

# **Vadilal Industries (USA) Inc.**

Agreed upon procedures for review of Consolidated Financial Statement  
Schedules

March 31, 2025

## **KNAV CPA LLP**

Certified Public Accountants  
One Lake Side Commons, Suite 850  
990 Hammond Drive NE, Atlanta, GA 30328, USA



America Counts on CPAs

## **Independent Accountant's Report on Applying Agreed-Upon Procedures**

Board of Directors  
Vadilal Industries (USA) Inc.

We have performed the procedures enumerated below, for Vadilal Industries (USA) Inc. ("Vadilal" or "the Company") as agreed in our engagement letter dated April 23, 2025, solely to assist you in review of the consolidated financial statements schedules required for the purpose of preparation of consolidated financial statements of Vadilal Industries Limited (the "Holding Company") as at and for the year ended March 31, 2025.

### **Scope of the agreed upon procedures ("AUP"):**

To review the grouping of account balances and the arithmetical accuracy of the consolidated financial statement schedules presented in Annexure 1, prepared by the management of the Company for the purpose of preparation of consolidated financial statements of the Holding Company. The scope of the AUP does not include the performance of any other procedures including:

- Review of source data used to prepare consolidated financial statements schedules.
- Completeness of consolidated financial statements schedule required for the purpose of preparation of consolidated financial statements of the Holding Company.

The procedures performed by us, and the associated findings are as follows:

### **Procedures performed:**

Our scope of work on these agreed upon procedures was limited to the review of consolidated financial statements schedules prepared by the management of the Company required for the purpose of preparation of consolidated financial statements of the Holding Company. We have reviewed the grouping of account balances and the arithmetical accuracy of the consolidated financial statements schedules presented. We have not verified the completeness of the consolidated financial statements schedules required for the purpose of preparation of consolidated financial statements of the Holding Company.

We were engaged by the Company to perform the agreed-upon procedures engagement and we conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described above either for the purpose for which this report has been requested or for any other purposes.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the consolidated financial statements schedules of the Company. Accordingly, we do not express such an opinion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.



We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the management of the Company and is not intended to be and should not be used by anyone other than these specified parties. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

KNAV CPA LLP

Atlanta, Georgia

May 09, 2025

## Annexure 1 - Consolidated Financial Statements Schedules

## Annexure A - Consolidated Balance Sheets

(All amounts in United States Dollars, unless otherwise stated)

### I. ASSETS

#### (1) Non-Current Assets

(a) Plant and Equipment	1a	2,516,497	2,642,542
(b) Capital Work-in-Progress	1b	233,305	99,801
(c) Goodwill		89,475	89,475
(d) Intangible Assets	1c	126,317	144,166
(e) Right of Use Assets	1d	12,107,713	9,841,119
(f) Financial Assets			
(g) Other Financial Assets	2	198,837	150,442
(h) Other Non-Current Assets		5,812,068	1,592,440
(i) Loan to Sister Concern		477,862	

#### Total Non-Current Assets (1)

**21,562,074** **14,559,985**

#### (2) Current Assets

(a) Inventories	3	9,426,464	5,324,185
(b) Financial Assets			
(i) Investments		1,973,008	1,221,764
(ii) Trade Receivables	4	7,250,142	5,190,873
(iii) Cash & Cash Equivalent	5	3,898,467	5,057,703
(iv) Current portion of loan given to sister concern		24,985	-
(v) Interest receivable on loan given to sister concern		4,650	-
(c) Current Tax Assets (Net)	6	151,413	1,692,009
(d) Other Current Assets	7	1,442,130	1,419,107

#### Total Current Assets (2)

**24,171,259** **19,905,640**

#### Total Assets (1+2)

**45,733,333** **34,465,625**

### II. EQUITY AND LIABILITIES

#### (1) Equity

(a) Equity Share capital		225,000	225,000
(b) Other Equity		24,806,761	20,094,576

#### Total Equity (1)

**25,031,761** **20,319,576**

#### (2) Liabilities

##### Non-Current Liabilities

(a) Financial Liabilities			
(i) Borrowings	8	379,669	543,814
(ii) Lease Liabilities	9	11,968,149	9,592,093
(b) Deferred Tax Liabilities (Net)	10	28,326	286,502

#### Total Non-Current Liabilities

**12,376,144** **10,422,409**

##### Current Liabilities

(a) Financial Liabilities			
(i) Borrowings	11	170,645	160,521
(ii) Lease Liabilities	9	1,252,192	1,024,297
(iii) Trade Payables	12	6,726,531	2,312,368
(b) Other Current Liabilities	13	176,060	226,454

#### Total Current Liabilities

**8,325,428** **3,723,640**

#### Total Liabilities (2)

**20,701,572** **14,146,050**

#### Total Equity and Liabilities (1+2)

**45,733,333** **34,465,625**

## Annexure B - Consolidated Statements of Profit and Loss

(All amounts in United States Dollars, unless otherwise stated)

	Note no.	For the year ended	
		March 31, 2024	March 31, 2023
Revenue from Operations	14	41,174,423	38,333,800
Other Income	15	476,079	244,517
<b>Total Income (I+II)</b>		<b>41,650,502</b>	<b>38,578,317</b>
<b>Expenses:</b>			
Cost of Materials Consumed	16	811,431	506,683
Purchase of Stock-in-trade	17	22,832,556	19,004,457
Changes in Inventories of Finished Goods and Stock-in-trade	18	(3,972,133)	(605,704)
Employee Benefits Expense	19	6,895,553	5,670,496
Finance Costs	20	610,242	474,146
Depreciation and Amortization Expenses		1,860,363	1,412,334
Other Expenses	21	6,470,770	5,663,961
<b>Total Expense (IV)</b>		<b>35,508,782</b>	<b>32,126,373</b>
<b>Profit Before Tax (V)(III-IV)</b>		<b>6,141,720</b>	<b>6,451,944</b>
<b>Tax Expenses</b>			
(a) Current Tax	22	1,687,712	384,882
(b) Deferred Tax		(258,177)	(185,415)
<b>Total Tax Expenses (VI)</b>		<b>1,429,536</b>	<b>199,467</b>
<b>Profit for the year (V-VI)</b>		<b>4,712,184</b>	<b>6,252,477</b>
<b>Other Comprehensive Income</b>			
A. (i) Item that will not be reclassified subsequently to profit or loss		-	-
Remeasurement gain / (loss) of defined benefit plans			
(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss		-	-
B. (i) Item that will be reclassified subsequently to profit or loss			
Fair value changes of Cash Flow Hedges			
(ii) Income tax relating to items that will be reclassified subsequently to profit or loss			
Other Comprehensive Income / (Expense) for the Year			
<b>Total Comprehensive Income for the Year (VII+VIII)</b>			
Earnings Per Share (Face Value of ` 10 each)			
- Basic & Diluted		<b>20.94</b>	<b>27.78</b>

## Annexure C - Consolidated statement of cash flows

(All amounts in United States Dollars, unless otherwise stated)

	For the year ended	
	March 31, 2025	March 31, 2024
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>	6,141,720	6,451,944
<b>Adjustments for:</b>		
Depreciation and amortization	1,860,363	1,412,335
Allowance for doubtful debts	189,348	39,500
Interest income	(431,676)	(141,319)
Finance cost	610,242	474,146
Provision for slow-moving and obsolete inventory	76,283	34,969
<b>Operating profit before working capital changes</b>		
<b>Changes in working capital:</b>		
Accounts receivable	(2,248,617)	161,226
Inventories	(4,178,563)	(642,098)
Other current assets	(23,024)	(578,749)
Trade payables	4,414,164	768,594
Other Financial Assets	(4,650)	-
Other current liabilities	(50,394)	(149,785)
<b>Cash generated from operations</b>	<b>6,355,197</b>	<b>7,830,761</b>
Income taxes paid (net of refunds)	(147,117)	(1,760,557)
<b>Net cash generated from operating activities</b>	<b>6,208,082</b>	<b>6,070,206</b>
<b>Cash flows from investing activities</b>		
Capital expenditure on property, plant and equipment, Capital WIP and intangible assets	(8,384,590)	(1,419,313)
Interest received	431,676	141,319
Purchase of short-term investments	(751,245)	(1,247,301)
<b>Net cash used in investing activities</b>	<b>(8,704,158)</b>	<b>(2,525,295)</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(154,021)	(198,744)
Loan given to related party	(502,847)	-
Repayment of lease liabilities	2,603,952	(857,344)
Interest paid	(610,242)	(474,146)
<b>Net cash used in financing activities</b>	<b>1,336,842</b>	<b>(1,530,234)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,159,236)</b>	<b>2,014,677</b>
Cash and cash equivalents at the beginning of the period	5,057,703	3,043,026
<b>Cash and cash equivalents at the end of the period</b>	<b>3,898,467</b>	<b>5,057,703</b>

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

Particulars of liabilities arising from financing activity	As at March 31, 2024	Net cash Flows	As at March 31, 2025
Non-Current borrowings	543,814	(164,145)	379,669
Current borrowings	160,521	10,124	170,645
Interest accrued on borrowings	65,473	22,957	88,430
Total	<b>769,808</b>	<b>(131,064)</b>	<b>638,744</b>

  

	As at March 31, 2023	Net cash Flows	As at March 31, 2024
Non-Current borrowings	711,149	(167,336)	543,814
Current borrowings	191,930	(31,408)	160,521
Interest accrued on borrowings	37,907	27,566	65,473
Total	<b>940,986</b>	<b>(171,178)</b>	<b>769,808</b>

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

**Annexure D – Consolidates statement of changes in equity is as follows**

**A. EQUITY SHARE CAPITAL**

(Amount in USD)

Particulars	Year ending 31, 2025	Year ending 31, 2024
Balance as at the beginning of the year	225,000	225,000
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	225,000	225,000
Changes in equity share capital during the year	-	-
Balance as at the end of the year	<b>225,000</b>	<b>225,000</b>

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## B. OTHER EQUITY

(Amount in USD)

Particulars	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Revaluation Surplus	Exchange difference on translating foreign operations	Items of other comprehensive income	Total
<b>Balances as at April 01, 2022</b>	-	-	-	10,609,089	-	-	-	10,609,089
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	6,252,477	-	-	-	6,252,477
Current year transfer	-	-	-	-	-	-	-	-
Other comprehensive income / (expense)	-	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-	-	-	-
<b>Balances as at March 31, 2023</b>	-	-	-	20,094,576	-	-	-	20,094,576
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	4,712,184	-	-	-	4,712,184
Current year transfer	-	-	-	-	-	-	-	-
Other comprehensive income / (expense)	-	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-	-	-	-
Payment of dividend for the year	-	-	-	-	-	-	-	-
<b>Balances as at March 31, 2024</b>	-	-	-	24,806,761	-	-	-	24,806,761

See accompanying notes to the consolidated financial statements.

(Amount in USD)

## Annexure E – Other Financial Statement Schedule

### Note – 1a: Property, Plant and Equipment PPE Block As on 31.03.2025 in the below format

Particulars	Building	Leasehold Building Improvements	Plant & Machinery	Furniture & Fixtures	Office Equipments	Computer & Peripherals	Vehicles	Total
<b>Property, Plant and Equipment</b>								
As at March 31, 2023	7,500	318,910	2,437,309	1,487	71,040	12,114	-	2,848,361
Additions	-	16,490	96,308		26,442	8,030	73,570	220,843
Addition due to acquisition of KKC							-	-
Deductions			21,994				-	21,994
<b>As at Mar 31, 2024</b>	<b>7,500</b>	<b>335,400</b>	<b>2,511,624</b>	<b>1,487</b>	<b>97,482</b>	<b>20,144</b>	<b>73,570</b>	<b>3,047,210</b>
Additions	-		347,502.82	23,378.60	37,809.72	6,523.28		415,214.42
Addition due to acquisition of KKC								-
Deductions			63,420.00					63,420.00
<b>As at Mar 31, 2025</b>	<b>7,500.00</b>	<b>335,400.97</b>	<b>2,795,707.07</b>	<b>24,865.88</b>	<b>135,292.54</b>	<b>26,668.12</b>	<b>73,570.77</b>	<b>3,399,005.35</b>
<b>Accumulated Depreciation and Impairment</b>								
As at March 31, 2023	1,183.17	13,733.39	194,755.77	570.94	20,376.85	8,972.83	-	239,592.95
Depreciation charge for the year	4,745.66	28,694.20	114,092.56	141.30	14,924.55	2621.47	1,456.09	166,675.83
Addition due to acquisition of KKC			5,644.00					5,644.00
Deductions			7,244.77					7,244.77
<b>As at Mar 31, 2024</b>	<b>5,928.83</b>	<b>42,427.59</b>	<b>307,247.56</b>	<b>712.24</b>	<b>35,301.40</b>	<b>11,594.30</b>	<b>1,456.09</b>	<b>404,668.01</b>
Depreciation charge for the year	1,183.17	29,069.84	416,919.82	194.52	15,927.36	4140.87	8,737.04	476,172.62
Addition due to acquisition of KKC			2,072.00					2,072.00
Deductions			404.41					404.41
<b>As at Mar 31, 2025</b>	<b>7,112.00</b>	<b>71,497.43</b>	<b>725,834.97</b>	<b>906.76</b>	<b>51,228.76</b>	<b>15,735.17</b>	<b>10,193.13</b>	<b>882,508.22</b>
<b>Net carrying value</b>								
As at March 31, 2025	388.00	263,903.54	2,069,872.10	23,959.12	84,063.78	10,932.95	63,377.64	2,516,497.13
As at March 31, 2024	1,571.17	292,973.38	2,204,376.69	775.04	62,181.42	8,550.54	72,114.68	2,642,542.92

### Note – 1b: Capital Work in Progress

(Amount in USD)

Particulars	Amount
As at March 31, 2023	99,801
Additions	-
Deductions	-

As at March 31, 2024	99,801
Additions	133,504
Deductions	-
As at March 31, 2025	233,305

**CWIP aging schedule as at March 31, 2025**

(Amount in USD)

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	133,504	-	99,801	-	233,305
Projects temporarily suspended	-	-	-	-	-
<b>TOTAL</b>	<b>133,504</b>	<b>-</b>	<b>99,801</b>	<b>-</b>	<b>233,305</b>

- Capital Work in Progress whose costs has exceeded compared to its original budget: None (As at March 31, 2024 : None).
- Project in progress for more than one year includes overdue projects pending for installation which is in progress. The same are expected to be installed in F.Y.2025-26.

(Amount in USD)

Note – 1c: Intangible Assets	Software & Development Cost	Word Mark	Goodwill	Total
Cost or Deemed Cost				
As at March 31, 2023	14,835	175,740	89,475	280,050
Additions	-	-	-	-
Deductions	-	-	-	-
As at Mar 31, 2024	14,835	175,740	89,475	280,050
Additions	-	-	-	-
Deductions	-	-	-	-
As at Mar 31, 2025	14,835	175,740	89,475	280,050
Amortisation:				
As at March 31, 2023	13,398	6,956		20,354
Depreciation charge for the year	931	25,124		26,055
Deductions	-	-	-	-
As at Mar 31, 2024	14,329	32,080	-	46,409
Depreciation charge for the year	273	17,576		17,849
Deductions	-	-	-	-
As at Mar 31, 2025	14,602	49,656	-	64,258
Net Carrying Amount:				
As at March 31, 2025	233	126,084	89,475	215,792
As at March 31, 2024	506	143,660	89,475	233,641

The Impairment test has been performed by using discounted cash flow method for the Goodwill and other Intangible Assets. it has been determined that the recoverable amount exceeds the carrying value of these assets. As a result, no impairment has been recognized.

**Note – 1d: Right of Use Assets**

**Amount (in USD)**

Cost or Fair Value	
As at March 31, 2023	10,356,980
Additions	1,650,317
Deductions	-

As at March 31, 2024	12,007,297
Additions	3,630,865
Deductions	-
As at March 31, 2025	15,638,162

<b>Accumulated Depreciation and Impairment</b>	
As at March 31, 2023	952,221
Additions	1,213,958
Deductions	-
As at March 31, 2024	2,166,179
Additions	1,364,270
Deductions	-
As at March 31, 2025	3,530,449

<b>Net Carrying Amount</b>	
As at March 31, 2025	12,107,713
As at March 31, 2024	9,841,119

In accordance with the Stock Purchase Agreement, effective as of June 10, 2022, Vadilal Industries (USA) Inc. acquired 100% of the issued and outstanding stock of Krishna Krupa Corporation. The primary reason for the acquisition was to expand the Company's market position and accelerate growth. The purchase consideration was for USD 250,000.

The purchase price allocation was recorded as follows:

Particulars	Amount in USD
Advance recoverable in Cash or Kind	9,004
Inventories	15,600
Less: Other Trade Payable	9,890
Net working capital	14,714
Net fixed assets	12,200
<b>Total tangible assets acquired</b>	<b>26,914</b>
Wordmark	1,75,740
<b>Total intangible assets acquired</b>	<b>1,75,740</b>
<b>Deferred tax liability on identifiable intangible asset</b>	<b>(52,019)</b>
<b>Net assets acquired</b>	<b>1,50,635</b>
Residual goodwill	89,475
<b>Fair value of assets acquired</b>	<b>2,40,110</b>
Cash	9,890
<b>Total Purchase Price</b>	<b>2,50,000</b>

**Note -2: NON-CURRENT OTHER FINANCIAL ASSETS:**

Particulars	(Amount in USD)	
	As at March 31, 2025	As at March 31, 2024
Rent Deposit	10,500	49,761
Security Deposit	179,289	91,633
Other Deposits	9,048	9,048
<b>Total</b>	<b>198,837</b>	<b>150,442</b>

**Note -3: INVENTORIES:**

Particulars	(Amount in USD)	
	As at March 31, 2025	As at March 31, 2024
<b>(At lower of Cost or Net Realisable Value)</b>		
Raw materials	324,829	195,497
Finished goods	6,719,949	4,045,612
Finished goods-in-transit	2,456,053	1,148,258
Stores and spares	1,917	1,917
Less: Provision for slow-moving and obsolete inventory	(76,284)	(67,099)
<b>Total</b>	<b>9,426,464</b>	<b>5,324,185</b>

Inventories write downs are accounted, considering the nature of inventory usage, ageing and net realisable value. Write-down value of inventories as at March 31, 2025 USD 76,284 (as at March 31, 2024 USD 67,099). These write-downs are recognised as an expense in the statement of profit & loss.

**Note – 4: TRADE RECEIVABLES:**

Particulars	(Amount in USD)	
	As at March 31, 2025	As at March 31, 2024
<b>Trade Receivables – considered good – Secured</b>		
Trade Receivables considered good – Unsecured	7,250,182	5,190,873
Trade Receivables with significant increase in credit risk	-	-
Trade Receivables – credit impaired	572,925	383,575
<b>Less: Expected credit loss allowance</b>	<b>(572,925)</b>	<b>(383,575)</b>
<b>Total</b>	<b>7,250,142</b>	<b>5,190,873</b>

Particulars	(Amount in USD)	
	As at March 31, 2025	As at March 31, 2024
<u>Break-up of trade receivables</u>		
Trade receivables from other than related parties	6,663,289	4,971,461
Receivables from related parties	586,852	219,412
<b>Total</b>	<b>7,250,142</b>	<b>5,190,873</b>

**Trade Receivable Ageing Schedule as on March 31, 2025:**

							(Amount in USD)
Particulars	Outstanding for following periods 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	2,704,409	3,943,754	457,819	144,160			7,250,142
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit impaired	3,734	101,761	190,502	60,661	94,628	121,640	572,924
(iv) Disputed Trade Receivables– considered good							

(v) Disputed Trade Receivables –  
which have significant increase in  
credit risk

(vi) Disputed Trade Receivables –  
credit impaired

	2,708,143	4,045,515	648,320	204,821	94,628	121,640	7,823,066
Less: Expected credit loss allowances	3,734	101,761	190,502	60,661	94,628	121,640	572,924
<b>TOTAL</b>	2,704,409	3,943,754	457,819	144,160			7,250,142
Less: VII, India Balance to be knocked off	75,702			-			75,702
<b>NET TOTAL</b>	2,628,707	3,943,754	457,819	144,160			7,174,440

#### Trade Receivable Ageing Schedule as on March 31, 2024:

(Amount in USD)

Particulars	Outstanding for following periods 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	104,851	4,671,949	286,536	127,538	-	-	5,190,873
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit impaired	9,220	52,289	156,644	24,092	77,390	63,940	383,575
(iv) Disputed Trade Receivables– considered good							-
(v) Disputed Trade Receivables – which have significant increase in credit risk							-
(vi) Disputed Trade Receivables – credit impaired							-
	114,071	4,724,238	443,180	151,629	77,390	63,940	5,574,448
Less: Expected credit loss allowances	9,220	52,289	156,644	24,092	77,390	63,940	383,575
<b>TOTAL</b>	104,851	4,671,949	286,536	127,538			5,190,873
Less: VII Balance to be knocked off	-	137,360	82,053	-	-	-	219,413
<b>NET TOTAL</b>	104,851	4,534,589	204,483	127,538			4,971,460

#### Notes

- The credit period ranges from 0 days to 60 days.
- Before accepting any new customer, the Company assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed annually. There are no customers who represent more than 5% of the total balance of trade receivable.
- In determining the allowances for expected credit losses, 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.

#### Movement in Expected Credit Loss Allowance:

Particulars	Year ending March 31, 2025	Year ending March 31, 2024
Balance at the beginning of the year	383,575	344,075

Add: Allowance for the year	189,350	39,500
Less: Reversal of provision due to recovery	-	-
<b>Balance at the end of the year</b>	<b>572,925</b>	<b>383,575</b>

**Note – 5: CASH AND CASH EQUIVALENTS:**

Particulars	(Amount in USD)	
	As at March 31, 2025	As at March 31, 2024
Balances with Banks:		
In Current Accounts	2,459,227	2,315,424
Investment in fixed deposit (Within 3 Months Maturity)	1,434,730	2,737,209
Cash on hand	4,510	5,070
<b>Total</b>	<b>3,898,467</b>	<b>5,057,703</b>

Note: There are no restrictions with regards to Cash and Cash Equivalents.

**Note – 6: TAX ASSETS:**

Particulars	(Amount in USD)	
	As at March 31, 2025	As at March 31, 2024
Current		
Taxes Receivable (Net of Provision)	151,413	1,692,009
<b>Total</b>	<b>151,413</b>	<b>1,692,009</b>

**Note – 7: OTHER ASSETS - CURRENT**

Particulars	(Amount in USD)	
	As at March 31, 2025	As at March 31, 2024
Prepaid Expenses	120,764	32,719
Balances with Govt. Authorities	15,944	45,121
Rent Deposit	20,054	-
<b>Total (A)</b>	<b>156,762</b>	<b>77,840</b>
Advances for Goods & Expenses		
Considered Good	1,285,368	1,341,267
Considered Doubtful	-	-
Less: Impairment Allowances	-	-
<b>Total (B)</b>	<b>1,285,368</b>	<b>1,341,267</b>
<b>Total (A + B)</b>	<b>1,442,130</b>	<b>1,419,107</b>

**Note – 8: BORROWING:**

**Terms of repayment and Effective Rate of Interest of all Non-Current Loans:**

Particulars	(Amount in USD)			
	As at March 31, 2025	As at March 31, 2024	Interest rate	Terms of repayment
<b>Term Loans from Bank:</b>				
*Bank of America - SBA Loan	150,000	150,000	3.75%	329 monthly instalments of \$731, still not started
Bank of America	400,314	554,335	4.25%	60 monthly instalments of \$14,549.64, starting from Sep 05, 2022

\*Of the SBA loan of USD 160,000, USD 10,000 is transferred to Other Current Liabilities since it is already waived of by the Government however the proof for the same is not available from the Government, but Bank of America has sent the letter for the same hence its reclassified into Other current liability.

**Borrowing interest - 2024-25:**

Particulars	(Amount in USD)			
	< 1 year	1-5 years	More than 5 years	Total
<b>Term Loans from Bank</b>	-	-	-	-
Bank of America - SBA Loan	5,323	19,939	54,049	79,312
Bank of America	13,908	7,710	-	21,618

**Borrowing interest - 2023-24:**

Particulars	(Amount in USD)			
	< 1 year	1-5 years	More than 5 years	Total
Term Loans from Bank	-	-	-	-
Bank of America	-	-	-	-
Bank of America - SBA Loan	5,449	20,496	58,815	84,761
Bank of America	20,582	21,617	-	42,200

**Security Clause for Non Current Borrowing and Current Borrowing separately:**

- a) **Equipment loan:** During the year ended March 31, 2023, the Company availed an equipment loan amounting to \$785,212 at an interest rate of 4.25% per annum. The equipment loan has a term of 5 years ending on August 05, 2027, and is secured against the equipment. Interest expense for the year ended March 31, 2025, on the equipment loan amounted to \$20,582 (March 31, 2024: \$26,980).
- b) **SBA loan:** During the year ended March 31, 2021, the U.S. Small Business Administration (“SBA”) authorized, under Section 7(b) of the Small Business Act, granted a business loan to the Company amounting to \$160,000. From January 01, 2023, SBA has started to deduct monthly interest of \$731. The loan will be entirely repaid by February 17, 2050. The interest rate agreed is at 3.75 % per annum. Term loan in Vadilal Industries (USA) Inc. from US Small Business Administration is secured against tangible and intangible assets of the Vadilal Industries (USA) Inc. Out of the loan amount of USD 1,60,000 USD 10,000 is reclassified into other current liability.

**Note – 9: LEASE LIABILITIES:**

Particulars	(Amount in USD)	
	As at March 31, 2025	As at March 31, 2024
Non-current Lease Liabilities	11,968,149	9,592,092
Current Lease Liabilities	1,252,192	1,024,297
<b>Total</b>	<b>13,220,341</b>	<b>10,616,389</b>

**Note -10: DEFERRED TAX LIABILITY (NET):**

Particulars	(Amount in USD)	
	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities	28,326	286,502
Deferred Tax Assets	-	-
<b>Total</b>	<b>28,326</b>	<b>286,502</b>



**Note – 11: BORROWINGS:**

Particulars	(Amount in USD)	
	As at March 31, 2025	As at March 31, 2024
<b>Current</b>		
Secured-at amortised Cost	-	-
Working Capital Loans from Banks	-	-
Current Maturities of long-term borrowings From Banks	170,645	160,521
Current Maturities of long-term borrowings For Vehicle Loan		-
<b>Total</b>	<b>170,645</b>	<b>160,521</b>

**Note – 12: TRADE PAYABLES:**

Particulars	(Amount in USD)	
	As at March 31, 2025	As at March 31, 2024
<b>TRADE PAYABLE</b>		
Due to Micro and Small Enterprises		
Due to Others	6,376,743	1,202,208
<b>Total Trade Payable</b>	<b>6,376,743</b>	<b>1,202,208</b>
Provision For Exp.	311,677	325,720
Employee Salary Dues	38,111	784,440
<b>Total</b>	<b>6,726,531</b>	<b>2,312,368</b>

**Trade Payables ageing schedule as on March 31, 2025:**

						(Amount in USD)
Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	1,905,722	4,879,309	(286,517)	314,307	(86,290)	6,726,531
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,905,722</b>	<b>4,879,309</b>	<b>(286,517)</b>	<b>314,307</b>	<b>(86,290)</b>	<b>6,726,531</b>
Less: Inter Company Balance to be knocked off	-	-	-	-	-	-
<b>Total</b>	<b>1,905,722</b>	<b>4,879,309</b>	<b>(286,517)</b>	<b>314,307</b>	<b>(86,290)</b>	<b>6,726,531</b>

**Note – 13: OTHER CURRENT LIABILITIES:**

Particulars	(Amount in USD)	
	As at March 31, 2025	As at March 31, 2024
Machine Deposit	13,515	13,015
SBA Loan	10,000	10,000
Statutory dues payable	8,981	56,433
Advance received from customers	136,225	136,108
Interest accrued but not due		-
Custom Duty Payable		-
Creditors for capital goods	7,337	10,897
<b>Total</b>	<b>176,058</b>	<b>226,454</b>

**Note – 14: REVENUE FROM CONTRACTS :**

Particulars	(Amount in USD)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Sale of Products</b>		
Finished goods	41,174,423	383,333,800
<b>Revenue from Operations</b>	<b>41,174,423</b>	<b>38,333,800</b>

The following table presents revenue disaggregated by the timing of recognition: (Amount in USD)

Particulars	(Amount in USD)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
At a point in time	41,174,423	38,333,800
<b>Total</b>	<b>41,174,423</b>	<b>38,333,800</b>

Revenue disaggregated by geography based on the Company's locations: (Amount in USD)

Particulars	(Amount in USD)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
United States of America	39,324,941	34,778,675
Canada	1,849,482	1,423,495
<b>Total</b>	<b>41,174,423</b>	<b>38,333,800</b>

**Note – 15: OTHER INCOME:**

Particulars	(Amount in USD)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Business support services rendered.	-	12,628
rendered (Refer note to Transaction with Related parties)	-	69,086
Provision written back	-	69,086
Interest Income	436,326	141,319
Miscellaneous income	39,753	21,484
<b>Total</b>	<b>476,079</b>	<b>244,517</b>

**Note – 16: COST OF MATERIAL CONSUMED:**

Particulars	(Amount in USD)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventory at the beginning of the year	195,497	195,414
Add: Purchase	940,763	506,766
Less: Inventory at the end of the year	324,829	195,497
<b>Total</b>	<b>811,431</b>	<b>506,683</b>

**Note – 17: PURCHASE OF TRADED GOODS:**

(Amount in USD)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Ice-cream	5,896,828	4,760,554
Processed Food	6,726,727	5,447,718
Dairy Products	4,775,200	3,145,082
Bakery	446,307	413,546
Distribution Brand	2,499,396	1,646,067
Outsourced Product	2,394,172	2,472,326
Others	93,926	1,119,164
<b>Total</b>	<b>22,832,556</b>	<b>19,004,457</b>

**Note – 18: CHANGE IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE:**

(Amount in USD)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Inventories at beginning of the year:</b>		
Finished Goods	5,193,870	45,21,067
Raw Material	99,793	56,592
Packing Material	95,704	69,411
Stores & Spares	1,907	-
Stock Maintenance Material	-	575
ASP Material	10	
Provision for slow moving	(67,099)	(67,099)
<b>Total</b>	<b>5,324,185</b>	<b>4,717,055</b>
<b>Inventories at end of the year</b>		
Finished Goods	9,175,188	5,193,870
Raw Material	211,630	99,793
Packing Material	113,199	95,704
Stores & Spares	1,907	1,907
Stock Maintenance Material	690	-
ASP Material	134	10
Provision for slow moving	(76,284)	(67,099)
<b>Total</b>	<b>9,426,464</b>	<b>5,324,185</b>

**Note – 19: EMPLOYEE BENEFIT EXPENSES:**

(Amount in USD)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salary, Wages, Allowances and Bonus	6,882,178	5,518,820
Staff Welfare Expenses	13,375	151,675
<b>Total</b>	<b>6,895,553</b>	<b>5,670,495</b>

**Note -20: FINANCE COSTS:**

(Amount in USD)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Bank Charges	47,367	12,671
Bank Commission Charges	11,151	14,471
Interest Others	22,957	27,248
Interest on Finance Lease	516,870	419,756
Interest on Income Tax	11,899	
<b>Total</b>	<b>610,242</b>	<b>474,146</b>

**Note – 21: OTHER EXPENSES:**

(Amount in USD)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Rent</b>		
Rent	1,956,897	1,644,928
Rent expense reversal IAS 116	(1,374,359)	(202,614)
	<b>582,538</b>	<b>1,442,314</b>
<b>Freight &amp; forwarding</b>		
Freight & delivery charges	1,974,764	2,089,961
Reversal USGAAP vehicle hire	(169,425)	(1,074,485)
	<b>1,805,338</b>	<b>1,015,476</b>
<b>Rates &amp; taxes</b>		
Rates & taxes	34,954	43,016
	<b>34,954</b>	<b>43,016</b>
<b>Insurance</b>		
Insurance	394,891	312,578
	<b>394,891</b>	<b>312,578</b>
<b>Repairs and maintenance</b>		
Vehicle repairs	-	23,653
Maintenance & cleaning charges warehouse	402,596	253,023
Equipment repairs	66,772	18,998
Other repairs & maintenance	55,422	98,377
	<b>524,790</b>	<b>394,051</b>
<b>Advertisement sales promotion expenses</b>		
Advertisement and sales promotion	113,861	15,900
	<b>113,861</b>	<b>15,900</b>
<b>Other expense</b>		
Job charges -labour	322,641	233,169
Business support service	325,005	262,676
Miscellaneous casual temporary salary	82,972	16,673
Electricity expenses	300,296	311,261
Testing charges	15,383	5,111

Conveyance expenses	353,461	262,213
Office expense	116,478	207,930
Telephone expense	43,201	24,542
Recruitment expenses	4,473	924
Legal & professional charges	316,907	307,061
Membership & subscription	15,014	962
Licence fees	3,787	1,284
Petrol & diesel	500,197	422,363
Fuel-employees	20,131	17,839
Travelling	265,409	160,208
Provision for doubtful debts	189,348	39,500
Sundry balance written off	2,606	72
Warehouse supply	86,106	146,435
Miscellaneous expenses	-	1,959
Machine rent	1,120	-
Foreign exchange rate difference	49,863	5,495
Gain/loss-fixed assets revaluation	-	12,950
	<b>3,014,399</b>	<b>2,440,627</b>
<b>TOTAL</b>	<b>6,470,770</b>	<b>5,663,961</b>

**Note – 22: TAX LIABILITIES (NET):**

(Amount in USD)

<b>Particulars</b>	<b>Year ending</b>
<u>Provisions:</u>	
Opening Balance as on 01.04.2024- Current Tax Assets	(2,272,324)
New Current Year Prov.2023-24	(2,122,628)
Income Tax Provision Written Back	-
Paid Income Tax of Last Year	22,447
Add/Less: Specify Other Adjustment if any	-
<b>Closing Balance as on 31.03.2025</b>	<b>(4,372,504)</b>
<u>Advance Tax:</u>	
Opening Balance as on 01.04.2024	3,964,332
Add: Current Year Tax Paid	1,549,144
Less: Refund if any	(989,559)
Add/Less: Specify Other Adjustment if any	-
<b>Closing Balance as on 31.03.2025</b>	<b>4,523,917</b>
<b>Closing Balance as on 31.03.2025</b>	<b>151,413</b>

**Management of Liquidity Risk:**

**Exposure as at March 31, 2025**

(Amount in USD)

<b>Particulars</b>	<b>&lt; 1 year</b>	<b>1-5 years</b>	<b>Beyond 5 years</b>	<b>Total</b>
<b>Financial Liabilities</b>				
Borrowings	189,876	282,381	178,944	651,200
Lease Liabilities	1,252,192	5,699,273	6,268,875	13,220,340
Trade Payable	6,789,912	(56,043)	-	6,733,869

Other current liabilities	167,080	-	-	167,080
Other financial liabilities	7,337	-	-	7,337
<b>Total Financial Liabilities</b>	<b>8,406,396</b>	<b>5,925,610</b>	<b>6,447,819</b>	<b>20,779,825</b>

#### Exposure as at March 31, 2024

(Amount in USD)

Particulars	< 1 year	1-5 years	Beyond 5 years	Total
<b>Financial Liabilities</b>				
Borrowings	186,553	456,976	187,767	831,296
Lease Liabilities	1,024,296	4,113,478	5,478,614	10,616,389
Trade Payable	2,011,334	301,033	-	2,312,367
Other Financial Liabilities	10,897	-	-	10,897
<b>Total Financial Liabilities</b>	<b>3,233,080</b>	<b>4,871,487</b>	<b>5,666,381</b>	<b>13,770,948</b>

#### Disclosure as per IND AS 116:

#### The changes in the carrying value of ROU assets are as follows:

(Amount in USD)

Particulars	Year ending March 31, 2025	Year ending March 31, 2024
Opening Balance	9,841,119	9,404,758
Additions	3,630,864	1,650,318
Depreciation - Addition	(1,364,270)	(1,213,957)
Closing Balance	<b>12,107,713</b>	<b>9,841,119</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 is as follows:

(Amount in USD)

Particulars	As at March 31, 2025	As at March 31, 2024
Current Lease Liabilities	1,252,192	1,024,296
Non-current Lease Liabilities	11,968,149	9,592,092
<b>Total</b>	<b>13,220,341</b>	<b>10,616,389</b>

**The movement in lease liabilities is as follows:**

(Amount in USD)

Particulars	Year ending March 31, 2025	Year ending March 31, 2024
Opening Balance	10,616,389	9,823,415
Reclassified on account of adoption of Ind AS 116	3,630,865	1,650,317
Finance cost accrued during the period	516,870	419,755
Payment of lease liabilities	(1,543,784)	(1,277,099)
<b>Closing Balance</b>	<b>13,220,340</b>	<b>10,616,388</b>

**The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:**

(Amount in USD)

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	1,252,192	1,024,296
One to five years	5,699,273	4,113,478
More than five years	6,268,875	5,478,614
<b>Total</b>	<b>13,220,340</b>	<b>10,616,389</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.