exchange translations are recognized in the Statement of Profit and loss.

Forward Exchange Contracts not intended for trading or speculation purposes.

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

j) Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

k) Inventories

Inventories are valued at lower of cost or net realisable value. Cost of inventories is ascertained on 'FIFO' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the related finished products are expected to be sold at or above cost.

i) Raw Materials, Stores and spares

These are valued at the lower of cost and estimated net realizable value, after providing for cost of obsolescence and other anticipated losses, wherever, considered necessary.

ii) Work-in-progress and Finished Goods

These include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.

l) Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease rentals are recognized as an expense in the Statement of Profit and Loss

m) Taxation

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Deferred income tax reflects the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset arising on account of unabsorbed depreciation or carry forward tax losses are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably or virtually certain, as the case may be, that sufficient income will be available against which deferred tax asset can be realized.

n) Employee Benefits

i) Short Term Employee Benefits

Short term employee benefits, such as salaries, wages,

incentives etc. are recognized as expenses at actual amounts, in the Statement of Profit and Loss of the year in which the related services are rendered. Leave not availed in a year can be carried forward up to 30 days.

ii) Defined Contribution Plans

Defined contribution plans are Provident Fund Scheme, Employee State Insurance Scheme and Government administered Pension Fund Scheme for the employees. The company makes monthly contributions towards these funds / schemes, which are recognized in the Statement of Profit & Loss in the financial year to which they relate. There is no obligation other than the monthly contributions.

iii) Defined Benefit Plans

The company has a defined benefit plan for Post-employment benefit in the form of Gratuity for all employees. Contribution on account of gratuity payment is made to the Gratuity Trust. Liability for above defined benefit plan is provided on the basis of actuarial valuation, as at the Balance Sheet date. The actuarial method used for measuring the liability is the Projected Unit Credit method. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

iv) Leave Encashment

The Company treats accumulated leaves expected to be carry forward beyond 12 months, as long term employee benefit for measurement purpose. Such long term accumulated leaves are provided for based on the actuarial valuation using projected unit credit method at the end of each financial year.

o) Earnings Per Share

Basic Earnings per Share is calculated by dividing the net profit or loss after tax for the year attributable to Equity Shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue, bonus elements in a right issue to existing shareholders and share splits.

For the purpose of calculating Diluted Earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

p) Segment Reporting

Segment is identified and reported taking into account the nature of products and services, the different risks and returns and the integral business reporting systems.

The Group's primary business segment is Industrial Safety Products. The Industrial Safety Products business incorporates product groups viz. Leather hand Gloves, Industrial Work Garments; Seamless Knitted Gloves, Leather Shoe Upper, Safety Shoes and Nitrile Dipped Gloves, which mainly have similar risks and returns. Thus the Group's business activity falls within a single primary business segment.

q) Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method.

r) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investment. All other investments are classified as long term investments. Current Investments are carried at lower of cost and fair value determined on individual investment basis. Long-terms investments are carried at cost. A provision of diminution is made to recognize a decline, other than temporary, in the value of long-term investments.

5. Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the consolidated financial statements in conformity with the measurement principle of 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 assets and liabilities at the date of the consolidated 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. Differences between the actual results and estimates are recognised in the year in which the results are known /materialised and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the consolidated financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

i. Depreciation / amortisation and impairment on property, plant and equipment / intangible assets.

Property, Plant and Equipment and Intangible assets are depreciated/amortised on straight-line/written down value basis over the estimated useful lives (or lease term if shorter) in accordance with Group accounting policy, taking into account the estimated residual value, wherever applicable.

The Group reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation Asset's recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rates which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortisation and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

ii. Arrangements containing leases and classification of leases

The Group enters into service / hiring arrangements for various assets / services. The determination of lease and classification of the service/hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

iii. Claims and Compensation

Claims including insurance claims are accounted for on determination of certainty of realisation thereof.

iv. Impairment allowances on trade receivables

The Group evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required

payments. The Group bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

v. Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

Deferred Tax for all taxable temporary differences have been given effect to in the consolidated financial statements. In case of Associates and Joint Venture, the Group being in a position to control the timing of reversal of temporary differences and considering the past trend there being no possibility of such reversal in near future, adjustment for deferred taxation against share of profit attributable to the Group has not been given effect in the consolidated financial statements.

vi. Defined benefit obligation (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

vii. Provisions and Contingencies

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/against the Group as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

NOTE 6 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Sl. NO.	Particulars	GROSS BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK
		Opening as at 01.04.2018	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2019	Opening as at 01.04.2018	Provisions During the Year	Deductions/ Adjustments During the year	Up to 31.03.2019	As at 31.03.2019
(i)	Tangible Assets									
1	Lease Hold Property	44.91	-	-	44.91	17.12	-	-	17.12	27.79
2	Land	459.52	346.17	-	805.69	-	-	-	-	805.69
3	Building	1,536.29	50.03	6.62	1,579.70	222.58	105.85	0.91	327.52	1,252.18
4	Plant and Equipments	2,777.68	386.21	7.96	3,155.93	635.75	354.92	1.25	989.42	2,168.50
5	Electrical Installations	204.67	2.20	4.75	202.12	44.77	28.27	0.21	72.83	129.29
6	Mould & Dies	53.58	8.79	-	62.37	15.28	8.09	-	23.37	39.00
7	Furniture & Fixtures	84.96	6.47	-	91.43	30.23	14.00	-	44.23	47.20
8	Vehicles	64.50	0.95	13.43	52.02	30.63	10.83	11.07	30.39	21.63
9	Office Equipments	39.43	5.66	-	45.09	12.34	4.25	-	16.59	28.50
10	Computer Software	26.95	3.71	-	30.66	19.89	6.43	-	26.32	4.34
	SUB Total (A)	5,292.49	810.19	32.76	6,069.92	1,028.59	532.64	13.44	1,547.79	4,524.12

NOTE 7 : INTANGIBLE ASSETS

(₹ in Lakhs)

Sl. NO.	Particulars	GROSS BLOCK				AMORTIZATION				NET CARRYING AMOUNT
		Opening as at 01.04.2018	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2019	Opening as at 01.04.2018	Provisions During the Year	Deductions/ Adjustments During the year	Up to 31.03.2019	As at 31.03.2019
(ii)	Intangible Assets									
1	Computer License	84.86	-	-	84.86	7.86	30.26	-	38.12	46.74
2	Patent Right	10.06	-	-	10.06	4.32	2.25	-	6.57	2.49
3	Goodwill	43.26	0.60	-	43.86	-	-	-	-	43.86
	SUB Total (B)	138.18	0.60	-	138.78	12.18	32.51	-	44.69	93.08

NOTE 8 : CAPITAL WORK IN PROGRESS

(₹ in Lakhs)

Sl. NO.	Particulars	GROSS BLOCK				AMORTIZATION				NET CARRYING AMOUNT
		Opening as at 01.04.2018	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2019	Opening as at 01.04.2018	Provisions During the Year	Deductions/ Adjustments During the year	Up to 31.03.2019	As at 31.03.2019
1	Plant & Equipment	10.20	29.44	10.20	29.44	-	-	-	-	29.44
2	Building	-	13.70	-	13.70	-	-	-	-	13.70
3	Electrical Installations	-	1.10	-	1.10	-	-	-	-	1.10
4	Computer Software	-	1.40	-	1.40	-	-	-	-	1.40
	SUB Total (C)	10.20	45.64	10.20	45.64	-	-	-	-	45.64

(a) The Gross Block as on the transition date i.e. April 01, 2016 given herein above previous GAAP written down value and the intangible assets at their previous GAAP carrying value on the date of transition to Ind As.

NOTE 9: NON-CURRENT INVESTMENTS
(Fully paid up except otherwise stated)

[₹ in Lakhs]

Sl. NO.	Particulars	Face Value (In ₹)	As at 31.03.2019		As at 31.03.2018	
			Holding	Value	Holding	Value
1	Investment in Government or Trust Securities [NSC Placed with VAT Authorities]		-	0.06	-	0.06
	Total		-	0.06	-	0.06

NOTE 10 : FINANCIAL ASSETS - LOANS

[₹ in Lakhs]

Sl. NO.	Particulars	Non-Current		Current	
		As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
	(Unsecured and Considered Good)				
1	Security Deposit & Earnest Money Deposit	122.60	123.51	-	-
2	Loan & Advances to Staff and Workers	-	-	29.48	23.56
	Total	122.60	123.51	29.48	23.56

NOTE 11: INVENTORIES (Valued at Lower of Cost or Net Realizable Value)

[₹ in Lakhs]

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Raw Material [Includes Goods in Transits ₹ 217.48 (as at 31.03.2018 ₹ 257.69)]	3,824.20	4,208.50
2	Work-in-Progress	1,325.32	952.20
3	Finished Goods	816.29	856.91
4	Stores & Spares	810.07	473.14
	Total	6,775.88	6,490.75

NOTE 12 : INVESTMENTS

(Fully paid up except otherwise stated)

[₹ in Lakhs]

Sl. NO.	Particulars	Face Value (In ₹)	As at 31.03.2019		As at 31.03.2018	
			Holding	Value	Holding	Value
1	Investments at Fair Value through Profit or Loss In Units of Mutual Funds					
	Edelweiss Capital Limited, NCD	100,000.00	500.00	544.85	-	-
	Reliance Mutual Fund 75,387,037 units		-	-	75,387.04	25.00
	Total			544.85		25.00

12.1 AGGREGATE CARRYING AMOUNT OF UNQUOTED INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31.03.2019 Aggregate Carrying Amount	As at 31.03.2018 Aggregate Carrying Amount
Edelweiss Capital Limited, NCD	544.85	-
Reliance Mutual Fund 75,387,037 units	-	25.00
Total	544.85	25.00

NOTE 13 : TRADE RECEIVABLES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Unsecured ; Considered Good	3,591.45	3,425.28
	Total	3,591.45	3,425.28

13.1 : AGEING OF TRADE RECEIVABLE

(₹ in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
Within the credit period	3,591.45	3,425.28
1-180 days past due	-	-
More than 180 days past due	-	-
Total	3,591.45	3,425.28

NOTE 14 : CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Cash in Hand	9.12	10.75
2	Balance with banks	284.98	180.93
	Total	294.10	191.68

NOTE 15 : OTHER BANK BALANCES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Margin Money (Pledged with Bank)*	7.43	9.08
	Total	7.43	9.08

* The above amount is provided against issuance of Bank Guarantee by the bank.

NOTE 16 : OTHER ASSETS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
	(Unsecured and Considered Good)		
1	Advance Recoverable in cash or in kind*	45.52	23.41
2	Advance to Suppliers	1,574.14	900.53
3	Balance With Revenue Authorities (Indirect Taxes)	2,043.07	1,509.21
4	Prepaid Expenses	12.47	22.66
	Total	3,675.20	2,455.81

* Includes amount receivable from Related Parties

NOTE 17 : SHARE CAPITAL

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	AUTHORIZED CAPITAL 1,00,00,000 (As at 31.03.2018 1,00,00,000) Equity Shares of Rs. 10/- each.	1,000.00	1,000.00
		1,000.00	1,000.00
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL 62,40,000 (As at 31.03.2018 62,40,000) Equity Shares of Rs. 10/- each fully paid-up	624.00	624.00
	Total	624.00	624.00

17.1 DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES OF THE COMPANY

Sl. No.	Name of Shareholders	Name of Shares Held as at 31.03.2019	% of Total paid-up Equity Share Capital	Name of Shares Held as at 31.03.2018	% of Total paid-up Equity Share Capital
1.	AJAY KUMAR MALL	10,25,320	16.43	10,25,320	16.43
2.	KADAMBINI SECURITIES PRIVATE LIMITED.	21,89,606	35.09	21,89,606	35.09
3.	JAY KUMAR DAGA	13,03,213	20.88	13,03,213	20.88
4.	MALLCOM HOLDINGS PRIVATE LIMITED	6,13,600	9.83	6,13,600	9.83

- 17.2 The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
- 17.3 In the event of liquidation of the company, the holders of equity share 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.
- 17.4 As no fresh issue or reduction in capital was made during the current year as well as during the previous period, hence there is no change in the opening and closing capital. Accordingly, reconciliation of share capital has not been given.
- 17.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date:

As at 31.03.2019	As at 31.03.2018
Nil	Nil

- 17.6 The Equity Shares of the company are listed at BSE Limited and the annual listing fees has been paid for the year.

NOTE 18 : OTHER EQUITY

Nature of Reserves

Capital Reserve

A capital reserve represents the amount, being the purchase price lower than the fair market value of the capital assets acquired by the company and used for the purpose of its business

Securities Premium Reserve

Securities Premium Reserve represents the amount received in excess of par value of equity shares of the Company. The same, inter-alia may be utilized by the Company to issue fully paid up bonus shares to its members and buying back the shares in accordance with the provisions of the Companies Act, 2013

General Reserve

General Reserve represents the reserve created by apportionment of profits generated during the year or transfer from other reserves either voluntarily or pursuant to statutory requirements. The same is a free reserve and available for distribution.

Retained Earnings

Retained Earnings represents the undistributed profits of the company.

NOTE 19 : BORROWINGS

(₹ in Lakhs)

Sl. NO.	Particulars	Non-Current Portion	
		As at 31.03.2019	As at 31.03.2018
1	Unsecured Borrowings		
	From Others		
	From Others (Related Parties)	355.17	355.17
	Total	355.17	355.17

- 19.1 There is no default in repayment of principal and interest thereon

NOTE 20 : DEFERRED TAX LIABILITIES (NET)

[₹ in Lakhs]

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Deferred Tax Assets: Arising on account of: Expenses allowed for tax purpose when paid	[9.97]	8.76
2	Deferred Tax Liabilities: Arising on account of: Depreciation and Amortization	[54.34]	[43.00]
	Net Deferred Tax Assets/(Liabilities)	[64.31]	[34.24]

Components of Deferred tax Assets/(Liabilities) as at March 31, 2019 are given below:

[₹ in Lakhs]

Particulars	As at 31.03.2018	Charge/(credit) recognised in profit or loss	Charge/(credit) recognised in other Compre- hensive Income	As at 31.03.2019
Deferred Tax Assets:				
Fair Valuation of financial assets and financial liabilities	[1.68]	[30.28]	-	[31.96]
Provision for post retirement and other employee benefits	14.37	2.39	-	16.76
Remeasurement of defined benefit obligations	[3.93]	-	9.16	5.23
Total Deferred Tax Assets	8.76	[27.89]	9.16	[9.97]
Deferred Tax Liabilities:				
Fair Valuation (gain)/loss on Investments	-	-	-	-
Timing difference with respect to Property, Plant & Equipment and other intangible assets	[43.00]	[11.34]	-	[54.34]
Total Deferred Tax Assets	[43.00]	[11.34]	-	[54.34]
NET DEFERRED TAX ASSETS/(LIABILITIES)	[34.24]	[39.23]	9.16	[64.31]

Components of Deferred tax Assets/(Liabilities) as at March 31, 2018 are given below:

[₹ in Lakhs]

Particulars	As at 31.03.2017	Charge/(credit) recognised in profit or loss	Charge/(credit) recognised in other Compre- hensive Income	As at 31.03.2018
Deferred Tax Assets:				
Fair Valuation of financial assets and financial liabilities	[1.68]	-	-	[1.68]
Provision for post retirement and other employee benefits	11.72	2.65	-	14.37
Remeasurement of defined benefit obligations	[2.29]	-	[1.64]	[3.93]
Total Deferred Tax Assets	7.75	2.65	[1.64]	8.76
Deferred Tax Liabilities:				
Fair Valuation (gain)/loss on Investments	-	-	-	-
Timing difference with respect to Property, Plant & Equipment and other intangible assets	[37.37]	[5.63]	-	[43.00]
Total Deferred Tax Assets	[37.37]	[5.63]	-	[43.00]
NET DEFERRED TAX ASSETS/(LIABILITIES)	[29.62]	[2.98]	[1.64]	[34.24]

NOTE 21 : CURRENT BORROWINGS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	SECURED		
	Loan Repayable on Demand		
	Export Packing Credit [Refer Note 21.1]	4,529.39	4,409.79
	Packing Credit Foreign Currency Loan [Refer Note 21.1]	-	83.99
	Foreign Currency Term Loan [Refer Note 21.2]	-	215.07
	Total	4,529.39	4,708.85

21.1. Demand Loans from Banks are Secured by hypothecation of all present/future stock and receivables, all present/future fixed assets (excluding Land & Building) and Corporate Guarantee by Kadambini Securities Pvt. Ltd. and Mallcom Holdings Pvt. Ltd. and further Personal guarantee of Managing Director.

21.2. Foreign Currency Term Loan [Secured by current and future fixed assets, entire current assets of the Mallcom VSFT Gloves Pvt Ltd, Corporate Guarantee of Mallcom (India) Limited and further secured by Personal Guarantee of Mr. Ajay Kumar Mall, Managing Director

21.3 There is no default in repayment of principal and interest thereon.

NOTE 22: TRADE PAYABLES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	For Supplying of Goods	3,325.31	1,750.41
2	For Supplying of Services	515.17	616.95
	Total	3,840.48	2,367.36

22.1. There were no dues outstanding to the suppliers as on 31.03.2019 registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, to the extent such parties have been identified from the available documents/ information. No interest in terms of such Act has either been paid or provided during the year.

NOTE 23: FINANCIAL LIABILITIES- OTHERS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Security Deposit from Customers, Vendors & Others	438.63	162.23
	Total	438.63	162.23

NOTE 24: OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Advance From Customers/Suppliers	1011.57	860.84
2	Sundry Creditor for Services and Expenses	83.87	671.47
3	Statutory Liabilities	182.26	176.00
	Total	1,277.70	1,708.31

NOTE 25 : SHORT TERM PROVISIONS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2019	As at 31.03.2018
1	Provision For Employee Benefits		
	Gratuity	8.85	-
	Other Staff Benefit Schemes (Leave Encashment)	34.63	41.53
	Total	43.48	41.53

NOTE 26: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Sale of Manufactured Goods		
	Leather Gloves	4,820.10	4,963.34
	Textile Garments	8,787.65	7,216.64
	Nitrile Dipped Gloves	3,231.21	3,024.25
	Safety Shoes	9,054.14	5,809.39
	Shoe Upper	782.09	420.56
	Knitted Gloves	668.04	383.07
	Helmet / Facemask	66.59	32.11
	Others	111.10	3.82
	Excise Duty on Sales	-	70.64
		27,520.92	21,923.82
2	Sale of Traded Goods		
	Cotton Knitted Gloves	-	8.03
	Safety Shoes	285.70	561.76
	Nitrile Dipped Gloves	28.50	77.03
	Leather Gloves	153.50	768.71
	Textile Garments	580.00	-
	Eye Protection/ Helmet Accessories	-	9.30
	Others	7.50	8.35
		1,055.20	1,433.18
3	Service Exports	93.16	-
4	Job Work Charges	26.49	20.70
5	Foreign Exchange Gain	295.54	270.22
6	Export Incentives	1,087.45	1,146.09
		1,502.64	1,437.01
	Total	30,078.76	24,794.01

NOTE 27: OTHER INCOME

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Interest	5.04	6.04
2	Profit on sale of Investment	-	48.12
3	Unspent Liabilities & Unclaimed balances Written Back	5.98	19.22
4	Short Term Capital Gain	0.44	-
5	Other Non Operating Income	7.27	9.14
	Total	18.73	82.52

NOTE 28A : COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
a)	Opening Stock	4,681.64	3,456.83
	PURCHASES OF RAW MATERIALS AND STORES		
1	Raw Material [Including Carriage Inward]	14,764.29	14,040.92
2	Stores & Consumables	1,739.22	1,584.91
3	Packing Materials	663.79	526.89
	Sub-total	17,167.30	16,152.72
	Closing Stock	4,619.07	4,681.64
	Cost of Materials Consumed	17,229.87	14,927.91
	Total	17,229.87	14,927.91

Closing Stock of Raw Materials

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Fabric	947.22	1,208.77
2	Leather	2,135.65	2,132.79
3	Others	1,536.22	866.94
	Total	4,619.09	4,208.50

NOTE 28B : PURCHASE OF TRADED GOODS

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Safety Shoes	1,246.19	483.86
2	Nitrile Dipped Gloves	27.95	112.31
3	Leather Gloves	152.75	765.68
4	Textile Garments	567.55	-
5	Cotton Knitted Gloves	-	7.30
6	Eye Protection/Helmet Accessories	-	34.82
7	Nitrile[Chemicals]	-	137.61
8	Custom Duty on Purchase	2.28	15.91
9	Others	7.01	14.11
	Total	2,003.73	1,571.60

NOTE 29. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS AND TRADED GOODS

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018	(Increase)/ Decrease
	Closing Stock			
	Work in Progress	1,340.50	952.20	388.30
	Finished Goods	808.74	847.78	(39.04)
	Traded Goods	7.55	9.13	(1.58)
		2,156.79	1,809.12	347.68
	Opening Stock			
	Work in Progress	952.20	889.05	63.15
	Finished Goods	847.78	443.91	403.87
	Traded Goods	9.13	507.27	(498.14)
		1,809.12	1,840.23	(31.12)
	TOTAL	(347.68)	31.12	

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Finished Goods		
	Leather Gloves	20.53	45.39
	Textile Garments	58.04	174.57
	Nitrile Dipped Gloves	248.22	97.49
	Safety Shoes	334.72	273.67
	Shoe Upper	-	36.93
	Knitted Gloves	14.66	1.09
	Helmets	60.00	-
	Personal Protective Equipments (Others)	72.57	227.76
		808.74	856.90
2	Work-in-progress		
	Leather Gloves	33.90	178.48
	Nitrile Dipped Gloves	240.75	62.95
	Textile Garments	396.70	191.00
	Knitted Gloves	19.90	2.24
	Safety Shoes	24.09	20.65
	Shoe Uppers	591.37	495.06
	Leather	33.80	-
	Face Mask	-	1.82
		1,340.51	952.20

NOTE 30: EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Salaries, Wages and Bonus	1,128.89	1,083.10
2	Contribution to Provident and Other Funds	68.84	49.07
3	Leave Encashment	(6.89)	8.29
4	Staff Welfare Expenses	56.43	14.56
	Total	1,247.27	1,155.01

NOTE 31: FINANCE COSTS

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Interest Expenses	336.20	339.26
2	Bank Charges and ancillary borrowing cost	58.51	83.73
	Total	394.71	422.99

NOTE 32 : MANUFACTURING AND OTHER OPERATIONAL EXPENSES

[₹ in Lakhs]

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Fabrication & Processing Charges	4,090.98	2,416.37
2	Factory Maintenance	61.85	82.73
3	Freight- Export	201.28	220.37
4	Terminal Handling Charges - Export	62.94	76.56
5	Clearing & Forwarding expenses	111.06	89.41
6	Insurance	21.46	19.33
7	Carriage Outward	91.10	56.64
8	Sales Promotion Expenses	387.08	343.17
9	Trade Fair Expenses	20.08	31.22
10	Sales Commission	32.84	10.54
11	Other Selling Expenses	179.34	154.58
12	Power and Fuel	415.52	375.75
13	Repairs to Building	20.77	8.93
14	Repairs to Plant and Machinery	90.14	54.74
15	Security Charges	49.58	42.12
TOTAL		5,836.02	3,982.46

NOTE 30(a) : OTHER EXPENSES

[₹ in Lakhs]

Sl. NO.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Rent	66.88	38.63
2	Labour Charges	398.88	308.65
3	Postage, Telephone & Tetex	16.31	37.52
4	Travelling & Conveyance	105.31	102.09
5	Printing & Stationery	20.23	17.64
6	Filing Fees	1.88	0.73
7	Rates & Taxes	10.67	10.93
8	Legal & Professional Fees	36.86	48.64
9	Membership & Subscription	17.26	6.38
10	Directors' Sitting Fees	1.50	0.96
11	Payment to auditors (refer details below)	4.87	4.90
12	Miscellaneous Expenses	140.60	109.74
13	Loss on Foreign Exchange Fluctuation (Net)	0.88	133.97
14	Loss on sale of Fixed Assets	-	2.15
15	VAT for earlier Years	3.90	-
16	AMC Charges	2.25	-
17	ESI Paid for earlier Years	1.55	-
18	Consultancy Fees	0.87	-
19	General Expenses	0.32	-
20	Irrecoverable Receivables Written OFF	68.40	-
Total		899.42	822.93
Payment to Auditor			
As Auditor:			
	Audit Fee	2.75	2.75
	Tax Audit Fee	0.5	0.5
	Certification Charges	0.8	0.8
	Other Services	0.33	0.33
Total		4.38	4.38

NOTE 31 : CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)

(₹ in Lakhs)

Particulars	As at 31.03.2019	As at 31.03.2018
a) Contingent Liabilities		
Export bills duly discounted/negotiated under LC and for which acceptance already received and/or moved to bank line (previous years figures relates to Bill drawn under LC only)	689.52	706.90
Outstanding Bank guarantee issued by SBI and CITI Bank	5.00	5.00
Bond under customs issued in the favor of Assistant Commissioner of Customs covering the purchase of imported / indigenous capital goods/ raw materials without payment of Custom duty with respect to 100% E.O.U. for Manufacture of Safety Work Garments	250.00	250.00
Bond cum Legal undertaking issued in favour of Development Commissioner Indigenous capital goods/ raw materials without payment of Custom duty with respect to 100% FSEZ unit	395.00	500.00
Sales Tax demand in respect of earlier years, Which has been disputed by the company	2.80	15.50
Income Tax Demand in respect of earlier years, which has been disputed by the company	124.79	134.79
Service Tax Demand in respect of earlier years which has been disputed by the company	31.88	31.88
ESIC demand in respect of earlier years, which has been disputed by the Company	-	6.76
Corporate Guarantee Given in favor of Citibank N.A for the term loan extended by them to the Subsidiary Company " Mallcom VSFT Gloves Pvt. Ltd"	-	600.00

b) The company has the following outstanding export forward contracts against the confirmed orders in hand hence no contingent liability has been estimated

Particulars	As at 31.03.2019	As at 31.03.2018
USD	33,10,315.35	26,20,520.00
EURO	29,95,800.10	32,59,622.00

NOTE 34: EMPLOYEE BENEFITS (REFER NOTE 30)
(a) Contribution to defined Contribution Plans recognized as expenses are as under:-

(₹ in Lakhs)

	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Providend Fund	31.70	27.69
2	ESIC	19.92	16.67
	Total	51.62	44.36

(b) Defined Benefit Plan

Gratuity- The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity as per provisions of The Payment of Gratuity Act, 1972. The scheme is funded through approved gratuity trust and is managed by HDFC Standard Life Insurance Co Ltd.

Disclosure for defined benefit plans based on actuarial reports:

(₹ in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Changes in Defined Benefit Obligations:		
Present value of defined benefit obligation at the beginning of the year	80.70	75.70
Current Service Cost	9.21	8.96
Interest Cost	6.26	5.87
Remeasurements (gains)/losses	15.47	(6.67)
Benefits paid	(4.09)	(3.16)
Present value of defined benefit obligation at the end of the year	107.55	80.70
Change in Plan Assets:		
Fair value of plan assets at the beginning of the year	85.40	82.33
Expected Return on Plan Assets	6.62	6.38
Remeasurements (gains)/losses	0.51	(0.15)
Contributions	-	-
Benefits paid	(4.09)	(3.16)
Fair value of plan assets at the end of the year	88.44	85.40
Fair Value of Planned Assets:		
Fair value of plan assets at the beginning of the year	85.40	82.33
Actual Return on plan assets	7.13	6.23
Contributions	-	-
Benefits paid	(4.09)	(3.16)
Fair value of plan assets at the end of the year	88.44	85.40
Actuarial (Gain)/Loss on Planned Assets:		
Actual Return on plan assets	7.13	6.24
Expected Return on Plan Assets	6.62	6.38
Actuarial (Gain)/Loss	0.51	(0.14)
Other Comprehensive (income)/expenses (Remeasurement):		
Actuarial (gain)/loss- obligation	(15.47)	(14.50)
Actuarial (gain)/loss- plan assets	0.51	0.14
Total Actuarial (Gain)/Loss	(14.96)	(14.36)
Net Interest Cost		
Interest cost on defined benefit obligation	6.25	5.87
Interest income on plan assets	7.13	6.24
Net Interest Cost (Income)	(0.88)	(0.37)
Experience adjustment:		
Experience Adjustment (Gain)/Loss for Plan Liabilities	(15.47)	(5.32)
Experience Adjustment (Gain)/Loss for Plan Assets	(0.51)	(0.14)
Summary of membership data at the date of valuation and statistics based thereon:		
Number of employees	356	353
Total monthly salary	2,422,969.00	2,197,664.00
Average Past Service(Years)	8.20	6.60
Average Future Service(Years)	21.40	21.60
Average Age(Years)	38.60	38.40
Weighted average duration (based on discounted cash flows) in years	13.00	14.00
Average Monthly Salary	6,806.00	6,226.00
Expenses Recognized in the statement of Profit and Loss		
Current Service Cost	9.22	8.96
Interest Cost	6.25	5.87
Past Service Cost	-	7.84
Expected Return on Plan Assets	(6.62)	(6.38)

(₹ in Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Expenses Recognized in the statement of Profit and Loss	8.85	16.29
Expenses Recognized in Other Comprehensive Income (OCI)		
Actuarial (gains)/losses arising from changes in financial assumptions	19.10	(4.71)
Total recognized in Other Comprehensive Income	19.10	(4.71)
Total recognized in Total Comprehensive Income	27.95	11.58
Amount recognized in the Balance Sheet consists of		
Present Value of Defined Benefit Obligation	107.54	80.70
Fair Value of Plan Assets	88.44	85.41
Net Liability	19.10	(4.71)
The Major Categories of Plan Assets as a % of Total Plan		
Qualifying Insurance Policy	100%	100%

The Principal actuarial assumption used:

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Discount Rate:	7.75% per annum	7.50% per annum
Salary Growth Rate	5.00% per annum	5.00% per annum
Mortality Rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Withdrawal Rate (Per Annum)	6.95% p.a	6.95% p.a

*The estimates of future salary increases have been considered in actuarial after taking into consideration the impact of inflation, Seniority, promotion and other relevant factors such as supply and demand situation in the employment market. Same assumptions were considered for comparative period i.e 2017-18 as considered in previous GAAP on transition to Ind AS.

The Gratuity Scheme is invested in group Gratuity-Cum-Life Insurance cash accumulation policy offered by HDFC Standard Life Insurance Co Ltd. The gratuity plan is not exposed to any significant risk in view of absolute track record, Investment is as per IRDA guidelines and mechanism is there to monitor the performance of the fund.*

Benefits Valued:

Normal Retirement Age	60 Years	60 Years
Salary	Last drawn Qualifying Salary	Last drawn Qualifying Salary
Vesting Period	5 Years of Service	5 Years of Service
Benefits of Normal Retirement	15/26*Salary Past Service (Yr.)	15/26*Salary Past Service (Yr.)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2,000,000.00	2,000,000.00

Current Liability:

Particulars	[₹ in Lakhs]	
	As at 31.03.2019	As at 31.03.2018
Current Liability (Short Term)*	29.08	-*
Non Current Liability (Long Term)	78.46	-
Total Liability	107.54	-

* Current Liability is nil, because of Overfunding.

* Current Liability: It is probable outlay in next 12 months as required by the Companies act.

Sensitivity Analysis:

Assumptions Sensitivity Level	Discount Rate		Salary Growth Rate		Withdrawal Rate	
	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
Impact on Defined Benefit Obligation (₹ in Lakhs)	75.78	86.28	86.37	75.62	81.53	79.75

The company expects to contribute ₹ 8.85 Lakhs (Previous Year ₹ 11.12 lakhs) to gratuity fund.

The weighted average duration of the defined benefit obligation as at 31.03.2019 is 14 years [as at 31.03.2018: 16 years].

Estimate of expected benefit payments (In absolute terms i.e. undiscounted).

Particulars	[₹ in Lakhs]
01 st April 2018 to 31 st March 2020	29.08
01 st April 2019 to 31 st March 2021	7.71
01 st April 2020 to 31 st March 2022	8.79
01 st April 2021 to 31 st March 2023	8.64
01 st April 2022 to 31 st March 2024	8.18
01 st April 2024 Onwards	68.73

(c) Provident fund managed by a trust set up by the company

In terms of the guidance note issued by the Institute of Actuaries for measurement of provident fund liabilities, the actuary has provided a valuation of provident fund liability and based on the assumption provided below. The details of the plan assets and obligations position are as follows:

Particulars	[₹ in Lakhs]	
	As at 31.03.2019	As at 31.03.2018
Plan assets at the year end, at fair value	80.70	75.70
Present value of defined obligation at year end	85.40	82.33
Net liability/(asset) recognized in the Balance Sheet	(4.70)	(6.63)

NOTE 35 : SEGMENT REPORTING

(A) The Company's primary business segment is Industrial Safety Products. The Industrial Safety Products business incorporates product groups viz. Leather hand Gloves, Industrial Work Garments, Seamless Knitted Gloves, Leather Shoe Upper, Safety Shoes and Nitrile Dipped Gloves, which mainly have similar risks and returns. Thus the Company's business activity falls within a single primary business segment.

(B) For the purpose of geographical segments, total sales are divided into India and other countries. The following table shows the distribution of the company's sales by geographical market regardless of where the goods are produced:

(₹ in Lakhs)

Particulars	For the Year ended	For the Year ended
	31.03.2019	31.03.2018
Segment Revenue from Operations:		
Outside India	20,704.94	17,592.71
Within India	9,373.82	6,841.30
Total	30,078.76	24,794.01

(₹ in Lakhs)

Particulars	For the Year ended	For the Year ended
	31.03.2019	31.03.2018
Trade Receivables:		
Outside India	3,044.98	2,865.84
Within India	546.47	559.44
Total	3,591.45	3,425.28

The company has common fixed assets for producing goods for domestic and export markets. Hence, Separate figures for fixed assets/additions to fixed assets are not furnished.

NOTE 36: RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)

(a) Associates/Group Companies:	(i) Chaturbujh Impex Pvt. Ltd. [CIPL] (ii) Mallcom Lexotic Exports Pvt. Ltd. [MLEPL] (iii) Kadambini Securities Pvt. Ltd. [KSPL] (iv) Mallcom Holdings Pvt. Ltd. [MHPL] (v) Movers Construction Pvt. Ltd. [MCPL] (vi) Anmol Components Pvt. Ltd. [ACPL] (vii) DNB Exim Pvt. Ltd. [DNB] (viii) Two Star Tannery Pvt. Ltd. [TSTPL] (ix) Best Safety Pvt. Ltd. [BSPL] (x) SSR Enterprises Pvt. Ltd. [SSR] [Formerly Vikram Traders Pvt. Ltd.] (xi) Trencher Online Services Pvt. Ltd. [TOSPL]
(b) Key Managerial Personnel:	(i) Mr. Ajay Kumar Mall [Managing Director]
(c) Relatives of Key Managerial Personnel:	(i) Mr. Sanjay Kumar Mall. (ii) Mrs. Sunita Mall. (iii) Mr. Giriraj Mall (iv) Mr. Rohit Mall (v) Mrs. Kiran Devi Mall (vi) Mrs. Preeti Mall (vii) Ms. Surabhi Mall

d) Transaction with related parties during the year and balance outstanding at the year end:

(₹ in Lakhs)

Particulars	Transaction with associates referred to in (a) above		Transaction with Key Managerial Personnel referred to in (b) above		Transaction with Relatives of Key Managerial Personnel referred to in (c) above	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Purchase of goods	1,065.59	2,476.97	-	-	-	-
Sale of Goods	3,124.65	422.89	-	-	-	-
Advance Given	285.59	149.30	-	-	-	-
Refund of Advances Given	-	309.80	-	-	-	-
Advance payable	-	7.78	-	-	-	-
Security Deposit Receivable	-	73.13	-	-	-	-
Unsecured Loan & Advance taken	9.07	-	-	-	-	-
Unsecured Loan & Advance Receivable	7.91	12.27	-	-	-	-
Unsecured Loan & Advance repaid	-	-	-	-	-	-
Job Work Charges Paid	-	406.47	-	-	-	-
Consultancy Charges	-	-	-	-	-	-
Reimbursement of Expenses	-	20.36	-	-	-	-
Remuneration	-	-	36.23	34.18	10.20	7.00
Dividend Paid	75.07	64.84	20.51	20.51	6.75	6.75
Sale of Share	-	-	-	-	-	-
Rent Paid	54.00	24.00	-	-	-	-

As the future liability of gratuity is provided on actuarial basis for the company as a whole, the amount pertaining to the related party is not included above.

e) Details of compensation paid to KMP during the year are as follows:

(₹ in Lakhs)

Particulars	For the Year ended	For the Year ended
	31.03.2019	31.03.2018
Short-term employee benefits	31.62	29.83
Post-employment benefits*	-	-
Other long-term benefits*	-	-

* Post-employment benefits and other long-term benefits have been disclosed based on actual payment made on retirement/resignation of services, but does not include provision made on actuarial basis as the same is available for all the employees together.

NOTE 37: INCOME TAX EXPENSE

(₹ in Lakhs)

Particulars	For the Year ended	For the Year ended
	31.03.2019	31.03.2018
1 Current Tax	778.56	507.35
2 Deferred Tax		
- Relating to origination and reversal of temporary differences	8.95	2.97
Tax Expense attributable to Current Year's/Period's Profit	787.51	510.32
3 Adjustments in respect of Income Tax of Earlier Years	(5.14)	0.90
Income Tax Expense reported in the Statement of Profit and Loss	782.37	511.22
Current Tax related to items recognized in Other Comprehensive Income during the year/period		
4 Net (gain)/Loss on remeasurement of defined benefit plan	26.73	(1.63)
Income Tax Charged to Other Comprehensive Income	26.73	(1.63)

NOTE 38: FINANCIAL INSTRUMENTS

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:-

(₹ in Lakhs)

Particulars	As at 31.03.2019		As at 31.03.2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets (Current and Non-Current)				
Financial Assets measured at Amortised Cost				
Trade Receivables	3,591.45	3,591.45	3,425.28	3,425.28
Cash and Cash Equivalents	294.10	294.10	191.68	191.68
Other Bank Balances	7.43	7.43	9.08	9.08
Loans	152.08	152.08	147.07	147.07
Financial Assets measured at Fair Value through Profit and Loss Account				
Investment in Equity Instruments and Bonds	544.85	544.85	25.06	25.06
Financial Liabilities (Current and Non-Current)				
Financial Liabilities measured at Amortised Cost				
Borrowings	4,884.56	4,884.56	5,064.02	5,064.02
Trade Payables	3,840.48	3,840.48	2,367.36	2,367.36
Other Financial Liabilities	438.63	438.63	162.23	162.23

Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, current trade receivables and payables, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

A substantial portion of the company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the present borrowing rate of the company.

Investments (Other than Investments in Associates, Joint Venture and Subsidiaries) traded in active market are determined by reference to the quotes from the stock exchanges as at the reporting date. Investments in liquid and short-term mutual funds are measured using quoted market prices at the reporting date multiplied by the quantity held. Quoted Investments for which quotations are not available have been included in the market value at the face value/paid up value, whichever is lower except in case of debentures, bonds and government securities where the net present value at current yield to maturity have been considered. Unquoted investments in shares have been valued based on the historical net asset value as per the latest audited financial statements.

Derivative financial assets and liabilities:

The Company follows established risk management policies, including the use of derivatives to hedge its exposure to foreign fluctuations on foreign currency assets/liabilities. The counter party in these derivative instruments is a bank and the company considers the risks of non-performance by the counter party as non-material.

The following tables present the aggregate contracted principal amounts of the company's derivative contracts outstanding:

Underlying Purpose	Category	As at 31.03.2019		As at 31.03.2018		Currency
		No. of deals	Amount in Foreign Currency	No. of deals	Amount in Foreign Currency	
Export Receivables	Forward	19.00	33,10,315.35	32.00	26,20,520.34	USD/INR
Export Receivables	Forward	17.00	29,95,800.10	27.00	32,59,621.56	EURO/INR

FINANCIAL RISK FACTORS

The Company's activities are exposed to a variety of financial risks. The key financial risks include market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

MARKET RISK

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include trade receivables, borrowings, investments and trade and other payables.

Foreign Currency Risk

Foreign Currency risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowings, trade receivables and trade and other payables.

The Company has adopted a comprehensive risk management review system wherein it actively hedges its foreign exchange exposures within defined parameters through use of hedging instruments such as forward contracts. The Company periodically reviews its risk management initiatives and also takes expert advice on a regular basis on hedging strategy.

Interest Rate Risk

The company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and financial institutions. Borrowings at fixed interest rate exposes the company to the fair value interest rate risk.

NOTE 39: EARNING PER SHARE (EPS)**A. Basic and Diluted EPS:**

Particulars		₹ in Lakhs	
		For the Year ended 31.03.2019	For the Year ended 31.03.2018
Profit or Loss attributable to ordinary Equity Shareholders	₹ in Lakhs	1,499.11	844.54
Equity Share Capital	₹ in Lakhs	624.00	624.00
Weighted average number of equity shares outstanding (Face value Rs 10/- per share)	Nos.	62,40,000	62,40,000
Earnings Per Share - Basic and Diluted	₹	24.02	13.53

B. Cash EPS: (Profit for the year + Depreciation and Amortisation Expense + Deferred tax) / Weighted average number of equity shares outstanding -

Other price risk

The Company's equity exposure in Subsidiaries are carried at cost or deemed cost and these are subject to impairment testing as per the policy followed in this respect. The company's current investments which are fair valued through profit and loss are not material. Accordingly, other price risk of the financial instrument to which the company is exposed is not expected to be material.

CREDIT RISK

The credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables). The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The company periodically assesses the financial reliability of customers,

taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly and the company obtains necessary security including letter of credits and/or bank guarantee to mitigate.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being large and unrelated. Of the trade receivable balance at the end of the year (other than subsidiaries), there are no single customer accounted for more than 10% of the accounts receivable and 10% of revenue as at March 31, 2019 and March 31, 2018

LIQUIDITY RISK

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements at all times. The company's assets represented by financial instruments comprising of receivables are largely funded against borrowed funds. The company relies on borrowings and internal accruals to meet its fund requirements. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

NOTE 40: OPERATING LEASES

The company has taken certain premises on lease for 3 years to 99 years. There are no subleases.

(₹ in Lakhs)

Particulars	2018-19	2017-18
Lease payment for the year	13.54	13.25
Minimum Lease payment not later than 1 year	13.54	13.24
Later than one year but not later than Five years	17.93	27.34
Later than Five years	32.32	31.65

NOTE 41: There were no dues outstanding to the suppliers as on 31.03.2019 registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, to the extent such parties have been identified from the available documents/ information. No interest in terms of such Act has either been paid or provided during the year.

NOTE 42: In the opinion of the management and to the best of their knowledge and belief, the value of realization of loans and advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

NOTE 43: Provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility (CSR) is applicable in case of the company. The Company was required to incur a minimum amount of Rs. 21.40 lakhs (Rs 23.15 lakhs) being two percent of average net profits of the company made during the three immediately preceding financial years as calculated as per section 198 of the Companies Act, 2013. The company has incurred a sum of Rs 35.94 lakhs in the year and the excess amount was duly approved by the CSR Committee, Audit Committee and the Board. All the expenses have been incurred in cash.

NOTE 44: Figures less than Rs. 50,000 have been shown actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest Lakhs.

NOTE 45: The Board of Directors has recommended dividend of Rs 2/- per equity (previous year Rs 2/-) of Rs 10/- each for the year ended 31st March, 2019.

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date.

For S. K. Singhania & Co.
Chartered Accountants
Firm Registration No. 302206E
Rajesh Singhania
Partner
Membership No. 52722
Place: Kolkata
Date: 25th May, 2019

For and on behalf of the Board

A.K.Mall **G.K.Mall**
Managing Director Director

S.S.Agrawal
Chief Financial Officer

Global Exhibition Participation in 2018-19






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