



Vadilal<sup>®</sup>  
ENTERPRISES LTD

ANNUAL  
REPORT  
2024

100% MILK  
ICE CREAM

Vadilal  
**Happinezz**  
ice creams and more

Handcrafted  
Ice Cream Cakes  
& Pastries



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Rajesh R. Gandhi, Chairman & Managing Director  
Mr. Devanshu L Gandhi, Managing Director

#### Non-Executive & Non-Independent Directors

Ms. Mamta R. Gandhi

#### Independent Directors

Mr. Ashish H. Modi  
Mr. Chetan M Tamboli

#### COMPANY SECRETARY

Mr. Ashish Thaker

#### CHIEF FINANCIAL OFFICER

Mr. Rajesh Bhagat

#### AUDITORS

M/s. Arpit Patel & Associates  
Chartered Accountants

#### BANKER

Bank of India  
CSB Bank Limited

#### REGISTERED OFFICE

3<sup>rd</sup> Floor, South Block, Puniska House,  
Next to One-42, Opp, Jayantilal Park BRTS Stop,  
Bopal-Ambli Road, Ahmedabad-380058  
Phone: 079-4808 1200  
Web: www.vadilalgroup.com

#### REGISTRAR AND SHARE TRANSFER AGENT

(For physical & demat)  
MCS Share Transfer Agent Limited,  
201, Shatdal Complex, 2<sup>nd</sup> Floor,  
Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009.  
Phone: 079-26580461/62/63 • Fax: 079-26581296

#### SHARE DEPARTMENT

3<sup>rd</sup> Floor, South Block, Puniska House,  
Next to One-42, Opp, Jayantilal Park BRTS Stop,  
Bopal-Ambli Road, Ahmedabad-380058  
Email ID for Investor Grievance: Investor.relations@vadilalgroup.com

39 <sup>th</sup> ANNUAL GENERAL MEETING	
DAY	: Thursday
DATE	: 26 <sup>th</sup> September, 2024
TIME	: 05.00 p.m.
THROUGH	: Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")

#### Content Sequence for reference:

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#### Notes :

1. **Important Communication to Members:** The Ministry of Corporate Affairs has, pursuant to its Green Initiative in Corporate Governance, allowed paperless compliance by Companies. It has issued circulars allowing the Companies to service notice/ documents including Annual Report by email to its members. Many of the Shareholders have registered their emails pursuant to the said initiative. We thank those shareholders for the same. Those Shareholders, who have not registered their email addresses so far, may, as a support to that initiative, register their email addresses, in respect of electronic holdings, with the Depository through their respective Depository Participant. Members who hold shares in physical mode are requested to register their email address with MCS Share Transfer Agent Limited, Share Transfer Agent of the Company.
2. Members are requested to send them all correspondence relating to Shares including transfer, transmission, change of address, issue of duplicate share certificates, etc. to MCS Share Transfer Agent Limited, Registrar & Share Transfer Agent of the Company at 201, Shatdal Complex, 2<sup>nd</sup> Floor, Opp. Bata Showroom, Ashram Road, Ahmedabad - 380 009 (Phone: 079 - 26580461/62/63) or at the Share Department of the Company situated at 3<sup>rd</sup> Floor, South Block, Puniska House, Next to One-42, Opp, Jayantilal Park BRTS Stop, Bopal-Ambli Road, Ahmedabad-380058.
3. The process and manner of e-voting is provided at the end of Annual General Meeting Notice.

## SHAREHOLDER INFORMATION

**1. Name of Company:**

Vadilal Enterprises Limited

**2. Company CIN:**

L51100GJ1985PLC007995

**3. Book-Closure:**

Book-Closure from 20<sup>th</sup> September 2024 to 26<sup>th</sup> September 2024 (both days inclusive) for the purpose of the annual general meeting for the year ended on 31<sup>st</sup> March 2024.

**4. Stock Exchanges where the Shares are listed :**

**BSE LTD.**

Phiroze Jeejeebhoy, Towers Dalal Street, Mumbai- 400001.

Phone: 91-22-2272 1234 / 1233

The Annual Listing Fees up to the Financial Year 2024-2025 have been duly paid to the above Stock Exchange.

**5. Security Code :**

Bombay Stock Exchange Ltd. - 519152

ISIN Number - INE693D01018

**6. Dematerialisation of Shares :**

The Company, consequent to the introduction of the Depository System (DS), entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and has established an electronic connectivity with both the Depositories. Members, therefore, have the option of holding and dealing in the shares of the Company in electronic form through NSDL and CDSL. Annual custody/ issuer fee for the year 2023-2024 has been paid by the Company to NSDL and CDSL

It is reiterated that requests for Dematerialisation and Rematerialisation are to be made only to the DP with whom you have opened an account and not directly to the Company.

**7. Registrar & Share Transfer Agent:**

The Company has entrusted the work of Dematerialization/Rematerialization of shares to an outside Registrar, viz. MCS Share Transfer Agent Limited, Ahmedabad. As per SEBI Circular No. D&CC/FITC/CIR-15/ 2002, dated 27-12-2002, the Company has assigned all the work related to Share Registry in terms of both physical and electronic to MCS Share Transfer Agent Limited, Ahmedabad. Hence, all Shareholders are requested to send/deliver the documents/correspondence including complaints relating to the Company's share transfer/demat/remat activity at:

**MCS Share Transfer Agent Limited**

201, Shatdal Complex, 2<sup>nd</sup> Floor, Opp. Bata Show Room,

Ashram Road, Ahmedabad - 380009.

Phone : 079-26580461/62/63

Fax : 079-26581296

Email: mcsstaahmd@gmail.com

**8. Share Transfer System :**

As company's shares are traded in dematerialized form, transfer requests are processed and approved in electronic form by NSDL/ CDSL through their depository participants.

In terms of SEBI's circular dated 31<sup>st</sup> December 2002, a Secretarial Audit is conducted on a quarterly basis by the Practicing Company Secretary for the purpose of reconciliation of the total Admitted Equity Share Capital with the Depositories and in the physical form with the total issued public paid-up Equity Capital of the Company. Certificates issued in this regard are forwarded to BSE, where the Equity Shares are listed.

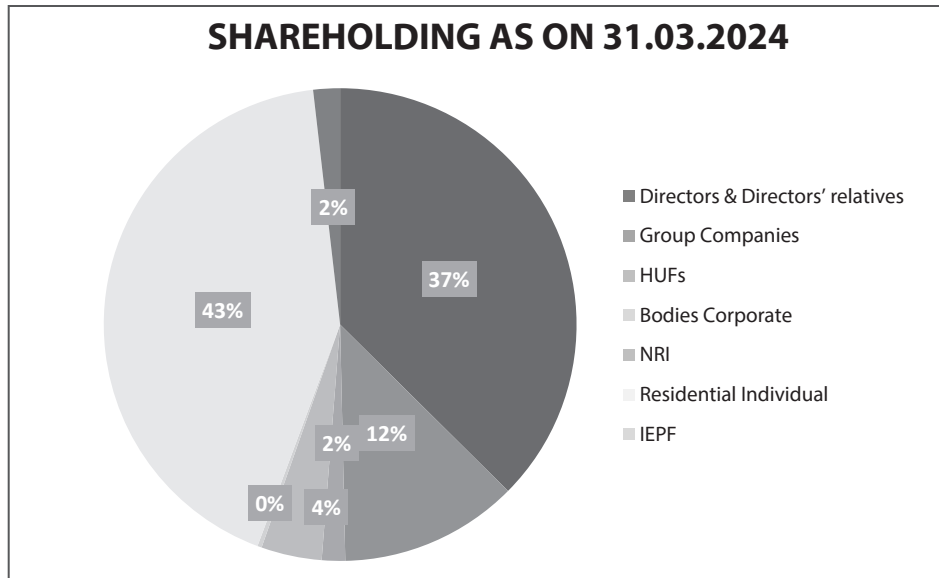
**9. Distribution of Shareholding as on 31<sup>st</sup> March, 2024:**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of total Shares
Up to 500	1235	93.28	91472	10.60
501 to 1000	29	2.19	21735	2.52
1001 to 2000	14	1.06	20665	2.39
2001 to 3000	5	0.38	11142	1.29
3001 to 4000	6	0.45	19340	2.24
4001 to 5000	4	0.30	18001	2.09
5001 to 10000	12	0.91	85468	9.91
10001 to 50000	16	1.21	347408	40.27
50001 to 100000	2	0.15	147053	17.05
100000 & Above	1	0.08	100384	11.64
<b>Total</b>	<b>1324</b>	<b>100.00</b>	<b>862668</b>	<b>100.00</b>

**10. Categories of Shareholders as on 31<sup>st</sup> March, 2024:**

Sr. No.	Category of Shareholders	No. of Equity Shares held	Percentage of total paid-up capital
<b>A : Promoters and Promoters' Group :</b>			
1	Directors & their relatives	322965	37.43
2	Group Companies	105407	12.22
3	HUFs	13805	1.60
	<b>Total (A):</b>	<b>442177</b>	<b>51.25</b>
<b>B : Public :</b>			
1	Bodies Corporate	35739	4.14
2	NRI	2609	0.30
3	Residential Individual	366340	42.48
4	IEPF Authority	15803	1.83
	<b>Total (B) :</b>	<b>420491</b>	<b>48.75</b>
	<b>Total</b>	<b>862668</b>	<b>100.00</b>

### SHAREHOLDING AS ON 31.03.2024



#### 11. Share price performance in comparison to BSE Sensex based on data available on Stock exchange website:

The monthly high, low and closing prices of the shares of the Company, during the financial year under review and performance of the same in comparison to BSE Sensex are given below:

Month	PRICE OF SHARE ON BSE			SENSEX		
	High	Low	Close	High	Low	Close
April, 2023	3,770.00	3,252.00	3,467.80	61209.46	58793.08	61112.44
May, 2023	3,837.00	3,300.00	3,495.85	63036.12	61002.17	62622.24
June, 2023	3,733.90	3,210.00	3,591.95	64768.58	62359.14	64718.56
July, 2023	4,269.95	3,525.00	3,850.00	67619.17	64836.16	66527.67
August, 2023	4,099.00	3,685.00	3,900.00	66658.12	64723.63	64831.41
September, 2023	4,000.00	3,600.10	3,700.00	67927.23	64818.37	65828.41
October, 2023	3,800.00	3,373.00	3,460.30	66592.16	63092.98	63874.93
November, 2023	3,770.50	3,337.00	3,489.00	67069.89	63550.46	66988.44
December, 2023	3,570.00	3,125.50	3,399.60	72484.34	67149.07	72240.26
January, 2024	3,517.00	3,200.00	3,373.00	73427.59	70001.6	71752.11
February, 2024	3,850.00	3,204.35	3,529.95	73413.93	70809.84	72500.3
March, 2024	3,917.00	3,144.50	3,805.05	74245.17	71674.42	73651.35

• All the rates are in ₹

#### 12. Means of Communication

**Quarterly results:** The Company's quarterly / half-yearly / annual financial results are uploaded on the Stock Exchange website and published in 'Indian Express', 'Financial Express'. Simultaneously, they are also put on the Company's website and can be accessed at [www.vadilalgroup.com](http://www.vadilalgroup.com)

**BSE Corporate Compliance & Listing Centre ("Listing Centre"):** BSE's Listing Centre is a web-based application designed for corporate. All periodical compliance filings like shareholding pattern, statement of investor complaints, among others are also filed electronically on the Listing Centre and it is available for all the general public for viewing.

## NOTICE OF 39<sup>th</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the **39<sup>th</sup> ANNUAL GENERAL MEETING** of the members of **VADILAL ENTERPRISES LIMITED** will be held on **Thursday, the 26<sup>th</sup> day of September 2024** at **05:00 P.M.** through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”), to transact the following business:

### ORDINARY BUSINESS:

- 1) To receive, consider, and adopt the audited financial statement of the Company including a statement of Profit & Loss for the year ended March 31, 2024, the Balance Sheet as of that date, and the Reports of the Directors and Auditors thereon and in this regard, pass the following resolution as **ORDINARY RESOLUTION**:  
“**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
- 2) To declare dividend on Equity Shares for the financial year ended on March 31, 2024, and in this regard, pass the following resolution as **ORDINARY RESOLUTION**:  
“**RESOLVED THAT** a dividend at the rate of ₹ 1.50/- (One Rupee and Fifty Paise only) per equity share of ₹ 10/- (Ten rupees) each fully paid-up of the Company be and is hereby declared for the financial year ended March 31, 2024, and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended March 31, 2024.”
- 3) To appoint a Director in place of Mr. Devanshubhai Laxmanbhai Gandhi (DIN: 00010146) who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment in this regard, pass the following resolution as **ORDINARY RESOLUTION**:  
“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr Devanshubhai Laxmanbhai Gandhi (DIN: 00010146) who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

By Order of the Board  
**For VADILAL ENTERPRISES LIMITED**

**Rajesh R. Gandhi**  
Chairman & Managing Director  
DIN : 00009879

Registered Office :  
3<sup>rd</sup> Floor, South Block, Puniska House,  
Next to One-42, Opp, Jayantilal Park BRTS Stop,  
Bopal-Ambli Road, Ahmedabad-380058  
CIN : L51100GJ1985PLC007995  
Email : [Investor.relations@vadilalgroup.com](mailto:Investor.relations@vadilalgroup.com)  
Website : [www.vadilalgroup.com](http://www.vadilalgroup.com)  
Phone : 079 4808 1200  
Date : 06<sup>th</sup> August, 2024

### NOTES:

1. With reference to various circulars of the Ministry of Corporate Affairs (“MCA”) i.e. circular dated May 5, 2020, read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 8, 2021, December 14, 2021, and May 5, 2022, and December 28, 2022 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) with Circular No. SEBI/HO/CFD / CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, SEBI/HO/CFD/CMD2/ CIR/P/2021/11 15<sup>th</sup> January, 2021 and SEBI/HO/CFD/ CMD2/ CIR/P/2022/62 dated 13<sup>th</sup> May, 2022, SEBI/HO/CFD/ PoD-2/P/ CIR/2023/4 dated 05<sup>th</sup> January, 2023 and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote through VC/ OAVM on their behalf at the Meeting.

4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. A Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company / MCS Share Transfer Agent Limited (if shares are held in physical form).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail to [mcsstaahmd@gmail.com](mailto:mcsstaahmd@gmail.com) on or before August 31, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under the tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholder may submit the above documents (PDF / JPG Format) by e-mail to [mcsstaahmd@gmail.com](mailto:mcsstaahmd@gmail.com). The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on August 31, 2024.

8. The Company has notified closure of Register of Members and Share Transfer Books from **20<sup>th</sup> September 2024 to 26<sup>th</sup> September 2024** (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.

**Dividend of Re. 1.50/- per share (@15.00%)** on Equity Shares for the year ended on 31<sup>st</sup> March 2024 as recommended by the Board, if declared at the meeting, will be paid with deduction of tax at source:

SEBI has mandated furnishing PAN and KYC details (i.e., Postal Address with PIN Code, e-mail ID, mobile number, and bank account details) by holders of securities in physical form and nomination details by all security holders. Any service request or complaint received from a Member holding shares in physical form will not be processed until the aforesaid details/documents are provided to the RTA. Relevant details and prescribed forms in this regard are available on the website of the Company.

In respect of shares held in electronic form, to those "Beneficial Owners" whose names appear in the Statement of Beneficial Ownership furnished by NSDL and CDSL as at the end of business hours on **19<sup>th</sup> September 2024**.

9. Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate(s); claim from unclaimed suspense account; renewal/ exchange of securities certificate(s); endorsement; sub-division/splitting of securities certificate(s); consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at <https://vadilalgroup.com/wp-content/uploads/2022/02/FormISR4.pdf> and on the website of the Company's Registrar and Transfer Agent i.e. MCS Share Transfer Agent Limited. It may be noted that any service request can be processed only after the folio is KYC Compliant.
10. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://vadilalgroup.com/wp-content/uploads/2022/01/VEL-Common-and-Simplified-Norms-for-Shareholders.pdf>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to MCS Share Transfer Agent Limited in case the shares are held in physical form.

SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD- 1/P/CIR/2023/131 dated July 31, 2023, SEBI/HO/ OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023 and SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/ 191 dated December 20, 2023, had issued guidelines towards an additional mechanism for investors to resolve their grievances by way of Online Dispute Resolution ("ODR") through a common ODR portal. Pursuant to above-mentioned circulars, post exhausting the options to resolve their grievance with the listed company/ its Registrar and Share Transfer Agent and through the existing SCORES platform and available on the website of the Company. the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>). Members can access the SEBI Circulars on the website of SEBI at <https://www.sebi.gov.in> and available on the website of the Company.

11. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1<sup>st</sup> April, 2019, except in the case of request received for transmission or transposition of securities. In view of this, Members holding shares in physical form are requested to consider converting their holding to dematerialize form. Members can contact the Company or Share Transfer Agent- M/s. MCS Share Transfer Agent Limited in this regard.



**12. Dispatch of Annual Report through E-mail:**

In accordance with the MCA Circulars no. 02/2022 dated May 05, 2022, and subsequent circulars issued in this regard, the latest being 09/2023 dated 25th September 2023 and dated October 7th, 2023. the Notice along with the Annual Report of the Company for the financial year ended March 31, 2024, will be sent only through e-mail, to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., M/s. MCS Share Transfer Agent Limited or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2024 shall also be available on the websites of the Company viz., [www.vadilalgroup.com](http://www.vadilalgroup.com) and the website of Stock Exchange i.e. BSE and AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).

13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically for that Members can contact the Company or Share Transfer Agent- M/s. MCS Share Transfer Agent Limited

Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

14. Members are requested to note that the amount of dividend for the financial year ended on, 31<sup>st</sup> March 2017, 31<sup>st</sup> March 2018 and 31<sup>st</sup> March 2019 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2024 remaining unpaid or unclaimed for a period of 7 years is due for transfer to the Investor Education and Protection Fund on, 1<sup>st</sup> November, 2024, 1<sup>st</sup> November, 2025, 30<sup>th</sup> October, 2026 and 1<sup>st</sup> November, 2029 respectively.

Members, who have so far not encashed their dividend warrants for the said financial years, are requested to approach the Company for revalidation or duplicate dividend warrants

15. **Pursuant to SEBI Regulations, the Shareholders who are holding shares in physical form are mandatorily required to furnish the PAN and complete Bank account details with the Company or Registrar and Share Transfer Agent i.e. MCS Share Transfer Agent Limited.**

Further, In terms of SEBI, Gazette Notification Shares in Physical Form will not be transferred. Hence, Shareholders holding shares in physical form are advised to get their shares converted into demat form at the earliest.

All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members by writing an e-mail to the Company Secretary at [investor.relations@vadilalgroup.com](mailto:investor.relations@vadilalgroup.com)

16. Members seeking any further information about the Accounts and/or Operations of the Company are requested to send their queries to the Company Secretary at the registered office of the Company at least 10 days before the date of the meeting.
17. In compliance with the aforesaid MCA Circular and SEBI Circular, Notice of the AGM along with Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2023-24 will also be available on the Company's website at [www.vadilalgroup.com](http://www.vadilalgroup.com), on the website of the Stock Exchanges i.e. BSE Limited and at [www.bseindia.com](http://www.bseindia.com) and respectively, and on the website of CDSL.
18. The instructions for shareholders for remote e-voting, Instructions for members for attending the AGM through VC / OAVM, and the instructions for shareholders voting on the day of the AGM on the e-voting system are given at the end of the notice
19. **The Following statement sets out all material facts relating to the Business mentioned in item No: 3.**

As required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 given below are the details of Mr. Devanshubhai Laxmanbhai Gandhi (DIN: 00010146) who shall retire by rotation and being eligible, offer themselves for re-appointment:

**Item No: 3**

Mr. Devanshu L. Gandhi (DIN: 00010146), Managing Director of the Company, shall retire by rotation and being eligible, offer himself for re-appointment.

As required under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 given below are the details of the above Directors to be re-appointed/appointed as Directors of the Company: -

**Mr. Devanshu L. Gandhi**

Mr. Devanshu L. Gandhi aged 57 years has been associated with the Company since its inception. He is a Bachelor of Commerce degree holder and also has experience on hands for the Ice-cream and Processed Food business. He looks after day-to-day affairs of the Company pertaining to the hereby-mentioned areas: Domestic Sales and Marketing of the Ice-cream Division, Government Subsidies of Ice-cream plants, and Revenue Expenses of the Refrigeration Service Division. He is on the Board of following other Companies.

Mr. Devanshu L. Gandhi is a Member of the Stakeholders' Relationship Committee of the Company. He is also a Member of the following committees of other Companies. Mr. Devanshu L. Gandhi holds 1,20,624 shares in M/s. Vadilal Enterprises Limited in his individual capacity.

Mr. Devanshu L. Gandhi is the Managing director of the company and he is drawing only sitting fees for the Board and Committee meetings he attends in the Company.

**Directorship:**

- Vadilal Chemicals Limited
- Vadilal Industries Limited
- Vadilal Delights Limited
- Vadilal International Private Limited
- Varood Industries Limited
- Esveegee Wires and Metals Private Limited
- Vadilal Gases Limited
- Rystic Trading Private Limited
- Marveling Marketing Private Limited
- ABDG Enterprises Private Limited
- Vale Properties Private Limited
- Numen Technologies Private Limited
- BYAD Packaging Private Limited

**Member of the Board Committees:**

**Audit Committee:**

- Vadilal Chemicals Limited

**Stakeholders' Relationship Committee:**

- Vadilal Enterprises Limited
- Vadilal Chemicals Limited

**Nomination & Remuneration Committee**

- Vadilal Enterprises Limited

Mr. Devanshu L. Gandhi is not related to any Director of the Company.

By Order of the Board  
**For VADILAL ENTERPRISES LIMITED**

**Rajesh R. Gandhi**  
Chairman & Managing Director  
DIN : 00009879

**Registered Office :**

3<sup>rd</sup> Floor, South Block, Puniska House,  
Next to One-42, Opp, Jayantilal Park BRTS Stop,  
Bopal-Ambli Road, Ahmedabad-380058  
CIN : L51100GJ1985PLC007995  
Email : [Investor.relations@vadilalgroup.com](mailto:Investor.relations@vadilalgroup.com)  
Website : [www.vadilalgroup.com](http://www.vadilalgroup.com)  
Phone : 079 4808 1200  
Date : 06<sup>th</sup> August, 2024

**PROCESS AND MANNER FOR AVAILING REMOTE E-VOTING FACILITY**

1. As per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, and Circular No. 20/2020 dated May 05, 2020, read with other related SEBI circulars including Circular No. SEBI/ HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) to facilitate voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.vadilalgroup.com](http://www.vadilalgroup.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The Board of Directors of the company has appointed Mr. Manoj R. Hurkat of M/s. Manoj Hurkat & Associates, Practicing Company Secretary, Ahmedabad as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same purpose.
8. The Scrutinizer after Scrutinizing the votes cast within the maximum permissible statutory time limit will not later than three days of the conclusion of the Meeting, make a scrutinizer's report and submit the same to the chairman. The results declared shall be placed on the website of the Company <http://vadilalgroup.com> and the website of CDSL viz. <http://www.evotingindia.com>. The results shall simultaneously be communicated to the stock exchange.

#### **THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

**Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in Demat mode.**

- I. The voting period begins on (Monday) **23<sup>rd</sup> September 2024 (09:00 a.m.)** and to (Wednesday) **25<sup>th</sup> September 2024 (05:00 p.m.)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as of the cut-off date (record date) of **19<sup>th</sup> September 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. Shareholders who have already voted prior to the meeting date will not be entitled to vote at the meeting venue.
- III. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in the e-voting process.

**Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

- i. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to the aforementioned SEBI Circular, **the Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and +then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000

**Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- IV. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- V. After entering these details appropriately, click on “SUBMIT” tab.
- VI. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- VII. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- VIII. Click on the EVSN for the relevant <VADILAL ENTERPRISES LIMITED> on which you choose to vote.
- IX. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- X. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- XI. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- XII. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XIII. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- XIV. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XV. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
  - ii. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only :
    - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
    - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
    - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
    - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who is authorized to vote, to the Scrutinizer and to the Company at the email address [viz;investor.relations@Vadilalgroup.com](mailto:investor.relations@Vadilalgroup.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

- 1) The procedure for attending the meeting & e-voting on the day of the AGM/ EGM is the same as the instructions mentioned above for e-voting.
- 2) The link for VC/OAVM to attend the meeting will be available where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- 3) Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
- 4) Shareholders are encouraged to join the Meeting through Laptops / iPads for a better experience.
- 5) Further shareholders will be required to allow Camera and use the Internet at a good speed to avoid any disturbance during the meeting.
- 6) Please note that Participants Connecting from Mobile Devices or Tablets or through a Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuations in their respective network. It is therefore recommended to use a Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 7) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email-id, mobile number at (company email-id). These queries will be replied to by the company suitably by email.
- 8) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- 9) Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system available during the EGM/AGM.
- 10) If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders: Please update your email-id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders: Please update your email-id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through the Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll-free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

**Request to the members:**

Members desiring any relevant information on the audited financial statements during the AGM are requested to write to the Company at least 10 days in advance of the date of the AGM at its Registered Office, to enable the Company to keep the information ready.

By Order of the Board  
**For VADILAL ENTERPRISES LIMITED**

**Rajesh R. Gandhi**  
Chairman & Managing Director  
DIN : 00009879

Registered Office :  
3<sup>rd</sup> Floor, South Block, Puniska House,  
Next to One-42, Opp, Jayantilal Park BRTS Stop,  
Bopal-Ambli Road, Ahmedabad-380058  
CIN : L51100GJ1985PLC007995  
Email : [Investor.relations@vadilalgroup.com](mailto:Investor.relations@vadilalgroup.com)  
Website : [www.vadilalgroup.com](http://www.vadilalgroup.com)  
Phone : 079 4808 1200  
Date : 06<sup>th</sup> August, 2024

## DIRECTORS' REPORT

To,  
The Members,  
**VADILAL ENTERPRISES LIMITED**  
Ahmedabad.

Your Directors have the pleasure of presenting herewith the 39<sup>th</sup> Annual Report together with the Audited Financial Statements for the year ended on 31<sup>st</sup> March 2024.

### FINANCIAL HIGHLIGHTS:

(₹ in Crore)

Sr. No.	Particulars	Current Year ended on 31-03-2024	Previous Year ended on 31-03-2023
(a)	Earnings before Interest, Tax, Depreciation and Amortization	25.95	21.01
(b)	Finance Cost	3.50	1.34
(c)	Depreciation & Amortization Expense	12.40	11.07
(d)	Profit/(Loss) before Tax	10.05	8.60
(e)	Tax Expense		
	-- Current Tax	1.91	3.17
	-- Deferred Tax Expenses	0.63	(0.73)
	Total Tax:	2.54	2.44
(f)	Profit/(Loss) for the year	7.51	6.16
(g)	Other Comprehensive income / (Expense)		
	Item that will not be reclassified to Profit & Loss		
	- Re-measurement of Defined Benefit Plans (Net of Taxes)	(0.38)	(0.27)
(i)	Total Comprehensive income for the year	7.13	5.89

### STATE OF COMPANY'S AFFAIRS:

The Company has earned Revenue from Operations of ₹ 999.14 Crore during the year ended on 31<sup>st</sup> March 2024 as against ₹ 930.09 Crore earned during the previous year ended on 31<sup>st</sup> March 2023 giving a raise of 07.42 % as compared to the previous year.

After adding thereto, the other income of ₹ 11.81 Crore earned by the Company, the Company has earned a total income of ₹ 1010.95 Crore during the year under review. The Company has incurred total expenses of ₹ 1000.90 Crore including Finance cost of ₹ 3.50 Crore and Depreciation and Amortization expenses of Rs 12.40 Crore, during the year under review.

The Company has incurred a profit before Tax of ₹ 10.05 Crore during the year under review as compared to a profit of ₹ 8.60 Crore incurred during the previous year ended on 31<sup>st</sup> March 2023.

### DIVIDEND:

The Directors have recommended a dividend of ₹ 1.50 per share (@15.00 %) on 8,62,668 Equity Shares of ₹ 10/- each of the Company for the Financial Year ended on 31<sup>st</sup> March 2024. If approved, the Dividend will be paid with a deduction of tax at source to the shareholders as applicable.

### TRANSFER TO RESERVES:

The Company has not transferred any amount to General Reserve during the year under review.

### MANAGEMENT DISCUSSION & ANALYSIS:

To ensure maximum visibility in terms of marketing, we spend on an optimal mix of above-the-line (ATL) and below-the-line (BTL) activities. We utilize various communication touch points like TV, Print, Digital, Retail activity, OOH Point of purchase (POP), Point of Sales (POS), etc. to get the brand message across. This year we have taken a giant leap into the field of advertising and marketing, Vadilal had a noticeable presence on TV with their prime property advertising for all the concerned Trade & Consumers along with a huge fan base specifically young Indians to consume. Vadilal extensively promoted its newly launched Gourmet Natural ice creams & newly launched products on TV as well as on Digital platforms. All of the above makes Vadilal the largest marketing investment company in the Ice cream segment in competition with other players.

However, the advertising budgets are skewed more towards the 360\* media mix as we have a nationwide reach now. Apart from traditional media platforms, we also enjoy commendable brand presence and preference in the digital space that caters to the youth and all classes and society. This year we spearheaded social media-led campaigns to engage with young consumers.

Throughout the span of 2023-2024, we engaged in a plethora of activities across various premier digital platforms such as Facebook, Instagram, LinkedIn, Moj, and Josh. Our endeavors included the strategic promotion of our song and hook step through partnerships with prominent dance and music influencers, resulting in the exponential growth of our jingle's popularity, amassing a staggering 1 billion views during the summer of 2023.

Furthermore, we forged collaborations with esteemed comic influencers like Aatman Desai during the World Cup and Funcho for Friendship initiatives. Notably, our Valentine's Day campaign garnered significant attention as we teamed up with Sima Tapuria, a Netflix sensation, to facilitate matchmaking for our audience on Instagram and got an overwhelming response.

On the sales promotions front, we constantly engage our trade patrons through various schemes and offers. Vadilal also invests in consumer promotional activities from time to time.

Injecting resources into the market and implementing promotional initiatives are among the strategic endeavors undertaken by the business to enhance brand visibility and engagement. Reaching out to smaller areas and villages demonstrates a commitment to broadening our brand's reach and connecting with diverse audiences. It is our strategic and proactive way to strengthen the brand's visibility and engagement across different demographics.

We are marching towards ₹1500 crores INR sales turnover in the coming years with strategic business planning & product innovation with extensive distribution with complete marketing efforts. Yet, the overall vision of the company remains the same, that is to increase the consumption of ice cream at the national level supported by appropriate promotion and communication strategies.

Vadilal with its decades of expertise and experience, its ever-enhancing business strategies and a bold approach towards competition will keep supplying momentum to the brand's growth in the years to come.

#### FINANCE:

During the year under review, the company has been Sanctioned various credit facilities (Working Capital, Term Loan, GECL Loan) from CSB Bank Ltd. total amounting to ₹ 49.94 Crore, and the company has repaid the term loan of Tata Capital Financial Services Ltd

The company has made regular repayments of Loans & Interest thereon and there is no any overdue payment to any Banks and FIS.

Based on the financial performance of the previous year i.e. 2022-23, M/s. India Ratings & Research Pvt. Ltd. has rated the Long-term borrowing & Fund Based Working Capital Facility as BBB+/ Stable/IND A2 and Non-fund based facility is rated as A2 vide its letter dated 05.01.2024.

#### INVESTOR EDUCATION AND PROTECTION FUND:

During the financial year 2023-2024, the Company deposited an unclaimed/ unpaid dividend amount for the FY 2016-17 of ₹ 39239.80 /- to the Investor Education and Protection Fund - IEPF.

During the year under review, the Company has not transferred any amount for the unclaimed interest on Fixed Deposit and Mature deposit to the Investors' Education and Protection Fund.

#### DETAILS OF DEPOSITS:

- a. During the year under review, the details of deposits accepted by the Company from its Members, after complying with the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, are as under :

		(₹ in lakhs)
(a)	Amount of existing deposits as at 1 <sup>st</sup> April, 2023	0.00
(b)	Amount of deposits accepted or renewed during the year	
(i)	Secured deposits	0
(ii)	Unsecured deposits	0
<b>Total (b) :</b>		<b>0</b>
(c)	Amount of deposits repaid during the year	0.00
(d)	Balance of deposits outstanding at the end of the year (a+b-c)	0.00

- b. During the year under review, the Company has not made any default in repayment of deposits or payment of interest on deposits.
- c. The Company has not accepted or renewed any deposit which is not in compliance with the provisions of Chapter – V of the Companies Act, 2013.

#### CONSOLIDATED FINANCIAL STATEMENTS:

As of 31<sup>st</sup> March 2024, the Company does not have any subsidiary, joint venture, or associate Company and hence, the Company is not required to attach the Consolidated Financial Statements along with its Financial Statement, in terms of provisions of Section 129(3) read with Schedule – III of the Companies Act, 2013 and Rules made thereunder, and Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement), 2015 and other applicable Accounting Standards.

During the year under review, none of the companies have become or ceased to be Company's subsidiaries, associates or joint ventures.



## SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

## CORPORATE GOVERNANCE:

The provisions related to compliance with Corporate Governance as mentioned in Regulation 16(2) of Chapter – IV of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("SEBI-LODR") are not applicable to the Company since the share capital of the company does not exceed ₹ 10.00 Crores and the net-worth of the Company does not exceed ₹ 25 Crores, as per the last audited Balance sheet of the Company.

However, being a Listed Company, the Company has always taken necessary measures to adhere to the best governance practices and norms.

## DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the confirmation and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(C) and 134(5) of the Companies Act, 2013 and confirm:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 and loss of the company for that period;
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- They have prepared the annual accounts on a going concern basis;
- They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

Particulars of loans given, investments made, guarantees given and securities provided by the Company under Section 186 of the Companies Act, 2013 forms part of the Notes to the financial statements provided in this Annual Report.

## ANNUAL RETURN:

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, The Annual Return is available on company's website at [https://vadilalgroup.com/?page\\_id=944](https://vadilalgroup.com/?page_id=944)

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure – A in the prescribed Form – AOC-2 and the same forms part of this report. All related party transactions are placed before the Audit Committee and the Board of the Company for review and approval.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website viz. [www.vadilalgroup.com](http://www.vadilalgroup.com).

Your Directors draw the attention of the members to Note – 40 to the financial statement which sets out related party transactions.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on 31<sup>st</sup> March, 2024, the Board of the Company comprises the following Directors:

Sr. No.	Name of the Director	Designation	Category
1.	Mr. Rajesh R. Gandhi	Chairman	Managing Director
2.	Mr. Devanshu L. Gandhi	Director	Managing Director
3.	Ms. Mamta R. Gandhi	Director	Non-executive and Non-Independent
4.	Mr. Ashish H. Modi	Director	Independent Director
5.	Mr. Chetan Tamboli	Director	Independent Director

As on 31<sup>st</sup> March, 2024, the Key Managerial personal of the Company are as follows:

Sr. No.	Name of the Key Managerial Personal	Designation
1.	Mr. Rajesh Bhagat	Chief Financial Officer
2.	Mr. Ashish Thaker	Company Secretary & Compliance Officer

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder Mr. Devanshubhai Laxmanbhai Gandhi (DIN: 00010146) of the Company, shall retire by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment. The Members are requested to consider her re-appointment as Director of the Company, for which necessary resolution has been incorporated in the notice of the meeting.

The brief resume/details relating to Mr. Devanshubhai Laxmanbhai Gandhi is furnished in the Notice of the Annual General Meeting.

During the Financial Year 23-24 below are changes in the board and Key Managerial personnel:

- I. The appointment of Mr. Rajesh R. Gandhi as a Managing Director of the Company designated as a “Chairman & Managing Director” for a period of five years effective from 09<sup>th</sup> August 2023
- II. The appointment of Mr. Devanshu L. Gandhi as a Managing Director of the Company for a period of five years effective on 09<sup>th</sup> August 2023
- III. Mr. kamal Varma has resigned from his position of Chief Executive Officer with effect from closing hours of 01<sup>st</sup> September 2023.
- IV. Mr. Ranaveersinh Raol has resigned from his position of Chief Executive Officer with effect from closing hours of 01<sup>st</sup> September 2023.

#### NUMBER OF BOARD MEETINGS:

Total 4 meetings of the Board of Directors were held during the year details of dates and their attendance is as follows:

Board meeting were held on 29.05.2023, 09.08.2023, 09.11.2023, 07.02.2024

Name of Director	Attendance Particulars (Total 4 Board Meetings held during the year)
Mr. Rajesh R. Gandhi	4
Mr. Devanshu L. Gandhi	4
Ms. Mamta R. Gandhi	4
Mr. Ashish H. Modi	4
Mr. Chetan Tamboli	4

#### COMMITTEES OF DIRECTORS:

The details of various committees of Directors constituted under various provisions of Companies Act, 2013 and Rules made thereunder are as follows:

##### A. AUDIT COMMITTEE:

The Audit Committee comprises the following Directors of the Company namely:

Sr. No.	Name of the Member		Designation	Category
1	Mr. Chetan Tamboli	-	Chairman	Independent Director
2	Mr. Rajesh R. Gandhi	-	Member	Managing Director
3	Mr. Ashish Modi	-	Member	Independent Director

Audit Committee meetings were held on 29.05.2023, 09.08.2023, 09.11.2023, 07.02.2024. The constitution of the Audit Committee fulfills the requirements of Section 177 of the Companies Act, 2013 and Rules made thereunder. The members of the audit committee are financially literate and have accounting or related financial management expertise.

Mr. Ashish Thaker, Company Secretary of the Company, was the Secretary to the Audit Committee.

##### B. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company comprises the following Directors of the Company :

Sr. No.	Name of the Member		Designation	Category
1	Mr. Chetan Tamboli	-	Chairman	Independent Director
2	Ms. Mamta Gandhi	-	Member	Non-Executive Director
4	Mr. Ashish Modi	-	Member	Independent Director

The constitution of Nomination and Remuneration Committee fulfills the requirements of Section 178 of the Companies Act, 2013 and Rules made thereunder.

Nomination and Remuneration Committee meetings were held on 09.08.2023.

### C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee of the Company comprises the following Directors of the Company :

Sr. No.	Name of the Member		Designation	Category
1	Mr. Chetan Tamboli	-	Chairman	Independent Director
2	Mr. Rajesh R. Gandhi	-	Member	Managing Director
3	Mr. Devanshu L. Gandhi	-	Member	Managing Director

The constitution of the Stakeholders' Relationship Committee fulfills the requirements of Section 178 of the Companies Act, 2013 and the Rules made thereunder.

The Committee, inter alia, approves the transfer of Shares, issue of duplicate Share Certificates, splitting and consolidation of Shares, etc. The Committee also looks after the redressal of Shareholder complaints like transfer of shares, non-receipt of a balance sheet, non-receipt of dividends, etc. The Board of Directors has delegated the power of approving the transfer of Shares etc. to the Stakeholders' Relationship Committee.

The stakeholders' relationship Committee meeting was held on 07.02.2024

### SENIOR MANAGEMENT

Particular of Senior management including the changes therein since the close of the previous financial year as below:

Sr. No.	Name of the Member		Designation
1	Ms. Nija K Gandhi	-	President - International Business
2	Ms. Aakanksha D Gandhi	-	President – Branding

There were no changes in the senior management during the previous financial year

### BOARD PERFORMANCE EVALUATION:

The board of directors has carried out an annual evaluation of its own performance, Board committees, and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board and committees was evaluated by the Board on the basis of the criteria determined by the Nomination and Remuneration Committee such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The Board reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contributions and inputs in meetings, etc.

In a separate meeting of independent Directors, the performance of non-independent directors, the performance of the board as a whole, and the performance of the Chairman were evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of

The board, its committees, and individual directors were also discussed.

### OTHER POLICIES AS PER THE REQUIREMENT OF COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT), 2015

The policies formulated by the Company under various provisions of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement), 2015 are available on the website of the Company viz : [www.vadilalgroup.com](http://www.vadilalgroup.com).

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

The details of Conservation of Energy and Technology Absorption are not required to provide as the provisions of Section 134(1)(m) are not applicable to the Company due to the nature of the Company's business operations, being Marketing Company.

There is no any Foreign Exchange Earnings or outgo during the year under review.

### INTERNAL FINANCIAL CONTROLS

The Company has an Internal Control System, commensurate with the size, scale, and complexity of its operations. The External and Internal Auditors carry out periodic reviews of the functioning and suggest changes if required. The company has also a sound budgetary control system with frequent reviews of actual performance as against those budgeted.

The Statutory Auditors have given a qualified opinion on the financial reporting in their Report with regards to the assessment and closure of the various financial, operational, and governance-related matters emanating out of the allegations made by promoter directors

against each other and their consequential impact, if any, on the standalone financial statements of the Company. The Management does not expect any material impact on the financial statements of the Company considering the fact that the matters pertaining to earlier financial years and amount as already been expensed in the relevant financial years. Voluntary inquiries by external agencies initiated by the management are in process to substantiate its conclusion.

#### **AUDITORS:**

M/s. Arpit Patel & Associates have been appointed as Statutory Auditors of the company for a period of 5 years i.e. till the conclusion of the 40<sup>th</sup> Annual General Meeting of the Company to be held in the year 2025.

#### **AUDITORS' REPORT OF THE COMPANY:**

The Independent Auditors' Report dated 25<sup>th</sup> May 2024 for the Financial Results of the Company for the year ended on 31<sup>st</sup> March 2024 contains qualified Opinions together with the basis for the same made by the Auditors:

The Management does not expect any material impact on the financial statements of the Company considering the fact that the amount has already been expensed in the relevant financial years. Voluntary inquiries by external agencies initiated by the management are in process to substantiate its conclusion.

#### **SECRETARIAL AUDITOR:**

Section 204 of the Companies Act, 2013 inter alia requires every listed company to annex with its Board Report a Secretarial Audit Report given by a Company Secretary in practice in the prescribed form. The Board has appointed M/s SPAN & Co., Company Secretaries LLP, to conduct a Secretarial Audit for the financial year 2023-2024. The Secretarial Audit Report for the financial year ended March 31, 2024, is annexed herewith marked as **Annexure – B** to this Report.

The Secretarial Auditors' Report of the Company for the year ended 31<sup>st</sup> March 2024 contains certain Comments/ observations. The explanation of observations therein is as below: -

1. As required under Regulation 31(2) of LODR Regulations, a hundred percent shareholding of the promoters and promoter group is not maintained in dematerialized form.  
Promoters are in the process of dematerialization of shares of the Company.

#### **COST AUDIT:**

The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business categories in which the Company operates accordingly such accounts and records are not maintained.

#### **PARTICULARS OF EMPLOYEES:**

The Disclosures pertaining to remuneration and other details, as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed with this report as **Annexure - C**.

The Statement of particulars of employees under Section 197(12) read with Rules 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not required to be provided, since during the financial year under review, no employee of the Company except the Managing Directors, received remuneration in excess of the limits set out in the said rules.

#### **MATERIAL INFORMATION:**

In the matter of Company Petition Nos. 41, 42 and 43 of 2017 filed by the Petitioners alleging oppression and mismanagement and seeking remedies under Sections 241 and 242 of the Companies Act, 2013 before the National Company Law Tribunal, Ahmedabad ("NCLT"), the Hon'ble NCLT, Ahmedabad, has pronounced its order (dated 10th July 2024) The Honorable NCLT Ahmedabad passed an order on July 10, 2024 and partly allowed petition No. 43 of 2017 filed by Petitioners against the Company as one of the Respondents.

Further, under regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the company has submitted the same to the Stock Exchange & has also uploaded on the company's website [www.vadilalgroup.com](http://www.vadilalgroup.com).

An appeal has been preferred before the Hon'ble National Company Law Appellate Tribunal ("NCLAT"), New Delhi against petition No. 43 of 2017, and the same is listed for admission.

#### **INSURANCE:**

All insurable interests of the Company including buildings, plant and machinery, furniture & fixtures, and other insurable interest are adequately insured.

**DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES:**

Pursuant to provisions of Clause 5A of Para A of Part A of Schedule III of SEBI (Listing Obligations & Disclosure

Requirements) Regulations, 2015 ("Listing Regulations"), read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, the Company has submitted to the Stock Exchange & uploaded on the company website ([www.vadilalgroup.com](http://www.vadilalgroup.com)), regarding the Memorandum of understanding entered on January 1999 and the agreement entered into between certain Promoter group entities of Vadilal Enterprises Limited ("the Company") on September 28, 2009.

**GENERAL:**

- During the year under review, there was no change in the nature of business of the Company and there is no material change and/or commitments, affecting the financial position of the Company, during the period from 31<sup>st</sup> March 2024 till the date of this report.
- During the year under review, there was no significant and/or material order passed by any regulators or courts, or tribunals impacting the going concern status and the company's operations in the future.
- The Company does not provide any loan or other financial arrangement to its employees or Directors or Key Managerial Personnel for the purchase of its own shares and hence, the disclosure under Section 67(3)(c) of the Companies Act, 2013 does not require.
- During the year under review, no Director or Managing Director of the Company has received any remuneration or commission from a subsidiary of the Company in terms of provisions of Section 197(14) of the Companies Act, 2013.
- The disclosure in terms of Rule – 4 of Companies (Share Capital and Debenture) Rules, 2014 is not provided, as the Company does not have any equity shares with differential voting rights.
- The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition, and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

**TRADE RELATIONS:**

The Board desires to place on record its appreciation of the support and cooperation that your Company received from Distributors, Dealers, Stockiest, C&F Agents, Retailers, and all others associated with your Company. It will be your Company's continued endeavor to build and nurture strong links with the trade, based on mutuality, respect, and cooperation and consistent with the consumer interest.

**ACKNOWLEDGEMENT:**

The Directors place on record the appreciation and gratitude for the cooperation and assistance extended by various departments of the Union Government, State Government, Bankers and Financial Institutions.

The Directors also place on record their appreciation of the dedicated and sincere services of the employees of the Company at all levels.

The Company will make every effort to meet the aspirations of its Shareholders and wish to sincerely thank them for their whole-hearted cooperation and support at all times.

By Order of the Board of Directors

Date : 06<sup>th</sup> Aug, 2024  
Place : Ahmedabad

**Rajesh R. Gandhi**  
Chairman & Managing Director  
DIN : 00009879

## ANNEXURE – A - TO THE DIRECTORS' REPORT

### FORM NO. AOC -2

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. : NIL
2. Details of contracts or arrangements or transactions at Arm's length basis.

Sr. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Vadilal Industries Limited (VIL), a Public Company in which Directors are Directors and holding more than 2% shares along with relatives.
b)	Nature of contracts/arrangements/transaction	Agreement between VIL and VEL to sell ice cream, Frozen Desserts, Flavoured Milk and other Milk and Dairy products and Processed Food Products by VIL to VEL.
c)	Duration of the contracts/arrangements/transaction	The agreement executed on 29.09.2017, which is valid for a period of 10 years w.e.f. 1 <sup>st</sup> October, 2017.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	<ul style="list-style-type: none"> <li>- Purchase of ice cream, Frozen Dessert, Flavored Milk, and other Milk and Dairy products and Processed Food Products by VEL from VIL on Principal to Principal basis and on a credit basis. All matters related to marketing including marketing expenses will be decided and borne by VEL.</li> <li>- Payment shall be made by VEL within 180 days from the last date of the month in which the Company has supplied the products to VEL. VEL shall be liable to pay interest @15% at the discretion of the Company on all outstanding amounts due to the Company, beyond the said credit period of 180 days</li> </ul>
e)	Date of approval by the Board	The Agreement was approved by the Board at its meeting held on 8-8-2017. The details of transactions of sale/purchases between VIL and VEL are placed at the Board Meetings on quarterly basis.
f)	Amount paid as advances, if any.	No.

By Order of the Board of Directors

**Rajesh R. Gandhi**

Chairman & Managing Director  
DIN : 00009879

Date : 06<sup>th</sup> Aug, 2024  
Place : Ahmedabad

## ANNEXURE -B -TO THE DIRECTORS' REPORT

FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024

[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,  
**Vadilal Enterprises Limited,**  
3<sup>rd</sup> Floor, South Block, Puniska House,  
Next to One-42, Opp, Jayantilal Park BRTS Stop,  
Bopal-Ambli Road, Ahmedabad-380058

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Vadilal Enterprises Limited** (CIN: L51100GJ1985PLC007995) (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms, and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the **financial year 2023-24 i.e. from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:

- i. The Companies Act, 2013 ('**the Act**') and the Rules made thereunder;
- 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 thereunder;
- 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 to the Company during the Audit Period*)
- v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (*Not Applicable to the Company during the Audit Period*);
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (*Not Applicable to the Company during the Audit Period*);
  - e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; (*Not Applicable to the Company during the Audit Period*);
  - f) The Securities and Exchange Board of India (Registrar to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (*Not Applicable to the Company during the Audit Period*); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (*Not Applicable to the Company during the Audit Period*)
1. We have also examined compliance with the applicable clauses of the following:
  - i. Secretarial Standards (SS-1 for Meetings of the Board of Directors & SS-2 for General Meetings) issued by the Institute of Company Secretaries of India; and
  - ii. The Listing Agreement entered into by the Company with BSE Limited (BSE) and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations').

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Standards etc. as mentioned above, subject to the following observation:

- I. I. As required under Regulation 31(2) of LODR Regulations, hundred percent shareholding of the promoters and promoter group is not maintained in dematerialized form. Promoters are in the process of dematerialization of shares of the Company.
2. We further report that:

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. There were no changes in the composition of the Board of Directors during the Audit Period.

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

The majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We 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.

**We further report that** during the Audit Period, the company had no specific events/ actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, standards, etc.

**Premnarayan Tripathi, Designated Partner**

SPAN & Co. Company Secretaries LLP

FCS 8851 COP : 10029

PR: 800/2020

UDIN : F008851F000905551

Place : Ahmedabad

Date: 06<sup>th</sup> Aug 2024

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

#### Annexure A

To,

The Members

**Vadilal Enterprises Limited**

3<sup>rd</sup> Floor, South Block, Puniska House,

Next to One-42, Opp, Jayantilal Park BRTS Stop,

Bopal-Ambli Road, Ahmedabad-380058

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and the happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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.

**Premnarayan Tripathi, Designated Partner**

SPAN & Co. Company Secretaries LLP

FCS 8851 COP : 10029

PR: 800/2020

UDIN : F008851F000905551

Place : Ahmedabad

Date: 06<sup>th</sup> Aug 2024



## ANNEXURE – C TO THE DIRECTORS’ REPORT

### PARTICULARS OF EMPLOYEES:

The information required under Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31<sup>st</sup> March, 2024, are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year -2023-2024 and the percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year – 2023-2024:**

Name of the Managing Directors, Chief Financial Officers and Company Secretary	Ratio to median remuneration of the employees	% increase in remuneration in the financial year
Mr. Rajesh Bhagat, Chief Financial Officer	N.A.	11%
Mr. Ashish Thaker, Company Secretary	N.A.	12%

The Company does not pay any remuneration to the Non-executive Directors except sitting fees for attending Board and Committee Meetings.

- b. The percentage increase in the median remuneration of employees in the financial year -2023-2024: 28%**
- c. The number of permanent employees on the rolls of Company as on 31-3-2024: 630**
- d. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year 23-24 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

During the year under review, the average annual increase was : 13%

To ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

- e. The Company affirms remuneration is as per the remuneration policy of the Company.**
- f. The statement containing the top ten employees in terms of remuneration drawn and particulars of employees as required under Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any shareholder interested in obtaining a copy of the same may write to the Company Secretary and the same will be provided free of cost to the shareholder.**

By Order of the Board of Directors

**Rajesh R. Gandhi**  
Chairman & Managing Director  
DIN : 00009879

Date : 06<sup>th</sup> Aug, 2024  
Place : Ahmedabad

## Independent Auditor's Report

To the members of Vadilal Enterprises Limited

### Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the accompanying financial statements of Vadilal Enterprises Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Expense), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information (hereinafter referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, except for possible effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act"), in the manner so required, and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive Income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Qualified Opinion

We are unable to comment upon the possible effects of the following matters, on the financial statements of the Company for the year ended March 31, 2024. The matter more fully discussed in the Note No. 48 to the financial statements pertaining to the pending receipt of conclusive reports/findings for the items described therein:

- (i) Matter relating to the cross allegations between the Promoter Directors, during the period 2013-14 to 2017-18 and 2013-14 to 2018-19 respectively, for the appropriateness of the expenses amounting to ₹ 0.46 crore and ₹ 0.53 crore respectively; and
- (ii) Matter involving allegations of operations and management issue wherein marketing expenses of advertisements, amounting to ₹ 38 crore during the period 2015-16 to 2018-19, were alleged by one Promoter Director to be paid by the Company on approval by another Promoter Director, without following the process of the Company.

Pending receipt of the reports/findings, as referred above, we are unable to conclude the possible effects on the financial statements, as a whole, of any undetected misstatements, if any, and whether it could be material.

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

#### Emphasis of Matter

We draw attention to Note No. 38 of the financial statements, which refers to the status of on-going litigations filed against the Company and some of its promoters under Section 241 and 242 of the Companies Act, 2013, pertaining to prevention of oppression and mismanagement of the Company before the National Company Law Tribunal, Ahmedabad.

Our opinion is not modified in respect of the above matters.

#### Key Audit Matters

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

In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

S. No.	Key Audit Matter	Auditor's Response
<b>Revenue Recognition – Sale of Goods</b>		
1.	<p>Refer Note 2(m) in the Summary of material accounting policies and other explanatory information.</p> <p>The Company recognised an amount of ₹ 999.14 crore as revenue in the year ended 31 March 2024, as disclosed in Note 29 of the financial statements.</p> <p>Revenue for the Company primarily comprises of revenue from sale of ice-cream and dairy products.</p> <p>In accordance with Standards on Auditing, there is a presumed fraud risk relating to revenue recognition. Accordingly, occurrence and existence of revenue is a key focus area on account of the multiplicity of Company's products, multiple channels for sales, various categories of customers having varying terms of contracts and the volume of the sales made to them.</p> <p>Due to the above factors, we have identified testing of revenue recognition as a key audit matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>▶ Obtained an understanding of the process of each revenue stream, particularly of ice-cream.</li> <li>▶ Evaluated the design and implementation and tested the operating effectiveness of controls over revenue recognition.</li> <li>▶ Performed substantive analytical procedures on revenue which includes region wise analysis.</li> <li>▶ Evaluated the terms and conditions of the contracts, with customers to ensure that the revenue recognition criteria are assessed by the management in accordance with the accounting standards.</li> <li>▶ We selected a sample to test revenue transactions recorded during the year, and revenue transactions recorded in the period before and after year-end with supporting documents, such as invoices, agreements with customers, proof of deliveries, discounts and claims and subsequent collection of payment.</li> <li>▶ Evaluated the design and implementation of key internal controls over the revenue from sale through the combination of procedures involving inquiry and observations, reperformance and inspection of evidence in respect of operations of these controls.</li> <li>▶ Performed other substantive audit procedures including obtaining Trade Receivables confirmations on a sample basis, obtaining reconciliations in cases of variation, reviewed the subsequent collection of payment and proof of deliveries document of such selected Trade Receivables.</li> <li>▶ Evaluated disclosures made in the financial statements for revenue recognition from sale of goods for appropriateness in accordance with the applicable accounting standards.</li> </ul>
<b>Recoverability of Trade Receivables and Provision for Expected Credit Loss</b>		
2.	<p>The Company as at 31 March 2024, has Trade Receivables amounting to ₹ 47.99 crore (net of provision) considering the materiality of the amounts involved, volume of the customers and significant management judgement involved in its assessment of recoverability, this was considered to be a key audit matter in the audit of the financial statements.</p>	<ul style="list-style-type: none"> <li>▶ Obtaining an understanding of the management processes, evaluating the design and testing the effectiveness of key internal financial controls over assessing the recoverability of trade receivables.</li> <li>▶ Discussing extensively with management regarding steps taken for recovering the amounts and evaluating the design and testing operating effectiveness of controls.</li> <li>▶ Assessing the reasonability of judgements exercised and estimates made by management in recognition of these receivables and validating them with corroborating evidence.</li> <li>▶ Challenging the assumptions made by the management with respect to the provisions to be made as per the Expected Credit Loss, reperforming the arithmetic calculations, and evaluating the assumptions made with the base data.</li> <li>▶ Obtained confirmations from customers on sample basis to support existence assertion of trade receivables.</li> <li>▶ Evaluated the nature and status of customers and obtained the understanding from management about whether ongoing business relationship with the customers and past payment history of customers.</li> <li>▶ Assessing the disclosures made by the management are in accordance with applicable accounting standards.</li> </ul>

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to the Board's Report, but does not include the financial statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditors' report.

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 communicate the matter to those charged with governance as required under SA 720 'The Auditors' responsibilities relating to other Information'.

### **Management's responsibility for the Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including total 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 and the rules thereunder, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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 or Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's responsibilities for the audit of the Financial Statements**

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit, we report that:
  - (a) We have sought and obtained all the information and explanations, except for the matter described in the "Basis for Qualified Opinion" paragraph, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) Except for the matter described in the "Basis for Qualified Opinion" paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Expense), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended dealt with by this Report are in agreement with the books of account.
  - (d) Except for the effects of the matter described in the "Basis for Qualified Opinion" paragraph, in our opinion, the financial statements comply with the Ind AS specified under section 133 of the Act and the Rules thereunder, as amended.
  - (e) The matter described in the "Basis for Qualified Opinion" paragraph in our opinion, may have an adverse effect on the functioning of the Company.
  - (f) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164(2) of the Act.
  - (g) The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the "Basis for Qualified Opinion" paragraph above and para 2(b).
  - (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the financial statements and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' to this report.
  - (i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended, we report that to the best of our information and according to the explanations given to us, only sitting fees have been paid by the Company to its directors during the year, which is in accordance with the provisions of Section 197 of the Act.
  - (j) With respect to the other matters to be included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Please refer Note No. 37.
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as provided in (a) and (b) above, contain any material misstatement.
- (v) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 17(a) to the accompanying financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- (vi) Based on our examination, which included test checks the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

**For Arpit Patel & Associates,**  
Chartered Accountants  
Firm's Registration No.: 144032W

**Pruthvi Patel**  
Partner  
Membership No. 167297  
UDIN: 24167297BKHXE5838

Place: Ahmedabad  
Date: May 25, 2024

## Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Vadilal Enterprises Limited

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Vadilal Enterprises Limited)

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and the records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment, so as to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination of the property tax receipts, registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) The Company has not made investments in, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnerships or any other parties covered in the register maintained under section 189 of the Act except to one company for which guarantee is given by the Company.
- (b) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantee provided is not prejudicial to the company's interest.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), (d), (e) and (f) of the Order is not applicable to the Company.
- (iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the operations of the Company.
- (vii) In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, to the appropriate authorities.  
There were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) Details of dues of Sales Tax, Duty of excise, Goods and Services Tax and Income-tax which have not been deposited as on 31st March, 2024 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount involved (₹ in crore)	Amount unpaid (₹ in crore)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956 and Sales Tax Act of various states	Sales tax demand	0.21	0.21	2014-15	Excise & Taxation Officer- Cum- Assessing Authority, Sonapat
	Sales tax demand	0.06	0.01	2013-14	In the High Court of Judicature for Rajasthan, Jaipur Bench, Jaipur
	Sales tax demand	0.14	0.02	2014-15	In the High Court of Judicature for Rajasthan, Jaipur Bench, Jaipur
	Value Added Tax	7.68	7.68	2013-14	In The High Court of Gujarat, Ahmedabad
	Value Added Tax	4.36	4.36	2014-15	The Gujarat Value Added Tax Tribunal, Ahmedabad
The Central Goods and Services Tax Act, 2017	Goods and Service Tax	0.12	0.12	2017-18	Additional Commissioner (Appeals) Bhubaneshwar, Orissa
	Goods and Service Tax	0.12	0.11	2020-21	Assistant Commissioner of State Tax, Indore, MadhyaPradesh
	Goods and Service Tax	0.01	-	2022-23	Assistant Commissioner of State Tax, Rudrapur, Uttarakhand
Income tax	Income tax	0.10	0.10	2021-22	Appeal to Commissioner of Income Tax (CIT)

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961).
- (ix) (a) The Company is regular in repayment of loans or other borrowings or in payment of interest thereon to lenders.  
 (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.  
 (c) The Company has utilised the money obtained by way of term loans during the year for the purpose for which they were obtained  
 (d) According to the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.  
 (e) The Company does not have subsidiaries, associates or joint ventures during the year. Hence, reporting under clause 3(ix)(e) of the Order is not applicable.  
 (f) The Company does not have subsidiaries, associates or joint ventures during the year. Hence, reporting under clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.  
 (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) We refer to the matter described in the Basis for Qualified Opinion section of our audit report, the outcome of which is inconclusive as on date of this report. Read with the above, to the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.  
 (b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.  
 (c) As represented to us by the management of the Company, there are no whistle blower complaints received by the Company during the year.



- (xii) In our opinion, the Company is not a Nidhi company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion, the Company is in compliance with Section 177 and Section 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.  
(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) In our opinion, during the year, the Company has not entered into non-cash transactions with directors or persons connected with its directors, and hence, provisions of section 192 of Act are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clauses 3(xvi)(a), (b), and (c) of the Order is not applicable to the Company.  
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Hence, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the board of directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with the second proviso to sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.  
(b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with sub-section (6) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

**For Arpit Patel & Associates,**  
Chartered Accountants  
Firm's Registration No.: 144032W

**Pruthvi Patel**  
Partner

Membership No. 167297  
UDIN: 24167297BKHXE5838

Place: Ahmedabad  
Date: May 25, 2024

## **Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Vadilal Enterprises Limited**

Referred to in paragraph 2(h) under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Vadilal Enterprises Limited)

### **Report on the internal financial controls with reference to the financial statements under section 143(3)(i) of the Act**

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's responsibility for internal financial controls**

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the 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 Act.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the SAs prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those SAs 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 with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 internal financial controls system over financial reporting with reference to the financial statements.

#### **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 with reference to these financial statements includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent limitations of internal financial controls over financial reporting**

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

### **Basis for Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the Company's internal financial controls over financial reporting as at March 31, 2024:

We draw attention to Note No. 48 of the financial statements relating to the cross allegations between the Promoter Directors, during the period 2013-14 to 2017-18 and 2013-14 to 2018-19 respectively, for the appropriateness of the expenses amounting to ₹ 0.46 crore and ₹ 0.53 crore respectively and matter involving allegations of operations and management issue wherein marketing expenses of advertisements, amounting to ₹ 38 crore during the period 2015-16 to 2018-19, were alleged by one Promoter Director to be paid by the Company on approval by another Promoter Director, without following the process of the Company. Pending receipt of the reports/ findings, as referred above, we are unable to conclude whether the Company's financial reporting process did have controls to identify the nature of the expenses and the procedures to be followed for the payments made for certain advertisement expenses.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

### **Qualified Opinion**

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effect of the material weakness described in Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended March 31, 2024, and this material weakness has affected our opinion on the said financial statements of the Company and we have issued a qualified opinion on the financial statements of the Company.

**For Arpit Patel & Associates,**  
Chartered Accountants  
Firm's Registration No.: 144032W

**Pruthvi Patel**  
Partner  
Membership No. 167297  
UDIN: 24167297BKHXE5838

Place: Ahmedabad  
Date: May 25, 2024

## BALANCE SHEET as at March 31, 2024

(₹ in Crore)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>I. ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant And Equipment	3A	65.75	41.62
(b) Capital Work-In-Progress	3B	18.79	11.75
(c) Other Intangible Assets	3C	0.26	0.56
(d) Right of use assets	3D	2.22	1.83
(e) Financial Assets			
(i) Investments	4	0.42	0.29
(ii) Loans	5	0.13	0.05
(iii) Other Financial Assets	6	19.37	18.82
(f) Deferred Tax Assets (Net)	7	3.40	3.90
(g) Other Non-Current Assets	8	3.32	4.24
<b>Total Non-Current Assets</b>		<b>113.66</b>	<b>83.06</b>
<b>Current Assets</b>			
(a) Inventories	9	48.12	49.10
(b) Financial Assets			
(i) Trade Receivables	10	47.99	38.47
(ii) Cash And Cash Equivalents	11	6.22	7.04
(iii) Bank Balance Other Than (ii) Above	12	0.67	2.05
(iv) Loans	13	0.19	0.12
(v) Other Financial Assets	14	0.28	0.18
(c) Other Current Assets	15	13.66	10.65
<b>Total Current Assets</b>		<b>117.13</b>	<b>107.61</b>
<b>TOTAL ASSETS</b>		<b>230.79</b>	<b>190.67</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	16	0.86	0.86
(b) Other Equity	17	17.20	10.20
<b>Total Equity</b>		<b>18.06</b>	<b>11.06</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	16.21	2.72
(ii) Lease Liabilities	19	2.23	1.78
(iii) Other Financial Liabilities	20	-	0.02
(b) Provisions	21	-	0.93
<b>Total Non-Current Liabilities</b>		<b>18.44</b>	<b>5.45</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	9.73	2.64
(ii) Lease Liabilities	23	0.18	0.13
(iii) Trade Payables	24		
- total outstanding dues of micro enterprises and small enterprises		0.05	0.15
- total outstanding dues of creditors other than micro enterprises and small enterprises		90.81	88.24
(iv) Other Financial Liabilities	25	86.81	73.67
(b) Provisions	26	1.90	3.03
(c) Current Tax Liabilities (Net)	27	0.43	2.26
(d) Other Current Liabilities	28	4.38	4.04
<b>Total Current Liabilities</b>		<b>194.29</b>	<b>174.16</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>230.79</b>	<b>190.67</b>

See accompanying notes to the financial statements  
In terms of our report attached

**For Arpit Patel & Associates**

Chartered Accountants  
Firm registration number: 144032W

**Pruthvi Patel**

Partner  
Membership No.: 167297

Place : Ahmedabad  
Date : May 25, 2024

For and on behalf of the Board of Directors

**Rajesh R. Gandhi**

Chairman & Managing Director  
(DIN - 00009879)

**Rajesh I. Bhagat**

Chief Financial Officer

Place : Ahmedabad  
Date : May 25, 2024

**Devanshu L. Gandhi**

Managing Director  
(DIN - 00010146)

**Ashish Thaker**

Company Secretary

## STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2024

(₹ in Crore)

Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
I Revenue From Operations	29	999.14	930.09
II Other Income	30	11.81	12.04
<b>III Total Income (I+II)</b>		<b>1,010.95</b>	<b>942.13</b>
<b>IV Expenses:</b>			
Purchase of Stock-In-Trade	31	775.94	756.82
Changes In Inventories of Stock-In-Trade	32	0.83	(15.25)
Employee Benefits Expenses	33	41.37	38.64
Finance Costs	34	3.50	1.34
Depreciation and Amortization Expenses	3	12.40	11.07
Other Expenses	35	166.86	140.91
<b>Total Expense (IV)</b>		<b>1,000.90</b>	<b>933.53</b>
<b>V Profit Before Tax (III-IV)</b>		<b>10.05</b>	<b>8.60</b>
<b>VI Tax Expenses</b>			
(A) Current Tax	36	1.91	3.17
(B) Deferred Tax Expenses	36	0.63	(0.73)
<b>Total Tax Expenses</b>		<b>2.54</b>	<b>2.44</b>
<b>VII Profit for the year (V-VI)</b>		<b>7.51</b>	<b>6.16</b>
<b>VIII Other Comprehensive Income / (Expense)</b>			
Item that will not be reclassified to Profit or Loss			
- Remeasurement of Defined Benefit Plans		(0.51)	(0.36)
- Tax Expense on Above Items		0.13	0.09
<b>Other Comprehensive Income / (Expense) for the year</b>		<b>(0.38)</b>	<b>(0.27)</b>
<b>Total Comprehensive Income for the year (VII+VIII)</b>		<b>7.13</b>	<b>5.89</b>
<b>Earnings per Share (Face value of ₹ 10 each):</b>			
- <b>Basic</b>	41	<b>87.06</b>	<b>71.27</b>
- <b>Diluted</b>		<b>87.06</b>	<b>71.27</b>

See accompanying notes to the financial statements  
In terms of our report attached

**For Arpit Patel & Associates**

Chartered Accountants  
Firm registration number: 144032W

**Pruthvi Patel**

Partner  
Membership No.: 167297

Place : Ahmedabad  
Date : May 25, 2024

For and on behalf of the Board of Directors

**Rajesh R. Gandhi**  
Chairman & Managing Director  
(DIN - 00009879)

**Rajesh I. Bhagat**  
Chief Financial Officer

Place : Ahmedabad  
Date : May 25, 2024

**Devanshu L. Gandhi**  
Managing Director  
(DIN - 00010146)

**Ashish Thaker**  
Company Secretary

## STATEMENT OF CASH FLOWS for the year ended March 31, 2024

(₹ in Crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	<b>10.05</b>	<b>8.60</b>
<b>Adjustments for:</b>		
Depreciation and Amortisation expense	12.40	11.07
Loss/(Profit) on sale of Property, Plant & Equipment (net)	0.76	0.22
Interest Income	(1.16)	(1.66)
Finance Costs	3.50	1.34
Loss/(Profit) from Sale of Current Investments	(1.07)	(1.06)
Change in Fair value of the Current Investment	(0.12)	(0.08)
Provision for Doubtful Debts	0.49	-
Excess Provision/Credit Balance/Deposits written back	(9.00)	(8.83)
Excess Provision for Debtors	-	(0.25)
Scrap Sale of asset	(0.87)	(0.68)
Bad Debts Written off	0.04	0.29
	<b>4.97</b>	<b>0.36</b>
<b>Operating Profit before Working Capital changes</b>	<b>15.02</b>	<b>8.96</b>
<b>Changes in Working Capital:</b>		
(Increase)/Decrease in Inventories	0.98	(15.37)
(Increase)/Decrease in Trade receivables, financial assets and other assets	(10.67)	(12.13)
Increase/(Decrease) in Trade Payables, financial liabilities, other liabilities and provisions	15.72	26.67
<b>Cash Generated from/(Used in) Operations</b>	<b>6.03</b>	<b>(0.83)</b>
Income Tax paid	(3.72)	(1.00)
<b>Net Cash Generated from / (Used in) operating activities (A)</b>	<b>17.33</b>	<b>7.13</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital Expenditure on Property, Plant & Equipment & Intangible asset	(38.20)	(6.63)
Proceeds from Sale of Property, Plant & Equipment	1.83	2.26
Proceeds / (Purchase) from Sale of Current Investments (Net)	1.06	1.06
Interest received	0.27	0.31
<b>Net Cash Generated from / (used in) Investing Activities (B)</b>	<b>(35.04)</b>	<b>(3.00)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Non Current borrowings	26.75	3.94
Repayment of Non Current borrowings	(5.47)	(5.50)
Proceeds from /(Repayment of) Current borrowings (Net)	(0.53)	0.93
Payment of Lease liabilities	(0.16)	(0.09)
Interest paid	(3.57)	(1.34)
Dividends paid (including tax on dividend)	(0.13)	(0.11)
<b>Net Cash Generated from / (Used in) Financing Activities (C)</b>	<b>16.89</b>	<b>(2.17)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(0.82)</b>	<b>1.96</b>
<b>Cash and Cash Equivalents at the beginning of the year (Refer Note-11)</b>	<b>7.04</b>	<b>5.08</b>
<b>Cash and Cash equivalents at the end of the year (Refer Note-11)</b>	<b>6.22</b>	<b>7.04</b>

## STATEMENT OF CASH FLOWS for the year ended March 31, 2024

Disclosure under Para 44A as set out in Ind As 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2015 (as amended).

(₹ in Crore)

Particulars of liabilities arising from financing activity.	Note No.	As at March 31, 2023	Net cash Flows	Other changes*	As at March 31, 2024
<b>Borrowings :</b>					
Non Current borrowings	18	4.14	21.28	(0.17)	25.25
Current borrowings	22	1.22	(0.53)	-	0.69
Interest accrued on borrowings	25	-	-	0.10	0.10

(₹ in Crore)

Particulars of liabilities arising from financing activity.	Note No.	As at March 31, 2022	Net cash Flows	Other changes*	As at March 31, 2023
<b>Borrowings :</b>					
Non Current borrowings	18	5.71	(1.57)	-	4.14
Current borrowings	22	0.28	0.94	-	1.22
Interest accrued on borrowings	25	-	-	0.00	-

\* This relates to amount charged in the statement of Profit & Loss

- 1) The above cash flow has been prepared under Indirect Method set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flow.
- 2) Previous years figures have been regrouped wherever necessary to make them comparable with current year figures.
- 3) Figures in bracket represent outflow.

### See accompanying notes to the financial statements In terms of our report attached

#### For Arpit Patel & Associates

Chartered Accountants  
Firm registration number: 144032W

#### Pruthvi Patel

Partner  
Membership No.: 167297

Place : Ahmedabad  
Date : May 25, 2024

### For and on behalf of the Board of Directors

#### Rajesh R. Gandhi

Chairman & Managing Director  
(DIN - 00009879)

#### Rajesh I. Bhagat

Chief Financial Officer

Place : Ahmedabad  
Date : May 25, 2024

#### Devanshu L. Gandhi

Managing Director  
(DIN - 00010146)

#### Ashish Thaker

Company Secretary

### STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2024

#### A EQUITY SHARE CAPITAL

Particulars	As at		As at
	March 31, 2024	March 31, 2023	
Balance as at the beginning of the year	0.86	-	0.86
Changes in equity share capital due to prior period errors	-	-	-
<b>Restated balance at the beginning of the year</b>	<b>0.86</b>	<b>-</b>	<b>0.86</b>
Changes in equity share capital during the year	-	-	-
<b>Balance as at the end of the year</b>	<b>0.86</b>	<b>-</b>	<b>0.86</b>

#### B OTHER EQUITY (Refer Note-17)

Particulars	Other Equity				Total other Equity
	Capital Reserve	Securities Premium Reserve	General Reserves	Items of other comprehensive Income	
<b>Balance as at April 1, 2022</b>	<b>0.00</b>	<b>0.93</b>	<b>2.13</b>	<b>(0.90)</b>	<b>4.42</b>
Add: Changes in accounting policy or prior period errors	-	-	-	-	-
Add: Profit for the year	-	-	-	-	6.16
Add/(Less): Other Comprehensive income / (Expense) (Net of Income tax)	-	-	-	(0.27)	(0.27)
<b>Total Comprehensive Income / (Expense) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.27)</b>	<b>5.89</b>
Payment of Dividend	-	-	-	-	0.11
<b>Balance as at March 31, 2023</b>	<b>0.00</b>	<b>0.93</b>	<b>2.13</b>	<b>(1.17)</b>	<b>10.20</b>
<b>Balance as at April 1, 2023</b>	<b>0.00</b>	<b>0.93</b>	<b>2.13</b>	<b>(1.17)</b>	<b>10.20</b>
Add: Changes in accounting policy or prior period errors	-	-	-	-	-
Add: Profit for the year	-	-	-	-	7.51
Add/(Less): Other Comprehensive income / (Expense) (Net of Income tax)	-	-	-	(0.38)	(0.38)
<b>Total Comprehensive Income / (Expense) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.38)</b>	<b>7.13</b>
Payment of Dividend	-	-	-	-	0.13
<b>Balance as at March 31, 2024</b>	<b>0.00</b>	<b>0.93</b>	<b>2.13</b>	<b>(1.55)</b>	<b>17.20</b>

See accompanying notes to the financial statements

In terms of our report attached

**For Arpit Patel & Associates**

Chartered Accountants

Firm registration number: 144032W

**Pruthvi Patel**

Partner

Membership No.: 167297

Place : Ahmedabad

Date : May 25, 2024

For and on behalf of the Board of Directors

**Rajesh R. Gandhi**

Chairman & Managing Director

(DIN - 00009879)

**Devanshu L. Gandhi**

Managing Director

(DIN - 00010146)

**Rajesh I. Bhagat**

Chief Financial Officer

**Ashish Thaker**

Company Secretary

Place : Ahmedabad

Date : May 25, 2024



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1. COMPANY OVERVIEW:-

Vadilal Enterprises Limited is a public limited company domiciled in India. The company has its registered office at 3rd Floor, South Block, Puniska House, Next to One-42, Opp, Jayantilal Park BRTS Stop, Bopal-Ambli Road, Ahmedabad-380058 and is incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay stock exchange in India.

The Company is engaged in the marketing and distribution of the ice cream, dairy products, frozen desserts and process food products of the brand "Vadilal" all over India except ice cream, dairy product and frozen desserts in Maharashtra, Goa, Karnataka, Kerala, Andhra Pradesh & Telangana.

The Financial Statements for the year ended March 31, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 25, 2024.

### 2. MATERIAL ACCOUNTING POLICIES:-

#### a) Statement of compliance

These financial statements comprising of Balance Sheet, Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows as at March 31, 2024 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

#### b) Basis of Preparation of Financial Statements

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each financial year, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest crore as per the requirement of Schedule III, except when otherwise indicated. Amounts less than ₹ 50,000/- have been presented as "0.00"

#### Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristic into account when pricing the asset or liability at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

#### c) Operating Cycle

The Company presents assets and liabilities in the balance sheet based on current / non-current classification based on operating cycle.

An asset is treated as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realized within twelve months after the financial year, or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the financial year

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the financial year, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the financial year.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The company has identified twelve months as its operating cycle.

**d) Use of estimates and critical accounting judgements**

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

**i. Useful lives of property, plant and equipment**

As described in Note 2(e), the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each financial year. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

**ii. Allowances for Expected credit loss**

As described in Note 10, the Company makes allowances for expected credit loss based on an assessment of the recoverability of trade and other receivables. The identification of expected credit loss requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

**iii. Allowances for inventories**

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

**iv. Fair Value Measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions. Information about the fair value of various assets and liabilities are disclosed in Note 40.

**v. Provisions and contingent liabilities**

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements.

**vi. Discount rate used to determine the carrying amount of the Company's defined benefit obligation**

As described in Note 43, in determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

**e) Property, plant and equipment**

Property, Plant & Equipments are stated at actual cost (including cost of acquisition and installation) less accumulated depreciation and net of impairment, if any.

All items of property, plant and equipment are derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

**Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant and Equipment is charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, for which, based on technical evaluation, useful life is different than those prescribed in Schedule II.

Particulars	Estimated Useful Life
<b>Building</b>	
1) Office Building - RCC Structure	58 Years
<b>Plant and Machinery</b>	
1) Push Carts, Tricycles, & Insulated Iron / Plastic Boxes	5 years
2) Specific assets of Parlour	3 Years
3) Freezer on wheels	7 Years
4) Deep Freeze	10 Years

The estimated useful lives and residual values of the property, plant and equipment are reviewed at the end of each financial year, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

**f) Intangible assets**

**Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognized on a straight-line basis over their estimated useful lives. The estimated useful life are reviewed at the end of each financial year, with the effect of any changes in estimate being accounted for on a prospective basis.

**Derecognition of intangible assets**

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the statement of profit and loss when the asset is derecognized.

**Useful lives of intangible assets**

Intangible assets are amortised over their estimated useful life on a straight line basis over a period of 5 years.

**g) Impairment**

**Financial assets (other than at fair value)**

The Company assesses at each Balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**Non-financial assets**

**Property, plant and Equipment and intangible assets**

At the end of each financial year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can

be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash generating unit for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

#### **h) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

##### **Company as a lessee :**

###### **(i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

<b>Assets</b>	<b>Estimated useful life</b>
Right-of-use of office premises & parlour premises	Over the balance period of lease agreement

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in relating to Impairment of non-financial assets.

###### **(ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

###### **(iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases. (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### **i) Financial Instruments**

Financial assets and financial liabilities are recognized when a 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 measured on initial recognition of 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 recognized immediately in the statement of profit and loss.

#### **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are 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.

#### **Financial assets at fair value through profit or loss (FVTPL)**

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

#### **Financial liabilities**

Financial liabilities are subsequently measured at amortised cost using effective rate of return method.

#### **Equity instruments**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are measured at the proceeds received net off direct issue cost.

#### **Offsetting of financial instruments**

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

#### **j) Inventories**

Inventories are stated at lower of cost and net realizable value. Cost of inventories are determined on the basis of weighted average cost Method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

#### **k) Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having maturities of three months or less from the date of purchase, to be cash equivalents.

#### **l) Provisions, Contingent Liabilities and Contingent Assets and Commitments**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligations. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present obligations of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

#### **m) Revenue Recognition**

##### **Sale of goods**

Revenue is recognised upon transfer of control of goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using

the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

#### **Interest Income**

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **n) Employee Benefits**

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

##### **Defined Contribution Plan:**

The Company's contribution to Provident Fund is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

##### **Defined benefit plans:**

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- 1) Service costs comprising current service costs, gains and losses on curtailments and settlements; and
- 2) Net interest expense or income

The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

##### **Short-term and Long term employee benefits:**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related services rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange of the related service.

Liabilities recognised in respect of Long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees up to the reporting date.

#### **o) Borrowing costs**

Borrowing costs include interest costs in relation to financial liabilities, amortization of ancillary costs incurred in connection with the arrangement of borrowings, interest on lease liabilities which represents unwinding of the discount rate applied to lease liabilities and other borrowing cost.

#### **p) Taxation**

Tax expense represents the sum of the current tax and deferred tax.

##### **Current Tax**

The tax currently payable is based on taxable profit for the year. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the financial year.

##### **Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary

differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the financial year, to recover or settle the carrying amount of its assets and liabilities.

#### **Current and deferred tax for the year**

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income, in which case, the current and deferred tax are also recognized in other comprehensive income.

#### **q) Earnings per share**

A basic earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The company did not have any potential to dilutive securities.

#### **r) Recent Accounting announcements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**NOTE-3 PROPERTY, PLANT AND EQUIPMENT**

(₹ in Crore)

Particulars	Building	Plant and Machinery	Computer & Peripherals	Office Equipments	Furniture and Fixtures	Vehicles	Total
<b>A Property, Plant and Equipment</b>							
<b>As at April 1, 2022</b>	<b>0.38</b>	<b>110.82</b>	<b>2.13</b>	<b>1.34</b>	<b>2.44</b>	<b>1.24</b>	<b>118.35</b>
Additions during the year	0.21	4.30	0.35	0.67	2.05	-	7.58
Deductions	-	9.13	0.10	0.05	0.20	-	9.48
<b>As at March 31, 2023</b>	<b>0.59</b>	<b>105.99</b>	<b>2.38</b>	<b>1.96</b>	<b>4.29</b>	<b>1.24</b>	<b>116.45</b>
Additions during the year	-	33.93	0.70	0.32	2.46	0.07	37.48
Deductions	0.01	9.05	0.14	0.04	0.06	-	9.30
<b>As at March 31, 2024</b>	<b>0.58</b>	<b>130.87</b>	<b>2.94</b>	<b>2.24</b>	<b>6.69</b>	<b>1.31</b>	<b>144.63</b>
<b>Accumulated Depreciation and Impairment</b>							
<b>As at April 1, 2022</b>	<b>0.18</b>	<b>66.95</b>	<b>1.78</b>	<b>1.08</b>	<b>1.15</b>	<b>0.81</b>	<b>71.95</b>
Additions during the year	0.02	9.28	0.16	0.21	0.77	0.08	10.52
Deductions	-	7.32	0.09	0.04	0.19	-	7.64
<b>As at March 31, 2023</b>	<b>0.20</b>	<b>68.91</b>	<b>1.85</b>	<b>1.25</b>	<b>1.73</b>	<b>0.89</b>	<b>74.83</b>
Additions during the year	0.02	9.64	0.33	0.32	1.41	0.09	11.81
Deductions	0.01	7.52	0.13	0.04	0.06	-	7.76
<b>As at March 31, 2024</b>	<b>0.21</b>	<b>71.03</b>	<b>2.05</b>	<b>1.53</b>	<b>3.08</b>	<b>0.98</b>	<b>78.88</b>
<b>Net Carrying Value</b>							
<b>As at March 31, 2024</b>	<b>0.37</b>	<b>59.84</b>	<b>0.89</b>	<b>0.71</b>	<b>3.61</b>	<b>0.33</b>	<b>65.75</b>
<b>As at March 31, 2023</b>	<b>0.39</b>	<b>37.08</b>	<b>0.53</b>	<b>0.71</b>	<b>2.56</b>	<b>0.35</b>	<b>41.62</b>
<b>B Capital Work-in-Progress (CWIP)</b>		(₹ in Crore)		<b>D Right of use assets</b>		(₹ in Crore)	
<b>As at April 1, 2022</b>		<b>0.10</b>		<b>As at April 1, 2022</b>		-	
Additions during the year		11.75		Additions during the year		1.99	
Deductions		0.10		Deductions		-	
<b>As at March 31, 2023</b>		<b>11.75</b>		<b>As at March 31, 2023</b>		<b>1.99</b>	
Additions during the year		18.79		Additions during the year		0.67	
Deductions		11.75		Deductions		-	
<b>As at March 31, 2024</b>		<b>18.79</b>		<b>As at March 31, 2024</b>		<b>2.66</b>	
<b>C Other Intangible Assets</b>				<b>Accumulated Depreciation and Impairment</b>			
<b>As at April 1, 2022</b>		<b>3.75</b>		<b>As at April 1, 2022</b>		-	
Additions during the year		0.02		Additions during the year		0.16	
Deductions		-		Deductions		-	
<b>As at March 31, 2023</b>		<b>3.77</b>		<b>As at March 31, 2023</b>		<b>0.16</b>	
Additions during the year		0.01		Additions during the year		0.28	
Deductions		0.18		Deductions		-	
<b>As at March 31, 2024</b>		<b>3.60</b>		<b>As at March 31, 2024</b>		<b>0.44</b>	
<b>Accumulated Depreciation and Impairment</b>				<b>Net Carrying Value</b>			
<b>As at April 1, 2022</b>		<b>2.82</b>		<b>As at March 31, 2024</b>		<b>2.22</b>	
Additions during the year		0.39		<b>As at March 31, 2023</b>		<b>1.83</b>	
Deductions		-					
<b>As at March 31, 2023</b>		<b>3.21</b>					
Additions during the year		0.31					
Deductions		0.18					
<b>As at March 31, 2024</b>		<b>3.34</b>					
<b>Net Carrying Value</b>							
<b>As at March 31, 2024</b>		<b>0.26</b>					
<b>As at March 31, 2023</b>		<b>0.56</b>					

Notes :

- 1) All Immovable Property are held in the name of company.
- 2) Deductions to plant & machinery represents deep freeze machines not found during physical verification. The same are written off after netting / adjusting the written down value against the deposits held thereagainst.
- 3) For charges created on the aforesaid assets, refer Note 18 and 22.



**4) Capital Work-in-progress aging schedule :**
**Capital Work-in-progress aging as at March 31, 2024**
**(₹ in Crore)**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	18.79	-	-	-	18.79

**Capital Work-in-progress aging as at March 31, 2023**
**(₹ in Crore)**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	11.75	-	-	-	11.75

- 5) Capital work-in-progress (Plant and Machinery) , whose completion is overdue or has exceeded its cost compared to its original plan : None ( As at March 31,2023 : None)

**NOTE- 4 NON-CURRENT INVESTMENTS**

Particulars	Face Value	As at March 31, 2024		As at March 31, 2023	
		Units	(₹ in Crore)	Units	(₹ in Crore)
<b>A) Investment in Equity Instruments at FVTPL(Unquoted fully paid up) : (Refer Note 2(b) &amp; 40 (2))</b>					
(i) Vadilal Forex & Consultancy Services Limited.	₹ 10	48,000	0.32	48,000	0.23
(ii) Majestic Farm House Limited	₹ 10	55,200	0.03	55,200	0.03
			<b>0.35</b>		<b>0.26</b>
<b>B) Investment in Equity Instruments at FVTPL(Quoted fully paid up) : (Refer Note 2(b) &amp; 40 (2))</b>					
(i) Vadilal Industries Limited	₹ 10	150	0.07	150	0.03
<b>Total</b>			<b>0.42</b>		<b>0.29</b>

**NOTE- 5 LOANS**
**(₹ in Crore)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>NON CURRENT</b>		
Loans to Related parties	-	-
Other Loans (Loans to employees )	0.13	0.05
<b>Total</b>	<b>0.13</b>	<b>0.05</b>
Loans Receivables Considered good - Secured	-	-
Loans Receivables Considered good - Unsecured	0.13	0.05
Loans Receivables which have significant increase in Credit Risk	-	-
Loans Receivables – credit impaired	-	-
	<b>0.13</b>	<b>0.05</b>
Less: Expected Credit Loss Allowance	-	-
<b>Total</b>	<b>0.13</b>	<b>0.05</b>

**NOTE- 6 OTHER FINANCIAL ASSETS**
**(₹ in Crore)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>NON CURRENT</b>		
Security Deposit	17.87	17.24
Bank Deposits with maturity of more than 12 months (Refer Note 12)	1.50	1.58
<b>Total</b>	<b>19.37</b>	<b>18.82</b>

**NOTE- 7 DEFERRED TAX ASSETS (NET)**
**(₹ in Crore)**

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets	5.59	6.09
Deferred Tax Liabilities	(2.19)	(2.19)
<b>Total</b>	<b>3.40</b>	<b>3.90</b>

(₹ in Crore)

Movement during the year ended March 31, 2024	As at April 1, 2023	Charge / (Credit) in statement of Profit and Loss	Charge / (Credit) in Other Comprehensive Income	As at March 31, 2024
<b>Deferred Tax Assets/(Liabilities)</b>				
Property,Plant and Equipment	2.63	0.16		2.79
Investments	(0.07)	(0.03)		(0.10)
Expenditure allowed in the year of payment	1.07	(1.07)		0.00
Provision for doubtful debts & advances	0.44	0.27		0.71
Discounting of security deposit to present value and corresponding impact on other expenses	(1.26)	0.25		(1.01)
Discounting of security deposit to present value and corresponding impact on interest income	1.10	(0.14)		0.96
Leased Assets under INDAS 116	(0.47)	(0.08)		(0.55)
Leased Liabilities under INDAS 116	0.45	0.16		0.61
Others	0.01	(0.15)	0.13	(0.01)
<b>Total</b>	<b>3.90</b>	<b>(0.63)</b>	<b>0.13</b>	<b>3.40</b>

(₹ in Crore)

Movement during the year ended March 31, 2023	As at April 1, 2022	Charge / (Credit) in statement of Profit and Loss	Charge / (Credit) in Other Comprehensive Income	As at March 31, 2023
<b>Deferred Tax Assets/(Liabilities)</b>				
Property,Plant and Equipment	2.13	0.50		2.63
Investments	(0.05)	(0.02)		(0.07)
Expenditure allowed in the year of payment	0.54	0.53		1.07
Provision for doubtful debts & advances	0.50	(0.06)		0.44
Discounting of security deposit to present value and corresponding impact on other expenses	(1.50)	0.24		(1.26)
Discounting of security deposit to present value and corresponding impact on interest income	1.44	(0.34)		1.10
Leased Assets under INDAS 116	0.00	(0.47)		(0.47)
Leased Liabilities under INDAS 116	0.00	0.45		0.45
Others	0.02	(0.10)	0.09	0.01
<b>Total</b>	<b>3.08</b>	<b>0.73</b>	<b>0.09</b>	<b>3.90</b>

**NOTE- 8 OTHER ASSETS**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>NON CURRENT</b>		
<b>(Unsecured,Considered good unless otherwise stated)</b>		
Capital advances (Net of Provisions for Doubtful advance ₹ 0.00 crore (PY ₹ 0.01 crore) )	0.02	0.04
Security Deposits	0.04	0.04
Advance Income Tax (Net of Provisions amounting to ₹ 0.11 crore (PY ₹ 0.11 crore) )	0.25	0.25
Prepaid Expenses	3.01	3.91
<b>Total</b>	<b>3.32</b>	<b>4.24</b>

**NOTE- 9 INVENTORIES**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(At lower of cost and net realisable value)</b>		
Stock in Trade*	46.70	47.53
Stores, Spares and Consumables	1.42	1.57
<b>Total</b>	<b>48.12</b>	<b>49.10</b>

\* Stock in trade includes goods in transit ₹ 6.02 crore (PY ₹ 3.61 crore)

Inventories write downs are accounted, considering the nature of inventory usage, ageing and net realisable value. Write-down of inventories amounted to ₹ 0.59 crore as at March 31, 2024 (as at March 31, 2023 ₹ 0.66 crore). These write-downs are recognised as an expense in the statement of profit & loss.

**NOTE- 10 TRADE RECEIVABLES**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables Considered good - Secured	19.51	15.22
Trade Receivables Considered good - Unsecured	28.48	23.25
Trade Receivables which have significant increase in Credit Risk	1.62	1.13
Trade Receivables – credit impaired	-	-
	49.61	39.60
Less: Expected credit loss allowance	1.62	1.13
<b>Total</b>	<b>47.99</b>	<b>38.47</b>
<b>Breakup of Trade Receivables</b>		
Trade receivables from Other than Related parties	47.96	38.46
Trade receivables from Related parties (refer note: 42)	0.03	0.01
<b>Total</b>	<b>47.99</b>	<b>38.47</b>

**Notes :**

- i. The credit period ranges from 30 days to 180 days.
- ii. Before accepting any new customer, the Company assesses the potential customer's credit quality and defines credit limits for customer. Limits attributed to customers are reviewed annually. There are no customers who represent more than 5% of the total balance of trade receivable.
- iii. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.
- iv. No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Further, no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except the dues referred in note 42.
- v. There are no unbilled receivables, hence the same is not disclosed in the aging schedule.

**vi. Trade Receivable Aging Schedule**

(₹ in Crore)

Particulars	Outstanding as at March 31, 2024 from due date of payment						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables – considered good	34.54	9.34	1.46	1.40	0.40	1.36	48.50
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	0.32	0.38	0.05	0.33	1.08
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	0.05	0.11	0.06	0.06	0.11	0.39
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.21	0.14	0.07	0.12	0.54
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>34.54</b>	<b>9.39</b>	<b>2.10</b>	<b>1.98</b>	<b>0.58</b>	<b>1.92</b>	<b>50.51</b>
Less: Claims Related to Scheme Discount and Trade Discount							(0.90)
Less: Expected credit loss allowances							(1.62)
<b>Total Trade receivables</b>							<b>47.99</b>

(₹ in Crore)

Particulars	Outstanding as at March 31, 2023 from due date of payment						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	29.39	7.30	0.92	0.43	0.58	1.02	39.64
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	0.32	0.15	0.05	0.24	0.76
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	0.05	0.02	0.11	0.09	0.03	0.30
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.02	0.20	0.09	0.06	0.37
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>29.39</b>	<b>7.35</b>	<b>1.28</b>	<b>0.89</b>	<b>0.81</b>	<b>1.35</b>	<b>41.07</b>
Less: Claims Related to Scheme Discount and Trade Discount							(1.47)
Less: Expected credit loss allowances							(1.13)
<b>Total Trade receivables</b>							<b>38.47</b>

**vii. Movement in Expected Credit Loss Allowance**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1.13	1.38
Add: Allowance for the year	0.87	0.41
(Less): Actual Write off during the year( net of recovery)	(0.38)	(0.66)
<b>Balance at the end of the year</b>	<b>1.62</b>	<b>1.13</b>

viii. Refer Note 40 for information about credit risk and market risk of Trade receivables.

**NOTE- 11 CASH AND CASH EQUIVALENTS**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks :		
In Current Accounts	6.17	7.00
Cash on hand	0.05	0.04
<b>Total</b>	<b>6.22</b>	<b>7.04</b>

**NOTE- 12 OTHER BALANCES WITH BANKS**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Margin Money Deposit (Towards Guarantee issued By bank)	2.13	3.59
In Deposit Repayment Reserve Account	0.02	0.02
In Unclaimed Dividend Account	0.02	0.02
	<b>2.17</b>	<b>3.63</b>
Less : Deposits with Maturity of more than 12 months		
Amount disclosed under Non - Current Financial Assets (Refer Note 6)	1.50	1.58
<b>Total</b>	<b>0.67</b>	<b>2.05</b>

**NOTE- 13 LOANS**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>CURRENT</b>		
Loans to Related parties	-	-
Other Loans (Loans to employees )	0.19	0.12
<b>Total</b>	<b>0.19</b>	<b>0.12</b>
Loans Receivables Considered good - Secured	-	-
Loans Receivables Considered good - Unsecured	0.19	0.12
Loans Receivables which have significant increase in Credit Risk	-	-
Loans Receivables – credit impaired	-	-
	<b>0.19</b>	<b>0.12</b>
Less: Expected credit loss allowances	-	-
	<b>0.19</b>	<b>0.12</b>

**NOTE- 14 OTHER FINANCIAL ASSETS**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>CURRENT</b>		
Interest Receivable (Refer note - 42)	0.28	0.18
<b>Total</b>	<b>0.28</b>	<b>0.18</b>

**NOTE- 15 OTHER ASSETS**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>CURRENT</b>		
Prepaid Expenses	0.22	0.38
Balances with Government Authorities	10.50	8.12
Advance Royalty	0.99	0.97
	<b>(A) 11.71</b>	<b>9.47</b>
<b>Advance for Goods &amp; Expenses</b>		
Considered Good	1.95	1.18
Considered Doubtful	1.10	0.50
Less: Impaired allowances	(1.10)	(0.50)
	<b>(B) 1.95</b>	<b>1.18</b>
<b>Total (A+B)</b>	<b>13.66</b>	<b>10.65</b>

**NOTE- 16 EQUITY SHARE CAPITAL**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised Share Capital:</b>		
20,00,000 (As at March 31, 2023: 20,00,000) equity shares of ₹10/- each	2.00	2.00
	<b>2.00</b>	<b>2.00</b>
<b>Issued, Subscribed and Fully paid-up Share Capital</b>		
<b>Issued and Subscribed Share Capital:</b>		
8,70,148 (As at March 31, 2023: 8,70,148) equity shares of ₹10/- each	0.87	0.87
	<b>0.87</b>	<b>0.87</b>
<b>Paid up Share Capital:</b>		
8,62,668 (As at March 31, 2023: 8,62,668) equity shares of ₹10/- each	0.86	0.86
	<b>0.86</b>	<b>0.86</b>

**a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the year:**

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	(₹ in Crore)	No. of shares	(₹ in Crore)
Outstanding at the beginning of the period	862,668	0.86	862,668	0.86
Add: Issued shares during the year	-	-	-	-
Less: Buy-Back during the year	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>862,668</b>	<b>0.86</b>	<b>862,668</b>	<b>0.86</b>

**b) Rights, Preferences and Restrictions attached to equity shares:**

The Company has issued only one class of equity shares having par value of ₹10 per share. Each holder of equity share is entitled to one vote per share and are entitled to dividend as and when declared.

All Shares rank equally with regard to the company's residual asset after distribution of all preferential amounts.

**c) Shares held by holding/ultimate holding company and/or their subsidiaries / associates**

The Company does not have any holding/ultimate holding company and/or their subsidiaries / associates.

**d) Details of shares held by each shareholder holding more than 5% shares in the company**

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of Holding	No. of shares	% of Holding
<b>Equity Shares of ₹10 each fully paid</b>				
1 Devanshu Laxmanbhai Gandhi	120,624	13.98%	120,624	13.98%
2 Rajesh Ramchandra Gandhi	78,408	9.09%	78,408	9.09%
3 Virendra Ramchandra Gandhi	72,207	8.37%	72,207	8.37%
4 Axilrod Private Limited	43,308	5.02%	43,308	5.02%
5 Vadilal Marketing Private Limited.	43,299	5.02%	43,299	5.02%

As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

e) Details of Shares Held by Promoters as on March 31, 2024 and as on March 31, 2023.

Sr. no	Name of the Promoter/Promoter Group	As at March 31, 2024		As at March 31, 2023		% Change during the year
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
	<b>Promoter :</b>					
1	Mr. Devanshu L Gandhi	120,624	13.98%	120,624	13.98%	-
2	Mr. Rajesh Ramchandra Gandhi	78,408	9.09%	78,408	9.09%	-
	<b>Promoter Group :</b>					
1	Mr. Virendra Ramchandra Gandhi	72,207	8.37%	72,207	8.37%	-
2	M/s. Axilrod Private Limited	43,308	5.02%	43,308	5.02%	-
3	M/s. Vadilal Marketing Private Limited	43,299	5.02%	43,299	5.02%	-
4	Ms. Mamta Rajesh Gandhi	21,145	2.45%	21,145	2.45%	-
5	M/s. Byad Packaging Industries private Limited	18,700	2.17%	18,700	2.17%	-
6	M/s. Virendra Ramchandra Gandhi, HUF	11,689	1.35%	11,689	1.35%	-
7	Mr. Janmejy Virendra Gandhi	10,613	1.23%	10,613	1.23%	-
8	Ms. Ila V Gandhi	8,957	1.04%	8,957	1.04%	-
9	Ms. Deval Devanshu Gandhi	4,710	0.55%	4,710	0.55%	-
10	Mr. Ramchandra Gandhi	3,400	0.39%	3,400	0.39%	-
11	M/s. Rajesh R Gandhi, HUF	2,116	0.25%	2,116	0.25%	-
12	Ms. Hemali Piyush Surati	1,826	0.21%	1,826	0.21%	-
13	Ms. Sharmisthaben P Surti	865	0.10%	865	0.10%	-
14	M/s. Vadilal Chemicals Limited	100	0.01%	100	0.01%	-
15	Mr. Kalpit R Gandhi	70	0.01%	70	0.01%	-
16	Mr. Dharini Ketan Khambhatta	70	0.01%	70	0.01%	-
17	Ms. Khevna Raj Ramanlal	70	0.01%	70	0.01%	-

**NOTE- 17 OTHER EQUITY**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Capital Reserve</b>		
Balance at the beginning of the year	-	-
Balance at the end of the year	-	-
<b>Securities Premium</b>		
Balance at the beginning of the year	0.93	0.93
Balance at the end of the year	<b>0.93</b>	<b>0.93</b>
<b>General Reserve</b>		
Balance at the beginning of the year	2.13	2.13
Balance at the end of the year	<b>2.13</b>	<b>2.13</b>
<b>Other Comprehensive Income / (Expense)</b>		
Balance at the beginning of the year	(1.17)	(0.90)
Add: Remeasurement of Employee Benefit	(0.38)	(0.27)
Balance at the end of the year	<b>(1.55)</b>	<b>(1.17)</b>
<b>Surplus in the Statement of Profit and loss</b>		
<b>Balance at the beginning of the year</b>	<b>8.31</b>	<b>2.26</b>
Add: Profit / (Loss) for the year	7.51	6.16
Less :Payment of Dividend on equity shares (Refer Note (a) below)	0.13	0.11
<b>Total Appropriations</b>	<b>0.13</b>	<b>0.11</b>
<b>Balance at the end of the year</b>	<b>15.69</b>	<b>8.31</b>
<b>Total</b>	<b>17.20</b>	<b>10.20</b>

**Notes**

a) **Dividend distributions made and proposed**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Dividend on equity shares declared and paid:</b>		
Final dividend for March 31, 2023 : ₹ 1.50 per share (March 31, 2022 ₹ 1.25 per share)	0.13	0.11
<b>Proposed Dividend on equity shares:</b>		
Final dividend for March 31, 2024 : ₹ 1.50 per share (March 31, 2023 ₹ 1.50 per share)	0.13	0.13

Proposed dividend on equity shares are subject to approval of members at the ensuing Annual General Meeting and are not recognised as a liability as at March 31.

**b) Nature and Purpose of reserve**

**Capital reserve** The company has created capital reserve on account of forfeiture of Equity shares.

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

**General reserve** General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

**Retained earnings** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**NOTE- 18 BORROWINGS**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>NON CURRENT</b>		
<b>Secured-at amortised Cost</b>		
Term Loans from Banks	13.58	4.14
Less : Current maturity of long term loans (Note 22)	(4.04)	(1.42)
	<b>9.54</b>	<b>2.72</b>
From Non banking Financial Company (Secured)	11.67	-
Less : Current maturity of long term loans (Note 22)	(5.00)	-
	<b>6.67</b>	<b>-</b>
<b>Total</b>	<b>16.21</b>	<b>2.72</b>

**Repayment Schedule of Loans**

Sr. No.	Name of the Bank	Outstanding as at March 31, 2024	Outstanding as at March 31, 2023	Rate of Interest	Terms of Repayment
		₹ in Crore	₹ in Crore		
1	Vehicle Loan (Refer Note No. iii) HDFC Bank Limited*	0.09	0.11	7.51%	84 Monthly installment of ₹ 0.0019 Crore
2	Vehicle Loan (Refer Note No. iii) HDFC Bank Limited*	0.01	0.06	9.25%	60 Monthly installment of ₹ 0.0045 Crore
3	Vehicle Loan (Refer Note No. iii) HDFC Bank Limited*	-	0.04	8.30%	76 Monthly installment of ₹ 0.0046 Crore
4	Tata Capital Ltd. (Refer Note No. ii)	11.60	-	12.75%	36 Monthly principal repayment of ₹ 0.42 Crore
5	CSB Bank Ltd-GECL Loan (Refer Note No. i)	2.62	3.93	9.25%	36 Monthly principal repayment of ₹ 0.11 Crore
6	CSB Bank Ltd-Term Loan (Refer Note No. i)	10.93	-	12.00%	60 Monthly principal repayment of ₹ 0.23 Crore
	<b>Total</b>	<b>25.25</b>	<b>4.14</b>		

\* Each EMI includes interest portion also.

(i) Term Loan of ₹ 10.93 crore as on March 31, 2024 (as at March 31, 2023 ₹ Nil ) availed from CSB Bank Ltd. and GECL Loan of ₹ 2.62 crore as on March 31, 2024 (as at March 31, 2023 ₹ 3.93 crore) availed from CSB Bank Ltd. is secured by way of following security :

1. Exclusive charge on entire Current Assets of the Company (2nd Charge to GECL Loan)
2. Exclusive charge Hypothecation / EQM of Residual value of Fixed Assets (Excluding value of Building) (2nd Charge to GECL Loan)
3. Fixed Deposit of ₹ 1.50 crore (2nd Charge to GECL Loan)

The Term Loan from CSB Bank Limited is also secured by Corporate Guarantee of Vadilal Industries Limited along with personal guarantee of Mr Rajesh R. Gandhi & Mr Devanshu L. Gandhi, directors of the company.

(ii) Term Loan of Rs 11.60 crore as on March 31, 2024 (as at March 31, 2023 ₹ Nil) availed from Tata Capital Ltd. is secured by way of following security :

1. First and Exclusive Hypothecation charge of Machineries / equipment funded by Tata Capital Ltd.
2. Corporate Guarantee of Vadilal Industries Limited.



- (iii) Vehicle loans from HDFC Bank Limited are secured against hypothecation of specific vehicles of the Company.
- (iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond statutory period.
- (v) Term Loans were applied for the purpose for which the loans were obtained.
- (vi) Refer Note 40 for information about liquidity risk.
- (vii) Amount stated in current maturity is disclosed under the head of "Current Borrowings" (Note-22)

**NOTE- 19 LEASE LIABILITIES**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>NON CURRENT</b>		
Lease Liabilities	2.23	1.78
<b>Total</b>	<b>2.23</b>	<b>1.78</b>

**NOTE- 20 OTHER FINANCIAL LIABILITIES**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>NON CURRENT</b>		
Financial Guarantee Liabilities	-	0.02
<b>Total</b>	<b>-</b>	<b>0.02</b>

**NOTE- 21 PROVISIONS**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>NON CURRENT</b>		
<b>Employee Benefits</b>		
Gratuity ( Refer Note 43)	-	0.93
<b>Total</b>	<b>-</b>	<b>0.93</b>

**NOTE- 22 BORROWINGS**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>CURRENT</b>		
<b>Secured-at amortised Cost</b>		
Working Capital Loans (Secured) (Refer Note - (i) Below)	0.69	1.22
<b>Current maturities of long-term debt ( Refer Note - 18)</b>		
From Banks (Secured)	4.04	1.42
From Non banking Financial Company (Secured)	5.00	-
<b>Total</b>	<b>9.73</b>	<b>2.64</b>

- (i) Working Capital facilities from CSB Bank Ltd amounting to ₹ 2.00 crore is secured by way of following security :
  1. Exclusive charge on entire Current Assets of the Company
  2. Exclusive charge Hypothecation /EQM of residual value of Fixed Assets (Excluding value of Building)
  3. Fixed Deposit of ₹ 1.50 crore
- (ii) The working capital loan from CSB Bank Limited is also secured by Corporate Guarantee of Vadilal Industries Limited along with personal guarantee of Mr Rajesh R. Gandhi & Mr Devanshu L. Gandhi, directors of the company.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond statutory period.
- (iv) Funds raised on Short term basis have not been utilised for long term purposes and are spent for the purpose it were obtained.
- (v) The company has obtained Working Capital Loans from a bank on basis of security of inventories and Trade Receivables wherein the quarterly returns as filed with bank is in agreement with the books.

**NOTE- 23 LEASE LIABILITIES**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>CURRENT</b>		
Lease Liabilities	0.18	0.13
<b>Total</b>	<b>0.18</b>	<b>0.13</b>

**NOTE- 24 TRADE PAYABLES**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Micro and Small Enterprises	0.05	0.15
Others (Refer Note 42)	90.81	88.24
<b>Total</b>	<b>90.86</b>	<b>88.39</b>

Note A) The amount outstanding to micro and small enterprise is based on the information received and available with the company.

**Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
A i) Principal amount remaining unpaid at the end of the accounting year (Includes for capital goods ₹ 0.65 crore (P.Y. ₹ 0.24 crore))	0.72	0.39
ii) Interest due on above	0.01	NIL
B The amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006, along with amount of payment made to the supplier beyond the appointed date during the accounting year	NIL	NIL
C The amount of interest accrued and remaining unpaid at the end of the financial year	NIL	NIL
D The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under MSMED Act, 2006	NIL	NIL
E The amount of further interest remaining due and payable in succeeding years, until such interest is actually paid	NIL	NIL

**Aging Schedule for Trade payables due for payment**

(₹ in Crore)

Particulars	Outstanding as at March 31, 2024 from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.03	0.04	-	-	-	0.07
(ii) Others	49.48	17.67	-	-	-	67.15
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	0.14	0.41	0.76	1.31
	<b>49.51</b>	<b>17.71</b>	<b>0.14</b>	<b>0.41</b>	<b>0.76</b>	<b>68.53</b>
<b>Add: Accrued Expenses</b>	19.00	1.96	0.24	-	1.13	22.33
<b>Total</b>	<b>68.51</b>	<b>19.67</b>	<b>0.38</b>	<b>0.41</b>	<b>1.89</b>	<b>90.86</b>

(₹ in Crore)

Particulars	Outstanding as at March 31, 2023 from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.01	0.14	-	-	-	0.15
(ii) Others	35.04	16.30	-	-	-	51.34
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	0.48	0.40	0.40	1.28
	<b>35.05</b>	<b>16.44</b>	<b>0.48</b>	<b>0.40</b>	<b>0.40</b>	<b>52.77</b>
<b>Add: Accrued Expenses</b>	31.83	1.27	0.33	0.88	1.31	35.62
<b>Total</b>	<b>66.88</b>	<b>17.71</b>	<b>0.81</b>	<b>1.28</b>	<b>1.71</b>	<b>88.39</b>

**NOTE-25 OTHER FINANCIAL LIABILITIES**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>CURRENT</b>		
Interest accrued	0.10	-
Unclaimed Dividends*	0.02	0.02
Payable for Capital Goods		
Micro and Small Enterprises	0.65	0.24
Others	18.81	12.90
Financial Guarantee Liabilities	0.02	0.03
Security Deposits from Customers & Others	66.51	59.71
Other Liabilities	0.70	0.77
<b>Total</b>	<b>86.81</b>	<b>73.67</b>

\*Note: There are no amounts due for payment to the Investors Education and Protection fund as at the year end.

**NOTE- 26 PROVISIONS**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>CURRENT</b>		
<b>Provision for Employee Benefits:</b>		
Gratuity (Refer Note 43)	1.08	1.00
Compensated Absences	0.82	2.03
<b>Total</b>	<b>1.90</b>	<b>3.03</b>

**NOTE- 27 CURRENT TAX LIABILITIES (NET)**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax Payable (Net of Advance payment of Tax)	0.43	2.26
<b>Total</b>	<b>0.43</b>	<b>2.26</b>

**NOTE-28 OTHER LIABILITIES**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>CURRENT</b>		
Statutory dues payable	2.73	2.25
Advances from customers	1.65	1.79
<b>Total</b>	<b>4.38</b>	<b>4.04</b>

**NOTE - 29 REVENUE FROM OPERATIONS**

(₹ in Crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Sale of products</b>		
Finished goods (Refer Note 42)	1,077.19	1,022.29
Less: Sales Commission, Trade Discount, Scheme Discount and Damages	81.18	93.81
	<b>996.01</b>	<b>928.48</b>
<b>Income from Sale of Services</b>	1.60	0.33
<b>Other operating Income:</b>		
Sale of Scrap	0.87	0.68
Rental Income (Refer Note 42)	0.06	0.26
Promotional Charges	0.60	0.34
<b>Total</b>	<b>999.14</b>	<b>930.09</b>

(₹ in Crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Reconciliation of revenue from contract with customer:</b>		
Revenue from contracts with customer as per the contract price	1,078.79	1,022.62
<b>Adjustments made to contract price on account of:</b>		
a) Discounts and Rebates	(81.18)	(93.81)
b) Other Operating Revenue	1.53	1.28
<b>Revenue from contracts with customer as per the Statement of Profit and Loss</b>	<b>999.14</b>	<b>930.09</b>

**NOTE - 30 OTHER INCOME**

(₹ in Crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest income (Refer Note 42)	1.16	1.66
Profit on Sale of Current Investments	1.07	1.06
Gain on Fair valuation of Investments	0.12	0.08
Surplus on Sale of Property, Plant and Equipment (Net of Deposit Adjustment)	-	-
Excess Provision / Credit Balance / Deposits Written Back *	9.00	8.83
Excess Provision for Trade Receivables (Net of Recovery ₹ Nil ( PY ₹ 0.66 crore)	-	0.25
Miscellaneous Income	0.46	0.16
<b>Total</b>	<b>11.81</b>	<b>12.04</b>

\*Includes ₹ 8.12 crore (P.Y. ₹ 7.73 crore) being reversal of excess provision of expenses of earlier years.

**NOTE - 31 PURCHASE OF STOCK IN TRADE**

(₹ in Crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Purchases (Refer Note 42)	775.94	756.82
<b>Total</b>	<b>775.94</b>	<b>756.82</b>

**NOTE - 32 CHANGES IN INVENTORIES OF STOCK IN TRADE**

(₹ in Crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Inventories at the beginning of the year</b>		
Finished Goods	47.53	32.28
	<b>47.53</b>	<b>32.28</b>
<b>Inventories at the end of the year</b>		
Finished Goods	46.70	47.53
	<b>46.70</b>	<b>47.53</b>
<b>Net (Increase)/decrease</b>	<b>0.83</b>	<b>(15.25)</b>

**NOTE - 33 EMPLOYEE BENEFITS EXPENSES**

(₹ in Crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries And Wages	38.08	35.46
Contribution To Provident and Other Funds (Refer Note 43)	2.38	2.16
Staff Welfare Expenses	0.91	1.02
<b>Total</b>	<b>41.37</b>	<b>38.64</b>

**NOTE – 34 FINANCE COSTS**

(₹ in Crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Interest expense</b>		
On Term Loans	2.43	0.41
On Working Capital Loans	0.04	0.01
On Others	0.63	0.68
Other Borrowing Cost	0.40	0.24
<b>Total</b>	<b>3.50</b>	<b>1.34</b>

**NOTE - 35 OTHER EXPENSES**

(₹ in Crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Stipend & Other Trainee Expense	14.58	13.04
Consumption of Stores and Spares	3.41	3.91
Rent Expense (Refer note (a) below)	23.96	19.00
Repairs and Maintenance		
Repairs To Machine	0.85	0.83
Repairs Others	0.66	0.60
Communication Expense	1.02	0.80
Traveling and Conveyance	6.20	5.36
Royalty Expense (Note 42(b))	6.26	4.72
Freight and Forwarding Charges	37.05	34.25
Advertisement, Sales Promotion And Publicity Expenses	56.12	43.31
Payment to Auditor (Refer note (b) below)	0.22	0.22
Provision for Doubtful debts (Net of Recovery ₹ 0.38 crore ( PY ₹ Nil))	0.49	-
Provision for Doubtful Advances	0.59	-
Property, Plant and Equipment Written Off (Net)	0.76	0.22
Bad Debts Written off (Net)	0.04	0.29
C & F Commission	7.90	7.79
Directors' Sitting Fees	-	0.01
Corporate Social Responsibility Expense	0.14	-
Other Expenses	6.61	6.56
<b>Total</b>	<b>166.86</b>	<b>140.91</b>

(a) The Company has taken various residential, office and godown premises under operating lease or leave and license agreements. These are generally cancellable and range between 11 months to 36 months under leave and license or longer for other leases and are renewable by mutual consent on mutually agreeable terms. The company has given refundable interest free security deposits under certain agreements.

**(b) Payment to Auditors**

(₹ in Crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>As Auditor</b>		
Audit Fees	0.16	0.16
Limited review	0.05	0.05
<b>In Other Capacity</b>		
Certification fees	0.00	0.01
Out of Pocket expenses	0.01	-
<b>Total</b>	<b>0.22</b>	<b>0.22</b>

**NOTE - 36 INCOME TAX**

(₹ in Crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Income tax recognised in statement of Profit and Loss</b>		
<b>Current tax:</b>		
In respect of the Current year	2.35	2.92
In respect of the prior years	(0.44)	0.25
<b>Total Current Tax</b>	<b>1.91</b>	<b>3.17</b>
<b>Deferred Tax:</b>		
In respect of the Current year	0.22	(0.73)
In respect of the Prior years	0.41	-
<b>Total deferred tax</b>	<b>0.63</b>	<b>(0.73)</b>
<b>Total tax expense/(benefit)</b>	<b>2.54</b>	<b>2.44</b>
<b>Effective income tax rate</b>	<b>25.27%</b>	<b>28.37%</b>

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarised below :

(₹ in Crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Profit/ (loss) before tax</b>	10.05	8.60
Income tax expense @25.168% (Previous Year @ 25.168%)	2.53	2.16
Tax pertaining to prior years	(0.03)	0.25
Non-recognition of deferred tax asset due to absence of probable certainty of reversal in future	0.04	-
Others	-	0.03
<b>Tax expense for the year</b>	<b>2.54</b>	<b>2.44</b>

**NOTE :37 COMMITMENTS AND CONTINGENT LIABILITIES :**

(₹ in Crore)

Sr. No .	Particulars	As at March 31,2024	As at March 31,2023
<b>(a)</b>	<b>Contingent liabilities</b>		
1	Indirect Taxes	12.69	0.53
2	Direct Taxes	0.10	-
3	Others (Claims made by customers against company)	0.07	0.07
4	Guarantees given by the company against Term Loan given to companies in which Directors are interested is ₹ 2.50 crore (March 31, 2023 ₹ 2.50 crore)		
	Outstanding against this as at March 31	2.50	2.50
	<b>Total Contingent liabilities</b>	<b>15.36</b>	<b>3.10</b>
<b>(b)</b>	<b>Commitments</b>		
1	Capital Contracts remaining to be executed(net of advances)	26.95	20.73

Future Cash Outflow in respect of (a - 1 to 3) above will be determined only on receipt of judgements/decisions pending at various forums/authorities.

**NOTE :38** In FY 2017-18, a petition was filed against the Company and some of its promoters, before the National Company Law Tribunal, Ahmedabad (NCLT), under Sections 241 and 242 of the Companies Act, 2013, pertaining to the prevention of oppression and mismanagement of the Company. The hearing has been completed on April 18, 2024 and the matter has been reserved for Order by Honourable NCLT.

**NOTE :39 SEGMENT INFORMATION :**

The company is primarily engaged in the business segment of "Food Products" which is Ice cream/ Frozen Dessert/ Process Food/ Flavoured Milk and Dairy Products. Information reported to and evaluated regularly by the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessing performance focuses on the business as a whole and accordingly, in the context of Operating Segment as defined under the Indian Accounting Standard 108, there is single reportable segment.

## NOTE : 40 FINANCIAL INSTRUMENTS

### 1. Capital Management

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The Capital structure of the company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 18 and 22 off set by cash and bank balances) and total equity of the Company.

(₹ in Crore)		
Particulars	As at March 31, 2024	As at March 31, 2023
Debt (note i)	25.94	5.36
Less: Cash and cash Equivalents	6.22	7.04
<b>Net Debt</b>	<b>19.72</b>	<b>(1.68)</b>
Total Equity excluding Revaluation Reserve	18.06	11.06
<b>Net Debt to Equity Ratio</b>	<b>109.18%</b>	<b>NA</b>

- i) Debt is defined as Non-Current borrowings, Current borrowings and current maturities of Non-current borrowings (excluding financial guarantee contracts and contingent considerations) as described in notes 18 and 22.

### 2. Category-wise classification of financial instruments

(₹ in Crore)

Particulars	As at March 31, 2024		
	Fair value Through Profit or loss	Amortised Cost	Total
<b>Financial Assets</b>			
Cash and Cash Equivalents		6.22	6.22
Bank balances other than cash and cash Equivalents		0.67	0.67
Investments	0.42		0.42
Trade receivables		47.99	47.99
Other Financial Assets		19.97	19.97
<b>Total</b>	<b>0.42</b>	<b>74.85</b>	<b>75.27</b>
<b>Financial Liabilities</b>			
Borrowings		25.94	25.94
Lease Liabilities		2.41	2.41
Trade Payable		90.86	90.86
Other Financial Liabilities		86.81	86.81
<b>Total</b>	<b>-</b>	<b>206.02</b>	<b>206.02</b>

(₹ in Crore)

Particulars	As at March 31, 2023		
	Fair value Through Profit or loss	Amortised Cost	Total
<b>Financial Assets</b>			
Cash and Cash Equivalents		7.04	7.04
Bank balances other than cash and cash Equivalents		2.05	2.05
Investments	0.29		0.29
Trade receivables		38.47	38.47
Other Financial Assets		19.17	19.17
<b>Total</b>	<b>0.29</b>	<b>66.73</b>	<b>67.02</b>
<b>Financial Liabilities</b>			
Borrowings		5.36	5.36
Lease Liabilities		1.91	1.91
Trade Payable		88.39	88.39
Other Financial Liabilities		73.69	73.69
<b>Total</b>	<b>-</b>	<b>169.35</b>	<b>169.35</b>

In respect of financial instruments, measured at amortised cost, the fair value approximates the amortised cost.

(₹ in Crore)

Particulars	Fair value	Fair value hierarchy		
		Quoted Price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>As at March 31, 2024</b>				
Investments at fair value through Profit and loss	0.42	-	-	0.42
<b>As at March 31, 2023</b>				
Investments at fair value through Profit and loss	0.29	-	-	0.29

### 3 Financial risk management

The Company's financial liabilities comprise mainly of borrowings, trade payables and other financial liabilities. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other financial assets. The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risks. The company's senior management has the overall responsibility for establishing and governing the company's risk management framework.

#### A) Management of Market Risk

The company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

##### Interest rate risk

The above risks may affect the company's income and expenses, or the value of its financial instruments. The company's exposure to and management of these risks are explained below:

##### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability outstanding at the end of the financial year was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

##### Exposure to interest rate risk

##### Interest rate sensitivity

A change of 100 bps in interest rates would have following Impact on profit before tax.

(₹ in Crore)

Particulars	Increase/Decrease in basic points	Effect on PBT
As at March 31, 2024	100 bps	0.21
As at March 31, 2023	100 bps	0.03

#### B) Management of Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each financial year. To assess whether there is a significant increase in credit risk, the company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

1. Actual or expected significant adverse changes in business.
2. Actual or expected significant changes in the operating results of the counterparty.



3. Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.
4. Significant increase in credit risk on other financial instruments of the same counterparty.
5. Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

The Company has made a detailed assessment of the recoverability of the Company's Receivables, as at the Balance Sheet date and has determined an additional overlay on expected credit loss (ECL) amounting to ₹ NIL (P.Y. Nil) during the year ended March 31, 2024.

The Ageing analysis of Account receivables has been considered from the date the invoice falls due.

### C) Management of Liquidity Risk

Liquidity risk is the risk that the company will face in meeting its obligation associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when they are due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following table shows the maturity analysis of the company's financial liabilities based on the contractually agreed undiscounted cash flows along with its carrying value as at the Balance sheet date.

#### Exposure as at March 31, 2024 (₹ in Crore)

Particulars	Carrying Amount	< 1 year	1-5 years	Beyond 5 years	Total
<b>Financial Liabilities</b>					
Interest bearing Borrowings *	25.94	12.23	18.39	-	30.62
Lease Liabilities	2.41	0.18	1.15	1.08	2.41
Trade Payable	90.86	90.86	-	-	90.86
Other Financial Liabilities	86.81	86.81	-	-	86.81
<b>Total Financial Liabilities</b>	<b>206.02</b>	<b>190.08</b>	<b>19.54</b>	<b>1.08</b>	<b>210.70</b>

#### Exposure as at March 31, 2023 (₹ in Crore)

Particulars	Carrying Amount	< 1 year	1-5 years	Beyond 5 years	Total
<b>Financial Liabilities</b>					
Interest bearing Borrowings *	5.36	2.96	2.99	-	5.95
Lease Liabilities	1.91	0.13	0.75	1.03	1.91
Trade Payable	88.39	88.39	-	-	88.39
Other Financial Liabilities	73.69	73.67	0.02	-	73.69
<b>Total Financial Liabilities</b>	<b>169.35</b>	<b>165.15</b>	<b>3.76</b>	<b>1.03</b>	<b>169.94</b>

\* Maturity amount of borrowings includes the interest that will be paid on these borrowings.

### Financial Arrangements

The Company had access to the following undrawn borrowing facilities at the end of the financial year. (₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Expiring within one year (Bank overdraft and other facilities)	1.31	1.01
Expiring beyond one year (bank loans)	1.75	13.50

As at March 31, 2023, the Company's current liabilities exceeded its current assets by ₹ 77.16 crore (PY ₹ 66.55 crore). Of the total current liabilities aggregating to ₹ 194.29 crore (PY ₹ 174.16 crore), ₹ 66.51 crore (PY ₹ 59.71 crore) pertains to security deposits received from cancellable contracts with customers. Whilst, contractually the Company is liable to repay the amounts on cancellation of such contracts and consequently, these are presented as current liabilities, the Company does not expect a material amount of these deposits to be refunded owing to the continuity of the business and the past trends. Accordingly, the Company does not anticipate any material liquidity mismatch over the next one year.

**NOTE : 41 EARNINGS PER SHARE (EPS) AS PER INDIAN ACCOUNTING STANDARD 33: (₹ in Crore)**

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Profit for the year attributable to owners of the Company	7.51	6.16
No. of weighted average outstanding Equity Shares (in crore)	0.09	0.09
Earning per Equity Share of ₹ 10/- each (Basic & Diluted)	87.06	71.27

**NOTE : 42 RELATED PARTY TRANSACTIONS AS PER INDIAN ACCOUNTING STANDARD 24:**

The disclosure in pursuance to Indian Accounting Standard-24 on "Related Party disclosures" is as under:

**(a) Name of Related Parties and their Relationship**

Sr. No.	Name	Description of Relationship
1	Rajesh R. Gandhi	Chairman & Director (Chairman & Managing Director w.e.f. August 9, 2023) having significant influence
2	Devanshu L. Gandhi	Director (Managing Director w.e.f August 9, 2023) having significant influence
3	Kamal Verma (C.E.O) (upto August 31, 2023)	Key Managerial Personnel
4	Ranveersigh Raol (C.E.O) (upto August 31 2023)	Key Managerial Personnel
5	Rajesh Bhagat (C.F.O)	Key Managerial Personnel
6	Vishal Sondagar (C.S. From July 15, 2021 to August 10, 2022 )	Key Managerial Personnel
7	Ashish Thaker C.S. (From August 16, 2022)	Key Managerial Personnel
8	Nija K. Gandhi	Relative of Promoter Directors
9	Aakansha Gandhi	Relative of Promoter Directors
10	Vadilal Industries Ltd.	Enterprises over which Promoter Directors are able to exercise significant influence
11	Vadilal Chemical Ltd.	Enterprises over which Promoter Directors are able to exercise significant influence
12	Vadilal Soda Fountain.	Enterprises over which Promoter Directors are able to exercise significant influence
13	Vadilal International Pvt Ltd.	Enterprises over which Promoter Directors are able to exercise significant influence

**(b) Transactions during the year with related parties mentioned in (a) above, in ordinary course of business & balances outstanding as at the year end:**

Transaction	Key Managerial Person	Relative of Promoter Directors	Enterprises over which Promoter Director are able to exercise significant influence	Total
<b>(a) Sale of Goods</b>				
Vadilal Soda Fountain			0.82	0.82
			(0.66)	(0.66)
<b>(b) Purchase of Goods</b>				
Vadilal Industries Ltd.			736.16	736.16
			(715.45)	(715.45)
Vadilal Chemical Ltd.			0.04	0.04
			(0.09)	(0.09)
<b>(c) Purchase of Fixed Assets</b>				
Vadilal Industries Ltd.			-	-
			(0.10)	(0.10)

(₹ in Crore)

Transaction	Key Managerial Person	Relative of Promoter Directors	Enterprises over which Promoter Director are able to exercise significant influence	Total
<b>(d) Remuneration</b>				
Nija Kalpit Gandhi		<b>0.17</b> (0.17)		<b>0.17</b> (0.17)
Kamal Verma (upto August 31, 2023)	<b>0.07</b> (0.17)			<b>0.07</b> (0.17)
Ranveersigh Raol (upto August 31, 2023)	<b>0.05</b> (0.11)			<b>0.05</b> (0.11)
Rajesh Bhagat	<b>0.22</b> (0.20)			<b>0.22</b> (0.20)
Vishal Sondagar (From July 15, 2021 to August 10, 2022)	- (0.02)			- (0.02)
Ashish Thaker (From August 16, 2022)	0.08 (0.05)			<b>0.08</b> (0.05)
Aakansha Gandhi		<b>0.06</b> (0.06)		<b>0.06</b> (0.06)
<b>(e) Interest Income</b>				
Vadilal International Pvt.Ltd.			<b>0.20</b> (0.20)	<b>0.20</b> (0.20)
<b>(f) Rent Income</b>				
Vadilal Industries Ltd.			<b>0.02</b> (0.08)	<b>0.02</b> (0.08)
<b>(g) Guarantee Commission Income</b>				
Vadilal Industries Ltd.			<b>0.03</b> -	<b>0.03</b> -
<b>(h) Royalty Expense</b>				
Vadilal International Pvt.Ltd.			<b>5.03</b> (3.82)	<b>5.03</b> (3.82)
<b>(i) Rent Expense</b>				
Vadilal Industries Ltd.			<b>0.25</b> -	<b>0.25</b> -
<b>(j) Guarantee Commission Expense</b>				
Vadilal Industries Ltd.			<b>0.31</b> -	<b>0.31</b> -
<b>Balance outstanding at year end :</b>				
<b>Trade Deposit Given</b>				
Vadilal International Pvt.Ltd.			<b>20.00</b> (20.00)	<b>20.00</b> (20.00)
<b>Interest Receivable</b>				
Vadilal International Pvt. Ltd			<b>0.18</b> (0.18)	<b>0.18</b> (0.18)
<b>Trade Receivable :</b>				
Vadilal soda Fountain			- (0.01)	- (0.01)
Vadilal Industries Ltd.			<b>0.03</b> -	<b>0.03</b> -
<b>Trade Payable :</b>				

(₹ in Crore)

Transaction	Key Managerial Person	Relative of Promoter Directors	Enterprises over which Promoter Director are able to exercise significant influence	Total
Vadilal Industries Ltd.			48.50	48.50
			(33.55)	(33.55)
Vadilal International Pvt. Ltd			3.03	3.03
			(0.87)	(0.87)
Vadilal Chemicals Ltd.			0.01	0.01
			-	-
<b>Advance from customers</b>				
Vadilal soda Fountainzz			0.10	0.10
			-	-
<b>Other Financial Liabilities</b>				
Vadilal Industries Ltd.			0.01	0.01
			(0.01)	(0.01)
<b>Corporate Guarantee Given</b>				
Vadilal Industries Ltd.			2.50	2.50
			(2.50)	(2.50)
<b>Corporate Guarantee Taken</b>				
Vadilal Industries Ltd.			31.00	31.00
			(21.50)	(21.50)
<b>Personal Guarantee Taken</b>				
Rajesh R Gandhi and Devanshu L Gandhi (Jointly)			16.00	16.00
			(25.94)	(25.94)

**Note:1)** Transaction of Sales and Purchase (where input tax credit is not available to the company) and outstanding of Trade Payables / Receivable are inclusive of Taxes.

**Note:2)** The trademark "Vadilal" and its associated trademarks are owned by Vadilal International Pvt. Ltd. The Company is a licensee of the said Trademarks.

**Note:3)** Pursuant to the agreement signed with Vadilal Industries Limited (VIL), and approved by shareholders, the pricing of the products to be purchased shall be determined by VIL. As per the pricing policy during current and previous financial year, the Company has received debit note from VIL for rate differences for ₹ 1.51 crore in March 2024 (PY ₹ 2.70 crore in March 2023) owing to the additional discounted prices at which the original transactions took place.

**Note:4)** Previous year figures are shown in bracket

**Compensation to Key Managerial Personnel of the Company:**

(₹ in Crore)

Nature of Benefits	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Short Term Employee Benefits	0.65	0.71
<b>Total</b>	<b>0.65</b>	<b>0.71</b>

\* Key Managerial Personnel and Relatives of Promoter directors who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. Post-employment gratuity benefits of Key Managerial Personnel has not been included in (d) above.

**NOTE :43 EMPLOYEE BENEFITS:**

**1. Post Employment Benefit Plans as per Indian Accounting Standard 19:**

**Defined Contribution Plan:**

The company makes provident fund (PF) contributions to defined contribution benefit plans for eligible employees. Under the scheme the company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions specified under the law are paid to the government authorities (PF commissioner).

Amount towards Defined Contribution Plan have been recognized under "Contribution to Provident and Other funds" in Note 33 ₹ 1.55 crore (Previous Year: ₹ 1.44 crore).

**Defined Benefit Plan:**

The Company has defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines. The details of these defined benefit plans recognised in the financial statements are as under:

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

**Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability..

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the financial year on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk..

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

**A. Movement in present value of defined benefit obligation are as follows : (₹ in Crore)**

Particulars	Gratuity	
	As at March 31,2024	As at March 31,2023
<b>Obligations/Fair value of Plan assets at the beginning of the year</b>	<b>4.54</b>	<b>3.73</b>
Current service cost	0.45	0.39
Past Service cost		
Interest cost	0.34	0.27
Actuarial (gain)/loss arising from changes in demographic Assumptions	-	-
Actuarial (gain)/loss arising from changes in financial Assumptions	0.56	(0.11)
Actuarial (gain)/loss arising from experience adjustments	(0.06)	0.47
Benefits Paid	(0.38)	(0.21)
<b>Obligations/Fair value of Plan assets at the end of the year</b>	<b>5.45</b>	<b>4.54</b>

**B. Movement in present value of fair value of plan assets are as follows : (₹ in Crore)**

Particulars	Gratuity	
	As at March 31,2024	As at March 31,2023
<b>Obligations/Fair value of Plan assets at the beginning of the year</b>	<b>2.61</b>	<b>1.66</b>
Interest Income	0.20	0.12
Return on plan Assets excluding Interest income	(0.01)	0.00
Employer contributions	1.96	1.04
Benefits Paid	(0.38)	(0.21)
<b>Obligations/Fair value of Plan assets at the end of the year</b>	<b>4.38</b>	<b>2.61</b>

**C. The amount included in the balance sheet arising from the entities obligation in respect of defined benefit plan is as follows:**

Particulars	(₹ in Crore)	
	As at March 31,2024	As at March 31,2023
Present value of benefit obligation at the end of the year	<b>5.45</b>	<b>4.54</b>
Fair value of plan assets	(4.38)	(2.61)
<b>Net liability arising from defined benefit obligation</b>	<b>1.07</b>	<b>1.93</b>

**D Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses (₹ in Crore)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	0.45	0.39
Past Service Cost	-	-
Net Interest Cost	0.14	0.15
<b>Net impact on the Profit / (Loss) before tax</b>	<b>0.59</b>	<b>0.54</b>
<b>Remeasurement of the net defined benefit liability:</b>		
Return on plan assets excluding actuarial return on plan assets	0.01	(0.00)
Actuarial gains/(losses) arising from changes in demographic Assumptions	-	-
Actuarial gains/(losses) arising from changes in financial assumption	0.56	(0.11)
Actuarial gains/(losses) arising on experience adjustments	(0.06)	0.47
<b>Net (Gain)/Loss recognised in the Other Comprehensive Income before tax</b>	<b>0.51</b>	<b>0.36</b>

**E Investment details of plan assets:**

To fund the obligations under the gratuity plan, Contributions are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines.

**F The defined benefit obligations shall mature after year end March 31, 2024 as follows: (₹ in Crore)**

Gratuity :	As at March 31, 2024	As at March 31, 2023
1st Following Year	0.67	0.70
2nd Following Year	0.20	0.22
3rd Following Year	0.29	0.19
4th Following Year	0.48	0.27
5th Following Year	0.13	0.50
Sum of Years 6 To 10	2.31	1.56
Sum of 11 Years and above	8.47	6.98

**G Sensitivity analysis:**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the financial year, while holding all other assumptions constant.

Particulars	As at March 31, 2024	As at March 31, 2023
Projected Benefit Obligation on Current Assumptions	5.45	4.54
Delta Effect of +1% Change in Rate of Discounting	(0.46)	(0.36)
Delta Effect of -1% Change in Rate of Discounting	0.54	0.42
Delta Effect of +1% Change in Rate of Salary Increase	0.49	0.40
Delta Effect of -1% Change in Rate of Salary Increase	(0.44)	(0.35)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.07)	(0.02)
Delta Effect of -1% Change in Rate of Employee Turnover	0.08	0.02

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the financial year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity analysis, the present value of projected defined benefit obligation has been calculated using Projected Unit Credit Method at the end of the financial year. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

**H The principal assumptions used for the purpose of actuarial valuation were as follows :**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial Assumptions</b>		
Discount rate	7.21%	7.50%
Salary Escalation Rate	9.00%	8.00%
<b>Attrition Rate</b>		
For Service (4 years & below)	20.00%	20.00%
For Service (5 years & above)	2.00%	2.00%
Mortality Tables	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

## 2. Other long term employee benefits :

### Compensated absences

The liability towards compensated absences (leave encashment) for the year ended March 31, 2024 based on actuarial valuation carried out by using Projected Unit Credit Method is ₹ 0.77 Crore (As at March 31, 2023 ₹ 1.99 Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial Assumptions</b>		
Discount rate	7.21%	7.50%
Salary Escalation Rate	9.00%	8.00%
<b>Attrition Rate</b>		
For Service (4 years & below)	20.00%	20.00%
For Service (5 years & above)	2.00%	2.00%
Mortality Tables	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

## NOTE :44 DISCLOSURE AS PER INDAS 116

The changes in the carrying value of ROU assets for the year ended March 31, 2024 are as follows : (₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening Balance</b>	1.83	-
Additions	0.67	1.99
Depreciation	(0.28)	(0.16)
<b>Closing Balance</b>	<b>2.22</b>	<b>1.83</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at March 31, 2024 is as follows : (₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Lease Liabilities	0.18	0.13
Non-current Lease Liabilities	2.23	1.78
<b>Total</b>	<b>2.41</b>	<b>1.91</b>

The movement in lease liabilities during the year ended March 31, 2024 is as follows: (₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening Balance</b>	<b>1.91</b>	-
Additions	0.67	1.99
Finance cost accrued during the year	0.19	0.12
Payment of Lease Liability	(0.36)	(0.20)
<b>Closing Balance</b>	<b>2.41</b>	<b>1.91</b>

The details of the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis are as follows :  
(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	0.18	0.13
One to five years	1.15	0.75
More than five years	1.08	1.03
<b>Total</b>	<b>2.41</b>	<b>1.91</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹ 23.96 crore for the year ended March 31, 2024 and ₹ 19.00 crore for year ended March 31, 2023.

**NOTE - 45 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE:**

- CSR amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 is ₹ 0.07 crore for the year 2023-24. (P.Y. ₹ Nil).
- Expenditure related to CSR is ₹ 0.14 crore (P.Y. ₹ Nil), details of the same is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	0.14	-
<b>Total</b>	<b>0.14</b>	<b>-</b>

Details of CSR Activities	As at March 31, 2024	As at March 31, 2023
(i) amount required to be spent by the company during the year,	0.07	-
(ii) amount of expenditure incurred,	0.14	-
(iii) shortfall / (Excess) at the end of the year,	(0.07)	-
(iv) total of previous years shortfall / (Excess),	-	-
(v) reason for shortfall,	NA	NA
(vi) Nature of CSR activities include measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows and Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation.		
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NIL	NIL
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NIL	NIL

**Note :** Amount available for set off in subsequent financial years ₹ 0.07 crore (P.Y. ₹ Nil)



**NOTE :46 RATIOS**

Performance Ratios	Numerator	Denominator	March 31,2024	March 31,2023	Variance	Reason
Current Ratio	Current Assets	Current Liabilities	0.60	0.62	-2.77%	
Debt-Equity Ratio	Total Borrowings	Equity	1.44	0.49	193.10%	Refer Note no 1 below
Debt Service Coverage ratio	Profit before interest, tax and , Depreciation and amortisation expense	Closing Debt Service	3.02	3.12	-3.15%	
Return on Equity Ratio	Profit after tax	Closing shareholder's equity	41.58%	55.60%	-25.22%	Refer Note no 2 below
Inventory turnover ratio	Cost of goods sold	Closing Inventory	16.14	15.10	6.90%	
Trade Receivables turnover ratio	Revenue from operations	Closing current trade receivables	20.82	24.18	-13.90%	
Trade Payables turnover ratio	Cost of goods sold	Closing trade payable	8.55	8.39	1.90%	
Net Capital turnover ratio	Revenue from operations	Capital employed (Net assets) (Net worth + Debt)	22.71	56.63	-59.90%	Refer Note no 3 below
Net Profit Ratio	Profit after tax	Revenue from operations	0.75%	0.66%	13.89%	
Return on Capital employed	Profit before interest and tax	Closing capital employed	30.79%	60.51%	-49.11%	Refer Note no 4 below
Return on investment	Closing less opening market price add Dividend	Opening market price	43.34%	38.48%	12.64%	

**Notes**

- 1 Increase in Debt-Equity ratio is due to increase in capex borrowings for new assets acquired during the current financial year.
- 2 Decrease in Return on Equity ratio is due to increase in net profit and total equity during the current financial year as compared to previous year.
- 3 Decrease in Net capital turnover ratio is due to increase in net worth due to profit and increase in debt due to capex borrowings for new assets during the current financial year
- 4 Decrease in Return on capital employed is due to increase in net worth due to profit and increase in debt due to capex borrowings for new assets during the current financial year

**NOTE :47 OTHER STATUTORY INFORMATION:**

- A The Company has entered into transactions with companies struck- off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956., which is disclosed below :

**As at March 31, 2024**

Name of Struck off company	Nature of Transactions with struck off company	Balance outstanding (₹ in Crore)	Relationship with struck off company, if any, to be disclosed
Marshall Hotels Private Limited	Sale of goods	0.000	Customer
Phonographics Performance Ltd.	Service taken	0.000	Vendor

**As at March 31, 2023**

Name of Struck off company	Nature of Transactions with struck off company	Balance outstanding (₹ in Crore)	Relationship with struck off company, if any, to be disclosed
Marshall Hotels Private Limited	Sale of goods	0.003	Customer

- B The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- C The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- D The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- E The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- F The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- G The Company does not have any subsidiary, hence requirement of complying with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
- H The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- I The company has not entered into any scheme of arrangement which has an accounting impact on current year or previous year.

**NOTE :48**

Based on the report received from the Independent Law Firm and Chartered Accountant Firm, the board of directors in its meeting held on June 28, 2021 on the recommendation of committee of independent directors have decided to close all matters involving allegations & cross allegations levelled by two promoter directors upon each other except the following for which report / findings are yet to be received:

- A) Cross allegations between the Promoter Directors, during the period 2013-14 to 2017-18 and 2013-14 to 2018-19 respectively, for the appropriateness of expenses amounting to ₹ 0.46 crore and ₹ 0.53 crore respectively.
- B) A matter involving operations and management issue wherein marketing expenses of advertisement amounting to ₹ 38.00 crore paid by the Company during the period 2015-16 to 2018-19, without following the process of the Company.

The Board of Directors believe that above shall not have any material financial impact on the financial statements of the Company for the year ended March 31, 2024.

**NOTE:49**

Board of Directors of the Company in its board meeting held on December 9, 2022 has approved resolution for sale of certain non-core assets of the Company to entities of the Promoter and Promoter group of the Company. However, as complete plan to sell has not been initiated by the management and it is likely that changes of the plan may be made, the sell is considered not to be highly probable. Hence, these assets having written down value of ₹ 0.66 crore (P.Y. ₹ 0.74 crore) and Non current investments of ₹ 0.35 crore (P.Y ₹ 0.26 crore) as at March 31, 2024 are continued to be presented under Property, Plant and Equipment and Non current Investments respectively.

**NOTE :50**

The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette of India on September 29, 2020, which could impact the contributions of the Company towards certain employment benefits. The effective date from which changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in the period of notification of the relevant provisions.

**NOTE :51**

Previous years' figures have been regrouped and rearranged wherever necessary to make them comply with IND AS.

**For Arpit Patel & Associates**

Chartered Accountants  
Firm registration number: 144032W

**Pruthvi Patel**

Partner  
Membership No.: 167297

Place : Ahmedabad  
Date : May 25, 2024

**For and on behalf of the Board of Directors**

**Rajesh R. Gandhi**  
Chairman & Managing Director  
(DIN - 00009879)

**Rajesh I. Bhagat**  
Chief Financial Officer

Place : Ahmedabad  
Date : May 25, 2024

**Devanshu L. Gandhi**  
Managing Director  
(DIN - 00010146)

**Ashish Thaker**  
Company Secretary



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