Date: 06th September, 2022

To,
The National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051.

Scrip Code No. VADILALIND-EQ

To
Department of Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai - 400 001.

Scrip Code: 519156

Dear Sir,

SUBJECT: ANNUAL REPORT FOR FY 2021-22 ALONG WITH NOTICE OF THIRTY-EIGHTH ANNUAL GENERAL MEETING TO BE HELD ON THURSDAY, SEPTEMBER 29, 2022

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements), 2015, we are submitting here with the Annual Report for the Financial Year 2021-22 of Vadilal Industries Limited ("the Company") along with Notice of the 38th Annual General Meeting of the Company scheduled to be held on Thursday, September 29, 2022 at 03.00 p.m. (IST), through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM). The said notice forms part of the Annual Report of the Company for the Financial Year ended March 31, 2022 and are being sent to the shareholders through electronic mode on their registered e-mail addresses and are also available on the website of the Company at https://vadilalgroup.com.

We request you to kindly take above information on your record.

Thanking you,

Yours faithfully
For, **VADILAL INDUSTRIES LIMITED**

Rashmi Bhatt
Company Secretary & Compliance Officer

Vadilal

MADE IN INDIA. LOVED BY THE WORLD.

VADILAL INDUSTRIES LTD.

ANNUAL REPORT
2021-2022

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Quick Treat
Har moment ko Right kar!
SPOON INSIDE
CASSATTA ICE CREAM
Classic
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Cake Base Ice Cream with Chocolate, Fruits and Nuts
5.07 fl.oz.
150 ml
NO PRESERVATIVES.
NO EGGS.
NO ARTIFICIAL FLAVORS.

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KESAR

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CORPORATE INFORMATION

BOARD OF DIRECTORS:

Chairman & Independent Director
Mr. Vijay R. Shah

Executive Directors
Mr. Rajesh R. Gandhi, Managing Director
Mr. Devanshu L. Gandhi, Managing Director

Non-Executive & Non- Independent Directors
Mrs. Deval D. Gandhi
Mr. Kalpit R. Gandhi (Chief Financial Officer)

Independent Directors
Mr. Vijay Shah
Ms. Shaily Dedhia
Mr. Preet Shah

COMPANY SECRETARY : Ms. Rashmi Bhatt

AUDITORS : M/s. Arpit Patel & Associates
Chartered Accountants

BANKERS : Bank of Baroda
State Bank of India
IDBI Bank Limited
Indusind Bank Limited
PNB Investment Services Ltd
(security Trustee)

REGISTERED OFFICE : Vadilal House, Shrimali Society
Nr. Navrangpura Railway Crossing,
Navrangpura, Ahmedabad- 380009
CIN : L91110GJ1982PLC005169
Phone : 079-48082000
079-26443123
Fax: 079-26564027
Web: www.vadilalgorup.com

SHARE DEPARTMENT : Colonnade Building, 10th Floor,
Opp. Iscon Temple BRTS Bus Stand,
Ambli-Bopal Road, Ahmedabad-380015
Phone : 079-4808 1200.

STOCK EXCHANGES :
1. BSE Limited
   Scrip Code: 519156
2. NSE India Limited
   Scrip Symbol: VADILALIND

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

FACTORIES : **Ice-cream Division:**
1. Village Pundra, Tal. Mansa
   Dist. Gandhinagar (Gujarat)
2. Parsakhera Industrial Area
   Bareilly (Uttar Pradesh)

Process Food Division
Dharampur, Dist. Valsad (Gujarat)

Forex Division
(Money Changing Business)
Vadilal House, Navrangpura, Ahmedabad.
Phone: 079- 26564025, 26421193
Email id for Investor Grievances:
Shareslogs@vadilalgroup.com

38th ANNUAL GENERAL MEETING	
DAY	: Thursday
DATE	: 29th September, 2022
TIME	: 03.00 p.m.
Through	: Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")

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NOTICE

NOTICE is hereby given that the **38th ANNUAL GENERAL MEETING** of the members of **VADILAL INDUSTRIES LIMITED** will be held on **Thursday, the 29th day of September, 2022 at 03.00 p.m.** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS:

1) To receive, consider and adopt:

   (a) The audited financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon; and

   (b) The audited consolidated financial statements of the Company for the financial year ended March 31, 2022 and the report of the Auditors thereon.

2) To declare dividend on Equity shares for the financial year ended on March 31, 2022.

3) To appoint a Director in place of Mr. Rajesh R. Gandhi (DIN: 00009879) 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.

4) To appoint a Director in place of Mrs. Deval D. Gandhi (DIN: 00988905) who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

5) To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), M/s. Arpit Patel & Associates, Chartered Accountants, Ahmedabad (Registration No. 144032W), who was the retiring Auditors of the Company at the 37th AGM held on 18th September, 2021, be and are hereby appointed as Statutory Auditors of the Company for a term of one year out of his remaining term of three years (as they Continued to be the Statutory Auditors for the financial year 2021-22 in the absence of any appointment or re-appointment of the Auditors) to hold office from the conclusion of this Annual General Meeting till the conclusion of the 39th Annual General Meeting of the Company to be held in the year 2023, on such remuneration as may decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

   RESOLVED FURTHER that the Board of Directors be and is hereby authorized to take such steps as may necessary to give effect to this resolution.

Registered Office :
Vadilal House, Shrimali Society,
Nr. Navrangpura Rly. Crossing,
Navrangpura, Ahmedabad - 380 009.
CIN : L91110GJ1982PLC005169
Email : shareslogs@vadilalgroup.com
Website : www.vadilalgroup.com
Phone : 079 4808 1200
Dated : 26th August,2022

For **VADILAL INDUSTRIES LIMITED**

RAJESH R. GANDHI
Managing Director
(DIN :00009879)

NOTES:

1) Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its 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 (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") and MCA Circulars, the AGM of the Company is being held 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") and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/ 2021/11 15th January, 2021 and SEBI/HO/CFD/CMD2/ CIR/P/2022/62dated 13th May, 2022 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 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 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 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.

8) The Company has notified closure of Register of Members and Share Transfer Books from 23rd September, 2022 to 29th September, 2022 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.

   (a) Dividend of Re. 1.25/- per share (@12.50%) on Equity Shares for the year ended on 31st March, 2022 as recommended by the Board, if declared at the meeting, will be paid with deduction of tax at source:

      # to those members, whose names appear on the Register of Members after giving effect to all valid share transfers in physical form lodged with the Company/Share Transfer Agent on or before 22nd September, 2022, or

      # 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 22nd September, 2022.

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/VIL-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.

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 1st 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 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, the Notice alongwith the Annual Report of the Company for the financial year ended March 31, 2022, 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, 2022 shall also be available on the websites of the Company viz., www.vadilagroup.com and website of Stock Exchanges i.e. BSE , NSE and AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. 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 Company or Share Transfer Agent- M/s. MCS Share Transfer Agent Limited

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

Members are requested to note that the amount of dividend for the financial year ended on 31st March, 2015, 31st March, 2016, 31st March, 2017, 31st March, 2018 and 31st March, 2019 remaining unpaid or unclaimed for a period of 7 years is due for transfer to the Investor Education and Protection Fund on 1st November, 2022, 1st November, 2023, 6th November, 2024, 6th November, 2025 and 30th October, 2026 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.

16) 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 shareslogs@vadilalgroup.com

17) 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.

18) In compliance with the aforesaid MCA Circular and SEBI Circular, Notice of the AGM along with Annual Report 2021-22 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 2021-22 will also be available on the Company's website at www.vadilalgroup.com, on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL.

19) 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 e-voting system are given at the end of the notice.

20) The Following statement sets out all material facts relating to the Business mentioned in item No: 3, 4 & 5.

As required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 given below are the details of Mr. Rajesh R Gandhi and Mrs. Deval D. Gandhi Directors who shall retire by rotation and being eligible, offer themselves for re-appointment: -

ITEM NO: 3 & 4

Mr. Rajesh R. Gandhi

Mr. Rajesh R. Gandhi aged 64 years has been associated with the Company since its inception having experience on hands for Ice-cream & Processed Food Business. He looks after day-to-day affairs of the Company pertaining to the hereby-mentioned areas: Production, QA/QC, R & D, Logistics (Ice-cream Transportation), Cups & Cones, Purchase (Capital Goods & Deep Freeze Machines) of Ice-cream Division is taken care by him. He also looks after Sales & Marketing of Ice-cream Exports and Happinezz Parlors owned and/or managed by Group. For Processed Food Division, Mr. Rajesh R. Gandhi looks after exports and domestic sales, international freight, Government subsidies of entire division. For construction, he takes care of sales and marketing and legal. The total portfolio of Finance, Accounts, MIS, Taxation, Internal Audit, EDP, Secretarial, Legal, Insurance, Systems, all Taxes and DGFT, and Human Resource of all above mentioned departments and P & A of Head Office is taken care by him.

Mr. Rajesh R. Gandhi is a Member of Stakeholders' Relationship Committee of the Company. He is on the Board of following other Companies. He is also a Member of the following committees of other Companies. Mr. Rajesh R. Gandhi holds 2,27,721 shares in Vadilal Industries Limited in his individual capacity.

Directorship:

Directorship:	Member of the Board Committees:
➢ Vadilal Enterprises Limited ➢ Vadilal Chemicals Limited ➢ Vadilal International Private Limited ➢ Vadilal Gases Limited ➢ Vale Properties Private Limited ➢ Vadilal Marketing Private Limited ➢ Numen Technologies Private Limited ➢ Vadilal Delights Limited ➢ Varood Industries Limited ➢ Rystic Trading Private Limited ➢ Marveling Marketing Private Limited ➢ ABDG Enterprises Private Limited	**Audit Committee:** ➢ Vadilal Enterprises Limited **Stakeholders' Relationship Committee:** • Vadilal Enterprises Limited • Vadilal Chemicals Limited

Relationship between the Directors: -

- Mr. Rajesh R. Gandhi is father of Mr. Kalpit R. Gandhi, Non-Executive Director and Chief Financial Officer (CFO) of the Company. None of the other directors are related to any other director on the Board.

The Board recommends this Resolution for your approval.

Mrs. Deval D. Gandhi

Mrs. Deval D. Gandhi, aged 51 years is a commerce graduate & a diploma in design. As an exclusive designer, with a keen eye for aesthetics and interesting interpretation of traditional Indian craftsmanship and clothes design heritage.

Mrs. Deval D. Gandhi has evolved into a successful label – Timeless Weaves, catering to loyal local clientele, employing small core group of highly skilled craftsman in Ahmedabad, while leveraging highly qualified established resource-base from all over India.

Mrs. Deval D. Gandhi holds Directorship in the Company since 2015. Mrs. Deval D. Gandhi is not a Member of any committee. Mrs. Deval D. Gandhi holds 59,266 shares in Vadilal Industries Limited in her individual capacity. Mrs. Deval D. Gandhi is Director in the following other companies:

Directorship:

Directorship:
➢ Vadilal Chemicals Limited
➢ Byad Packaging Industries Private Limited
➢ Esveegee Wires and Metals Private Limited
➢ Vadilal Delights Limited

Relationship between the Directors: -

• Mrs. Devalben D. Gandhi is the spouse of Mr. Devanshu L. Gandhi.

None of the other directors are related to any other director on the Board.

The Board recommends this Resolution for your approval.

ITEM NO: 5

The Board of Directors in its meeting held on 13th August, 2021 approved and recommended appointment of M/s. Arpit Patel & Associates as Statutory Auditors of the Company for a remaining period of 4 years i.e. till the conclusion of the 41st Annual General Meeting of the Company to be held in the year 2025 subject to approval of shareholders in the annual general meeting. However, at the 37th Annual General Meeting (AGM) of the members of the Company held on 18th September, 2021, the resolution for the appointment of M/s. Arpit Patel & Associates as Statutory Auditors of the Company for a remaining period of 4 years i.e. till the conclusion of the 41st Annual General Meeting of the Company to be held in the year 2025 was not passed and therefore, pursuant to the provisions of Section 139(10) of the Companies Act 2013, Board of Directors vide circular resolution passed on 05th October, 2021 took note of continuation of M/s. Arpit Patel & Associates as Statutory Auditors of the Company for the financial year 2021-22 i.e. till the conclusion of next Annual General Meeting of the members of the Company to be held in the year 2022 as Auditors of the Company.

In view of provisions of the Companies Act, 2013, at the 38th AGM the members are required to consider the matter of appointment/re-appointment of Statutory Auditors of the Company.

on the recommendation of the audit committee at its meeting held on 26th August, 2022, the Board of Directors at its meeting held on 26th August, 2022, have approved and recommended to the Members for reappointment of M/s Arpit Patel & Associates as Statutory Auditors of the Company for One (1) year (out of remaining term of 3Years) i.e till the conclusion of the 39th Annual General meeting of the Company to be held in the year 2023.

Board has approved the Fees for Statutory Audit of ₹ 22.50 lakhs(Rupees Twenty two lakhs fifty thousand only) plus applicable taxes, the travelling and other out of pocket expenses incurred by M/s. Arpit Patel & Associates, Statutory Auditors of the Company for the financial year- 2021-22. The remuneration payable to M/s. Arpit Patel & Associates, statutory auditors for the remaining tenure of the proposed appointment/ re-appointment will be subsequently determined by the Board as per the recommendation of the Audit Committee and in consultation with the Statutory Auditor M/s Arpit Patel & Associates The fees are based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmark. The fees for service in the nature of limited review, statutory clarifications and other professional work will be in addition to the audit fee as above and will be determined by the Board in consultation with the Auditors and as per the recommendations of the Audit Committee. The Board, based on the recommendation of the Audit Committee, recommends the ordinary resolution as set out in item no. 5 of this notice. None of the Directors and Key Managerial Personnel or their relatives are interested financially or otherwise in the resolution as set out in item No. 5 of this notice.

Registered Office :
Vadilal House, Shrimali Society,
Nr. Navrangpura Rly. Crossing,
Navrangpura, Ahmedabad - 380 009.
CIN : L91110GJ1982PLC005169
Email : shareslogs@vadilalgroup.com
Website : www.vadilalgroup.com
Phone : 079 4808 1200
Dated : 26th August,2022

For **VADILAL INDUSTRIES LIMITED**

RAJESH R. GANDHI
Managing Director
(DIN :00009879)

PROCESS AND MANNER FOR AVAILING REMOTE E-VOTING FACILITY

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted 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, Circular No. 20/2020 dated May 5, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM 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, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's 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 AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM 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. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at 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 and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021,, or become due in the year 2022 to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 and as per MCA circular no. 02/2022 dated May 05, 2022.
9. 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 remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
10. The Scrutinizer after Scrutinizing the votes cast will not later than three days of 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 on the website of CDSL viz. http://www.evotingindia.com. The results shall simultaneously be communicated to the stock exchange.

THE INTRUCTIONS 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, 26th September, 2022 (9.00 a.m.) and ends on Wednesday, 28th September, 2022 (5.00 p.m.) E-Voting facility will be available at the time of meeting also. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd September, 2022 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 would not be entitled to vote at the meeting.

(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 e-voting process.

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

(iv) 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 abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users of who have opted for CDSL's 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 URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/ EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1) 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: https://eservices.nsdl.com 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 & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IdeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider 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
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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's 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 CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

(v) 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.

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 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:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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.
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. • 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 as mentioned in instruction (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) 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.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) 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.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) 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.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) 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.

(xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to 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.
- 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 should be mailed to helpdesk.evoting @cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 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 to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; shareslogs@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 THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote 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.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
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 atleast 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 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 e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall 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)
    - **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 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 or contact at 022- 23058738 and 022-23058542/43.

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, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to 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 AGM at its Registered Office, so as to enable the Company to keep the information ready.

DIRECTORS' REPORT

To,
The Members
VADILAL INDUSTRIES LIMITED
Ahmedabad.

Your directors have pleasure in presenting herewith the 38th Annual Report together with the Audited Financial Statements for the year ended 31st March, 2022.

FINANCIAL HIGHLIGHTS:

(₹ in lakhs)

	Particulars	Year ended on 31-03-2022		Year ended on 31-03-2021	
(a)	Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)		5127.15		666.43
(b)	Finance Cost	1788.34		2008.52	
(c)	Depreciation and amortization expenses	1923.87		1828.62	
			3712.21		**3837.14**
(d)	Profit before Tax		1414.94		(3170.71)
(e)	Tax Expenses				
	Current Tax	5.07		17.39	
	Deferred Tax	375.44		(778.28)	
	Total Tax Expenses		**380.51**		**(760.89)**
(f)	**Profit/ (Loss) for the year**		1034.43		(2409.82)
(g)	**Other Comprehensive income:**				
	Remeasurement of defined benefit plans (net of tax)		(69.31)		2.4
(h)	**Total Comprehensive income for the year:**		**965.12**		**(2407.37)**

STATE OF COMPANY'S AFFAIRS:

The Company has earned Revenue from Operations of ₹ 54411.61 lacs during the year ended on 31st March, 2022 as against ₹ 35654.01 lacs during the previous year ended on 31st March, 2021 increase of 52.61% compared to previous year.

After adding thereto, the other income of ₹ 879.14 lakhs, the Company has earned total income of ₹ 55290.75 lakhs during the year under review. The Company has incurred total expenses of ₹ 53875.81 lakhs including Finance cost of ₹ 1788.34 lakhs and Depreciation and Amortization expenses of ₹ 1923.87 lakhs, during the year under review.

The Company has earned profit before Tax of ₹ 1414.94 lacs during the year under review as compared to loss of ₹ 3170.71 lacs during the previous year ended on 31st March, 2021. The Company has earned profit of ₹ 1034.43 lacs during the year ended on 31st March, 2022 after deducting Current Tax of ₹ 5.07 lacs and Deferred Tax of ₹ 375.44 lacs as compared to loss of ₹ 2409.82 lacs during the previous year ended on 31st March, 2021.

The business has been significantly impacted during the previous year on account of COVID-19. The company has witnessed lower revenues due to lockdown imposed during the beginning of the previous year, being the peak period of the ice-cream business. Due to this unforeseen circumstances, operations of the company was impacted so financial figures are not comparable for current and previous financial year.

DIVIDEND:

The Directors have recommended dividend of ₹ 1.25 per share (@12.50%) on 71,87,830 Equity Shares of ₹ 10/- each of the Company for the Financial Year ended on 31st March, 2022. If approved, the Dividend will be paid with deduction of tax at source to the shareholders as applicable.

TRANSFER TO RESERVES:

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

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2021-22 is available on Company's website at https://vadilalgroup.com/?page_id=904

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report has been enclosed herewith as per Annexure – A and forming part of the Directors' Report.

QUALITY ASSURANCE AND AWARDS

AWARDS AND CERTIFICATIONS:

Vadilal has won 27 awards over 4 consecutive years: 2008 to 2011 at 'The Great Indian Ice Cream Contest' organized by the Indian Dairy Association. The various categories for awards were: The Best in Class (3): Chocolate Frozen Dessert, Standard Chocolate Ice Cream, Rose Coconut Shell (Innovation – Novelty), Gold Medal (4): Standard Chocolate Ice Cream, Chocolate Frozen Dessert, Vanilla Frozen Dessert and Rose Coconut Shell (Innovation – Novelty), Bronze Medal (1): Natural Orange (Premium without Inclusion). Best in Class in Kids category – Joker Ice Trooper, Gold in Kids category – Joker Face Ice Trooper, Silver in Vanilla Frozen Dessert, Bronze in Vanilla Ice Cream – Happinezz Vanilla Ice cream, Bronze in Premium – Pista Happinezz Ice Cream garnished with Green Pista.

Vadilal Ice Creams has been voted as the "Most Trusted Ice Cream Brand in India" as per The Brand Trust Report - 2013. The Economic Times Survey ranked us among the "Top 20 Food and Beverages" brands in India.

Recently in 2019 Vadilal ice cream has been voted as "Super Brand' a very proud moment.

The Company has received 'THE ECONOMIC TIMES BEST BRANDS – 2021' Award.

ISO 22000:2005 AND ISO 9001 : 2008

The Company has always made continuous efforts to improve the **"OVERALL PRODUCT QUALITY"** by following the stringent **GMP norms** and continuous process innovation. This is evident with the achievement of **FSMS** (Food Safety Management System) Certifications i.e. **BRC: Issue-6** with Grade **"A", ISO-22000:2005** and **HALAL** for our Processed Food Division (PFD), located at Dharampur, Dist. Valsad, Gujarat.

The PFD Manufacturing facility is also listed in **"Two Star Export House"** Status by Joint Director General of Foreign Trade, Ministry of Commerce and Industry for export of Processed Foods Products -**APEDA**.

The Ice Cream plants of the Company located in two locations - Pundhra in Gujarat & Barelly in UP are also certified for **ISO-22000:2005, ISO 9001:2015 and BRC: Issue 7** for Food Safety Management System is another feather in the cap for the Company.

FINANCE:

During the year under review, the company has been disbursed Guaranteed Emergency Credit Line 2.0 (GECL 2.0) from Bank of Baroda, State Bank of India, IDBI Bank and Indusind Bank for ₹ 4.05 Crore, 8.35 Crore, ₹ 0.23 Crore and ₹ 2.39 Crore (Sanction Amount ₹ 9.56 Crore) respectively and as per revised guidelines we have been sanctioned by GECL 2.0 Extension from member banks i.e. Bank of Baroda, State Bank of India and Indusind Bank for ₹ 1.98 Crore, ₹ 5.59 Crore and ₹ 4.78 Crore respectively. SBI has also disbursed the same on standalone basis. Company has also availed Unsecured loan from Samunnati Financial Intermediation & Services Pvt. Ltd. for ₹ 10 Crore. Company has also sanctioned short term finance from The Kalupur Commercial Co.op. Bank Ltd for ₹ 15 Crore against pledge of Stock.

Company is having Consortium arrangement with BOB , SBI , IDBI & Indusind Bank where lead bank is Bank of Baroda.

During the year company has raised ICD (Inter Corporate Deposit) to bridge the short-term working capital gap.

During the year company has made regular repayment of Loan & interest thereon and there is no any overdue payment to Banks and Fis.

Based on the financial performance of previous year i.e. 2020-21, India ratings & Research Pvt. Ltd. has rated the Long term borrowing of the company as BBB/ Negative and Short Term borrowing as A3+.

INVESTOR EDUCATION AND PROTECTION FUND:

During the financial year – 2021-2022, the Company has deposited unclaimed/ unpaid fixed deposit amount of ₹ 253,972/- to Investor Education and Protection Fund - IEPF.

During the year under review, the Company has transferred the unclaimed interest on Fixed Deposit of ₹ 77914/- and Mature deposit of ₹ 312000/- to Investors' Education and Protection Fund.

During the Financial year – 2021-2022, the Company has not transferred any share to Investor 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:

I. Details of Deposit from Shareholders:

(₹ in lakhs)

(a)	Amount of existing deposits as at 1st April, 2021	:		3042.95
(b)	Amount of deposits accepted or renewed during the year			
	(i) Secured deposits	:	0	
	(ii) Unsecured deposits	:	2529.45	
	Total (b) :	**:**		**2529.45**
(c)	Amount of deposits repaid during the year	:		997.65
(d)	Balance of deposits outstanding at the end of the year (a+b-c)			**4574.75**

II. Details of Deposit from Public [Accepted under Companies Act, 1956 and Companies (Acceptance of Deposit) Rules, 1975]:

(₹ in lakhs)

(a)	Amount of existing deposits as at 1st April, 2021	:		0.15
(b)	Amount of deposits accepted or renewed during the year			
	(i) Secured deposits	:	0	
	(ii) Unsecured deposits	:	0	
	Total (b) :	**:**		**0**
(c)	Amount of deposits repaid during the year	:		0
(d)	Balance of deposits outstanding at the end of the year (a+b-c)			**0.15**

b. As on 31st March, 2022, deposit of ₹ 15000/- has remained unpaid or unclaimed by the Company.

c. During the year under review, the Company has not made any default in repayment of deposits or payment of interest on deposits.

d. 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.

SUBSIDIARY COMPANY:

Company is having 2 wholly-owned subsidiary companies outside India namely Vadilal Industries (USA) Inc., USA, and Vadilal Industries Pty Ltd and 2 wholly owned subsidiary companies in India viz; Vadilal Delights Limited and Varood Industries Limited.

A report on the financial position of the subsidiaries as per first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 and Rules made thereunder in the prescribed Form – AOC-1 is provided as **Annexure – B** to the Directors' Report. The Policy for determining material subsidiaries may be accessed on the Company's website viz www.vadilalgroup.com.

Pursuant to the provisions of Section 136 of the Act, separate Audited Accounts in respect of subsidiary company for the year ended on 31st March, 2022 are available at the web-site of the Company viz. www.vadilalgroup.com.

CONSOLIDATED FINANCIAL STATEMENTS:

Pursuant to the requirements 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, the Consolidated Financial Statements of the Company, its subsidiaries and associates, for the year ended on 31st March, 2022 have been attached with the financial statement of the Company. The Audited Consolidated Financial Statements form part of the Annual Report.

CORPORATE GOVERNANCE:

Being a Listed Company, the Company has taken necessary measures to comply with the provisions of Regulation 72 of SEBI (Listing Obligation and Disclosure Requirement), 2015 regarding Corporate Governance. A separate report on Corporate Governance for the year ended on 31st March, 2022 is attached herewith as a part of this Annual Report viz **Annexure - C**. A certificate from Secretarial Auditors of the Company regarding compliance of Corporate Governance as stipulated under Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is obtained by the Company and annexed to the Corporate Governance Report.

BUSINESS RESPONSIBILITY REPORT:

As required under Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement), 2015, the Business Responsibility Report is annexed herewith as a part of this Annual Report viz **Annexure- D**.

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:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had 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;

(c) The directors had 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;

(d) The directors had prepared the annual accounts on a going concern basis;

(e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) The directors had 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.

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 – E** 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. Omnibus approval is obtained for transactions which are foreseen and repetitive in nature

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.

Your Directors draw attention of the members to Note – 47 to the financial statement which sets out related party disclosures.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder,

Mr. Rajesh R Gandhi, Director (DIN: 00009879) of the Company, shall retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment. The Members are requested to consider his re-appointment as Director of the Company, for which necessary resolution has been incorporated in the notice of the meeting.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder, Mrs. Deval D Gandhi (DIN: 00988905) 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.

Mr. Vijay R. Shah Chairman and Director of the Company retires at ensuing AGM .The Board acknowledges and appreciates the significant contribution made by him during the tenure of his appointment.

The Board of Directors at its meeting held on 10th August, 2022, approved the appointment of Independent Director Mr. Preet Shah as Chairman of the Board of Directors of the company after cessation of Mr. Vijay R. Shah as Chairman of the Board at the close of ensuing Annual General Meeting of the company to be held on 29th September, 2022.

Necessary resolutions relating to Directors who are seeking appointment/reappointment are included in the Notice of Annual General Meeting. The relevant details of the said Directors are given in the Notes/Annexures to the Notice of the Annual General Meeting.

BOARD EVALUATION:

The Board of Directors 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 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 contribution and inputs in meetings, etc.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, considering the views of executive directors and non-executive directors.

COMMITTEES OF DIRECTORS:

The details of various committees of Directors constituted under provisions of Companies Act, 2013 and Rules made thereunder, their constitution, terms of reference and other details are provided in the Corporate Governance Report annexed with the Directors' Report.

OTHER POLICIES AND MEASURES AS PER THE REQUIREMENT OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT), 2015

The policies formulated by the Company under various provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are available on the website of the Company viz : www.vadilalgroup.com.

NUMBER OF BOARD MEETINGS:

During the year under review, 6 Meetings of Board of Directors were held the details of which are mentioned in the Corporate Governance Report annexed with the Directors' Report.

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

As required under Section 134(1)(m) of the Companies Act, 2013 and Rules made thereunder, details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in the **Annexure – F** attached herewith and forming part of the Directors' Report.

RISK MANAGEMENT:

The Company is exposed to various business risks from time to time. Risk management involves handling appropriately risks that are likely to harm an organization. There are various types of risks associated with conducting business of the Company. The ultimate goal of risk management is the preservation of physical and human assets of the organization for successful continuation of its operations.

In view of the same and in terms of requirements of the regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Corporate Governance, the Board of Directors had, approved the risk assessment and minimization procedure adopted by the Company in relation to its business.

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis.

The Board periodically reviews the risk assessment and minimization procedure in relation to the business of the Company.

CORPORATE SOCIAL RESPONSIBILITY:

In terms of provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder, a committee of the Directors of the Company has been constituted as Corporate Social Responsibility Committee. The Corporate Social Responsibility Committee has formulated a policy on the Corporate Social Responsibility measures to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013.

The Corporate Social Responsibility Policy is available on the Company's web-site viz. www.vadilalgroup.com.

The Annual Report on CSR activities is annexed herewith marked as **Annexure - G**.

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 carryout 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 qualified opinion on the financial reporting in their Report with regards to 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 pertain 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:

The Board of Directors in its meeting held on 13th August, 2021 approved and recommended appointment of M/s. Arpit Patel & Associates as Statutory Auditors of the Company for a remaining period of 4 years i.e. till the conclusion of the 41st Annual General Meeting of the Company to be held in the year 2025 subject to approval of shareholders in the annual general meeting. However, at the 37th Annual General Meeting (AGM) of the members of the Company held on 18th September, 2021, the resolution for the reappointment of M/s. Arpit Patel & Associates as Statutory Auditors of the Company for a remaining period of 4 years i.e. till the conclusion of the 41st Annual General Meeting of the Company to be held in the year 2025 was not passed and therefore, pursuant to the provisions of Section 139(10) of the CA 2013, Board of Directors vide circular resolution passed on 05th October, 2021 took note of continuation of M/s. Arpit Patel & Associates as Statutory Auditors of the Company for the financial year 2021-22 i.e. till the conclusion of next Annual General Meeting of the members of the Company to be held in the year 2021-22 as Auditors of the Company.

On the recommendation of the audit committee at its meeting held on 26th August, 2022, the Board of Directors at its meeting held on 26th August, 2022, have approved and recommended to the Members for reappointment of M/s Arpit Patel & Associates as Statutory Auditors of the Company for one (1) year out of the balance period of 3 years i.e till the conclusion of the 39th Annual General meeting of the Company to be held in the year 2023.

SECRETARIAL AUDITOR:

Section 204 of the Companies Act, 2013 inter alia requires every listed companies 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 Secretarial Audit for the financial year – 2021-2022. The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed herewith marked as **Annexure – H** to this Report.

The Secretarial Auditors' Report of the Company for the year ended 31st March, 2022 contains certain Comments/ observations. The explanation on observations therein is as under: -

1. As required under Regulation 31(2) of LODR Regulations, hundred percent shareholding of one of the promoters is not maintained in dematerialized form: The promoter group are in the process of dematerialization of shares of the Company.
2. Annual Return on Foreign Liabilities and Assets under the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder is not filed: Company is in the process of filing the same.

INSURANCE:

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

LISTING WITH STOCK EXCHANGES:

The Equity Shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The Company confirms that it has paid Annual Listing Fees due to the BSE Limited and National Stock Exchange of India Limited upto the Financial Year –2022-2023.

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 - I.

MATERIAL INFORMATION:

A Company Petition (being Company Petition No. 42 of 2017) has been filed against the Company, before the National Company Law Tribunal, Ahmedabad ("NCLT"), under Sections 241 and 242 of the Companies Act, 2013. In connection to the said Company Petition No. 42 of 2017, the case has been heard on 06th July, 2022 and the matter has been adjourned to 19th September, 2022.

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 31st March, 2022 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 company's operations in future.

- The Company does not provide any loan or other financial arrangement to its employees or Directors or Key Managerial Personnel for 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 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 workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company has also organized an awareness program for its employees on the said policy on prevention, prohibition and redressal of sexual harassment at workplace adopted by the Company.
- The trademark "Vadilal" and its associated trademarks are owned by Vadilal International Pvt. Ltd. The Company is a licensee of the said Trademarks.

ACKNOWLEDGEMENT:

The Directors place on record its appreciation and gratitude for the co-operation 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 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 co-operation and support at all times.

By order of the Board of Directors

	Mr. Rajesh R. Gandhi	**Mr. Devanshu L. Gandhi**
Date :26th August, 2022	Managing Director	Managing Director
Place : Ahmedabad	DIN: 00009879	DIN: 00010146

ANNEXURE – A TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS (2021-2022)

(1) INDUSTRY STRUCTURE & DEVELOPMENT AND OUTLOOK.

a) Ice Cream Division

Overview

India is the largest producer and marketer of milk. It accounts for over 1/5th of the global milk production. This provides the ice cream industry with a large volume of raw material to manufacture ice creams. The ice cream market in India is forecasted to exhibit a CAGR of 17.03% during 2016-2021. Keeping up with the economy's quantum growth in recent years, the ice cream market has also set new records. Today, the total organized Indian ice cream market is estimated at approx. ₹ 6000 crores. Though overall organized & unorganized ice market are estimated near about ₹10,000 crore with National, Regional & Local players presence. Compared to western countries, per capita Ice cream consumption in India is low. So, considering the fact that still In India there is huge scope of ice cream market expansion and penetration with innovative product mix to attract India with all class & mass of Consumers.

The ever-growing urbanization, rise in disposable income, and increase in the "out of home food" consumption coupled with the steep increase in the availability of multi cuisine restaurants, online portals, modern trade, in the residential areas are some of the reasons behind the thriving ice cream industry.

The Ice cream industry has evolved, resulting in many developments, right from consumer perception to products and services being offered. Ice creams have seen a shift in the category, from being considered as an indulgent dessert to a snacking essential. This, in turn has resulted in innovation within the category. Adapting to the changing trends Vadilal has become the brand with the widest range of ice cream variants. Ice cream as a product has seen a huge transformation and this has created ample of investment and growth opportunities for investors. Vadilal Ice Cream division has shown a sustainable annual growth and aims at maintaining it further in the years to come.

Since inception, Vadilal has been a trend setter & is committed towards delivering best quality products at affordable prices to customers from diverse cultures. Improving products in terms of its nutritional value, packaging as well as quality is a constant at Vadilal.

Developments

Growth in Quality and Quantity

In the past few years, India has seen an inflow of huge number of international ice cream brands, which have offered a plethora of products in the category for the consumers. To curb with the competition and challenges in the market, Vadilal reinvented its strategy to consolidate its leadership. Being brave, like it has always been, Vadilal took aggressive marketing approach to give brand the lift it required to combat its international counterparts. With all due efforts and now with the same aggressive marketing approach an exceptional brand identity of Vadilal products is established in the market and trade along with consumers identifying the Vadilal products for their unique visual appearance with top of mind recall. This was welcomed in the market and has worked in the brands favor in setting a fresher and younger brand perception in the consumer's mind.

Apart from aesthetical revamping, the brand also paid special attention towards upgrading the production technology. This has made it easier for Vadilal to offer premium and delectable products at competitive pricing.

With International brands crowding the market, consumer awareness and the size of the premium ice cream segment has increased in India. Following these developments, Vadilal introduced many variants in the premium segment like Gourmet Natural ice cream tubs and Kulfi's, with no artificial color, flavor and preservatives, premium Bars, Cones, ice cream Sandwiches, Artisan ice cream Cakes and many more unique products launches with different format, taste & innovation.

Taking forward the tradition of introducing novelty in products at regular intervals, in the year 2021 Vadilal has made numerous additions. The brand had three new delicious additions in its offerings, ice creams in the 1+1 party pack form in every 6 months. Also, on regular intervals Vadilal is launching new flavors in 1+1 party packs & other innovative products based on extensive R&D as well market with consumers feedback. With such initiatives Vadilal have created a unique space in trade & consumer mind.

The brand's existing variants like Gourmet, Gourmet Naturals, Badabite, Flingo, Jumbo Cups and Ice trooper continue to show substantial movement in the market. Besides this, Vadilal has also introduced new delicious products like Pineapple titbits & Jamun party pack, Cookie sandwich ice cream, Choco Almond Crunch Badabite, Choco Cackle disc cone, American Nuts Cone in the Flingo category, Gourmet Vanilla Brownie Tub, Gourmet Mocha Brownie tub, Chocolate Overload ice cream cake, to name a few.

While the grown-up consumer strata had a remarkable range of products to their delight, Vadilal's Ice Trooper range continues to consolidate the kids' market and has become every kid's favorite across India.

Growth in Infrastructure and Production

After enjoying a wide spread popularity amongst the mass since decades, the brand is now in constant efforts of upgrading. In the wake of ramping up consumer targeting and brand positioning, it has started exclusive parlors in three formats: Scoop Shop, Hangout & Express. These parlors offer a delicious range of Premium Ice Creams, Scoops and Concoctions in a very enjoyable ambience. These parlors are an exercise to give the brand a youth appeal and also to shift the focus from Mass to Mass Premium, Mass Premium to Premium.

Introduction of new mega brands, installation of state-of-the-art machines and significant expansion in production facilities is what the brand is focusing on to be an even stronger force to reckon with in the domestic ice cream market. Vadilal's strategic approach towards the controlled usage of resources and raw materials has boosted its growth in the market by many folds.

Vadilal proudly possesses the label of having, India's fastest cone-making machine, with the production capacity 12 lakh cones per day. The brand is known to be the first and the only ice cream producer in India to have a machine with such a huge capacity. This has made Vadilal the largest player in Cones, Cups and Candy categories.

Currently the brand's ice cream production facilities are located at Pundhra in Gandhinagar district, Gujarat and the other at Bareilly in Uttar Pradesh. To increase the production capacity and to have better automation, an expansion-cum-modernization project of the factories was undertaken, which has been successfully completed.

Apart from ice creams, Vadilal is also vigorously expanding in categories which offer value chain benefits and show a strong potential to grow. Vadilal already has strong backward linkages with the farmer community for its milk procurement for ice creams at its plant near Ahmedabad. Taking the relationship further, Vadilal has forayed in the flavored milk segment under the brand name "Power Sip". Power Sip is available in flavors like "Kesar", "Elaichi", "Coffee" and "Rose" packaged uniquely for the brand to stand out in the crowd. The research and development team are working towards introducing more flavors in the category specifically to match the palate of the youth.

Quality first

Like every other industry, the ice cream industry has a vast unorganized market that works at low costs and margins. These unorganized players pose the biggest challenge and are a competition to the big players. While there are hurdles in the journey of growth, Vadilal has always seen these unorganized, small yet tough competitors as an opportunity to excel.

Being the 2nd largest ice cream brand in India, Vadilal has always focused on maintaining product quality, and constantly improving the same.

Progress in Niche Market

International brands venturing into Indian ice cream market has provided an impetus for Vadilal to evolve. Vadilal has once again proven its mettle in launching international ice cream experiences in India.

Vadilal's MELT IN parlor offers a range of high-end Artisanal Gelato ice cream that has gained a lot of popularity in the past few years.

In recent times, Vadilal's latest launch is the "NOW FOREVER" café. This cafe was initiated and ideated to be at par with the new ambience. An intricate menu was crafted to present our ice creams in an extremely innovative, most enticing & classy manner to serve premium and unusual desserts, with a new twist and taste, for all the never-ending dessert cravings. The café also offers delectable, mouthwatering and interesting food prepared from the best ingredients, in perfect proportions, for the people who love fusion with taste, to tickle their taste buds

We are also in the process of a makeover of our current brand identity - Hangout parlors to the Now Forever cafes to offer an unforgettable experience and ambience to serve the preferences of all age groups.

As we have had an early summer this year, we have taken the opportunity to showcase our brand on multiple platforms for promotions, social media, other OTT platforms and YouTube.

We have also penetrated heavily into the market Pan India horizontally & vertically with an increase in our distribution width. The brand has a wide media mix targeted for the release of this campaign ranging from outdoor hoardings, point-of-sale branding, television, digital, radio and print. The brand will be investing heavily on digital mediums given the inevitable digital era namely social media, other OOT platforms and YouTube.

Our ongoing Waah! Vadilal campaign is an extension of the past research, highly valuing what our consumers make us and the experience we offer to them. The idea of the campaign is to showcase Vadilal as young at heart, classic, energetic, royal and a vibrant brand.

We believe people are ready to experiment as far as premium ice cream flavours are concerned, and we feel the Waah! Vadilal campaign will make them want to indulge in Vadilal's premium offerings, so we had strategized, planned, and executed the Waah Vadilal campaign.

b) Processed Food Division

Overview:

The processed and frozen food industry is preliminarily powered by the convenience provided by packaged foods, which entice consumers from all age groups. Consumer inclination towards convenience food and RTE foods has triggered a prompt change in the global market. Frozen Food need less effort as well as less time in comparison with cooking a complete meal from scratch, which is the prime aspect empowering the Frozen Food market growth.

For ice creams, factors such as the rising demand for innovative flavours and the rising demand for impulse ice creams such as cones, dollies, and small tubs in developing countries are expected to drive the market growth. The increasing health consciousness among consumers is also expected to fuel the demand for premium ice creams in the upcoming years.

The COVID-19 outbreak had a significant impact on all the industries worldwide but it has impacted positively on the frozen food market. Since COVID-19 began, the frozen food industry has seen steady growth, for instance according to American Frozen Food institute, frozen food products witnessed 21% increase compared to 2019. The primary reason for this growth is that people have gravitated towards foods with longer shelf lives.

Global market view:

The global Frozen Food market size was USD 231.38 billion in 2020. The market was projected to grow from USD 256.46 billion in 2021 to USD 385.04 billion in 2028 at a CAGR of 5.98% during the 2021-2028 period.

The global Ice Cream market is valued at USD 113.82 billion in 2021 and is growing at a CAGR of 6.47% in the forecast period to reach USD165.04 billion by 2027.

The global IQF vegetable market is expected to reach USD 2 billion by 2026, thus indicating significant demand for IQF food products in future.

Europe dominated the Frozen Food market share owing to the growing adoption of vegan lifestyle in the region, which is forecasted to navigate the sales of frozen veggies. The prime growth aspects in the region involve high consumer purchasing power, financial sturdiness, and change in food likings.

Asia Pacific documented a considerable growth in the global market owing to consumer acceptance of digital retailing platforms. The rising number of cold chain amenities in numerous developing nations is further aiding regional market growth. North America is anticipated to hold the third-largest market share owing to high consumer consciousness concerning the profits of Frozen Food.

The North American ice cream market is projected to witness a CAGR of 4.12% during the forecast period (2022 -2027). The increased demand for take-home ice creams in the North American region is driven by the increasing number of occasions and gatherings at home where ice creams are consumed as a snack or dessert. Moreover, the snacking trend across the region encourages consumers to opt for various snacks, including ice cream, for at-home consumption. The demand for take-home ice cream has surpassed impulse ice cream by around 200% in this region.

Australia is also the most attractive market for ice cream manufactures. Ice cream market in Australia is approximately 10% of the overall country's food industry. Sweden and the UK are the attractive markets for ice cream from European region, owing to growing regional demand.

Middle East & Africa Ice Cream Market is forecasted to reach USD 3.4 billion by 2024, witnessing a CAGR of 10.7% during the forecast period (2019-2024)

Future Strategy:

Vadilal's wide repertoire of products are available in over 45 countries and is now all set to take it even further and serve to the world the same experience and nostalgia of great taste that one enjoys in India.

While Vadilal is America's largest Indian ice cream brand and has its subsidiary already established in US, Vadilal has now opened a new subsidiary in Australia and a branch in Canada. The set-up for both these facilities has already been done. This will further strengthen Vadilal's foothold and also open major doors for Vadilal.

Another key strategy is persistently launching radical products with comprehensive assessment of the market and its target audience and increase Vadilal's global footprint.

c) Forex Division

VADILAL FOREX, provides a niche Forex Consultancy Service to Corporates pan India having Foreign Currency Exposure in various Currencies since April, 1996.

It's Forex Consultancy, aids Corporates manage their Forex Risk arising out of various EXIM activities.

VADILAL FOREX in its 26th year of services – is Numero Uno in Gujarat having more than 450 Corporates associated with it.

Our gamut of Services includes A to Z Services in relation to FOREX advisory from Fx Hedging, RBI guidelines, FEMA regulations,

FEDAI rules, etc.

Our Consultancy aids Large Corporates, to take Important Decisions to manage Foreign Currency Risk, effectively. Our one-on-one personal and customised briefings to the Clients even in the aspects of Import and Export Finance Schemes like EPC/ PCFC for Exporters and Buyer's Credit Route for Importers also go a long way in guiding Many Corporates.

The Division is run by Experienced and Qualified set of Team Members themselves MBA (Finance), CA and CFA professionals, well versed in line with FOREX Risk Management activities.

Currency Research, through Licenced Software – is carried out from Ahmedabad HO Branch.

With HO stationed in Ahmedabad, the Division is in constant quench for growth and to establish its footing firmer, VADILAL FOREX has deployed it's Staff Members and opted for Franchise Model within Baroda, Surat and even Rajkot Territory.

Additionally, we also provide our Service Subscribers with 'LIVE Website' and 'Mobile Application' that guides them with 'Live Interbank Rates' at the time of booking transactions with their Registered Bankers. Our In-House IT Set-up, aids in managing the same to all our Esteemed Clientele.

LME Base Metal and Bullion Services are also a part of VADILAL FOREX Services that facilities Corporates having Metal and Bullion Exposures.

(2) OPPORTUNITY AND THREATS

a) Ice-cream Division

India's ice cream market was dominated by the 'impulse' category of ice creams since the past 6 years, and this category is further expected to continue its dominance during the forecast period as well, owing to growing demand for premium ice creams and changing consumer taste.

Looking at the trends from the recent past, we foresee fast growth in the ice cream and frozen dessert category. However, along with the increasing demand for convenience, the continuing need for value as a trend is growing as well. Earlier, Vadilal was focused on offering only mass segment products.

Gourmet Natural ice cream

With every new generation, newer ideas, formats and flavours have been introduced to build a connection through the years. As we embarked upon another milestone, it was time we took another step, so we launched our new premium category, Gourmet Naturals ice cream, made without any artificial flavors & preservatives. We launched this premium segment for the people with class to offer them the best and never-ending experience to linger till the next craving, with the most unusual flavors such as-Gourmet Natural Gulab Jamun Ice cream, Gourmet Natural Kesar Pista Ice cream, Gourmet Natural Classic Malai Ice cream, Gourmet Natural Alphonso Mango Ice cream, Gourmet Natural Falooda Ice cream. We have also launched Gourmet Natural Kulfi Ice cream in two exciting flavors- Gourmet Natural BPK (Badam, Pista Kesar) Kulfi, and Gourmet Natural Rajwadi kulfi. We have been able to increase our share in the premium segment as well and it has resulted in an overall enhanced growth. We plan to continue with the strategy of consolidating our presence in the high-end premium segment.

We also reach out to our customers through different super markets like the Big Basket, D mart, Reliance Smart, Star Bazaar [in selected areas] and also on online portals like Zomato, Swiggy, Zepto.

Distribution and Logistics

Distribution plays a key role in the success of a business. We plan to increase our reach in the existing market in terms of consolidating our presence in Cash and Carry format as well as the Modern Retail segment. The logistics of ice cream, being a cold chain product, are complex and we are continuously expanding our cold chain distribution network through refrigerated vehicles and deep freezers.

We have worked on increasing the physical touch points with our consumers and executed it by putting in place a robust network of dealers, FOWs (Freezer on Wheels) and Ice Cream parlors. Along with various extensive ATL marketing campaigns, a heavy investment has been done in various BTL marketing activities to enhance consumer experience. We are also committed towards deeper penetration in trade sector. Innovative cross promotional activities and digital media activities such as the influencers activities have been our point of extensive focus to increase consumer engagement and for brand recall.

b) Processed Food Division

One of the latest trends driving the market is online grocery shopping and the introduction of new apps, making it convenient for consumers to pick their preferred products. Consumers are inclined toward online shopping due to features of convenience and variety. According to Eurostat, in 2018, almost 25% of the population bought food and groceries from online retail channels. With the growing penetration of the Internet and smartphone usage, retail grocery shopping is emerging as one of the platforms for companies to showcase and sell their food products.

COVID-19 is not the only factor driving the trend of people preferring food with longer shelf lives. According to AFFI (American Frozen Food Institute), health-conscious consumers began gravitating towards vegetarian dishes and nutritious meals from the frozen food aisle even before the pandemic. This preference of vegetarian food over other is a wonderful opportunity in itself.

While there is a threat of yet another COVID wave, but this time the industry and the company are well prepared to tackle it.

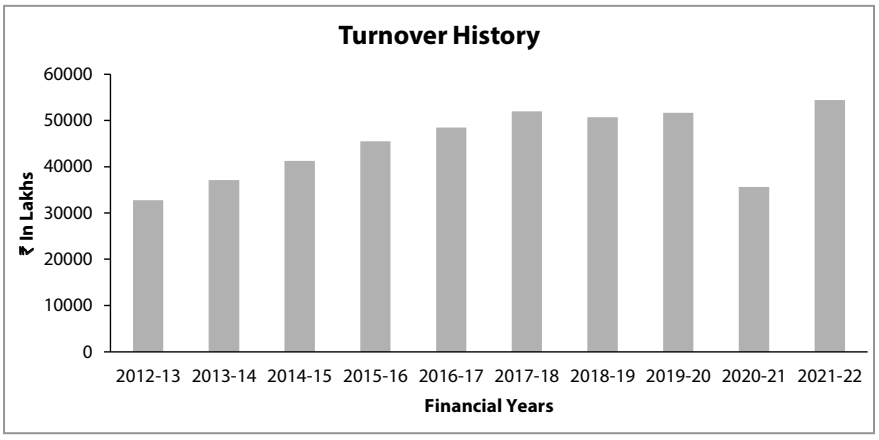
3) HIGHLIGHTS OF FINANCIAL PERFORMANCE AND OPERATIONAL PERFORMANCE.

The Company has earned Revenue from Operations of ₹ 54,411.61 lacs during the year ended on 31st March, 2022 as against ₹ 35,654.01 lacs earned during the previous year ended on 31st March, 2021 giving an increase of 52.61% as compared to previous year.

After adding thereto, the other income of ₹ 879.14 lakhs, the Company has earned total income of ₹ 55,290.75 lakhs during the year under review. It has incurred total expenses of ₹ 53,875.81 lakhs including Finance cost of ₹ 1,788.34 lakhs and Depreciation and Amortization expenses of ₹ 1,923.87 lakhs, during the year under review.

The Company has Incurred profit before Tax of ₹ 1,414.94 lacs during the year under review as compared to loss of ₹ 3,170.71 lacs during the previous year ended on 31st March, 2021. The Company has incurred profit of ₹ 1,034.43 lacs during the year ended on 31st March, 2022 after deducting Current Tax of ₹ 5.07 lacs and Deferred Tax of ₹ 375.44 lacs as compared to loss of ₹ 2409.82 lacs during the previous year ended on 31st March, 2021.

Turnover History	
Financial year	**₹ in lakhs**
2012-13	32765.9
2013-14	37170.32
2014-15	41288.57
2015-16	45538.21
2016-17	48438.1
2017-18	52013.98
2018-19	50705.78
2019-20	51662.97
2020-21	35654.01
2021-22	54411.61



4) SEGMENT WISE PERFORMANCE.

The company is primarily engaged in one business segment namely Food segment as determined by the chief operating decision maker in accordance with IND AS 108 - "Operating segment" and hence, Segment-wise Performance of the Company has not been provided.

5) RISKS AND CONCERNS

a) Ice Creams Division

Brand Vadilal has a 16% of organized market share against total organized Indian ice cream market which is estimated at approx. ₹ 6000 crores. Vadilal has a robust and extensive pan-India distribution network with more than 1,50,000 dealers and trade partners that cater to every nook and corner of the country.

Vadilal stays ever ready for competition with a strategy in place before hand. Keeping a check on competitor products and constantly innovating is the key to stay at par with the ever-changing market. The unorganized market that pose a threat to the sales are taken care of by maintaining quality in our products. Expertise and decades of experience is what makes Vadilal stand a class apart in the highly competitive market.

However, there are certain concerns like infrastructure and rising input costs, which the company keeps in mind and is working towards.

b) Processed Food Division

To some consumers, frozen food is thought of as a product that is an inferior substitute for fresh food, which is one of the major concerns for this market. There is a notion that food processed a year or more before it is consumed could not be nutritious. However, statements such as "frozen produce can be just as good as the fresh stuff in terms of nutrition" from the US Food and

Drug Administration (FDA) and the International Food Information Council (IFIC) about the nutrient content of frozen food are changing the consumer perception.

6) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

In view of the management, the Company has adequate internal control systems for the business processes followed by the Company. The External and Internal Auditors carry out periodical 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 Audit Committee of the Board meets periodically to review various aspects of the performance of the Company and also reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them from time to time. The External Auditors also attend these meetings and convey their view on the business processes and also of the policies of financial disclosures. When found necessary, the Committee also gives suggestions on these matters.

7) HUMAN RESOURCE DEVELOPMENT:

Employee being prime force the Company gives equal emphasis on employee development and their engagement. The Company believes in enhancing the competencies of employee to create a high performing and innovative organization. Equal emphasis is given on the on technical & soft skills. There are cordial relations between the management and employee of the Company.

As on 31st March, 2022, the Company has employed total 668 employees at all locations.

8) SIGNIFICANT CHANGES IN FINANCIAL RATIOS:

Refer Note 52 to Standalone Financial Statement

9) CAUTIONARY STATEMENT:

The statements made and figures given in the various sections of "Management Discussion and Analysis" are keeping in mind the Company's objectives, estimates and expectations. The Actual results may differ from those expected depending upon the economic conditions, changes in Govt. Regulations, tax regimes and other external and internal factors.

By order of the Board of Directors

	Mr. Rajesh R. Gandhi	**Mr. Devanshu L. Gandhi**
Date : 26th August, 2022	Managing Director	Managing Director
Place : Ahmedabad	DIN: 00009879	DIN: 00010146

ANNEXURE – B TO THE DIRECTORS' REPORT

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART "A": SUBSIDIARIES

Sr. No.	Particulars	₹ in Lacs	₹ in Lacs	₹ In Lacs	₹ In Lacs
1	Name of the subsidiary	Vadilal Industries (USA) Inc., (wholly owned subsidiary)	Vadilal Industries Pty Ltd. (wholly owned subsidiary)	Varood Industries Limited (wholly owned subsidiary)	Vadilal Delights Limited (wholly owned subsidiary)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2022	31.03.2022	31.03.2022	31.03.2022
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiary	1 $ - ₹ 75.91	1 AUD - ₹ 57.02	INR	INR
4	Share capital	136.41	0.06	5.00	5.00
5	Reserves & surplus	7954.49	-5.50	-1.21	-1.16
6	Total assets	11729.67	51.65	4.04	4.24
7	Total Liabilities	11729.67	51.65	4.04	4.24
8	Investments	Nil	Nil	Nil	Nil
9	Turnover	24229.92	34.99	Nil	Nil
10	Profit / (Loss) before taxation	5048.64	-5.16	-0.37	-0.37
11	Provision for taxation	1540.96	Nil	Nil	Nil
12	Profit / (Loss) after taxation	3507.68	-5.16	-0.37	-0.37
13	Proposed Dividend	Nil	Nil	Nil	Nil
14	% of shareholding	100.00%	100.00%	100.00%	100.00%

Notes:

1. Names of subsidiaries which are yet to commence operations:- Nil
2. (2) Names of subsidiary which has been liquidated during the year: Not Applicable

NOTES - EXCHANGE RATE	Rate of exchange 1 USD - Current Year	75.17
	Rate of exchange 1 AUD – Current Year	53.55

By order of the Board of Directors

Mr. Rajesh R. Gandhi
Managing Director
DIN: 00009879

Mr. Devanshu L. Gandhi
Managing Director
DIN: 00010146

Date : 26th August, 2022
Place : Ahmedabad

ANNEXURE – C TO THE DIRECTORS' REPORT

Report on Corporate Governance for the year ended on 31st March, 2022 (2021-2022)

Pursuant to Schedule – V of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

❖ **Brief statement on Company's philosophy on Code of Governance: -**

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the report contains the details of Corporate Governance systems and processes at Vadilal Industries Limited (VIL or the Company). At VIL, Corporate Governance is all about maintaining a valuable relationship and trust with all the stakeholders. We consider stakeholders as partners in our success and remain committed to maximizing stakeholders' value, be it Customers, Local Communities, Employees, Suppliers & Distributors, Investors & Shareholders and Government & Regulatory Authorities.

❖ **The Report on Corporate Governance is divided into ten parts: -**

1) Board of Directors,
2) Remuneration of Directors,
3) Committees of the Board,
4) General Body Meetings,
5) Means of Communication
6) General Shareholder information
7) Other Disclosures
8) Disclosure of Compliance with Corporate Governance Requirements
9) Non-compliance, if any, of requirement of Corporate Governance Report
10) Compliance of discretionary requirements

1) BOARD OF DIRECTORS

(i) Composition and category of Directors:

The Board of the Company comprises Executive and Non-executive Directors. The majority Directors on the Board are Non-executive Directors. The day-to-day management of the Company is conducted by the Managing Directors of the Company, subject to the supervision, direction and control of the Board of Directors of the Company.

The Board of Directors of the Company as on 31-03-2022 consists the following 7 Directors, out of which, majority Directors are Non-executive Directors and one third of the total Directors are Independent Directors: -

	Category	Name of the Directors
AA	Promoters and Executive Directors	Mr. Rajesh R. Gandhi, Managing Director Mr. Devanshu L. Gandhi, Managing director
BB	Promoters, Non-executive and Non-Independent Directors	Mrs. Deval D. Gandhi Mr. Kalpit R. Gandhi
CC	Independent Directors	Mr. Vijay Shah Mr. Preet Shah Ms. Shaily Dedhia

(ii) Number of Board Meetings held and the dates on which held:

During the year under review, 6 Board Meetings were held on 28-04-2021, 28-06-2021, 30-06-2021, 13-08-2021, 29-10-2021 & 04-02-2022. The gap between two Board Meetings did not exceed 120 days.

(iii) Attendance of each Director at the 6 Board Meetings held during the year from 01-04-2021 to 31-03-2022, last Annual General Meeting (AGM) and number of Directorship and Chairmanship / Membership of Committee of each Director in various Companies as on 31-03-2022:

Name of Director	Attendance Particulars		No. of Directorships and Committee membership/chairmanship held in Listed Entities (including Vadilal Industries Limited)			
	Board meetings	Last AGM	Name of listed entity in which Directorship held	Director-ship*	Committee Member ship **	Committee Chairmanship ** (Out of Committee Membership)
Mr. Rajesh R. Gandhi	6	Yes	1. Vadilal Industries Limited 2. Vadilal Enterprises Limited 3. Vadilal Chemicals Limited	3	4	1
Mr. Devanshu L. Gandhi	6	Yes	1. Vadilal Industries Limited 2. Vadilal Enterprises Limited 3. Vadilal Chemicals Limited	3	4	0
Mrs. Deval D. Gandhi	6	Yes	1. Vadilal Industries Limited 2. Vadilal Chemicals Limited	2	0	0
Mr. Kalpit R. Gandhi	6	Yes	1. Vadilal Industries Limited 2. Vadilal Chemicals Limited	2	0	0
Mr. Vijay R. Shah	6	Yes	Vadilal Industries Limited	1	2	1
Mr. Preet P. Shah	5	Yes	Vadilal Industries Limited	1	1	1
Ms. Shaily Dedhia	6	Yes	1. Vadilal Industries Limited 2. Deep Energy Resources Limited 3. Deep Industries Limited	3	4	0

** This excludes Directorships held in Private/Foreign Companies and Companies incorporated under Section 8 of the Companies Act, 2013.*

*** Committees of Directors include Audit Committee and Stakeholders' Relationship Committee.*

None of the Directors of the Company is a member of Board of more than 20 Companies and more than 10 Public Limited Companies, in terms of Section 165 of the Companies Act, 2013. None of the Directors is a member of more than 10 Board level Committees or a Chairman of more than 5 such Committees as required under Regulation 26(1) of SEBI (LODR) Regulation, 2015. The necessary disclosures regarding Committee positions have been made by the Directors.

(iv) Relationship between the Directors: -

- Mr. Kalpit R. Gandhi is the son of Mr. Rajesh R. Gandhi.
- Mrs. Deval D. Gandhi is the spouse of Mr. Devanshu L. Gandhi.

None of the other directors are related to any other director on the Board.

(v) Independent Directors:

Independent Directors ("IDs") are non-executive directors as defined under regulation 16(1)(b) of the Listing Regulations read with section 149(6) of the Act along with rules framed thereunder. In terms of regulation 25(8) of the Listing Regulations, the IDs have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impact or impair their ability to discharge their duties. Based on the declarations received from the IDs, the Board has confirmed that they meet the criteria of independence as mentioned under regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

During the year under review, the Company's Independent Directors met 1 time during the year i.e. on 04-02-2022 without the presence of Executive Directors or management personnel, to inter alia:

- review the performance of non-independent directors and the Board as a whole.
- review the performance of the Chairperson of the company, considering the views of executive directors and non-executive directors.
- assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(vi) Familiarization programme for independent director: the said policy is available on website of the Company at www.vadilalgroup.com.

(vii) Information supplied to the Board:-

The information in respect of the following matters, among others, are regularly placed before the Board of Directors:

- Annual operating plans and budgets and any updates.
- Capital budgets and any updates.
- Quarterly results for the company and its operating divisions or business segments.
- Minutes of meetings of audit committee and other committees of the board.
- The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the company, or substantial nonpayment for goods sold by the company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- Appointment, remuneration and resignation of Directors.
- Formation/reconstitution of Board Committees.
- Declaration of Independent Directors at the time of appointment/annually
- Disclosure of Directors' interest and their shareholding
- Appointment or removal of the Key Managerial Personnel
- Appointment of Internal Auditors and Secretarial Auditors
- Quarterly / Annual Secretarial Audit reports submitted by Secretarial Auditors
- Dividend declaration
- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made
- Significant changes in accounting policies and internal controls
- Issue of securities including debentures
- Recommending appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee
- Internal Audit findings and External Audit Reports (through the Audit Committee)
- Proposals for major investments, mergers, amalgamations and reconstructions

The Board is routinely presented with all information required under Regulation 17(7) read with Schedule – II of the SEBI (LODR) Regulation, 2015 wherever applicable and materially significant. These are normally submitted as a part of the Agenda papers and circulated in advance to the Directors. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. Action taken report on the decision / minutes of the previous meeting is placed at the immediately succeeding meeting of the Board/Committee for noting by the Board/Committee.

The Board evaluated its own performance and that of its committees and individual directors in terms of the provisions of Section 134(3)(p) of the Companies Act, 2013 and Regulation 17(10) read with Regulation 25(4) of the SEBI (LODR) Regulation, 2015.

2) REMUNERATION TO ALL DIRECTORS:

The Policy on appointment and remuneration of Directors is available on website of Company at www.vadilalgroup.com.

The aggregate value of salary, perquisites and other allowances paid including contribution towards Provident Fund to the two Managing Directors of the Company during the year ended on 31-03-2022 (i.e. from 01-04-2021 to 31-03-2022) is as follows: -

Amount in ₹

Name of Managing Director	Salary	Perquisites/ Allowances	Commission	Contribution to PF	Total
Mr. Rajesh R. Gandhi	6,323,334.67	2,529,333.87	0	758,800	9,611,468.54
Mr. Devanshu L. Gandhi	6,323,334.67	2,529,333.87	0	758,800	9,611,468.54

Besides this, the above Managing Directors are also entitled to Superannuation or Annuity Fund, to the extent not taxable and Gratuity and encashment of Leave as per Rules of the Company.

The Managing Directors are required to give 3 months' notice in writing to the Company to resign from the office of Managing Director. The Company does not have a scheme for grant of stock options either to the Managing Directors or Employees.

Apart from the Managing Directors, Mr. Kalpit R. Gandhi, who is a non-executive and non-independent Director and Chief Financial Officer of the Company, has received remuneration, in his capacity of Chief Financial Officer, during the year – 2021-2022. Mrs. Deval D Gandhi who is a non-executive and non-independent Director and Head-new Product development, has received remuneration as under during the year 2021-2022:

Amount in ₹

Name of the Director	Salary	Perquisites/ Allowances	Others	Total
Mr. Kalpit R. Gandhi	1,439,376	2,562,896	172,728	4,175,000
Mrs. Deval D. Gandhi	832,884	-	-	832,884

Except the above, none of the other Directors are paid remuneration except sitting fees for attending Board and Committee Meetings.

The Company has paid sitting fees to all Non-executive Directors & Independent Directors of the Company for attending Board Meetings, as under, held during the year ended on 31-03-2022:

Sr. No.	Name of the Director	Amount in ₹ (Gross)
1	Mr. Vijay R. Shah	120,000/-
2	Mr. Preet Shah	100,000/-
3	Ms. Shaily Dedhia	120,000/-

The Company has also paid sitting fees to the following Non-executive Directors & Independent Directors of the Company for attending Audit Committee meetings, held during the year ended on 31-03-2022: -

Sr. No.	Name of the Member of the Committee	Amount in ₹ (Gross)
1	Mr. Vijay R. Shah	50,000/-
2	Mr. Preet Shah	50,000/-
3	Ms. Shaily Dedhia	50,000/-

Managing Directors Mr. Rajesh R. Gandhi & Mr. Devanshu L. Gandhi are holding 227,721 and 345,691 shares respectively. Mrs. Deval D. Gandhi is holding 59,266 Equity Shares of the Company. Except Mrs. Deval D. Gandhi, no other Non-executive Directors of the Company hold any shares in the Company.

There was no pecuniary relationship or transaction of Independent Directors with the Company.

Key Board Qualifications, Expertise and Attributes

The company's business includes manufacturing of Ice-cream, Flavoured Milk, Frozen desert, Other dairy Products and processing & exporting Processed Food Products such as Frozen Fruits, vegetable Pulp, Ready to eat and Ready to serve products etc.

In context of the above mentioned businesses following capabilities skills/expertise/ competencies have been identified by the Board fundamental for the effective functioning of the Company and are available with the board members collectively.

- Knowledge and/or expertise in one or more of areas like consumer business, manufacturing, accounts, finance, taxation, banking, HR, IT, marketing, law, business and management.
- This criterion is designed to ensure the Board consists of individuals with a balance of skills to oversee the organisation, achieve the strategic goals and direct the organisation's future.
- The above core skills / expertise / competencies identified by the Company are also actually available with the Board as under:

Sr. No	Name of Director	Skills Actually Available with the Directors
1	Mr. Rajesh R. Gandhi	Knowledge and expertise in FMCG, manufacturing and marketing, business and management.
2	Mr. Devanshu L. Gandhi	Knowledge and expertise in FMCG, manufacturing and marketing, business and management.
3	Mrs. Deval D. Gandhi	Knowledge and expertise in marketing and product development.
4	Mr. Kalpit R. Gandhi	Knowledge and expertise in law & Finance
5	Mr. Vijay R. Shah	Knowledge and expertise in law & Finance
6	Mr. Preet Shah	Knowledge and expertise in Finance
7	Ms. Shaily Dedhia	Knowledge and expertise in Corporate Laws

The eligibility of a person to be appointed as a Director of the Company is dependent on possession of the requisite skills, as identified by the Board. c. Board Meetings / Directors' particulars.

3) COMMITTEES OF THE BOARD:

The Board of Directors of the Company has formulated the following committees in terms of the provisions of the SEBI (LODR) Regulation, 2015 and Companies Act, 2013 and Rules made thereunder:

(a) Audit Committee

(b) Nomination and Remuneration Committee

(c) Stakeholders' Relationship Committee

(d) Corporate Social Responsibility Committee

(e) Risk Management Committee

The composition and terms of reference of the said committees are as under:

(a) Audit Committee:

(i) Composition

As on 31-03-2022, there were 3 members of Audit Committee as under: -

Sr. No.	Name of the Member		Designation	Category
1	Mr. Preet Shah	-	Chairman	Independent Director
2	Mr. Vijay Shah	-	Member	Independent Director
3	Ms. Shaily Dedhia	-	Member	Independent Director

Mr. Kalpit Gandhi CFO and Non-Executive-Non-Independent Director and Mr. Devanshu Gandhi Managing Director are Permanent Invitees in the Audit Committee.

The constitution of the Audit Committee fulfills the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015 and Section 177 of the Companies Act, 2013. The members of audit committee are financially literate and having accounting or related financial management expertise.

Mrs. Rashmi Bhatt, who is a Company Secretary of the Company, is the Secretary to the Audit Committee.

(ii) Meeting and Attendance:

The Audit Committee met 4 times during the year under review on 30.06.2021, 13.08.2021, 29.10.2021 & 04.02.2022.

The presence of the Members of the aforesaid Audit Committee Meetings was as under:

Sr. No.	Name of the Director	No. of Audit Committee Meetings attended.
1	Mr. Vijay R. Shah	4
2	Ms. Shaily Dedhia	4
3	Mr. Preet Shah	4

The representative of the Statutory Auditors was present in all meetings of the Audit Committee. The Internal Auditors were present in the meetings as and when called for. The Managing Directors of the Company were also generally invited to attend the Audit Committee meetings.

(iii) Terms of reference:

The terms of reference of the Audit Committee are as under and they are in accordance with the provisions of Regulation 18 read with Part C of Schedule II of the SEBI (LODR) Regulation, 2015 and Section 177 of the Companies Act, 2013:

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. Examination of the financial statement and the auditors' report thereon; Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;
    f. Disclosure of any related party transactions;
    g. Modified Opinions/Qualifications in the draft audit report
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
9. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
10. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
11. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate."

(b) Nomination and Remuneration Committee:

(i) Composition

The Nomination and Remuneration Committee of the Company comprises the following Directors of the Company, as on 31st March, 2022, namely:

Sr. No.	Name of the Member		Designation	Category
1	Mr. Preet Shah	-	Chairman	Independent Director
2	Mr. Vijay R. Shah	-	Member	Independent Director
3	Ms. Shaily Dedhia	-	Member	Independent Director

- Mr. Kalpit Gandhi CFO and Non-Executive-Non-Independent Director is Permanent Invitee in the Nomination and Remuneration Committee meeting.

The constitution of Nomination and Remuneration Committee fulfills the requirements of the Regulation 19 of the SEBI (LODR) Regulation, 2015 and Section 178 of the Companies Act, 2013. All members of the Nomination and Remuneration Committee are independent Directors of the Company.

(ii) Meeting and attendance:

The Nomination and Remuneration Committee normally meets for considering proposal related to appointment and/or remuneration of any Director or Key Managerial Personnel of the Company and for considering any other matter as may be specified under the terms of reference of the committee.

During the year under review, the Nomination and Remuneration Committee met 1 time on 04.02.2022.

The presence of the Members of the aforesaid Nomination and Remuneration Committee Meetings are as under:

Sr. No.	Name of the Member		No. of meeting attended
1	Mr. Vijay R. Shah	-	1
2	Mr. Preet Shah	-	1
3	Ms. Shaily Dedhia	-	1

(iii) Terms of Reference:

Pursuant to Section 178 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) and Regulation 19 read with Part – D of Schedule – II of SEBI (LODR) Regulation, 2015, the role of the Nomination and Remuneration committee shall, inter-alia, include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
3. Devising a policy on diversity of the Board of Directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(iv) Performance evaluation of all the Director and Key Managerial Personnel carried out by the Nomination and Remuneration Committee of the Company apart from the Board of Directors and Independent Directors.

Performance evaluation criteria of Independent Directors

The Performance Evaluation criteria for independent director are determined by Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by Directors, Commitments, Effective Deployment of Knowledge and Expertise, Integrity and Maintenance of Confidentiality and Independence of Behavior and Judgement.

(c) Stakeholders' Relationship Committee:

(i) Composition:

The Stakeholders' Relationship Committee of the Company comprises the following Directors of the Company, as on 31st March, 2022, namely:

Sr. No.	Name of the Member		Designation	Category
1	Mr. Vijay R. Shah	-	Chairman	Independent Director
2	Mr. Rajesh R. Gandhi	-	Member	Executive Director
3	Mr. Devanshu L. Gandhi	-	Member	Executive Director

The constitution of Stakeholders' Relationship Committee fulfills the requirements of Regulation 20 read with Part D of Schedule II of the SEBI (LODR) Regulation, 2015 and Section 178 of the Companies Act, 2013.

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 redressal of Shareholder's complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends, etc. The Board of Directors has delegated the power of approving transfer of Shares etc. to the Stakeholders' Relationship Committee.

During the year under review, the Stakeholders' Relationship Committee met 5 times on 10.04.2021, 15.04.2021, 10.07.2021, 30.07.2021 and 21.08.2021.

The presence of the Members of the aforesaid Stakeholders' Relationship Committee meetings is as under:

Sr. No.	Name of the Member		No. of meetings attended
1	Mr. Vijay R. Shah	-	5
2	Mr. Rajesh R. Gandhi	-	5
3	Mr. Devanshu L. Gandhi	-	5

(ii) No. of Shareholders complaints received and not solved to the satisfaction of the Shareholders:

The total number of complaints received and replied to the satisfaction of Shareholders during the year under review were as under :

No. of Complaints outstanding as on 31-03-2021	-	0
No. of complaints received during the year under review	-	4
No. of complaints disposed off during the year under review	-	4
No. of complaints outstanding as on 31-03-2022	-	0

(iii) Name and designation of Compliance Officer:

The Board has designated Ms. Rashmi Bhatt, Dy. General Manager (Secretarial) and Company Secretary, as the Compliance Officer of the Company in terms of Regulation 6 and 20 of the SEBI (LODR) Regulation, 2015.

(c) Risk Management Committee:

(i) Composition:

In terms of provisions of Regulation 21(2) (Listing Obligation and Disclosure Requirement), 2015 has been constituted as Risk Management Committee, comprising the following Directors:

- Mr. Preet Shah - Chairperson
- Mr. Kalpit Gandhi - Member
- Mr. Devanshu Gandhi - Member
- Ms. Shaily Dedhia - Member

(ii) Meeting and attendance:

During the year under review, the Risk Management Committee met 2 times on 29.10.2021 and 04.02.2022.

The presence of the Members of the aforesaid Risk Management Committee Meetings are as under:

Sr. No.	Name of the Member		No. of meeting attended
1	Mr. Preet Shah	-	2
2	Mr. Kalpit Gandhi	-	2
3	Mr. Devanshu Gandhi	-	2
4	Ms. Shaily Dedhia	-	2

(iii) Terms of Reference:

- To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

(d) Corporate Social Responsibility Committee:

(i) Composition:

In terms of provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder, a committee of the Directors of the Company has been constituted as Corporate Social Responsibility Committee, comprising the following Directors:

1. Mr. Vijay R. Shah - Chairman
2. Mr. Devanshu L. Gandhi - Member
3. Mr. Kalpit R. Gandhi - Member

The constitution of the Corporate Social Responsibility Committee fulfills the requirements of Section 135 of the Companies Act, 2013.

Meeting of Committee members was held on 28.06.2021 and all the members were present.

(ii) Terms of Reference:

The Corporate Social Responsibility Committee shall, —

i. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;

ii. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

iii. Monitor the Corporate Social Responsibility Policy of the company from time to time and;

iv. Institute a transparent mechanism for implementation of the CSR Projects or programs or activities undertaken by the Company.

(iii) Corporate Social Responsibility Policy:

The Corporate Social Responsibility Committee has formulated a policy on the measures to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013.

4) GENERAL BODY MEETINGS:

(i) Location and Time for last 3 Annual General Meetings (AGM) were along with details of Special Resolution Passed:

Year	AGM	Location	Date	Time	Special Resolution Passed
2020-2021	37th	Though Video Conference and other Audio-Visual Means	18-09-2021	11:00 a.m.	No special resolution.
2019-2020	36th	Though Video Conference and other Audio-Visual Means	30-09-2020	11:00 a.m.	1. To Appoint Mr. Rajesh R. Gandhi (DIN: 00009879) as a Managing Director for a period of 5 years and payment of remuneration for a period of 3 years 2. To Appoint Mr. Devanshu L. Gandhi (DIN: 00010146) as a Managing Director for a period of 5 years and payment of remuneration for a period of 3 years
2018-2019	35th	H T Parekh Convention Center, 1st Floor, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad, Gujarat 380 015	30-09-2019	11:00 a.m.	No special resolution.

(ii) Resolution carried out through Postal Ballot: NIL

5) MEANS OF COMMUNICATION:

- **Annual Reports:**

The Company has total 12633 shareholders as on 31st March, 2022. The main channel of communication to the shareholders is through Annual Report, which includes inter alia, the Director's Report, Management Discussions & Analysis and Report on Corporate Governance and Audited Financial Results. The Annual Report is also posted on the web-site of the Company viz. www.vadilalgroup.com/reports.

- **Quarterly Results:**

The Unaudited Quarterly Results of the Company for the quarters ended on 30-06-2021 (1st Quarter), 30-09-2021 (2nd Quarter) and 31-12-2021 (3rd Quarter) and the Annual Audited Accounts for the year ended on 31-03-2022 including notes, results and also the Consolidated Financial Results and Limited Review Report thereon were submitted to the Stock Exchanges immediately after conclusion of the Board Meetings in which, they are approved by the Board.

The said results were published in the newspapers of Ahmedabad edition, namely, Indian Express (English) and Financial Express (Gujarati). The said results including Notes are displayed on the corporate website of the Company viz. www.vadilalgroup.com/reports.

- **Company's Web-site:**

The website of the Company viz. www.vadilalgroup.com has an exhaustive Investor-Relations section. It contains comprehensive guidelines and procedure for the investors. It also contains all statutory disclosures required to be placed under the provisions of various statute.

- **NSE Electronic Application Processing System (NEAPS):**

The NEAPS www.connect2nse.com/LISTING/ and https://digitalexchange.nseindia.com/ are web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS and https://digitalexchange.nseindia.com.

- **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):**

BSE's Listing Centre viz. www.listing.bseindia.comis a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

- **SEBI Complaints Redress System (SCORES):**

  The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

- **Designated Exclusive email-id:**

  The Company has designated email-id viz. shareslogs@vadilalgroup.com exclusively for resolving investor grievance.

6) GENERAL SHAREHOLDER' INFORMATION:

(i) Annual General Meeting, i.e. next AGM

- Date & Time : 29th September, 2022 at 03.00 p.m.
- Venue: Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")

(ii) Financial Calendar (from 01-04-2022 to 31-03-2023) (Tentative):

► Results for quarter ended on 30-06-2022	: On or before 14th August, 2022
► Results for quarter ending on 30-09-2022	: On or before 14th November, 2022
► Results for quarter ending on 31-12-2022	: On or before 14th February, 2023
► Audited Results for the year ending on 31-03-2023	: On or before 30th May, 2023
► AGM for the year ending on 31-03-2023	: In the month of September, 2023

(iii) Book-closure date:

Book-closure shall be from 23rd September, 2022 to 29th September, 2022 (both days inclusive) for the purpose of payment of dividend on Equity Shares for the year ended on 31st March, 2022.

(iv) Dividend payment date:

The Dividend of Rs. 1.25 per share (@ 12.50%) on Equity Shares for the year ended on 31st March, 2022, if approved and declared, will be paid within the prescribed time limit.

(v) Listing of Equity Shares on Stock Exchanges at -

The Company's shares are listed at the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001
Phone: 91-22-2272 1234 / 1233

The National Stock Exchange of India Ltd.

Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex Bandra (E),
Mumbai - 400 051
Phone: 91-22-26598100/8114

Listing fees upto the Financial Year –2022-2023 has already been paid to the above Stock Exchanges. The Annual Custody/ Issuer fee for the year –2022-2023 has also been paid by the Company to NSDL and CDSL.

(vi) Security Code No. :

- BSE Limited : 519156
- National Stock Exchange of (India) Limited : VADILALIND-EQ
- ISIN No. of NSDL & CDSL for demat of Equity Shares : INE694D01016

(vii) Stock Market Data:

The monthly High, Low and Closing Prices of Shares of the Company at BSE Limited, (BSE) and National Stock Exchange of India Limited (NSE), for the year under review are as under:

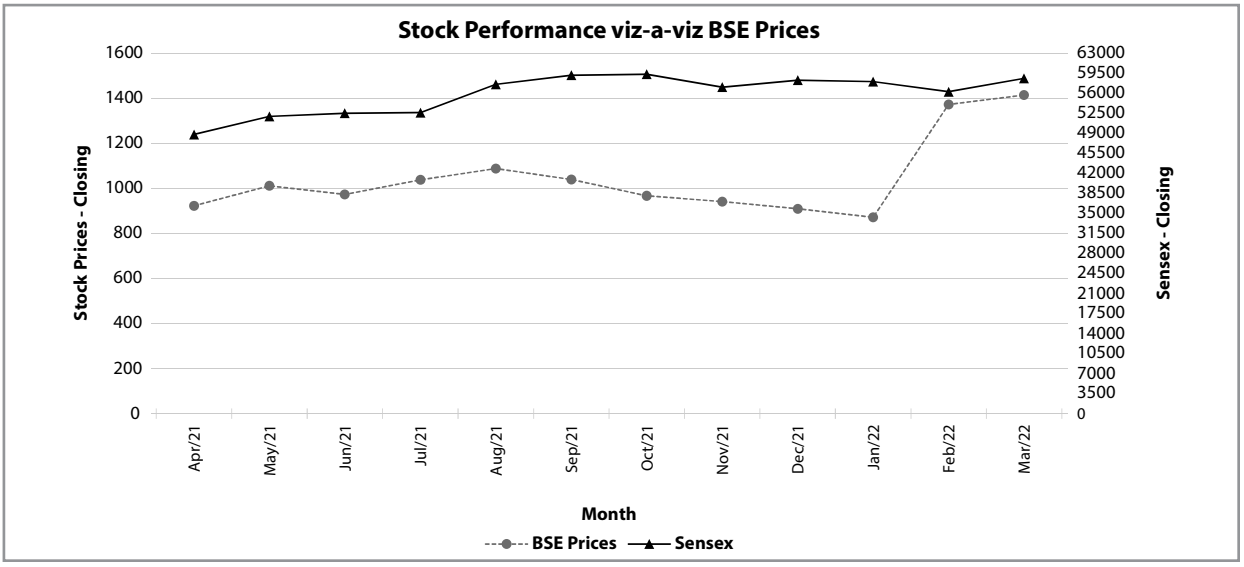
Months	BSE			NSE		
	High (₹)	Low (₹)	Closing (₹)	High (₹)	Low (₹)	Closing (₹)
April-2021	961.35	880.65	922.70	960.00	897.00	929.95
May-2021	1050.00	920.40	1010.40	1050.00	966.85	1010.70
June-2021	1123.25	939.95	972.90	1125.00	961.00	968.40
July-2021	1093.15	971.00	1037.15	1095.00	971.35	1042.95
August-2021	1264.00	1038.95	1087.95	1251.50	1039.20	1090.85
September-2021	1149.75	1015.00	1039.15	1110.40	1019.15	1042.40
October-2021	1212.40	950.20	966.75	1218.80	980.05	977.05
November-2021	1025.95	902.90	940.75	1039.55	925.00	932.05
December-2021	1042.05	844.90	909.70	1039.00	845.00	910.40
January-2022	993.95	827.30	871.30	955.00	823.80	872.90
February-2022	1463.90	900.00	1371.95	1464.10	904.00	1371.20
March-2022	1500.00	1168.05	1413.85	1500.00	1155.00	1409.80

(viii) Vadilal Industries Limited BSE Share Price versus the BSE Sensex :

Market - Price data: The monthly 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	BSE Closing	Sensex Closing
April-2021	922.70	48782.36
May-2021	1010.40	51937.44
June-2021	972.90	52482.71
July-2021	1037.15	52586.84
August-2021	1087.95	57552.39
September-2021	1039.15	59126.36
October-2021	966.75	59306.93
November-2021	940.75	57064.87
December-2021	909.70	58253.82
January-2022	871.30	58014.17
February-2022	1371.95	56247.28
March-2022	1413.85	58568.51

Price Chart:

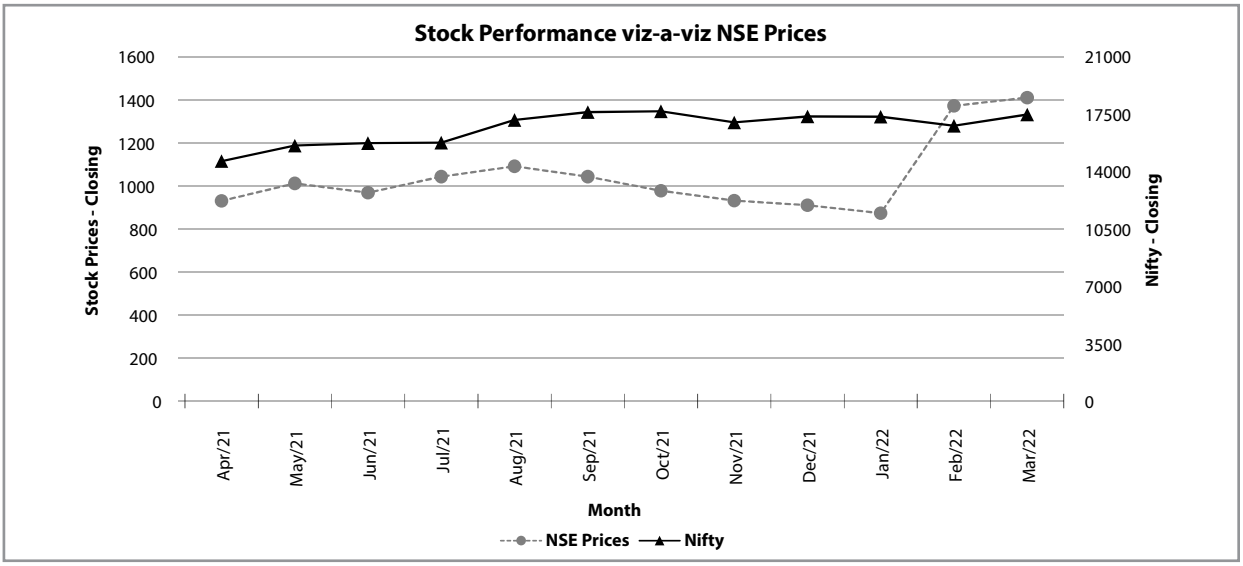


(ix) Vadilal Industries Limited NSE Share Price versus the NSE NIFTY

Market - Price data: The monthly closing prices of the shares of the Company, during the financial year under review and performance of the same in comparison to NSE Nifty are given below :

Month	NSE Closing	Nifty Closing
April-2021	929.95	14631.10
May-2021	1010.70	15582.80
June-2021	968.40	15721.50
July-2021	1042.95	15763.05
August-2021	1090.85	17132.20
September-2021	1042.40	17618.15
October-2021	977.05	17671.65
November-2021	932.05	16983.20
December-2021	910.40	17354.05
January-2022	872.90	17339.85
February-2022	1371.20	16793.90
March-2022	1409.80	17464.75

Price Chart:



(x) Registrar and Transfer Agent:

In terms of SEBI Circular No. D&CC/FITTC/CIR-15/2002, dated 27-12-2002, the Company has assigned all work related to Share Registry in terms of both physical and electronic to MCS Share Transfer Agent Ltd., Ahmedabad, by entering into an Agreement with the said R&T Agent to that effect. Hence, all Shareholders are requested to send/deliver the documents/correspondence including complaints relating to the Company's share transfer/demat/remat activity to

MCS Share Transfer Agent Ltd.
201, Shatdal Complex, 2nd Floor,
Opp. Bata Show Room,
Ashram Road, Ahmedabad - 380 009.
Tel. Nos. : (079) 26580461/62/63
Fax No. : (079) 26581296

(xi) Share Transfer system:

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

(xii) Share Reconciliation Audit:

M/s PRT & Associates, practicing Company Secretaries carried out Share Reconciliation audit for all quarters in the Financial Year –2021-2022, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The audit reports confirm that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with depositories.

Pursuant to SEBI Cir. D&CC/FITTC/CIR-16/2002 dated December, 2002, certificates, on yearly basis, have been issued by a Practicing Company Secretary for due compliance of share transfer formalities by the Company.

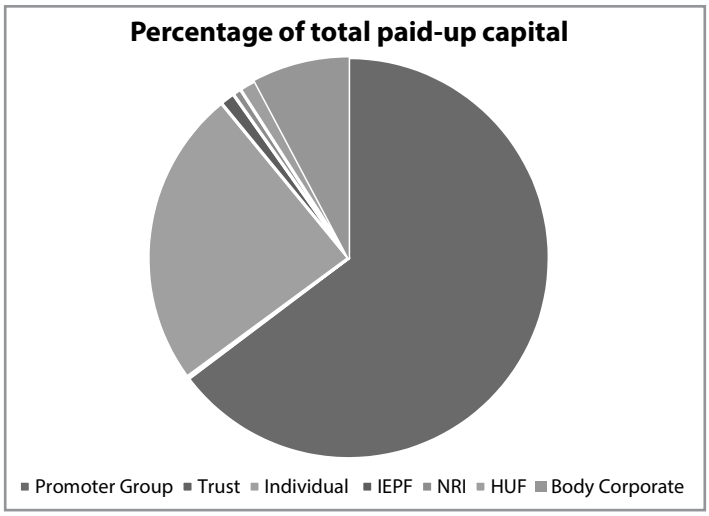
(xiii) Shareholding Details:

(a) Distribution of Shareholding as on 31st March, 2022:

No. of Equity Shares held	No. of Shareholders	No. of Shares	% of Shareholding
1-500	12137	679309	9.45
501-1000	229	179509	2.50
1001-2000	125	184975	2.57
2001-3000	29	70937	0.99
3001-4000	16	57662	0.80
4001-5000	19	85053	1.18
5001-10000	34	264266	3.68
10001- 50000	26	478405	6.65
50001-100000	5	341121	4.75
100001 & above	13	4846593	67.42
Total:	**12633**	**7187830**	**100.00**

(b) Categories of Shareholders as on 31st March, 2022:

Sr. No.	Category of Shareholders	No. of Equity Shares held	Percentage of total paid-up capital
A: Promoters and Promoters' Group			
1	Directors and relatives	1056869	14.70
2	Group Companies	3413175	47.49
3	HUFs	182110	2.54
	Total (A):	**4652154**	**64.72**
B: Public :			
1.	Mutual Funds	600	0.00
2.	Bodies Corporate	514065	7.15
3.	Public Individuals	1792129	24.93
4.	Trust and Foundations	12000	0.18
6.	Non-Resident Indians	52962	0.74
7.	Hindu Undivided Families	73735	1.02
8.	IEPF	90185	1.25
	Total (B) :	**2535676**	**35.27**
	Total	**7187830**	**100.00**



(xiv) Dematerialisation of Shares :

The Company, consequent to introduction of Depository System (DS), has established an electronic connectivity with NSDL & CDSL, Depositories. Members, therefore, have the option of holding and dealing in the shares of the Company in electronic form through NSDL and CDSL. In view of the numerous advantages offered by the DS, members are requested to avail the facility of dematerialisation of the Company's shares on either of the Depositories as aforesaid.

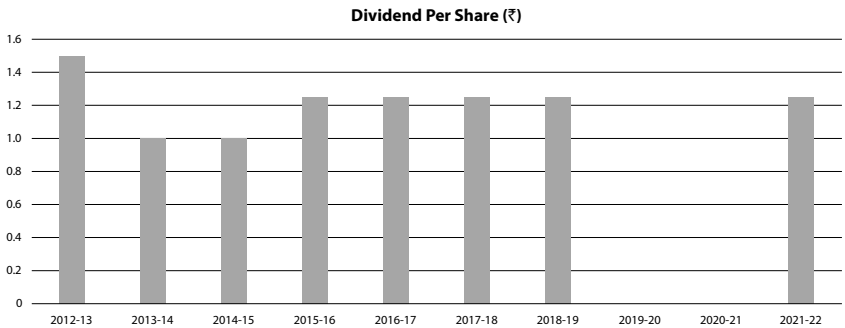
If you wish to maintain your shareholding in the electronic form by joining DS, you will have to open an account with a Depository Participant (DP), who are agents of NSDL or CDSL and lodge your share certificates with your DP for Dematerialisation. The DP will then ensure that the physical share certificates are cancelled and after verification by the Company, an equivalent number of shares will be credited to your account with the DP in the electronic form. You are also permitted under the DS to reconvert your electronic shareholding into the physical form of share certificates by a process of Rematerialisation. It may be noted that the DP would charge the investors for its services, which may vary from one DP to another.

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 or its Registrar & Share Transfer Agent.

Total 7028345 Equity Shares of the Company representing 97.78% of the total paid-up capital of the Company have been dematerialized upto 31-03-2022. Trading in Equity Shares of the Company is permitted only in dematerialised form as per notification issued by SEBI.

(xv) Dividend History for last 10 years:

Financial year	Dividend Per Share (₹)
2012-13	1.50
2013-14	1.00
2014-15	1.00
2015-16	1.25
2016-17	1.25
2017-18	1.25
2018-19	1.25
2019-20	N.A.
2020-21	N.A
2021-22	1.25



(xvi) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on Equity:

Not Applicable

(xvii)Plant locations:

A.	Ice-cream Division	:	1) Village Pundhra, Taluka Mansa, Dist. Gandhinagar (Gujarat) 2) Parsakhera Industrial Area, Bareilly, Uttar Pradesh.
B.	Processed Food Division	:	Dharampur, Dist. Valsad (Gujarat)
C.	Forex Division	:	Vadilal House, Navrangpura, Ahmedabad (Gujarat)

(xviii) Investor Correspondence:

For transfer and dematerialisation of shares, payment of dividend on shares and interest and redemption on debentures and any other query relating to the shares of the Company: -

1) MCS Share Transfer Agent Limited, (Unit: Vadilal Industries Limited),
201, Shatdal Complex, 2nd Floor,
Opp. Bata Show Room,
Ashram Road, Ahmedabad - 380 009.
Tel. Nos. : (079) 26580461/62/63 Fax No. : (079) 26581296

2) Secretarial & Share Department
10th Floor, Colonnade Building,
Opp. Iskon Temple BRTS Bus Stop,
Bopal-Ambli Road, Bopal, Ahmedabad.
Contact person: Ms. Rashmi Bhatt, Company Secretary
Tel. Nos.: (079) 48081200

3) E-mail ID for investors' grievance purpose: shareslogs@vadilalgroup.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

(xix) Amalgamation of Vadilal Financial Services Ltd. with Vadilal Industries Limited - Exchange of Share Certificates:

Vadilal Financial Services Ltd. (VFSL), which was a Subsidiary Company, was amalgamated with Vadilal Industries Limited (VIL) w.e.f. 1st April, 1997. It is observed that some of the members of VFSL have still not exchanged their Share Certificates for new Shares of VIL on amalgamation of VFSL with VIL. As the Share Certificates of VFSL are no longer valid, concerned Shareholders are requested to surrender their Share Certificates of VFSL at the Registered Office of the Company to enable them to get new Shares of VIL in the ratio of 1:4.

(xx) Nomination facility:

Your Company has already offered the facility of nomination to the members. Individual Shareholders can avail of the facility of nomination and may submit to the Company the prescribed SH-13 at the Share Department of the Company. It is advisable to avail of this facility especially by Shareholders who currently hold Shares in single name. In case of any assistance, please contract at the Share Department of the Company at -

10th Floor, Colonnade Building, Opp. Iskon Temple BRTS Bus Stop, Bopal-Ambli Road, Bopal, Ahmedabad.

Contact person: Ms. Rashmi Bhatt, Company Secretary

Tel. Nos.: (079) 48081200

(xxi) Commodity price risk/foreign exchange risk and hedging activities

We are hedging the Foreign Exchange Risk after discussion with internal departments like Export Department and Forex Advisory service Department.

Export Receivable as on 31.03.2022 is ₹ 344.80 Lakhs and Import payable is ₹ 427.91 Lakhs. Total exports (FOB Value) for the FY2022 were ₹ 10936.69 Lakhs, and we have hedged the Export Receivables for future period worth ₹ 2000 Lakhs.

7) OTHER DISCLOSURES:

i) Related party transactions:

Transaction with related parties are disclosed in Note No. 47 of the Notes on Accounts for the year ended on 31st March, 2022, in the Annual Report as required by the Indian Accounting Standard (IND-AS) issued by ICAI.

The details of Related party transactions made by the Company during the year under review are mentioned in the Directors' Report.

However, there are no materially significant related party transactions made by the Company with its promoters, directors or the management or their subsidiaries etc. that may have potential conflict with the interests of the Company at large.

The Independent Directors, who apart from receiving sitting fees for attending Board Meetings and Committee Meetings, do not have any other material pecuniary relationship or transactions with the company, its promoters, its management or its subsidiary, which in the judgment of the Board may affect independence of the judgment of the Directors.

The Directors regularly make full disclosures to the Board of Directors regarding nature of their interest in the Companies in which they are Directors or Members. Full particulars of contract entered with the Companies / Partnership Firms, in which the Directors are directly or indirectly concerned or interested are entered in the Register of Contract maintained under Section 189 of the Companies Act, 2013 and the same is placed in every Board Meeting for the noting and signature of the Directors.

The policy on related party transaction is placed on the company website at www.vadilalgroup.com

(ii) During the last three years, there were following penalties imposed on the Company by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.

Penalty paid to BSE limited and National Stock Exchange of India Ltd. for delay in declaration of audited financial results for quarter ended 31st March, 2019 and delay in declaration of unaudited financial results for quarter ended 30th June, 2019 of ₹ 5,60,500/- to each stock exchange.

Penalty paid to BSE limited and National Stock Exchange of India Ltd. for delay in appointment of independent woman director in the company of ₹ 8,85,000/- to each stock exchange.

(iii) Risk Management:

Business risk evaluation and management is an ongoing process within the Company. During the year under review, the Board of Directors has reviewed frequently the risk assessment and minimization procedure adopted by the Company covering the business operations of the Company.

(iv) CEO/CFO Certification:

In terms of Regulation 17(8) read with Part – B of Schedule – II of the SEBI (LODR) Regulation, 2015 the Certification by CEO and CFO on the financial statements and internal controls relating to financial reporting of the Company has been obtained and is a part of the Annual Report.

(v) Management:

The Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this report.

Pursuant to the provisions of Regulation 26(5) of the SEBI (LODR) Regulation, 2015 the Senior Management has made disclosures to the Board that during the year ended on 31st March, 2022, they have not entered into any material financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company.

(vi) Code of Conduct:

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management Personnel. The said Code has been communicated to all the Directors and members of Senior Management. They have also affirmed to the Company about the compliance of the said Code during the Financial Year ended on 31st March, 2022. The Code has also been posted on the Company's website - www.vadilalgroup.com The Certificate received from Managing Directors of the Company, affirming compliance of the said Code of Conduct by all the Board Members and the Senior Management Personnel is annexed separately to this Report.

(vii) Whistle Blower policy / Vigil Mechanism:

The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report any act of serious misconduct or wrongful activity being occurred or suspected to occur within the organization, to his immediate HOD or the HR Head or directly to the concern Managing Director of the Company, as he may desire. No employee of the Company is denied access to the Audit Committee.

(viii) Policy on Directors' appointment and remuneration:

The Policy on Directors' appointment and remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors is placed on the company website at www.vadilalgroup.com.

(ix) Dividend Distrubution Policy:

The Company has prepared policy on Dividend Distribution.

The policy on the same has been placed on the company website at www.vadilalgroup.com.

(x) Policy on determining 'material' subsidiary:

The Company has prepared policy on determining 'material' subsidiary pursuant to regulation 16 of the SEBI (LODR) Regulation, 2015 were criteria for determining material subsidiary has been clearly specified

The policy on the same has been placed on the company website at www.vadilalgroup.com.

(xi) Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015:

The Company has formulated Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders including therein Code of Conduct for fair disclosures of price sensitive information of the Company, in terms of provisions of SEBI (Prohibition of Insider Trading) Regulation, 2015. The same has also been published on the web-site of the Company viz. www.vadilalgroup.com.

(xii) Disclosure on Audit and Non-Audit Services rendered by the Auditor:

The SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018 requires to disclose total fees paid to auditors for audit and non-audit services to improve transparency. The total fee paid to the Statutory Auditor during the FY2021-22 is as under:

a. Fees paid for Audit Service : ₹ 22.50 Lacs

b. Fees for Non-Audit Service : ₹ 7.50 Lacs

Total fee Paid : ₹ 30.00 Lacs

(xiii) Credit Rating

During the year company has obtained credit rating based on financial performance for the year 2020-21 as below :

India Ratings & Research:

Term Loan - IND BBB/Negative

Fund-based Bank Facilities – IND BBB/Negative

Non-fund-based Bank Facilities -IND A3+

(xiv) Certificate for Non-Disqualification of Directors

The Company has obtained a certificate pursuant to the regulation 34(3) read with schedule V of the Listing regulation from SPAN & Co. Company Secretaries LLP confirming that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company either by SEBI or MCA or any other statutory authority which is attached to this Report as Annexure – 1.

(xv) There are no complaints during the year in relation to sexual harassment of woman at workplace (prevention, prohibition and redressal) act, 2013

(xvi) Details of compliance with mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has disclosed compliance with all the mandatory requirements under Listing Regulations in the relevant sections of this report.

8) DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS:

The Company has duly complied with the Corporate Governance requirements as specified in Regulation 17 to 27 of and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulation, 2015.

9) NON-COMPLIANCE, IF ANY, OF REQUIREMENTS OF CORPORATE GOVERNANCE REPORT:

There is no instance of non-compliance of any requirement of corporate governance report as specified in sub-paras (2) to (10) of Part C of Schedule – V of the SEBI (LODR) Regulation, 2015.

- **Compliance Certificate of the Auditors:**

  The Certificate from M/s. SPAN & Co. Company Secretaries LLP, a firm of Practicing Company Secretaries, confirming compliance with conditions of Corporate Governance as stipulated under SEBI (LODR) Regulation, 2015, is attached to this Report as Annexure – 2.

By order of the Board of Directors

	Mr. Rajesh R. Gandhi	**Mr. Devanshu L. Gandhi**
Date : 26th August, 2022	Managing Director	Managing Director
Place : Ahmedabad	DIN: 00009879	DIN: 00010146

Certificate by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

[As per Schedule II, Part B read with Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015]

We the undersigned, certify that:

a) We have reviewed financial statements and the cash flow statement of Vadilal Industries Limited for the year ended 31st March, 2022 that to the best of their knowledge and belief:

   1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which We are aware and the steps they have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit committee

   1. That there were no Significant changes in internal control over financial reporting during the year;

   2. That there were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. That there were no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: Ahmedabad	**Kalpit Gandhi**	**Rajesh Gandhi**	**Devanshu Gandhi**
Date: 26th August, 2022	Chief Financial Officer	Managing Director	Managing Director

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirement of the Regulation 26 of SEBI (Listing obligations and Disclosure Requirements) regulations, 2015 regarding Corporate Governance, we hereby confirm that all Board members and senior Management Personnel of Vadilal Industries Limited have affirmed the Compliance of code of Business Conduct & Ethics during the year ended on 31st March, 2022

	Mr. Rajesh R. Gandhi	**Mr. Devanshu L. Gandhi**
Date : 26th August, 2022	Managing Director	Managing Director
Place : Ahmedabad	DIN: 00009879	DIN: 00010146

ANNEXURE – 1

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **VADILAL INDUSTRIES LIMITED** having **CIN L91110GJ1982PLC005169** and having registered office at Vadilal House, 53, Shrimali Society, Nr. Navrangpura Police Station, Ahmedabad – 380009, Gujarat, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No	Name of the Director	DIN	Date of Appointment*
1.	Rajeshbhai Ramchandrabhai Gandhi	00009879	28/04/1982
2.	Devanshubhai Laxmanbhai Gandh	00010146	01/01/1988
3.	Vijaykumar Ratilal Shah	00376570	11/11/2016
4.	Deval Devanshu Gandhi	00988905	31/03/2015
5.	Kalpit Rajesh Gandhi	02843308	31/03/2015
6.	Preet Prakashbhai Shah	05131516	29/08/2020
7.	Shaily Jatin Dedhia	08853685	29/08/2020

**the date of appointment is as per Company record.*

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

Premnarayan Tripathi,
(Designated Partner)
SPAN & Co. Company Secretaries LLP
FCS : 8851
COP: 10029
PR:800/200
UDIN: F008851D000830201

Place: Ahmedabad
Date: 23rd August, 2022

ANNEXURE – 2

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
VADILAL INDUSTRIES LIMITED

We, M/s. SPAN & Co. Company Secretaries LLP (having registration no. AAG-7017), a firm of Practicing Company Secretaries, have examined the compliance of conditions of Corporate Governance by Vadilal Industries Limited having CIN L91110GJ1982PLC005169 ("the Company") for the year ended 31st March, 2022, as per regulations 17 to 27, clauses (b) to (i) and (t) of regulation 46(2) and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with amendments as applicable.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

Premnarayan Tripathi,
(Designated Partner)
SPAN & Co. Company Secretaries LLP
FCS : 8851
COP: 10029
UDIN: F008851D000830254

Place: Ahmedabad
Date: 23rd August, 2022

ANNEXURE – D TO THE DIRECTORS' REPORT

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Details	
1	Corporate Identity Number (CIN) of the Company	L91110GJ1982PLC005169	
2	Name of the Company	Vadilal Industries Limited	
3	Registered Address	Vadilal House, 53, Shrimali Society Nr. Navrangpura Railway Crossing, Navrangpura, Ahmedabad- 380009	
4	Website	www.vadilalgroup.com	
5	E-mail id	shareslogs@vadilalgroup.com	
6	Financial Year reported	31.03.2021 to 31.03.2022	
7	Sector(s) that the Company is engaged in (Industrial activity code-wise)	Food Processing Industry (covered under various codes as specified under NIC 1987 covering food products)	
8	List three key products / services that the Company manufactures/provides (as in balance sheet)	**Product**	**ITC Code**
		Ice-cream and Frozen Desert Products	1050
		Fruit Pulp, Frozen Fruits, etc.	1030
		Foreign Exchange (Services)	NA
9	Total number of locations where business activity is undertaken by the Company	Please refer to Corporate Information page of the Annual Report 2022.	
	(a) Number of International Locations (Provide details of major 3)	Export to USA, Australia and UAE	
	(b) Number of National Locations	3 manufacturing, 65 sales branches, Head Office, Corporate office, national sales and distribution network	
10	Markets served by the Company: Local/State/ National/ International	Local and International.	

SECTION B : FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	Details
1	Paid up Capital (INR)	₹ 7,18,78,300
2	Total Turnover (INR)	₹ 5441161000
3	Total Profit/ (Loss) after taxes (INR)	₹ 103443000
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Total spending on CSR is 2% of average profit after tax. This is detailed in the Annual Report of CSR Activities, ANNEXURE-G of the Board's Report.
5	List of activities in which expenditure in 4 above has been incurred	List of CSR activities are detailed in the Annual Report of CSR Activities, ANNEXURE-G to the Board's Report.

SECTION C: OTHER DETAILS

Sr. No.	Particulars	Details
1	Does the Company have any Subsidiary Company/ Companies?	Yes, Company has 4 Subsidiaries
2	Do the Subsidiary Company/Companies participate in the BR initiatves of the parent Company? If yes, then indicate the number of such subsidiary Company(s).	No, Subsidiary Companies do not participate in BR Initiatives of the parent company.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?	No other entity / entities that we work with have taken up BR initiatives have taken up during the previous Financial Year.

SECTION D: BR INFORMATION

Sr. No.	Particulars		Details	
1	**Details of Director/Directors responsible for BR**			
	(a)	Details of the Director/Director responsible for implementation of the BR policy/policies	DIN Number	00009879 and 00010146
			Name	Rajesh R Gandhi and Devanshu L. Gandhi
			Designation	Managing Directors
	(b)	Details of the BR head	DIN Number	00009879 and 00010146
			Name	Rajesh R Gandhi and Devanshu L. Gandhi
			Designation	Managing Directors
			Telephone number	079-48081200
			E-mail id	shareslogs@vadilalgroup.com

2	**Principle-wise (as per NVGs) BR Policy/Policies**										
	(a)	**Details of Compliances (Reply in Y/N)**									
	No.	**Questions**	**P1**	**P2**	**P3**	**P4**	**P4**	**P5**	**P6**	**P7***	**P8**	**P9***
	1	Do you have a policy/policy for ...	√	√	√	√	√	√	√		√	
	2	Has the policy being formulated in consultation with the relevant stakeholders?	√	√	√	√	√	√	√		√	
	3	Does the policy conform to any national/ international standards? If yes, specify? @	√	√	√	√	√	√	√		√	
	4	Has the policy being approved by the Board? Is Yes, has it been signed by MD/ owner/CEO/appropriate Board Director?	√	√	√	√	√	√	√		√	
	5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	√	√	√	√	√	√	√		√	
	6	Indicate the link for the policy to be viewed online?	We have some policies on our website									
	7	Has the policy been formally communicated to all relevant internal and external stakeholders?	√	√	√	√	√	√	√		√	
	8	Does the Company have in-house structure to implement the policy/policies	√	√	√	√	√	√	√		√	
	9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	√	√	√	√	√	√	√		√	
	10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	We have not carried out an independent audit of these policies									
	(b)	**If answer to the question at serial number 1 against any principle, is 'No' please explain why: (Tick up to 2 options)**								Not applicable		
3	**Governance related BR**										
	(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.	The Board / Committee will review the BR performance at least annually.									
	(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The BRR is published annually and available on the website of the Company at www.vadilalgroup.com									

@The policies have been derived and adopted by Vadilal Group and are aligned as per local requirements to safeguard the interests of all its stakeholders.

** We do not have a defined policy as of now.*

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others?

   Vadilal Industries Limited Code of Business Conduct includes the Company's policy on ethics, bribery and corruption covering the Company and all its vendors, contractors and associates. Other significant documents from the Vadilal Group, which define the standard of behaviour of the Company, are Vadilal Code of conduct for prohibition of Insider trading, Whistle Blower policy, and Resource Supply Chain Guidelines.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   No stakeholder complaints received/ pending at the end of the year.

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   Vadilal is providing three types of milk products to the consumer- Ice cream, Flavoured Milk and Paneer All are nutritionally enriched product. All our products are free from preservative and transfat.

   Malai Paneer is rich in protein and calcium and without any preservative and rennet free product.

   We have a wide range for Kids product specifically designed for kids with the Goodness of real milk and enriched with calcium.

   We have flavoured Milk of variety of flavours such as kesar, Rose and Elaichi.

   Sugar free ranges are without any added sugar.

   We have removed our non-recyclable packaging material and converted into recyclable material and we are working more on this matter for our other packaging material.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   There is no reduction in usage as compared to last year.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof,

   N.A

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   Company prefers to procure the material from local vendor & support the development of local farmer by assisting them to increase milk productivity and quality through technical assistance - providing veterinary services, subsidiary medicines and cattle feed.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof

   Company has fulfilled the extended producer's responsibility for post-consumer waste management. and complied the waste management rules 2016 amended in 2018.We have working change the non-bio-degradable packaging material to recyclable material and used recycled paper wherever suitable to our products.

Principle 3: Employee Wellbeing

Sr. No.	Particulars	Details
1	Please indicate the Total number of employees	668
2	Please indicate the Total number of employees hired on temporary/ contractual/casual basis	3019
3	Please indicate the Number of permanent women employees	85
4	Please indicate the Number of permanent employees with disabilities	0

Sr. No.	Particulars		Details
5	Do you have an employee association that is recognised by management?		The Company does not have an employee association
6	What percentage of your permanent employees are member of this recognised employee association?		NA
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harasment in the last financial year and pending, as on the end of the financial year.		There were no complaints of this nature during the Financial Year.
	What percentage of your mentioned employees were given safety and skill up-gradation training in the last year?		
	(a)	Permanent Employees	45%
	(b)	Permanent Women Employees	14%
	(c)	Casual/Temporary/Contractual Employees	22%
	(d)	Employees with Disabilities	NA

Principle 4: Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1. Has the Company mapped its internal and external stakeholders?

   Yes, the Company's business operations have evolved, balancing business priorities and responsibility towards economic, environmental and social sustainability. The Company builds trust through productive relationships, fosters working partnerships and stakeholders both internal and external as integral to its business. Company's key stakeholders include employees, suppliers, customers, business partners, regulatory agencies and local communities around its Plants

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders

   Yes, the Company has identified the disadvantaged, vulnerable and the marginalised sections within the local communities around its Plants.

3. Special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders

   No

Principle 5: Business should respect and promote human rights

1. Does the Company's policy on human rights cover only the Company or extend to the Group / Suppliers / Contractors / NGOs / others?

   The Company has put in place a Human Rights Policy applicable to all Vadilal Group of Companies. The Company's commitment to follow the basic principles of human rights is embedded in "Code of Conduct" adopted by the Company. The Company strictly adheres to all applicable labour laws and other statutory requirements in order to uphold the human rights within its organisational boundary.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

   No stakeholder complaints were received during the last financial year.

Principle 6: Business should respect, protect, and make effort to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ others

   The policy covers the Company and all its vendors, contractors and associates.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Yes, Vadilal is committed to contribute to limiting global temperature increasing. We are working on several initiatives to achieve energy efficiency and are committed to adopt renewable energy in our operation.

   "We have reduced use of ground water (Bore well) by using Narmada river water through pipe line".

We aim to procure maximum of our electricity as per allowable limit by respective state's regulations from renewable sources. Reduce GHG emissions. Expand the use of natural refrigerants, which do not harm the ozone layer and have a negligible impact on climate change/The development of our packaging to accelerate the development of functional and safe packaging solutions that have a lower carbon footprint.

3. Does the company identify and assess potential environmental risks? Y/N

Yes

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Yes, the company has initiated the steps to reduce GHE effect since 2016. It has replaced the use of fossils fuel with bio gas (generated from water treatment plants) in heating ovens in plants, worker's colony canteen. It is also generating electricity from biogas by gas engines (80 Kw). It has converted its furnace oil fired boiler into bio gas fired boiler by installing bio gas firing systems.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes, Company has the procedure of biogas generation from effluent treatment plant and that biogas is used for various purposes.

We have also initiated for supply of about 1800KVA power through Group Captive solar generation at Bareilly plant.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There is no pending show cause notice/legal notices received in the year 2021-22.

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with

   a. Confederation of Indian Industry

   b. Indian Ice Cream Manufacturer's Association

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas/

The company does undertake need based advocacy on issues relating to ice-cream sector and sustainability through our membership of ICMA. All the engagements are guided by the values of commitment, integrity and the need to balance interests among our diverse stakeholders.

Principle 8: Business should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8 If yes details thereof.

The company has Programmes in area of primary health care in the rural area . The unit is run by qualified doctor and staff. It provides preliminary education for preventive health care . It also provides primary treatments to villagers. About 2 medical camps were organised in the area of ortho,RBS,Gynec,ENT & Dental camp etc and treated about 1000 patients . The health care unit was attended to by about 15823 patients at its OPD.

The company has also started the programme of women skill developments for nearby villages as Vadilal group has made substantial progress made in increasing women skill for Stitching and beauty parlour course for 100 day and donating subsidiary Stitching Machine.

The company has also started the programme of educating and training the farmers in the area of different high yielding crop pattern, soil conservation, optimal use of inputs like water/ fertilisers/ manpower, quality of seeds . Awareness programmes were conducted in 10 villages and hired one crop expert doctor for survey of local land of the farmers for increase the income of farmers after growing new crops …..

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

Projects are undertaken through in-house expert teams and in partnership with like minded expert partner organizations that share the Company's ambition towards creating inclusive growth.

3. Have you done any impact assessment of your initiative?

   Yes

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

   The details are in Annexure-G of the Directors Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   All the community development initiatives are monitored and presentation is made to top management. Also field visits are made by top management to ensure that community is adopting the development. Direct interaction with villagers is done to understand the factual impacts of the initiatives.

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   Normally we receive the complains thru our social media, customer care & email id and it process with respective department and head with required solution to consumers & trade. There is no any pending complain till date.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. /Remarks (additional information)

   Yes. We are following the all the mandate of Product labels.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   There is no case filed by any stakeholder against the company regarding unfair trade practices irresponsible advertising or anti-competitive behaviour which are pending as at the end of Financial Year 2021.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   On periodic based we do consumer & trade research thru our internal team and external sources and get the feedback and basis on the same it applies in our business planning.

   Recently we have done market research thru Nielsen Research agency across India where we geographically presence.

By order of the Board of Directors

	Mr. Rajesh R. Gandhi	**Mr. Devanshu L. Gandhi**
Date : 26th August, 2022	Managing Director	Managing Director
Place : Ahmedabad	DIN: 00009879	DIN: 00010146

ANNEXURE – E 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 Enterprises Limited (VEL), a Public Company in which Directors are Directors and holding more than 2% shares alongwith 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	Agreement executed on 29.09.2016, which is valid for a period of 10 years w.e.f. 1st October, 2016.
d	Salient terms of the contracts or arrangements or transaction including the value, if any	- Sale of Ice-cream, Frozen Desert, Flavoured Milk and other Milk and Dairy products and Processed Food Procuts by VIL to VEL on Principal to Principal basis and on credit basis. All matters related to marketing including marketing expenses will be decided and born by VEL.
		- Payment shall be made by VEL within 180 days from the last date of 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 amount due to the Company, beyond the said credit period of 180 days
e	Date of approval by the Board	The Agreement was approved by the Board at its meeting held on 8-8-2016. The details transactions of sale/purchase 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

Mr. Rajesh R. Gandhi
Managing Director
DIN: 00009879

Mr. Devanshu L. Gandhi
Managing Director
DIN: 00010146

Date : 26th August, 2022
Place : Ahmedabad

ANNEXURE – F TO THE DIRECTORS' REPORT

[Information under Section 134(3)(m) of the Companies Act, 2013 and Rules made thereunder and forming part of the Directors' Report for the year ended on 31st March, 2022]

A) CONSERVATION OF ENERGY

- **The steps taken or impact on conservation of energy and the steps taken by the company for utilising alternate sources of energy:**

  In order to reduce the cost of production, save consumption of energy and increase the productivity, the Company has taken several measures which mainly include the following:

Ice-cream Division at Pundhra, Gujarat:

- Installed 66kv Electrical Power overheadline with substation to meet the increased power demand of 4365 KVA
- Installed the steam operated pumping trap in CIP section to recover the steam condesnsate water from second CIP circuit
- Installed sludge dewatering screw press m/c in ETP for fast removal sludge even in moonsoon season.

Ice-cream Division at Bareilly, Uttar Pradesh:

i. Energy Conservation measures taken:

- New Candy Rollo 2 (21000 CANDY/HOURS) connected with existing Rollo-1 without increasing additional refrigeration load.
- A new mix preparation circuit get fabricated with Fristom triblender, resulting that mix preparation become fast and prepared more mix.

ii. Additional investments and proposals, if any, for reduction of consumption of energy:

- Open access system is under process & its reduce unit rate and Electricity bill amount will reduce Significantly.
- 5 MVA transformer replace by 7.5MVA as requirement of the plantfor smooth operation.
- 5.0 TPH boiler purchasing is under consideration for the future need to meet the growth. by replacing 2.0 TPH boiler
- 2000 KVA DG Sets purchasing is under consideration, Its replace to 1010 KVA, taking under consideration of growth.

iii. Impact of measures at (i) and (ii) above for reduction of production of goods:

- smooth operation & production machine efficiency may be increased
- after connecting with common ammonia line power consumption may be reduced

Processed Food Division at Dharampur, Gujarat:

- We had replaced all fire tubes of Boiler and its Chimney to increase efficiency of Boiler and saving in fuel consumption cost.
- Online Temp. Monitoring system installed which covered All Cold stores
- We had installed 4 Nos New Doors for cold stores to minimize losses and got power saving
- Started Preventive maintenance monitoring by SAP...it will minimize break downs, if any and it leads productivity and saving
- Industrial Cooker installed to save energy and time
- Leafy process area which contains New Leafy cutting machine – 2 Nos with Wind separator to improved product quality and productivity as well as energy savings.

b) Capital investments on energy conservation equipments:

Ice-cream Division at Pundhra, Gujarat:

- Installation of one more steam operated pumping trap in Panner section to recover steam condensate.
- Installation of automatic air Purger in refrigeration plant to increase Ammonia Refrigeretion system efficiency.
- Installation of additional capacitor bank for improve the electrical power factor due to increase Induction load of 66 KV Transformer.
- Installation of VFD in one screw compressor for Power saving & controlling MD.

Processed Food Division at Dharampur, Gujarat:

- The Company is planning to install Spiral freezer for RTE product at Dharampur Factory, to improve the quality and reduce the manpower.
- Continuous cup sealing machine for Chutney, New Potato peeler to minimize waste and increase production capacity
- New Glue machine to seal RTE box to save man power and increase productivity
- Waste water from RO will utilize for Toilet area to save water and reduce ETP load

c) Impact of measures at (a) and (b) above for reduction of production of goods:

Ice-cream Division at Pundhra, Gujarat:

- After installation of 66kv power line found reduction in power failure frequecy. Voltage fluctuation is now very minimum, resulted in reduced breakdown and inproved the productivity.
- After installation of the SOPT, the steam condensate from CIP circuit is recoverd and saved the feed water quantity and reduction in steam cost.

1. After installation of the sluge dewatering screw press in ETP, ETP sludge drying capacity has enhance and manual work for sludge removal from drying beds also reduced. Fast removal sludge even in moonsoon season.

d) After installation of the SOPT the steam cost and feed water consumption in boiler will be further reduced.

e) After installation of air purger power will be saved for Ammonia refrigeration plant compressor.

f) After Installation of capacitor bank, the electrical system power factor will improve & saving in power cost.

Processed Food Division:

The measures listed in above (a) and (b) would result in energy saving, increase in production rate, improvement in quality and avoiding in production break-down due to power-off.

B) TECHNOLOGY ABSORPTION

a) Efforts in brief, made towards technology absorption, adaptation and innovation:

Ice-cream Division at Pundhra, Gujarat:

- Procured "Narmada water" and reduce borewell water consumption. Water quality improved in terms of TDS & Chlorides, resulting in enhanced life of CIP pipings & equipments. No need to use R.O. Plant to meet water quality & hence saving in reject water quantity.
- Centralized Emergency Light for all Cold stores for consistency & safety.
- Started making 500 ml & 1000 ml Cakes on extrusion m/c for better quality & higher output to meet market demand.
- Introduced rotary varigators for ripple dosing in selected products to improve product quality.
- Improvement in basundi preparation SOP leading to lesser production time, higher yield & substantial saving in steam consumption resulting utilyzation of only one Boiler for most of the time.
- Expansion of shrikhand production capacity by almost 2 times than earlier with help of Quark Separator & higher capacity SSHE.
- Elimination of condensed milk from all the varieties and substituting the same with other milk solids that are readily available in house to reduce product cost & easy availability.

b) Additional investments and proposals, if any, for Technology Absorption, Adaption & Innovation: -

Ice-cream Division at Pundhra, Gujarat:

(a) Diesel Engine Driven Pump with Piping Modification for existing firefighting system.

(b) Automatic Hot Gas Defrosting System for Cold Room 1 To 6

(c) New High-Speed Linear cone m/c to cater increased market demand

(d) Metal Detector in all production lines including Cone lines

c) Benefits derived as a result of the above efforts:

Ice-cream Division at Pundhra, Gujarat:

- Plant safety
- water saving
- production capacity enhancement
- Food safety

d) In case of Imported technology (imported during last Five years reckoned from the beginning of the financial year) information to be furnished:

During the last five years, the Company has imported the following technologies:

Details of Imported Technology	Year of import	Whether fully absorbed or not	Areas where absorption has not taken place and reason.
" Cao-tech" make Chocolate making machine	2017	Yes	NA
"Product in Product machine" (PIP) for candy product	2017	Yes	NA
Extrusion ice cream machine with Continuous tunnel	2017	Yes	NA
"Gram" make continuous ice cream making freezer -02 nos.	2017	Yes	NA
"Ulma" make Paneer packing machine	2018	No	Packing Material in development stage
Ice cream freezing Continuous tunnel with candy filling attachment	2018	Yes	No
Tub filling machine 02 nos from China	2018	Yes	NA
Rotary cone machine from china	2018	Yes	NA
Automatic Cartoning Machine	2019	NO	Packing Material in development stage
"Tetra" make Continuous ice cream making freezer 700 ltr & 1500 ltr	2020	Yes	NA
"WCB" make Continuous nut feeder	2020	Yes	NA
New Choco Bar Module for Tetra Roll Machine	2021	NO	NA

e) The expenditure incurred on Research and Development:

During the year under review, the Company has incurred expenditure of ₹ 58.18 lacs towards Research and Development.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

As against Foreign Exchange Earnings of 11081.38 lacs for the previous year ended on 31st March, 2021, the Company has earned Foreign Exchange of ₹ 10936.71 lacs for Export of Goods on FOB value for the year ended on 31st March, 2022.

As against Foreign Exchange Outgo of ₹ 464.66 lacs for the previous year, the Outgo during the year under review was ₹ 918.82 lacs.

By order of the Board of Directors

Mr. Rajesh R. Gandhi
Managing Director
DIN: 00009879

Mr. Devanshu L. Gandhi
Managing Director
DIN: 00010146

Date : 26th August, 2022
Place : Ahmedabad

ANNEXURE- G TO DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year – 2021-2022

1. Brief outline on CSR Policy of the Company:

a) To direct the Company's CSR Programmes, inter alia, towards achieving one or more of the following - enhancing environmental and natural capital; supporting rural development; promoting education; providing preventive healthcare, providing sanitation and drinking water; creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India; preserving and promoting sports;

b) To develop the required capability and self-reliance of beneficiaries at the grass roots in the belief that these are prerequisites for social and economic development;

c) To engage in affirmative action interventions such as skill building and vocational training, to enhance employability and generate livelihoods for various persons including farmers;

d) To pursue CSR Programmes primarily in areas that fall within the economic vicinity of the Company's operations to ensure maximum development impact;

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meeting of CSR committee held during the year	Number of meeting of CSR Committee attended during the year
1.	Mr. Vijay R. Shah	Chairman & Independent Director	1	1
2.	Mr. Devanshu L Gandhi	Managing Director	1	1
3.	Mr. Kalpit R. Gandhi	Director & CFO	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

https://vadilalgroup.com/pdf/CSR%20Policy%20VIL.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from proceeding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
1.	2018-19	-	-
2.	2019-20	-	-
3.	2020-21	-	-
	TOTAL	**-**	**-**

6. Average net profit of the company as per section 135(5): ₹ 1870.04 Lacs

7. a. Two percent of average net profit of the company as per section 135(5): ₹ 37.40 Lacs

b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

c. Amount required to be set off for the financial year, if any.: NIL

d. Total CSR obligation for the financial year (7a+7b-7c): ₹ 37.40 Lacs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount spent for the Financial Year (in ₹)	Amount Unspent (in ₹)			
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)	
	Amount	Date of Transfer	Name of the Fund	Amount
₹ 39.85 Lacs	-	NA	NA	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sr No.	Name of the Project	Item from the list of activities in Schedule VII to the act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to unspent CSR Account for the project as per section 135(6) (in ₹)	Mode of Impleme-ntation - Direct (Yes/ No)	Mode of Implementation - Through Agency	
				State	District						Name	CSR
1.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the Project		Amount spent for the project (in ₹)	Mode of Implemen-tation - Direct (Yes/ No)	Mode of Implementation - Through Agency	
				State	District			Name	CSR Registration Number
1.	Agriculture Activity	Promoting health care and preventive health care	Yes	Gujarat	Gandhinagar	10.36	Yes	NA	NA
2.	Medical Aid at Pundhra Plant	Promoting health care and preventive health care	Yes	Gujarat	Gandhinagar	19.76	Yes	NA	NA
3.	Waste collection and disposal at Pundhra Plant	Ensuring environmental sustainability	Yes	Gujarat	Gandhinagar	5.18	Yes	NA	NA
4.	Visit to Devgadh Bariya for waste collection and disposal and visit to Ananddham for Pundhra Plant	Ensuring environmental sustainability	Yes	Gujarat	Gandhinagar	1.44	Yes	NA	NA
5.	Social Activity	promoting education	Yes	Gujarat	Gandhinagar	2.50	Yes	NA	NA
6.	Stitching & beauty parlour class	Women Empowerment	Yes	Gujarat	Gandhinagar	0.60	Yes	NA	NA

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year: ₹ 39.85 Lacs

(g) Excess amount for set off, if any:

Sr. No.	Particular	Amount (In ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 37.40 Lacs
(ii)	Total amount spent for the Financial Year	₹ 39.85 Lacs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 00.28 Lacs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 2.45 Lacs

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2018-19	-	-	NA	-	NA	-
2.	2019-20	-	-	NA	-	NA	-
3.	2020-21	-	-	NA	-	NA	-

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

Sr No.	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial year (in ₹)	Status of the project- Completed / Ongoing
1.	2018-19	NA	NA	NA	-	-	-	NA
2.	2019-20	NA	NA	NA	-	-	-	NA
3.	2020-21	NA	NA	NA	-	-	-	NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

a. Date of creation or acquisition of the capital asset(s): Not Applicable

b. Amount of CSR spent for creation or acquisition of capital asset: Not Applicable

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable

d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

The Company has spent full amount towards CSR activities during the year as per Section 135 and Companies (Social Responsibility Policy) Rules, 2014. There is no unspent amount of CSR obligation for the financial year 2021-22.

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility and Governance (CSR&G) Committee of the Board of Directors of the Company, is reproduced below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

Rajesh R. Gandhi
Managing Director
Vadilal Industries Limited

Devanshu L. Gandhi
Managing Director
Vadilal Industries Limited

Vijay R. Shah
Chairman of CSR Committee
Vadilal Industries Limited

Date : 26th August, 2022
Place : Ahmedabad

ANNEXURE- H TO DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[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 Industries Limited
Vadilal House 53 Shrimali Society,
Nr Navrangpura Police Station,
Ahmedabad - 380009,
Gujarat, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Vadilal Industries Limited (CIN: L91110GJ1982PLC005169) (hereinafter called 'the Company')**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, we hereby report that in our opinion, the Company has, during the financial year ended on 31st March, 2022 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the 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;

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) Regulations, 2014 till 12th August, 2021 & the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 w.e.f 13th August, 2021; (Not Applicable to the Company during the Audit Period)

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 till 15th August 2021 & the Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 w.e.f 16th August, 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, 2009 till 9th June, 2021 & the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 w.e.f 10th June, 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).

vi. We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

a. Prevention of Food Adulteration Act, 1954 and rules and regulations made there under;

b. Food Safety and Standards Act, 2006 and rules and regulations made there under;

c. The Standards of Weights and Measurers Act, 1976 and Standards of Weights and Measurers (Packaged Commodities) Rules, 1977 and other rules and regulations made there under;

d. Legal Metrology Act, 2009 And Legal Metrology (Packaged Commodities) Rules, 2011;

For the purpose of other laws applicable specifically to the Company, we have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliance under other laws as may be applicable specifically to the Company and verification of document and records.

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 Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) 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. mentioned above subject to the following observations:

1. Hundred percent shareholding of one of the promoter is not maintained in dematerialized form as per regulation 31(2) of the LODR Regulations.

2. Annual Return on Foreign Liabilities and Assets under the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder is not filed.

We further report that:

The Board of Directors of the Company is duly constituted with 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 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.

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 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
UDIN:
PR:800/2020

Place: Ahmedabad
Date: 22-08-2022

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 Industries Limited
Vadilal House 53 Shrimali Society,
Nr Navrangpura Police Station,
Ahmedabad-380009, Gujarat, India.

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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and 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. 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
UDIN:
PR:800/2020

Place: Ahmedabad
Date: 22-08-2022

ANNEXURE – I 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 31st March, 2022, 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 – 2021-2022 and the percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year – 2021-2022:

Name of the Managing Directors, Chief Executive Officer, Chief Financial Officer, and Company Secretary	Ratio to median remuneration of the employees	% increase in remuneration in the financial year
Mr. Rajesh R. Gandhi, Managing Director	1: 31	6.26%
Mr. Devanshu L. Gandhi, Managing Director	1: 31	6.26%
Mr. Kalpit R. Gandhi, Chief Financial Officer	N.A.	0%
Ms. Rashmi T. Bhatt, Company Secretary	N.A.	15.00%

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 – 2021-2022: 18%

c. The number of permanent employees on the rolls of Company as on 31-3-2022: 668

d. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year – 2021-2022 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 reivew, the average annual increase was around 10.97%

Increase in the managerial remuneration for the year was 6.88%. There is no exceptional increase in the remuneration of the Managing Directors of the Company.

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

e. Affirmation:

The Company affirms that the remuneration of the Managing Directors and the employees of the Company are as per the remuneration policy of the Company.

f. The statement containing 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	**Devanshu L. Gandhi**
Date : 26th August, 2022	Managing Director	Managing Director
Place : Ahmedabad	DIN: 00009879	DIN: 00010146

Independent Auditor's Report

To the members of Vadilal Industries Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Vadilal Industries Limited (the "Company"), which comprise the standalone Balance Sheet as at March 31, 2022, the standalone Statement of Profit and Loss (including Other Comprehensive Expense), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'standalone 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 standalone financial statements give the information required by the Companies Act, 2013 (the "Act"), in the manner so required, and give a true and fair view in conformity with the 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, 2022 and its profit, total comprehensive expense, 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 standalone financial statements of the Company for the year ended March 31, 2022. The matter more fully discussed in Note No. 54 of the standalone financial statements pertaining to the pending receipt of conclusive reports/findings for the item described therein:

(i) Matter involving counter allegations levelled by two Promoter Directors against each other in respect of potential personal expenses claimed as official business expenditure amounting to ₹ 25.33 lakh (for financial year 2017-18 and financial year 2018- 19), and ₹ 25.00 lakh (for financial year 2014-15 to financial year 2018-19) respectively, by the Promoter Directors.

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

We conducted our audit of the standalone 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 Standalone 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 standalone 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 standalone financial statements.

Emphasis of Matter

We draw attention to:

1. Note No. 42 of the standalone 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.
2. Note No. 55 of the standalone financial statements, which describes the management's assessment of the impact of the outbreak of COVID-19 on the business operations of the Company.

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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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
	Inventory Existence and Carrying Value	
1.	Refer to Note No. 2(e) (accounting policy), Note No. 9 to the standalone financial statements. Inventory is held by the Company's plants, and hired locations across India. The Company has significant levels of inventories and significant management judgments are taken with regard to categorization of inventories into obsolete and/or slow moving and which should be therefore be considered for provision. Estimates are then involved in arriving at provisions against cost in respect of slow moving and obsolete inventories to arrive at valuation based on lower of cost and net realizable value. Given the level of significant management judgments and estimates involved this is considered to be a key audit matter.	Our procedures included : ➢ Performed inventory count at plant on sample basis, which were selected based on financial significance and risk. Where locations were not attended, we tested certain controls over inventory existence across the Company. ➢ Observing sample of management's inventory count procedures, to assess compliance with the Company process. ➢ Performing roll forward procedures for the year-end balance from the date of inventory count attended. ➢ Obtaining inventory confirmations from the hired locations as on balance sheet date and comparing the same with the inventory as per books and obtaining the reconciliations for the variations (if any). ➢ Challenging the management with regard to the calculation methodology, the basis for provision and the process with respect to inventory provision; ➢ Testing the design, implementation and operating effectiveness of the key controls management has established for provision computations and to ensure the accuracy of the inventory provision. ➢ Assessing the adequacy of, and movements in, inventory provisions held, by recalculating a sample of items included within the provision to ensure appropriate basis of valuation. ➢ Evaluating, on a sample basis, whether inventories were stated at the lower of cost or net realizable value at the reporting date by comparing the sales prices of inventories subsequent to the reporting date. ➢ Evaluating the appropriateness of the assumptions used based on our knowledge and information of the client and the industry.

Information Other than the Standalone 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 standalone 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 standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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'.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, including total comprehensive expense, 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 standalone financial statements for the financial year ended March 31, 2022 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 standalone Balance Sheet as at March 31, 2022, the standalone Statement of Profit and Loss (including Other Comprehensive Expense), the standalone Statement of Changes in Equity and the standalone 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 standalone 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, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 standalone 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, remuneration paid by the Company to its directors during the year 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 standalone financial statements. Please refer Note No. 41.

      (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) As stated in Note No. 18(a) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2022 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.

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

Arpit K. Patel
Partner
Membership No.: 034032
UDIN: 22034032AJUOTB1431

Place: Ahmedabad
Date: May 28, 2022

Annexure A to the Independent Auditor's Report of even date on the Standalone Financial Statements of Vadilal Industries 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 Industries 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 regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of 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, portion of the fixed assets were physically verified by the Management during the year. According to information and explanation 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 standalone financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date, except the following:

Description of the property, including location, identification number from land records, municipal records, etc.	Gross carrying amount as per balance sheet of the Client (in ₹ lakhs)	Name of the party(s) who are holding the title of the immovable property	Whether the immovable property is held in the name of the promoter, director or their relative or employee?	In whose name is the property held?	Period of Holding	Reason for the immovable property not being held in the name of the Client
Freehold land located at Dwarka admeasuring 58,096 sq. mtrs.	338.44	Vadilal Industries Limited	No	Vadilal Industries Limited	08-01-1996	The title deeds are not readily available. In the revenue records it is in the name of the Company.
Freehold land located at Bareilly admeasuring 94 sq. yards	8.82	Vadilal Industries Limited	No	Vadilal Industries Limited	26-11-2015	Original title deeds are not readily available.
House Building Located at Pushpak Bungalow, Ahmedabad admeasuring 200 sq. yards	13.39	Bipin P Mehta / Minaben N Mehta	No	Bipin P Mehta / Minaben N Mehta	28-05-1996	The said property is in dispute. Deed of Conveyance is in the name of Vadilal Financial Services Limited (VFSL amalgamated with the Company w.e.f. 1 April, 1997).

(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, 2022 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) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks on the basis of security of current assets. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of account of the Company except for the following:-

Period	Security Provided	Return Amount (in ₹ lakhs)	Amount as per Books (in ₹ lakhs)	Difference (in ₹ lakhs)
Quarter ended June 30, 2021	Inventories	11,617.96	11,617.00	0.96
Quarter ended June 30, 2021	Trade Receivables	2,083.40	2,083.00	0.40
Quarter ended September 30, 2021	Inventories	8,483.40	8,483.00	0.40
Quarter ended September 30, 2021	Trade Receivables	1,898.58	1,908.00	-9.42

(iii) 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 guaratee is given by the Company. 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.

(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) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

(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 Act, 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.

(b) 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, 2022 for a period of more than six months from the date they became payable.

(c) Details of dues of Sales Tax, Duty of excise, Goods and Services Tax and Income-tax which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount involved (₹ in lakhs)	Amount unpaid (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, Sales Tax Acts of various states & Goods and Service Tax	Sales tax and penalty	39.07	23.24	1998-99	High Court
	Additional tax demand	12.49	12.49	2000-01	JT Comm S. Tax
	Sales tax demand	20.74	15.74	2000-01	DC, Appeal-4, Mehsana
	Sales tax demand	1.55	1.55	2001-02	Dy. Comm, S. Tax
	Sales tax demand	2.1	0.6	2002-03	Sales Tax Tribunal, Bhubaneshwar
	Sales tax asst. dues	2.39	2.39	2003-04	JC-1, Appeal, Ahmedabad
	Purchase tax	0.46	0.46	2003-04	JC-1, Appeal, Ahmedabad
	Sales tax	3.67	3.67	2004-05	Sales Tax Tribunal
	Sales tax and penalty	24.81	14.81	2010-11	Sales Tax Tribunal
	Sales tax	8.02	7.25	2010-11	JC-Corporate, Bareilly.
	Sales tax	9.34	4.67	2013-14	Addnl. Comm., Grade-2 Appeal, Bareilly.

Name of the Statute	Nature of the Dues	Amount involved (₹ in lakhs)	Amount unpaid (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, Sales Tax Acts of various states & Goods and Service Tax	Sales tax	0.66	-	2012-13	Addnl. Comm., Grade-2 Appeal, Bareilly
	Sales tax	0.25	-	2017-18	Addnl. Comm., Grade-2 Appeal, Bareilly.
	Sales tax	3.83	1.25	2015-16	Addnl. Comm., Grade-2 Appeal, Bareilly
	Sales tax	2.07	-	2016-17	Addnl. Comm., Grade-2 Appeal, Bareilly
	Sales tax	0.19	-	2016-17	Addnl. Comm., Grade-2 Appeal, Bareilly
	Sales tax	14.62	13.98	2014-15	Addnl. Comm., Grade-2 Appeal, Raigadh
	GST	43.16	12.12	2017-18 to 2020-21	Gujarat Authority for Advance Ruling
	GST	22.36	5.5	2017-18 to 2020-21	Gujarat Authority for Advance Ruling
Excise Act	Excise duty	4.58	4.58	1988-89	Asst. Commissioner
	Excise duty	4.28	4.28	2003-04	Asst. Commissioner
	Excise duty	34.14	34.14	2011-12 to 2014-15	Customs, Excise & Service Tax Appellate Tribunal
Income tax	Income tax	1.93	1.93	1996-97	ITAT

(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 standalone 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) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(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 by its officers or employees 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 standalone 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 but for the immediately preceding financial year, the Company had made cash losses of ₹ 581.20 lakh.

(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 standalone 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

Arpit K. Patel
Partner
Membership No.: 034032
UDIN: 22034032AJUOTB1431

Place: Ahmedabad
Date: May 28, 2022

Annexure B to the Independent Auditor's Report of even date on the Standalone Financial Statements of Vadilal Industries 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 Industries Limited)

Report on the internal financial controls with reference to the standalone 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, 2022 in conjunction with our audit of the standalone 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 standalone 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 standalone 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 judgement, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 standalone 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 standalone 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 standalone 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, 2022:

We draw attention to Note No. 54 of the standalone financial statements relating to the counter allegations levelled by two Promoter Directors against each other in respect of potential personal expenses claimed as official business expenditure amounting to ₹ 25.33 lakh (for financial year 2017-18 and financial year 2018-19), and ₹ 25.00 lakh (for financial year 2014-15 to financial year 2018-19) respectively, by the Promoter Directors. 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 travelling 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 standalone 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note 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 standalone financial statements of the Company for the year ended March 31, 2022, and this material weakness has affected our opinion on the said standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements of the Company.

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

Arpit K. Patel
Partner
Membership No.: 034032
UDIN: 22034032AJUOTB1431

Place: Ahmedabad
Date: May 28, 2022

STANDALONE BALANCE SHEET as at March 31, 2022

(₹ in Lacs)

Particulars	Notes No.	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3 (a)	28,761.67	29,271.07
(b) Capital Work-in-Progress	3 (b)	276.53	529.59
(c) Investment Property	3 (c)	18.38	18.72
(d) Intangible Assets	3 (d)	84.04	105.75
(e) Right of Use Assets	3 (e)	478.73	604.53
(f) Financial Assets			
(i) Investments	4	304.96	299.31
(ii) Loans	5	4.36	1.05
(iii) Other Financial Assets	6	233.80	215.39
(g) Non Current Tax Assets (Net)	7	171.36	125.60
(h) Other Non-Current Assets	8	190.19	253.47
Total Non-Current Assets		**30,524.02**	**31,424.48**
(2) Current Assets			
(a) Inventories	9	14,341.49	12,632.72
(b) Financial Assets			
(i) Investments	10	9.31	1.28
(ii) Trade Receivables	11	3,412.28	2,116.96
(iii) Cash & Cash Equivalents	12	286.43	846.73
(iv) Other Balances with Banks	13	644.29	1,045.27
(v) Loans	14	12.79	257.19
(vi) Other Financial Assets	15	30.08	83.28
(c) Other Current Assets	16	1,787.70	1,735.10
Total Current Assets		**20,524.37**	**18,718.53**
Total Assets		**51,048.39**	**50,143.01**
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	17	718.78	718.78
(b) Other Equity	18	21,224.92	20,259.80
Total Equity		**21,943.70**	**20,978.58**
(2) Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	7,579.08	5,537.11
(ii) Lease Liabilities	20	476.37	587.69
(iii) Other Financial Liabilities	21	-	1.64
(b) Provisions	22	392.41	256.67
(c) Deferred Tax Liabilities (Net)	23	1,167.51	815.37
(d) Other Non Current Liabilities	24	529.02	557.43
Total Non-Current Liabilities		**10,144.39**	**7,755.91**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	9,460.56	8,582.18
(ii) Lease Liabilities	26	111.33	110.46
(iii) Trade Payables			
- Dues of micro enterprises and small enterprises	27	879.42	857.57
- Dues of creditors other than micro enterprises and small enterprises	27	6,347.29	9,350.22
(iv) Other Financial Liabilities	28	777.90	1,026.51
(b) Provisions	29	373.67	334.29
(c) Current Tax Liabilities (Net)	30	-	17.82
(d) Other Current Liabilities	31	1,010.13	1,129.47
Total Current Liabilities		**18,960.30**	**21,408.52**
Total Liabilities		**29,104.69**	**29,164.43**
Total Equity and Liabilities		**51,048.39**	**50,143.01**

See accompanying notes to the standalone financial statements.

In terms of our report attached.

For Arpit Patel & Associates
Chartered Accountants
ICAI Firm registration number: 144032W

Arpit K Patel
Partner
Membership No.: 034032
Place : Ahmedabad
Date: May 28, 2022

For and on behalf of the Board of Directors

Rajesh R Gandhi
Managing Director
(DIN: 00009879)

Devanshu L Gandhi
Managing Director
(DIN: 00010146)

Kalpit R Gandhi
Director & Chief Financial Officer
(DIN: 02843308)
Place : Ahmedabad
Date: May 28, 2022

Rashmi Bhatt
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2022

(₹ in Lacs)

Particulars		Notes No.	Year Ended March 31, 2022	Year Ended March 31, 2021
I	Revenue From Operations	32	54,411.61	35,654.01
II	Other Income	33	879.14	1,202.18
III	**Total Income (I+II)**		**55,290.75**	**36,856.19**
IV	**Expenses:**			
	Cost of Materials Consumed	34	33,168.18	21,353.31
	Purchase of Stock-in-trade	35	512.07	414.51
	Changes in Inventories of Finished Goods and Stock-in-trade	36	(910.32)	552.28
	Employee Benefits Expense	37	4,130.23	3,426.78
	Finance Costs	38	1,788.34	2,008.52
	Depreciation and Amortization Expenses	3	1,923.87	1,828.62
	Other Expenses	39	13,263.44	10,442.88
	Total Expense (IV)		**53,875.81**	**40,026.90**
V	**Profit / (Loss) Before Tax (III-IV)**		**1,414.94**	**(3,170.71)**
VI	**Tax Expenses**			
	(a) Current Tax	40	5.07	17.39
	(b) Deferred Tax	40	375.44	(778.28)
	Total Tax Expenses		**380.51**	**(760.89)**
VII	**Profit / (Loss) for the year (V-VI)**		**1,034.43**	**(2,409.82)**
VIII	**Other Comprehensive Income**			
	Item that will not be reclassified to profit or loss			
	Remeasurement of defined benefit plans		(92.62)	3.27
	Income tax relating to items that will not be reclassified to profit or loss		23.31	(0.82)
	Other Comprehensive Income for the Year		**(69.31)**	**2.45**
	Total Comprehensive Income for the Year (VII+VIII)		**965.12**	**(2,407.37)**
	Earnings Per Share (Face Value of ₹ 10 each)			
	- Basic & Diluted	46	14.39	(33.53)

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

For Arpit Patel & Associates
Chartered Accountants
ICAI Firm registration number: 144032W

Arpit K Patel
Partner
Membership No.: 034032
Place : Ahmedabad
Date: May 28, 2022

For and on behalf of the Board of Directors

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Managing Director
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(DIN: 00010146)

Kalpit R Gandhi
Director & Chief Financial Officer
(DIN: 02843308)
Place : Ahmedabad
Date: May 28, 2022

Rashmi Bhatt
Company Secretary

STATEMENT OF STANDALONE CASH FLOWS for the year ended March 31, 2022

(₹ in Lacs)

	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit / (Loss) Before Tax	**1,414.94**	**(3,170.71)**
	Adjustments for:		
	Depreciation and Amortisation Expense	1,923.87	1,828.62
	Loss on Sale of Property, Plant and Equipment (Net)	21.45	21.22
	Profit on Sale of Investments	(5.66)	(2.08)
	Excess Provision Written Back	(178.03)	(85.83)
	Gain on Fair Value of Current Investment	(8.03)	(0.06)
	Gain on Fair Value of Non Current Investment	(5.65)	(0.50)
	Financial Guarantee Commission Income	(24.90)	(28.91)
	Grant Income	(53.02)	(51.81)
	Dividend Income	(0.31)	-
	Interest Income	(50.83)	(414.59)
	Finance Costs	1,788.34	2,008.52
	Provision / (Reversal) for Doubtful Debts	24.41	(6.63)
	Reversal of Provision for Doubtful Advances	(1.18)	-
	Bad Debts Written Off	0.21	-
	Share of Loss of Partnership Firm	3.64	24.05
	Unrealised Foreign Exchange Loss	36.97	32.18
		3,471.28	**3,324.18**
	Operating Profit before Working Capital Changes	**4,886.22**	**153.47**
	Changes in Working Capital:		
	(Increase) / Decrease in Inventories	(1,708.77)	1,923.58
	(Increase) / Decrease in Trade Receivables, Financial Assets, Other assets and Loans given	(747.98)	1,484.25
	Increase / (Decrease) in Trade Payables, Financial Liabilities, Other Liabilities and Provisions	(2,851.74)	2,634.71
	Cash Generated from / (Used in) Operations	**(422.27)**	**6,196.01**
	Income Taxes Paid (Net of Refund)	(68.65)	19.51
	Net Cash Generated from / (Used in) Operating Activities (A)	**(490.92)**	**6,215.52**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Capital Expenditure on Property, Plant & Equipment and Intangible Assets	(1,212.71)	(1,435.22)
	Proceeds from Sale of Property, Plant & Equipment	74.11	15.22
	Proceeds from Sale of Current Investment (Net)	5.66	2.08
	Interest Received	125.66	381.01
	Dividend Received	0.31	-
	Net Cash Generated from / (Used in) Investing Activities (B)	**(1,006.97)**	**(1,036.91)**
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from Non Current Borrowings	4,630.64	2,417.50
	Repayment of Non Current Borrowings	(1,997.12)	(1,922.52)
	Proceeds from / (Repayment of) Current Borrowings (Net)	286.83	(3,516.54)
	Payment of Lease Liabilities	(110.45)	(85.56)
	Interest Paid	(1,872.31)	(1,889.89)
	Net Cash Generated from / (Used in) Financing Activities (C)	**937.59**	**(4,997.01)**
	Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)	**(560.30)**	**181.60**
	Cash and Cash Equivalents at the beginning of the year (Refer Note-12)	846.73	665.13
	Cash and Cash Equivalents at the end of the year (Refer Note-12)	286.43	846.73

See accompanying notes to the standalone financial statements.

STATEMENT OF STANDALONE CASH FLOWS for the year ended March 31, 2022

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 Lacs)

Particulars of liabilities arising from financing activity.	Note No.	As at March 31, 2021	Net cash Flows	Other changes*	As at March 31, 2022
Borrowings :					
Non Current borrowings	19	7,156.72	2,595.06	38.46	9,790.24
Current borrowings	25	6,962.57	286.83	-	7,249.40
Interest accrued on borrowings	28	339.53	(339.53)	255.56	255.56
Total		**14,458.82**	**2,542.36**	**294.02**	**17,295.20**

(₹ in Lacs)

Particulars of liabilities arising from financing activity.	Note No.	As at March 31, 2020	Net cash Flows	Other changes*	As at March 31, 2021
Borrowings :					
Non Current borrowings	19	6,661.74	450.18	44.80	7,156.72
Current borrowings	25	10,479.11	(3,516.54)	-	6,962.57
Interest accrued on borrowings	28	220.90	(220.90)	339.53	339.53
Total		**17,361.75**	**(3,287.26)**	**384.33**	**14,458.82**

* This relates to amount charged to 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 year figures have been regrouped wherever necessary to make them comparable with current year figures.
3) Figures in bracket represent outflow.

In terms of our report attached.

For Arpit Patel & Associates
Chartered Accountants
ICAI Firm registration number: 144032W

Arpit K Patel
Partner
Membership No.: 034032
Place : Ahmedabad
Date: May 28, 2022

For and on behalf of the Board of Directors

Rajesh R Gandhi
Managing Director
(DIN: 00009879)

Devanshu L Gandhi
Managing Director
(DIN: 00010146)

Kalpit R Gandhi
Director & Chief Financial Officer
(DIN: 02843308)
Place : Ahmedabad
Date: May 28, 2022

Rashmi Bhatt
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2022

A. EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	**718.78**	**718.78**
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	**718.78**	**718.78**
Changes in equity share capital during the year	-	-
Balance as at the end of the year	**718.78**	**718.78**

B. OTHER EQUITY

(₹ in Lacs)

Particulars	Capital Reserve	Securities Premium Reserve	General Reserves	Retained Earning	Revaluation Surplus	Items of other comprehensive income	Total
Balances as at March 31, 2020	**8.84**	**487.28**	**5,000.00**	**9,761.48**	**7,524.17**	**(114.60)**	**22,667.17**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Loss for the year	-	-	-	(2,409.82)	-	-	(2,409.82)
Other comprehensive income (Actuarial gain net of income tax)	-	-	-	-	-	2.45	2.45
Total Comprehensive Income	**-**	**-**	**-**	**(2,409.82)**	**-**	**2.45**	**(2,407.37)**
Balances as at March 31, 2021	**8.84**	**487.28**	**5,000.00**	**7,351.66**	**7,524.17**	**(112.15)**	**20,259.80**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Profit for the year	-	-	-	1,034.43	-	-	1,034.43
Other comprehensive income (Actuarial loss net of income tax)	-	-	-	-	-	(69.31)	(69.31)
Total Comprehensive Income	**-**	**-**	**-**	**1,034.43**	**-**	**(69.31)**	**965.12**
Balances as at March 31, 2022	**8.84**	**487.28**	**5,000.00**	**8,386.09**	**7,524.17**	**(181.46)**	**21,224.92**

See accompanying notes to the standalone financial statements.

In terms of our report attached.
For Arpit Patel & Associates
Chartered Accountants
ICAI Firm registration number: 144032W

Arpit K Patel
Partner
Membership No.: 034032
Place : Ahmedabad
Date: May 28, 2022

For and on behalf of the Board of Directors

Rajesh R Gandhi
Managing Director
(DIN: 00009879)

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(DIN: 00010146)

Kalpit R Gandhi
Director & Chief Financial Officer
(DIN: 02843308)
Place : Ahmedabad
Date: May 28, 2022

Rashmi Bhatt
Company Secretary

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1 COMPANY OVERVIEW:-

Vadilal Industries Limited is a Public Limited Company domiciled in India. The company has its registered office at Vadilal House, 53, Shrimali Society, Nr. Navrangpura Railway Crossing, Navrangpura, Ahmedabad - 380009.

The Company is engaged in the business of manufacturing Ice-cream, Flavored Milk, Frozen Dessert, Processed Foods, Other Dairy Products. It is also engaged in export of Ice-cream, Dairy Products, Processed Food Products such as Frozen Fruits, Vegetable, Pulp, Ready-to-eat and Ready-to-serve products etc.

The Company is having two ice-cream production facilities – one in Gujarat and the other in Uttar Pradesh.

The Company is processing Frozen Fruits, Vegetables and Processed Foods at factory situated at Dharampur, Dist.Valsad, Gujarat.

The Company is exporting to various countries across globe.

The Company is having RBI license under AD.II category and engaged in Money changing business. The Company's shares are listed on BSE and NSE.

The Standalone Financial Statements for the year ended March 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 28, 2022.

2 SIGNIFICANT 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, 2022 have been prepared in accordance with Indian Accounting Standard (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 are presented in Indian Rupee ("INR") and all values are rounded to the nearest lakhs as per the requirement of Schedule III, except when otherwise indicated.

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) Amendments to Schedule III of the Companies Act, 2013

Ministry of Corporate Affairs (MCA) issued notifications dated 24th March, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021 and applied to the standalone financial statements:

(i) Lease liabilities separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

(ii) Certain additional disclosures in the standalone Statement of Changes in Equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

(iii) Additional disclosure for shareholding of promoters.

(iv) Additional disclosure for ageing schedule of trade receivables, trade payables, capital work-in-progress.

(v) Specific disclosure such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in the name of the Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc.

(vi) Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency.

d) Use of Estimates

The presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to the accounting estimates are recognized in the financial year in which the estimates are revised and in any future periods affected.

e) Inventories

Inventories are valued as under -

Finished Goods:-At lower of cost or net realizable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis. Due provision for obsolescence is made. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Raw Materials, Packing Materials & Stores and Spares:-Valued at lower of cost or net realisable value and for this purpose cost is determined on moving weighted average basis. Due provision for obsolescence is made.

f) 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.

g) Revenue Recognition

Sale of Goods

The Company earns revenue primarily from sale of manufactured ice-creams. It has applied the principles laid down in Ind AS 115 and determined that there is no change required in the existing revenue recognition methodology. In case of sale to domestic customers, most of the sale is made on ex-factory basis and revenue is recognised when the goods are dispatched from the factory gates. In case of export sales, revenue is recognised on shipment date or goods are made available to customer.

Revenue is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government.

Assets and liabilities arising from rights to return

Right to return assets

A return right gives an entity a contractual right to recover the goods from a customer (return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer. The Company has therefore recognized refund liabilities in respect of customer's right to return. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

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.

h) Government Grant

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

i) 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 equipments 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 sale 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 are charged based on straight line method on 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
Building	
1) Factory Building	28 Years
2) Others - RCC Structured	58 Years
Plant & Machinery	
1) Continuous Process	18 Years
2) Plastic Crates	5 Years
3) Others	20 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.

j) 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.

k) Investment Property

Investment property comprise portion of office building that are held for long term yield and / or capital appreciation.

Investment property is initially recognized at cost. Subsequently investment property comprising of building is carried at cost less accumulated depreciation and accumulated impairment losses.

Investment property is depreciated under the straight line method as per the rates and the useful life prescribed as per Schedule II of the Companies Act. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on value as per local body on periodic basis.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss.

l) 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:

Assets	Estimated useful life
Right-of-use of office premises & parlour premises	Over the balance peiod 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. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. 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.

(iv) Leases previously classified as finance leases

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

m) Foreign Currencies

In preparing the financial statements of the Company, the transactions in currencies other than the entity's functional currency (₹) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rate prevailing at that date and differences are recognised in statement of profit and loss account. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on monetary items are recognized in the statement of profit and loss in the year in which they arise.

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 financial year 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 cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the statement of profit and loss in the year in which they are incurred.

p) Earnings Per Share

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 dilutive securities in any period presented.

q) 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.

r) 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.

Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.

s) Investments in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

t) Financial Instruments

Financial instrument is a contract that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification:

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

All financial liabilities are classified as subsequently measured at amortised cost except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives, are subsequently measured at fair value, with any gains or loss arising on remeasurement recognised in profit and loss.

Initial Recognition and Measurement

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 asset and liabilities at fair value through profit & loss) are added to or deducted from the fair value measured on initial recognition of the financial assets or financial liabilities.

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost using effective interest rate method, if:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(b) 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.

This category generally applies to trade and other receivables.

Financial Asset at Fair Value Through Profit and Loss (FVTPL)

Financial assets are measured at fair value through profit and loss unless it is measured at amortized cost or fair value through other comprehensive income. Financial assets under this category are measured initially as well as at each financial year at fair value with all changes recognised in the statement of profit and loss.

Derecognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit and loss if such gain or loss would have otherwise been recognized in profit and loss on disposal of that financial asset.

Financial Liabilities and Equity Instruments

Classification as debt or equity

Financial instruments are classified as a liability or equity according to the substance of the contractual arrangement and not its legal form.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company are recognised at the proceeds received, net of issue costs.

Financial Liabilities

All financial liabilities are subsequently measured at amortised cost. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit and loss.

Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit and loss.

Derivative Contracts

The Company enters into derivative financial instruments to hedge foreign currency / price risk on unexecuted firm commitments and highly probable forecast transactions.

Such derivatives financial instruments are initially recognized at fair value on the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each financial year. The resulting gain or loss is recognized in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in the statement of Profit & Loss

u) 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.

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.

v) 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 end of 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 end of 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 end of financial year, or

4. There is no unconditional right to defer the settlement of the liability for at least twelve months after end of 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.

w) Recent accounting pronouncements

Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022, has made the following amendments to Ind AS which are effective 1st April, 2022:

(i) Ind AS 109: Annual Improvements to Ind AS (2021)

(ii) Ind AS 103: Reference to Conceptual Framework

(iii) Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract

(iv) Ind AS 16: Proceeds before intended use

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

x) Standards issued but not yet effective

As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the Company. Hence, the disclosure is not applicable.

y) Critical Accounting Judgements and Key Sources of Estimation Uncertainty

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.

Key Sources of Estimation Uncertainty

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(i), 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 Doubtful Debts

As described in Note 11, the Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts 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 financial year 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 financials 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 45.

NOTE-3

(₹ in Lacs)

Particulars	Land (Refer Note 18 (b))	Building	Leasehold Building Improvements	Plant & Machinery	Furniture & Fixtures	Office Equipments	Vehicles	Total
3 (a) Property, Plant and Equipment								
As at April 1, 2020	**7,769.66**	**6,786.92**	**17.13**	**28,319.14**	**276.00**	**919.89**	**469.41**	**44,558.15**
Additions	148.41	150.04	-	1,388.09	22.45	36.65	10.36	1,756.00
Deductions	-	-	-	196.90	-	37.87	26.24	261.01
As at March 31, 2021	**7,918.07**	**6,936.96**	**17.13**	**29,510.33**	**298.45**	**918.67**	**453.53**	**46,053.14**
Additions	-	71.90	-	1,160.94	73.76	41.12	-	1,347.72
Deductions	-	8.83	-	357.79	0.27	14.67	0.43	381.99
As at March 31, 2022	**7,918.07**	**7,000.03**	**17.13**	**30,313.48**	**371.94**	**945.12**	**453.10**	**47,018.87**
Accumulated Depreciation and Impairment								
As at April 1, 2020	**-**	**2,043.04**	**10.88**	**12,141.45**	**202.54**	**675.35**	**282.85**	**15,356.11**
Depreciation charge for the year	-	255.95	1.81	1,247.93	16.12	82.25	46.47	1,650.53
Deductions	-	-	-	163.63	-	36.11	24.83	224.57
As at March 31, 2021	**-**	**2,298.99**	**12.69**	**13,225.75**	**218.66**	**721.49**	**304.49**	**16,782.07**
Depreciation charge for the year	-	253.63	1.79	1,387.52	13.99	71.80	32.83	1,761.56
Deductions	-	5.10	-	266.44	0.22	14.24	0.43	286.43
As at March 31, 2022	**-**	**2,547.52**	**14.48**	**14,346.83**	**232.43**	**779.05**	**336.89**	**18,257.20**
Net carrying value								
As at March 31, 2022	**7,918.07**	**4,452.51**	**2.65**	**15,966.65**	**139.51**	**166.07**	**116.21**	**28,761.67**
As at March 31, 2021	**7,918.07**	**4,637.97**	**4.44**	**16,284.58**	**79.79**	**197.18**	**149.04**	**29,271.07**

3 (b)	Capital Work In Progress	(₹ in Lacs)
	As at April 1, 2020	**865.23**
	Additions	1,192.83
	Deductions	1,528.47
	As at March 31, 2021	**529.59**
	Additions	904.43
	Deductions	1,157.49
	As at March 31, 2022	**276.53**

3 (c)	Investment Property	(₹ in Lacs)
	Deemed cost	
	As at April 1, 2020	**20.69**
	Additions	-
	Deductions	-
	As at March 31, 2021	**20.69**
	Additions	-
	Deductions	-
	As at March 31, 2022	**20.69**
	Accumulated Depreciation	
	As at April 1, 2020	**1.63**
	Depreciation charge for the year	0.34
	Deductions	-
	As at March 31, 2021	**1.97**
	Depreciation charge for the year	0.34
	Deductions	-
	As at March 31, 2022	**2.31**
	Net Carrying Amount	
	As at March 31, 2022	**18.38**
	As at March 31, 2021	**18.72**
	Fair Value of Investment Property	
	As at March 31, 2022 (As per valuation report by approved valuer)	**61.11**
	As at March 31, 2021	**51.09**

3 (d)	Intangible Assets (Software & Development Cost)	(₹ in Lacs)
	Cost or Deemed Cost	
	As at April 1, 2020	**841.82**
	Additions	22.72
	Deductions	-
	As at March 31, 2021	**864.54**
	Additions	14.46
	Deductions	-
	As at March 31, 2022	**879.00**
	Amortisation	
	As at April 1, 2020	**704.14**
	Depreciation charge for the year	54.65
	Deductions	-
	As at March 31, 2021	**758.79**
	Depreciation charge for the year	36.17
	Deductions	-
	As at March 31, 2022	**794.96**
	Net Carrying Amount	
	As at March 31, 2022	**84.04**
	As at March 31, 2021	**105.75**

3 (e)	Right of Use Assets	(₹ in Lacs)
	Cost or Fair Value	
	As at April 1, 2020	**885.67**
	Additions	-
	Changes on account of lease modification	(25.74)
	Deductions	-
	As at March 31, 2021	**859.93**
	Additions	-
	Deductions	-
	As at March 31, 2022	**859.93**
	Accumulated Depreciation and Impairment	
	As at April 1, 2020	**132.30**
	Additions	123.10
	Deductions	-
	As at March 31, 2021	**255.40**
	Additions	125.80
	Deductions	-
	As at March 31, 2022	**381.20**
	Net Carrying Amount	
	As at March 31, 2022	**478.73**
	As at March 31, 2021	**604.53**

Note: (i) Refer footnote to Note 19 & 25 for security / charges created on property, plant and equipment.

(ii) As at March 31, 2022

(a) Details of Title deeds of Immovable Properties which are not in the name of company:

Relevant line item in the Balance sheet	Nature	Description of item of property	Gross carrying value (₹ in Lacs) as on 31/03/2022	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
PPE	Building	House Building Located at Pushpak Bungalow, Ahmedabad admeasuring 200 sq. yards	13.39	Bipin P Mehta / Minaben N Mehta	No	28-05-1996	The said property is in dispute. Deed of Conveyance is in the name of Vadilal Financial Services Limited (amalgamated with Vadilal Industries Limited w.e.f. April 01, 1997).

(b) Details of Title deeds of Immovable Properties where original title deeds are not available with the company:

Relevant line item in the Balance sheet	Nature	Description of item of property	Gross carrying value (₹ in Lacs) as on 31/03/2022	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
PPE	Land	Freehold land located at Dwarka admeasuring 58,096 sq. mtrs.	338.44	Vadilal Industries Limited	No	08-01-1996	The title deeds are not readily available. In the revenue records it is in the name Vadilal Industries Limited.
PPE	Land	Freehold land located at Bareilly admeasuring 94 sq. meter	8.82	Vadilal Industries Limited	No	26-11-2015	Original title deeds are not readily available.

As at March 31, 2021

(a) Details of Title deeds of Immovable Properties which are not in the name of company:

Relevant line item in the Balance sheet	Nature	Description of item of property	Gross carrying value (₹ in Lacs) as on 31/03/2021	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
PPE	Building	House Building Located at Pushpak Bungalow, Ahmedabad admeasuring 200 sq. yards	13.39	Bipin P Mehta / Minaben N Mehta	No	28-05-1996	The said property is in dispute. Deed of Conveyance is in the name of Vadilal Financial Services Limited (amalgamated with Vadilal Industries Limited w.e.f. April 01, 1997).

(b) Details of Title deeds of Immovable Properties where original title deeds are not available with the company:

Relevant line item in the Balance sheet	Nature	Description of item of property	Gross carrying value (₹ in Lacs) as on 31/03/2022	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
PPE	Land	Freehold land located at Dwarka admeasuring 58,096 sq. mtrs.	338.44	Vadilal Industries Limited	No	08-01-1996	The title deeds are not readily available. In the revenue records it is in the name Vadilal Industries Limited.
PPE	Land	Freehold land located at Bareilly admeasuring 94 sq. meter	8.82	Vadilal Industries Limited	No	26-11-2015	Original title deeds are not readily available.

(iii) CWIP Ageing Schedule

CWIP aging schedule as at March 31, 2022 **(₹ in Lacs)**

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	138.99	40.87	89.69	6.98	276.53
Projects temporarily suspended	-	-	-	-	-
TOTAL	**138.99**	**40.87**	**89.69**	**6.98**	**276.53**

CWIP aging schedule as at March 31, 2021 **(₹ in Lacs)**

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	398.88	100.77	21.48	8.46	529.59
Projects temporarily suspended	-	-	-	-	-
TOTAL	**398.88**	**100.77**	**21.48**	**8.46**	**529.59**

(iv) CWIP whose costs has exceeded compared to its original budget : None (As at March 31, 2021 : None)

(v) Project in progress are individual plant & machinery pending for installation at different production facilities due to delay in technical support from vendors on account of COVID-19 pandemic. The same are expected to be installed in F.Y.2022-23.

NOTE-4 INVESTMENTS

Particulars	Face Value	As at March 31, 2022		As at March 31, 2021	
		Units	(₹ in Lacs)	Units	(₹ in Lacs)
Non Current Investments					
A) Investment in Equity Instruments of Subsidiary at cost (Unquoted fully paid up): (Refer Note-47)					
Vadilal Industries (Inc.) USA	$100	2,250	136.41	2,250	136.41
Varood Industries Ltd.	10	50,000	5.00	50,000	5.00
Vadilal Delight Ltd.	10	50,000	5.00	50,000	5.00
Vadilal Industries Pty Ltd.*	AUD 1	100	0.06	100	0.06
Investment in Partnership Firm at cost:					
Vadilal Cold Storage (Refer Note-47)	-	-	140.00	-	140.00
* The company had incorporated a subsidiary company in Australia in the name of VADILAL INDUSTRIES PTY LTD. dated April 16, 2018 and this subsidiary has started operations during current financial year 2021-22.					
B) Other Investments					
Investment in Government and Trust securities at amortized cost (Unquoted):					
7 Year National Saving Certificates	-	-	0.28	-	0.28
(Lodged with Government Authorities)					
In Equity instruments of other companies at Cost (Unquoted fully paid up) :					
Kalupur Commercial Co-operative Bank Ltd.	25	8,000	2.00	8,000	2.00
In Equity instruments of other companies at FVTPL (Unquoted fully paid up) :					
Vadilal Forex and Consultancy Services Ltd.	10	36,250	12.27	36,250	6.51
Majestic Farm House Ltd. (Refer Note-47)	10	74,100	3.88	74,100	3.99
Padm Complex Ltd.	10	280	0.03	280	0.03
Volute Construction Ltd.	10	280	0.03	280	0.03
Total			**304.96**		**299.31**

NOTE- 5 LOANS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
(Unsecured, considered good)		
Loan to employees	4.36	1.05
Total	**4.36**	**1.05**

NOTE-6 OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Margin Money Deposits with banks (Refer Note-13)	36.61	18.91
Other Deposits	197.19	196.48
Total	**233.80**	**215.39**

NOTE-7 TAX ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Taxes Receivable	171.36	125.60
Total	**171.36**	**125.60**

NOTE-8 OTHER ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Capital Advances	56.28	89.08
Prepaid Expenses	133.91	164.39
Total	**190.19**	**253.47**

NOTE-9 INVENTORIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(At lower of Cost or Net Realisable Value)		
Raw Materials	7,260.67	6,797.19
Packing Materials	1,669.39	1,537.72
Finished Goods	4,565.20	3,654.88
Stores, Spares and Consumables	846.23	642.93
Total	**14,341.49**	**12,632.72**

Inventories write downs are accounted, considering the nature of inventory usage, ageing and net realisable value. Write-down of inventories amounted to ₹ 610.60 lacs as at March 31, 2022 (as at March 31, 2021 ₹ 586.84 lacs). These write-downs are recognised as an expense in the statement of profit & loss.

NOTE-10 INVESTMENTS

Particulars	Face Value	As at March 31, 2022		As at March 31, 2021	
		Units	(₹ in Lacs)	Units	(₹ in Lacs)
Current Investments					
Investments in Equity Instruments-Quoted (Valued at fair value through Profit and Loss)					
Century Enka Ltd.	10	15	0.08	15	0.04
Great Eastern Shipping Co. Ltd.	10	100	0.35	100	0.31
GOL Offshore Limited	10	25	-	25	-
Interface Financial Services Ltd.	1	25,000	0.05	25,000	0.05
Radhe Developers Ltd.	10	4,900	8.36	4,900	0.41
Saket Projects Ltd.	10	2,500	0.02	2,500	0.02
Sanara Media Ltd.	1	9,00,000	0.45	9,00,000	0.45
		Total	**9.31**	**Total**	**1.28**

NOTE-11 TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables considered good- Secured	105.73	104.49
Trade Receivables considered good- Unsecured (Refer Note-47)	3,306.55	2,012.47
Trade Receivables which have significant increase in credit risk	56.61	32.20
Trade Receivables- credit impaired	-	-
	3,468.89	**2,149.16**
Less: Expected credit loss allowances	56.61	32.20
Total	**3,412.28**	**2,116.96**

Note: Refer Note-45 for information about credit risk and market risk of Trade receivables.

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Break-up of trade receivables		
Trade receivables from other than related parties	545.54	686.29
Receivables from related parties (Refer Note-47)	2,866.74	1,430.67
Total	**3,412.28**	**2,116.96**

Notes

1. The credit period ranges from 0 days to 180 days.

2. 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 except, as at March 31, 2022 : ₹ 2,866.74 lacs are due from one customer (as at March 31, 2021 : ₹ 1,594.56 lacs are due from two customers).

3. 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 company policy and ageing of the receivables that are due.

4. Movement in Expected Credit Loss Allowance (₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	32.20	38.83
Add: Allowance for the year	34.24	11.87
Less: Reversal of provision due to recovery	9.83	18.50
Balance at the end of the year	**56.61**	**32.20**

5. Trade Receivable Ageing Schedule as on March 31, 2022 (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	2,866.74	488.56	28.13	0.07	-	28.78	3,412.28
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	24.97	8.63	7.82	15.19	56.61
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	2,866.74	**488.56**	**53.10**	**8.70**	**7.82**	**43.97**	**3,468.89**
Less: Expected credit loss allowances							56.61
TOTAL							**3,412.28**

Trade Receivable Ageing Schedule as on March 31, 2021 (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,430.67	591.97	23.89	3.78	43.92	22.73	2,116.96
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.92	11.49	5.60	0.71	13.48	32.20
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	1,430.67	**592.89**	**35.38**	**9.38**	**44.63**	**36.21**	**2,149.16**
Less: Expected credit loss allowances							32.20
TOTAL							**2,116.96**

NOTE-12 CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks :		
In Current Accounts	272.48	832.56
Cash on hand	13.95	14.17
Total	**286.43**	**846.73**

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

NOTE-13 OTHER BALANCES WITH BANKS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances in Fixed Deposits Repayment Reserve Account	48.58	278.58
Balances in Unclaimed Dividend Accounts	16.05	18.62
Margin Money Deposit (towards Funded and Non-Funded facilities from Banks & NBFCs)	616.27	766.98
	680.90	**1,064.18**
Less : Margin Money Deposits with maturity of more than 12 months		
Amount disclosed under Non-Current Financial Assets (Note-6)	36.61	18.91
Total	**644.29**	**1,045.27**

Note: Unclaimed Dividend Account balance can only be used for payment of Unclaimed Dividend.

NOTE-14 LOANS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
(Unsecured, Considered Good)		
Loan to Subsidiary (Refer Note-47)	-	250.00
Loan to Employees	12.79	7.19
Total	**12.79**	**257.19**

NOTE-15 OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
(Unsecured, Considered Good)		
Interest accrued on loans and deposits from related parties (Refer Note-47)	-	74.96
Interest accrued on loans and deposits from others	2.97	2.84
Other Deposits	4.46	5.48
Mark to Market Receivables on Derivatives	12.03	-
Receivable from a Subsidiary Company (Refer Note-47)	10.57	-
Others	0.05	-
Total	**30.08**	**83.28**

NOTE-16 OTHER ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Prepaid Expenses	288.04	310.62
Balances with Govt. Authorities	272.07	445.60
Export Benefits Receivable	799.43	569.22
(A)	**1,359.54**	**1,325.44**
Advances for Goods & Expenses		
Considered Good	428.16	409.66
Considered Doubtful	34.64	35.79
Less: Allowances for Doubtful Advance	34.64	35.79
(B)	**428.16**	**409.66**
Total (A + B)	**1,787.70**	**1,735.10**

NOTE-17 EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised Share Capital:		
1,50,00,000 (as at March 31, 2021 : 1,50,00,000) Equity shares of ₹ 10/- each	1,500.00	1,500.00
	1,500.00	**1,500.00**
Issued, Subscribed and Fully paid-up Share Capital		
Issued and Subscribed Share Capital :		
71,88,230 (as at March 31, 2021 : 71,88,230) Equity shares of ₹ 10/- each	718.82	718.82
	718.82	**718.82**
Paid up Share Capital:		
71,87,830 (as at March 31, 2021 : 71,87,830) Equity shares of ₹ 10/- each	718.78	718.78
	718.78	**718.78**

a) Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	(₹ in Lacs)	No. of shares	(₹ in Lacs)
Shares outstanding at the beginning of the period	71,87,830	718.78	71,87,830	718.78
Add / Less: Issued shares / buy back during the year	-	-	-	-
Shares outstanding at the end of the period	**71,87,830**	**718.78**	**71,87,830**	**718.78**

b) Rights, preferences and restrictions attached to equity shares:

The company has issued only one class of equity share having par value of ₹ 10/- per share. Each holder of equity shares 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 assets after distribution of all preferential amount.

c) Details of shareholders holding more than 5% shares in the company (Equity shares of ₹ 10 each fully paid)

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% of holding	No. of shares held	% of holding
Vadilal International Pvt. Ltd.	28,09,704	39.09%	28,09,704	39.09%

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 legal ownerships of shares.

d) Details of shares held by Promoters as on March 31, 2022 and as on March 31, 2021.

Sr. No.	Name of the Promoters / Promoter Group	No. of Equity Shares Held as on March 31, 2022	% of Total Shares	No. of Equity Shares Held as on March 31, 2021	% of Total Shares	% change during the year
	Promoter					
1	Mr. Rajesh Ramchandra Gandhi	2,27,721	3.17	2,27,721	3.17	NIL
2	Mr. Devanshu Laxmanbhai Gandhi	3,45,691	4.81	3,45,691	4.81	NIL
	Promoter Group					
1	M/s. Virendra Ramchandra Gandhi, HUF	1,19,699	1.67	1,19,699	1.67	NIL
2	M/s. Rajesh R. Gandhi, HUF	62,411	0.87	62,411	0.87	NIL
3	M/s. Vadilal International Private Limited	28,09,704	39.09	28,09,704	39.09	NIL
4	M/s. Vadilal Finance Company Limited	3,28,311	4.57	3,28,311	4.57	NIL
5	M/s. Veronica Constructions Pvt. Ltd.	2,44,600	3.40	2,44,600	3.40	NIL
6	M/s. Vadilal Marketing Pvt. Ltd.	10,330	0.14	10,330	0.14	NIL
7	M/s. Byad Packaging Industries Pvt. Ltd.	10,137	0.14	10,137	0.14	NIL
8	M/s. Axilrod Pvt. Ltd.	9,943	0.14	9,943	0.14	NIL
9	M/s. Vadilal Enterprises Limited	150	0.00	150	0.00	NIL
10	Mr. Virendra Ramchandra Gandhi	1,58,634	2.21	1,58,634	2.21	NIL
11	Ms. Mamta Rajesh Gandhi	1,22,251	1.70	1,22,251	1.70	NIL

Sr. No.	Name of the Promoters / Promoter Group	No. of Equity Shares Held as on March 31, 2022	% of Total Shares	No. of Equity Shares Held as on March 31, 2021	% of Total Shares	% change during the year
12	Ms. Ila Virendrabhai Gandhi	1,07,931	1.50	1,07,931	1.50	NIL
13	Ms. Deval Devanshu Gandhi	59,266	0.82	59,266	0.82	NIL
14	Mr. Janmajay Virendrabhai Gandhi	14,893	0.21	14,893	0.21	NIL
15	Ms. Nitaaliashemali Piyush Surti	11,558	0.16	11,558	0.16	NIL
16	Mr. Navinchandra Chimanlal Modi	7,304	0.10	7,304	0.10	NIL
17	Ms. Khevna Raj Shah	809	0.01	811	0.01	-0.00278%
18	Mr. Dharini Ketan Khambhatta	811	0.01	811	0.01	NIL
	TOTAL	**46,52,154**	**64.72**	**46,52,156**	**64.72**	

NOTE-18 OTHER EQUITY

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Reserve		
Balance at beginning of the year	8.84	8.84
Balance at the end of the year	**8.84**	**8.84**
Securities Premium		
Balance at beginning of the year	487.28	487.28
Balance at the end of the year	**487.28**	**487.28**
General Reserve		
Balance at beginning of the year	5,000.00	5,000.00
Balance at the end of the year	**5,000.00**	**5,000.00**
Retained Earnings		
Balance at beginning of the year	7,351.66	9,761.48
Add : Profit / (Loss) for the year	1,034.43	(2,409.82)
Balance at the end of the year	**8,386.09**	**7,351.66**
Revaluation Reserve		
Balance at beginning of the year	7,524.17	7,524.17
Balance at the end of the year	**7,524.17**	**7,524.17**
Other Comprehensive Income		
Balance at beginning of the year	(112.15)	(114.60)
Add : Remeasurement of Employee Benefit	(69.31)	2.45
Balance at the end of the year	**(181.46)**	**(112.15)**
	21,224.92	**20,259.80**

a) The Board of Directors of the Company has recommended dividend of ₹ 1.25 per equity share (12.50 %) on face value of ₹ 10 each for the year ended March 31, 2022 on 7,187,830 equity shares amounting to ₹ 89.85 lacs subject to approval of the shareholders.

b) Nature and Purpose of Reserve

Capital Reserve : The company has created capital reserve out of investment utilization reserve written back and forfeited 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. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

Revaluation Reserve : The company has created revaluation reserve out of revaluation of land carried out as at April 1, 2016.

General Reserve : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit and loss.

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-19 BORROWING

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Secured-at amortised Cost		
Term Loans from Banks	5,310.83	4,182.46
Less: Current maturities of long term loans (Note-25)	1,340.26	1,082.46
	3,970.57	**3,100.00**
Vehicle Loans from Bank	113.56	89.68
Less: Current maturities of long term vehicle loans (Note-25)	51.75	24.89
	61.81	**64.79**
Term Loans from Non Banking Financial Company	1,000.00	395.43
Less: Current maturities of long term loans (Note-25)	-	75.91
	1,000.00	**319.52**
	5,032.38	**3,484.31**
Unsecured-at amortised Cost		
Public Fixed Deposits	3,365.85	2,489.15
Less: Current maturities of long term public fixed deposits (Note-25)	819.15	436.35
	2,546.70	**2,052.80**
Total	**7,579.08**	**5,537.11**

Note

1 Refer Note-45 for information about Liquidity Risk.

2 Amount stated in current maturities is disclosed under the head of " Current Borrowings " (Note-25).

Repayment Schedule of Loans

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021	Effective Interest Rate	Terms of repayment
Term Loans				
From Banks				
Bank of Baroda	-	27.76	14.16%	72 monthly instalments of ₹ 27.78 lacs starting from December, 2014
Bank of Baroda (COVID 19-BCECL)	32.02	203.40	8.15%	6 monthly instalments of ₹ 5.65 lacs starting from December, 2020 and 12 monthly instalment of ₹ 16.01 lacs starting from June, 2021
State Bank of India (COVID 19-CCECL)	20.00	140.00	7.40%	18 monthly instalments of ₹ 10.00 lacs starting from December, 2020
IndusInd Bank (partially disbursed)	2,573.84	3,094.29	11.19%	72 monthly instalments of ₹ 61.11 lacs starting from February, 2019
IndusInd Bank (GECL)	916.16	717.00	9.25%	48 monthly instalments of ₹ 14.94 lacs starting from February, 2022
IDBI Bank (GECL)	22.04	-	7.80%	48 monthly instalments of ₹ 0.48 lacs starting from February, 2022
State Bank of India (GECL)	782.77	-	10.25%	47 monthly instalments of ₹ 17.40 lacs starting from January, 2022 and 1 instalment of ₹ 17.20 lacs on December, 2025
State Bank of India (GECL Extension)	559.00	-	10.25%	48 monthly instalments of ₹ 11.65 lacs starting from January, 2024
Bank of Baroda (GECL)	405.00	-	8.40%	48 monthly instalments of ₹ 8.44 lacs starting from April, 2022
From Non Banking Financial Company				
Tata Capital Financial Services Ltd.	-	395.44	11.89%	78 monthly instalments of ₹ 6.33 lacs starting from October, 2019

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021	Effective Interest Rate	Terms of repayment
Samunnati Financial Intermediation & Services Private Limited	1,000.00	-	15.00%	5 monthly instalments of ₹ 200 lacs starting from April, 2023
Vehicle Loans from Bank				
HDFC Bank Limited	113.56	89.68	8.30% to 12.76%	From 5 to 55 monthly Instalments * of ₹ 0.15 lacs to ₹ 0.92 lacs
Total Loan (a)	**6,424.39**	**4,667.57**		
Fixed deposits (b)	**3,365.85**	**2,489.15**	8.00% to 9.00% based on period of deposit	12 months to 36 months
Grand Total (a)+(b)	**9,790.24**	**7,156.72**		

***Includes Interest portion**

A Term Loans from BOB ₹ NIL (As at March 31, 2021 ₹ 27.76 Lacs), Indusind Bank ₹ 2,573.84 Lacs (As at March 31, 2021 ₹ 3,094.29 Lacs), Guaranteed Emergency Credit Line of Indusind Bank ₹ 916.16 Lacs (As at March 31, 2021 ₹ 717.00 Lacs), Guaranteed Emergency Credit Line of State Bank of India for ₹ 782.77 Lacs (As at March 31, 2021 ₹ NIL) , Guaranteed Emergency Credit Line Extension of State Bank of India for ₹ 559.00 Lacs (As at March 31, 2021 ₹ NIL), Guaranteed Emergency Credit Line of Bank of Baroda for ₹ 405.00 lacs (As at March 31, 2021 ₹ NIL) and Guaranteed Emergency Credit Line of IDBI Bank for ₹ 22.04 lacs (As at March 31, 2021 ₹ NIL) are secured by way of Mortgage on immovable properties and hypothecation on movable properties of the Company situated at the following places by way of 1st and 2nd charge on pari-passu basis :-

(i) Land and Building together with all plant and machineries situated on land bearing Final Plot No. 292-3-A of T. P. Scheme No. 14 of Mouje Dariapur- Kazipur of city taluka of Ahmedabad. (Ice-cream Plant) (1st charge to term lenders and 2nd charge to GECL lenders)

(ii) Land and Building together with all plant and machineries situated at Village Dharampur, forming part of New Survey Nos. 3645 i.e. Old Survey Nos. 970/1 (Survey No. 970 (Paiki)) Mouje Dharampur of Dharampur Taluka, Dist. Valsad (Canning Unit) (1st charge to term lenders and 2nd charge to GECL lenders)

(iii) Land and Building together with all plant and machineries situated at New Survey No.1663 i.e. Amalgamated Survey No.637/13/1 (Old Survey No. 637/14, 637/16, 637/13/2, 637/15, 643/2, 643/1, 637/13/1) situated Village: Pundhra, Tal.: Kalol, Dist.: Gandhinagar (Ice-cream Plant) (1st charge to term lenders and 2nd charge to GECL lenders)

(iv) Basement and 3rd Floor, Vadilal House, Navrangpura, Ahmedabad (Office Complex) (1st charge to term lenders and 2nd charge to GECL lenders)

(v) Land and Building together with all plant and machineries being Unit – I, situated at Plot No. D-24 Parsakhera Industrial Estate, Bareilly, U.P. (Ice-cream Plant) (1st charge to term lenders and 2nd charge to GECL lenders)

(vi) Land and Building together with all plant and machineries situated at Unit – II, being Plot No. D-23 and D-22, F-11/14/15 at Parsakhera Industrial Estate, Bareilly, U.P. (Ice-cream Plant) (1st charge to term lenders and 2nd charge to GECL lenders)

(vii) Land and Building together with all plant and machineries situated at New Survey Nos. 3642, 3643, 3644 and 3646 i.e. Old Survey Nos. 962/1, 966, 969 and 970/2 at Mouje Dharampur, Dist.: Valsad (New land). (1st charge to term lenders and 2nd charge to GECL lenders)

(viii) Land and Building together with all plant and machineries situated at New Survey No. 3647 i.e. Old Survey No. 970 (Paiki) Mouje Dharampur, Dist.: Valsad (IQF unit) (2nd charge on term lenders and GECL lenders)

(ix) Ground and 2nd Floor, Vadilal House, Navrangpura, Ahmedabad (Office Complex) (2nd charge on term lenders and GECL lenders)

(x) 4 Flats No. 801 to 804, situated at Maruti Centre, Gurukul, Drive-in-Road, Ahmedabad (Residential Flats) (2nd charge on term lenders and GECL lenders)

(xi) Land and Building together with all plant and machineries situated at Plot No. F-12, Parsakhera Industrial Estate, Bareilly, U.P. (Leased Property) (1st charge to term lenders and 2nd charge to GECL lenders)

B The above Term Loans and GECL loans are also secured by way of Hypothecation on entire current assets of the Company on 2nd pari-passu charge basis.

C Vehicle loans are secured by hypothecation of vehicles.

D The Term Loans are secured by Corporate Guarantee by Vadilal Cold Storage, Padm Complex Ltd. and Volute Constructions Ltd. The Credit Facilities of IndusInd Bank are also secured by Corporate Guarantee of Vadilal Enterprises Ltd.

E Term loan of ₹ 1,000.00 lacs from Samunnati Finance Intermediation & Services Private Limited is secured as below :

(i) Primary Security: Subservient Charge on entire moveable assets of the company both present and future.

(ii) Collateral Security: Lien on fixed deposit of ₹ 50,00,000/- (Rupees Fifty Lacs Only)

(iii) Personal Guarantee of Mr. Rajesh R Gandhi, Managing Director of the company

F The Short Term / Demand Loan from Bank of Baroda under Baroda Covid Emergency Credit Line outstanding as on March 31, 2022 ₹ 32.02 Lacs (As at March 31, 2021 ₹ 203.40 Lacs) is secured as under :

(i) Primary; Hypothecation of Stock and Book Debts on First and Pari-passu basis.

(ii) First charge and Second charge on fixed assets on Pari-passu basis. Personal and Corporate Guarantee of Promoters / Corporate Guarantors as per Lead Bank approval.

G Fund Based Working Capital (Demand Loan) from State Bank of India under Common Covid 19 Emergency Credit Line outstanding as on March 31, 2022 ₹ 20.00 lacs (As at March 31, 2021 ₹ 140.00 lacs) is secured as under:

(i) Extension of charge on existing primary and or collateral security and Personal and Corporate Guarantee of Promoters / Corporate Guarantors as per Lead Bank approval.

H Fixed Deposit lien with Indusind Bank ₹ 296.80 lacs

I The company does not have any charges or satisfaction which is yet to be registered with ROC beyond statutory period.

J Company has used the borrowings from banks and financial institutions for the purpose for which it was taken.

Collateral / Additional Securities :-

A Term loan and GECL loan from Consortium Banks, namely, BOB, SBI, IDBI and IndusInd bank are also secured by way of Mortgage on immovable properties of :-

(i) Padm Complex Ltd. & Volute Constructions Ltd. by way of 2nd charge on pari-passu basis (Ground Floor, Office No. 2B, "Mahalaya" Opp. President Hotel, Swastik Char Rasta, Ahmedabad. (Owned Property))

(ii) Vadilal Cold Storage by way of 2nd charge on pari-passu basis Gomtipur, Ahmedabad (Leased Property)

NOTE-20 LEASE LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Lease Liabilities	476.37	587.69
Total	**476.37**	**587.69**

NOTE-21 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Financial Guarantee Liabilities (Refer Note-47)	-	1.64
Total	**-**	**1.64**

NOTE-22 PROVISIONS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Provision for Employee Benefits		
Gratuity (Refer Note-48)	392.41	256.67
Total	**392.41**	**256.67**

NOTE-23 DEFERRED TAX LIABILITY (NET)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities	2,289.69	2,274.01
Deferred Tax Assets	(1,122.18)	(1,458.64)
Total	**1,167.51**	**815.37**

Movement in Deferred Tax Liabilities and Assets (₹ in Lacs)

Movement during the year ended March 31, 2022	As at April 1, 2021	Charge/(Credit) in statement of Profit and Loss	Charge/(Credit) in Other Comprehensive Income	As at March 31, 2022
Deferred Tax Liabilities / (Assets)				
Property, plant and equipments	2,047.85	35.43		2,083.28
Expenditure allowed in the year of payment	(198.11)	(35.41)		(233.52)
Provision for doubtful debts & advances	(17.28)	(5.85)		(23.13)
Government Grant under EPCG	(150.90)	12.87		(138.02)
Discounting of security deposit to present value and corresponding impact on other expenses	5.94	(1.13)		4.81
Discounting of security deposit to present value and corresponding impact on interest income	(6.41)	1.03		(5.38)
Increase in borrowing cost pursuant to application of EIR	25.95	(13.73)		12.22
Effect of measuring corporate guarantee liability	(6.68)	6.27		(0.41)
Leased Assets under Ind AS 116	152.15	(31.66)		120.49
Lease Liabilities under Ind AS 116	(175.71)	27.80		(147.91)
Unabsorbed Loss	(865.84)	353.06		(512.78)
Others	4.41	26.76	(23.31)	7.86
Total	**815.37**	**375.44**	**(23.31)**	**1,167.51**

(₹ in Lacs)

Movement during the year ended March 31, 2021	As at April 1, 2020	Charge/(Credit) in statement of Profit and Loss	Charge/(Credit) in Other Comprehensive Income	As at March 31, 2021
Deferred Tax Liabilities / (Assets)				
Property, plant and equipments	1,948.01	96.63		2,047.85
Expenditure allowed in the year of payment	(170.84)	(27.27)		(198.11)
Provision for doubtful debts & advances	(18.95)	1.67		(17.28)
Government Grant under EPCG	(163.77)	12.87		(150.90)
Discounting of security deposit to present value and corresponding impact on other expenses	72.06	(66.12)		5.94
Discounting of security deposit to present value and corresponding impact on interest income	(90.31)	83.90		(6.41)
Increase in borrowing cost pursuant to application of EIR	37.21	(11.26)		25.95
Effect of measuring corporate guarantee liability	(13.94)	7.26		(6.68)
Lease Assets under Ind AS 116	189.61	(37.46)		152.15
Lease Liabilities under Ind AS 116	(203.72)	28.01		(175.71)
Unabsorbed Loss		(865.84)		(865.84)
Others	4.26	(0.67)	0.82	4.41
Total	**1,589.62**	**(778.28)**	**0.82**	**815.37**

NOTE-24 OTHER LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Deferred Govt. Grant	529.02	557.43
Total	**529.02**	**557.43**

NOTE-24 OTHER LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Deferred Govt. Grant	529.02	557.43
Total	**529.02**	**557.43**

NOTE-25 BORROWINGS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Secured-at amortised Cost		
Working Capital Loans from Banks	2,579.32	4,318.44
Current Maturities of long term borrowings From Banks	1,340.26	1,082.46
Current Maturities of long term borrowings For Vehicle Loan	51.75	24.89
Current Maturities of long term borrowings From Non Banking Financial Company	-	75.91
	3,971.33	**5,501.70**
Unsecured-at amortised Cost		
Public Fixed Deposits	1,208.90	553.80
Inter Corporate Deposits from others	3,438.50	2,040.00
Book Overdraft in current account with Banks	22.68	50.33
Current Maturities of long term borrowings of Public Fixed Deposits	819.15	436.35
	5,489.23	**3,080.48**
Total	**9,460.56**	**8,582.18**

A Working Capital facility from Consortium Banks, namely, BOB, SBI, IDBI and IndusInd Bank aggregating to ₹ 67.92 crores are secured by way of Mortgage on immovable properties and hypothecation on movable properties of the Company situated at the following places by way of 1st and 2nd charge on pari-passu basis:-

(i) Land and Building together with all plant and machineries situated on land bearing Final Plot No. 292-3-A of T. P. Scheme No. 14 of Mouje Dariapur- Kazipur of city taluka of Ahmedabad. (Ice-cream Plant) (2nd charge to Working Capital lenders)

(ii) Land and Building together with all plant and machineries situated at Village Dharampur, forming part of New Survey Nos. 3645 i.e. Old Survey Nos. 970/1 (Survey No. 970 (Paiki)) Mouje Dharampur of Dharampur Taluka, Dist. Valsad (Canning Unit) (2nd charge to Working Capital lenders)

(iii) Land and Building together with all plant and machineries situated at New Survey No.1663 i.e. Amalgamated Survey No.637/13/1 (Old Survey No. 637/14, 637/16, 637/13/2, 637/15, 643/2, 643/1, 637/13/1) situated Village: Pundhra, Tal.: Kalol, Dist.: Gandhinagar (Ice-cream Plant) (2nd charge to Working Capital lenders)

(iv) Basement and 3rd Floor, Vadilal House, Navrangpura, Ahmedabad (Office Complex) (2nd charge to Working Capital lenders)

(v) Land and Building together with all plant and machineries being Unit – I, situated at Plot No. D-24 Parsakhera Industrial Estate, Bareilly, U.P. (Ice-cream Plant) (2nd charge to Working Capital lenders)

(vi) Land and Building together with all plant and machineries situated at Unit – II, being Plot No. D-23 and D-22, F-11/14/15 at Parsakhera Industrial Estate, Bareilly, U.P. (Ice-cream Plant) (2nd charge to Working Capital lenders)

(vii) Land and Building together with all plant and machineries situated at New Survey Nos. 3642, 3643, 3644 and 3646 i.e. Old Survey Nos. 962/1, 966, 969 and 970/2 at Mouje Dharampur, Dist.: Valsad (New land). (2nd charge to Working Capital lenders)

(viii) Land and Building together with all plant and machineries situated at New Survey No. 3647 i.e. Old Survey No. 970 (Paiki) Mouje Dharampur, Dist.: Valsad (IQF unit) (1st charge to working capital lenders)

(ix) Ground and 2nd Floor, Vadilal House, Navrangpura, Ahmedabad (Office Complex) (1st charge to working capital lenders)

(x) 4 Flats No. 801 to 804, situated at Maruti Centre, Gurukul, Drive-in-Road, Ahmedabad (Residential Flats) (1st charge to working capital lenders)

(xi) Land and Building together with all plant and machineries situated at Plot No. F-12, Parsakhera Industrial Estate, Bareilly, U.P. (Leased Property) (2nd charge to Working Capital lenders)

B The above Working Capital facilities are also secured by way of Hypothecation on entire current assets of the Company on 1st pari-passu charge basis.

C The above Working Capital facilities are also secured by Personal Guarantee of Mr. Rajesh R. Gandhi, Managing Director and Mr. Devanshu L. Gandhi, Managing Director of the Company. The Working Capital facilities of the Consortium Bank are also secured by Corporate Guarantee by Vadilal Cold Storage, Padm Complex Ltd. and Volute Constructions Ltd.

D Cash Credit facility from Kalupur Commercial Co-operative Bank of ₹ 1,500.00 Lacs is secured by pledge stocks and Personal Guarantee of Mr. Rajesh R. Gandhi, Managing Director and Mr. Devanshu L. Gandhi, Managing Director of the Company.

E Secured Borrowing i.e. Working Capital facility & Term Loan Facility availed from Banks / FIs carries interest @ 8.80 % to 12.25 %.

F Secured Borrowing i.e. CECL facility & GECL facility availed from Banks carries interest @ 7.40 % to 8.90%

G The unsecured borrowings availed from Banks / FIs carries rate of interest upto 15.00%.

H Inter corporate deposits are repayable between 90 days to 365 days and carry Interest @ 12.00 % to 15.50 %

I Fixed deposits are repayable for 12 months to 36 months and carry interest @ 8.00 % to 9.00 %.

J The company does not have any charges or satisfaction which is yet to be registered with ROC beyond statutory period.

K Company has used the borrowings from banks and financial institutions for the purpose for which it was taken.

Collateral / Additional Securities :-

A Working Capital facility from Consortium Banks, namely, BOB, SBI, IDBI and IndusInd bank are also secured by way of Mortgage on immovable properties of: -

(i) Padm Complex Ltd. & Volute Constructions Ltd. by way of 1st charge on pari-passu basis (Ground Floor, Office No. 2B, "Mahalaya" Opp. President Hotel, Swastik Char Rasta, Ahmedabad. (Owned Property))

(ii) Vadilal Cold Storage by way of 1st charge on pari-passu basis Gomtipur, Ahmedabad (Leased Property)

NOTE-26 CURRENT LEASE LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	111.33	110.46
Total	**111.33**	**110.46**

NOTE-27 TRADE PAYABLES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Due to Micro and Small Enterprises-Refer Note (A)	879.42	857.57
Due to Others (Refer Note-47)	6,347.29	9,350.22
Total	**7,226.71**	**10,207.79**

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 Lacs)

	Particulars	As at March 31, 2022	As at March 31, 2021
A	i) Principal amount remaining unpaid at the end of the accounting year	879.42	857.57
	ii) Interest due on above	16.10	25.09
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	16.10	25.09
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

B) Trade Payables ageing schedule as on March 31, 2022 (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	850.37	28.83	-	-	-	879.20
(ii) Others	3,713.73	1,935.91	-	-	-	5,649.64
(iii) Disputed dues – MSME	-	-	0.14	0.08	-	0.22
(iv) Disputed dues - Others	-	-	13.82	10.58	74.95	99.35
TOTAL	**4,564.10**	**1,964.74**	**13.96**	**10.66**	**74.95**	**6,628.41**
Accrued Expense	355.18	122.91	45.75	7.18	67.28	598.30
GRAND TOTAL	**4,919.28**	**2,087.65**	**59.71**	**17.84**	**142.23**	**7,226.71**

Trade Payables ageing schedule as on March 31, 2021 (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	857.52	-	-	-	-	857.52
(ii) Others	3,722.63	3,036.17	-	-	-	6,758.80
(iii) Disputed dues – MSME	-	-	0.05	-	-	0.05
(iv) Disputed dues - Others	-	-	435.50	41.35	36.50	513.35
TOTAL	**4,580.15**	**3,036.17**	**435.55**	**41.35**	**36.50**	**8,129.72**
Accrued Expense	622.24	810.01	541.52	32.45	71.85	2,078.07
GRAND TOTAL	**5,202.39**	**3,846.18**	**977.07**	**73.80**	**108.35**	**10,207.79**

NOTE-28 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Interest Accrued	255.56	339.53
Unclaimed Dividends*	16.05	18.62
Unclaimed Deposits and Interest accrued thereon*	16.15	21.74
Financial Guarantee Liabilities (Refer Note-47)	1.64	24.90
Payable for Capital Goods	343.79	480.18
Security Deposits from Customers	126.55	127.02
Payable to subsidiary co. (Refer Note-47)	0.06	0.06
Others	18.10	14.46
Total	**777.90**	**1,026.51**

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

NOTE-29 PROVISIONS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Provision for Employee Benefits		
Gratuity (Refer Note-48)	118.26	104.11
Compensated Absences	255.41	230.18
Total	**373.67**	**334.29**

NOTE-30 TAX LIABILITIES (NET)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Income Tax Payable (Net of Advance Tax)	-	17.82
Total	**-**	**17.82**

NOTE-31 OTHER LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Statutory Remittances	502.68	356.54
Advances Received from Subsidiary (Refer Note-47)	68.61	503.04
Advances Received from Customers	178.89	10.85
Other Liabilities	210.60	207.71
Deferred Govt. Grant	49.35	51.33
Total	**1,010.13**	**1,129.47**

NOTE-32 REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Sale of Products		
Finished goods (Refer Note-47)	54,064.36	35,480.32
Currency	158.70	31.66
Sale of Services		
Income from Money Changing Business	3.32	3.99
Other Operating Revenues		
Scrap Sales	185.23	138.04
Total	**54,411.61**	**35,654.01**
Reconciliation of revenue from operation with contract price		
Revenue from contract with customers as per the contract price	54,531.22	35,815.33
Adjustment made to contract price on account of:		
Discounts and Rebates	(119.61)	(161.32)
Revenue from Operations	**54,411.61**	**35,654.01**

NOTE-33 OTHER INCOME

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Income (Refer Note-47)	50.83	414.59
Export Licenses Income	156.61	338.29
Other Export Incentive Income	193.37	248.03
Financial Guarantee Commission Income	24.90	28.91
Gain on Fair Value of Current Investment	8.03	0.06
Gain on Fair Value of Non Current Investment	5.65	0.50
Grant Income	53.02	51.81
Dividend income on long term Investment	0.31	-
Net gain on Foreign Currency translations and transactions	5.66	18.17
Profit on sale of current investment	5.66	2.08
Excess Provision written back	178.03	85.83
Business Support Services Income from Subsidiary (Refer Note-47)	170.80	-
Miscellaneous Income	25.09	7.28
Provision for Doubtful Debt written back	-	6.63
Provision for Doubtful Advance written back	1.18	-
Total	**879.14**	**1,202.18**

NOTE-34 COST OF MATERIALS CONSUMED

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Inventory at the beginning of the year	8,334.91	9,888.46
Add : Purchases	33,763.33	19,799.76
Less: Inventory at the end of the year	8,930.06	8,334.91
Total	**33,168.18**	**21,353.31**

NOTE-35 PURCHASE OF TRADED GOODS

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Processed Food	52.52	22.04
Dairy Products	131.83	81.48
Others	170.62	280.16
Currency	157.10	30.83
Total	**512.07**	**414.51**

NOTE-36 CHANGE IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Inventories at beginning of the year		
Finished Goods	3,654.88	4,207.16
	3,654.88	**4,207.16**
Inventories at end of the year		
Finished Goods	4,565.20	3,654.88
	4,565.20	**3,654.88**
Total	**(910.32)**	**552.28**

NOTE-37 EMPLOYEE BENEFIT EXPENSES

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salary, Wages, Allowances and Bonus etc. (Refer Note-47)	3,632.18	2,989.89
Contribution to Provident and Other funds (Refer Note-48)	290.95	280.35
Staff Welfare Expenses	207.10	156.54
Total	**4,130.23**	**3,426.78**

NOTE-38 FINANCE COSTS

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Expense	1,628.72	1,859.96
Other Borrowing Costs	159.62	148.56
Total	**1,788.34**	**2,008.52**

NOTE-39 OTHER EXPENSES

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Job Charges	3,402.29	2,840.83
Power & Fuel	3,265.98	2,674.38
Stores and Spares Consumption	844.70	716.62
Repairs & Maintenance	682.61	573.82
Rent (Refer Note-47)	282.69	300.49
Freight and forwarding charges (Refer Note-47)	2,416.86	1,641.65
Sales Promotion Expense (Refer Note-47)	468.05	365.76
Corporate Social Responsibility Expense	39.85	73.51
Payment to Auditors (Refer details below)	30.83	30.48
Provision for Doubtful Debts	34.24	11.87
Less : Reversal of provision due to recovery	9.83	18.50
Less : transferred to Income side	-	6.63
Provision for Doubtful Debts	24.41	-
Bad Debt written off	0.21	-
Less : Provided in earlier years	-	-
	0.21	-
Loss on disposal of Property, Plant & Equipment	21.45	21.22
Share of Loss of Partnership Firm (Refer Note-47)	3.64	24.05
Other Expenses (Including Legal & Professional, Conveyance, Telephone, Postage, Printing & Stationery etc.)	1,779.87	1,180.07
Total	**13,263.44**	**10,442.88**
Payment to Auditors		
As Auditor		
Audit Fees	22.50	22.50
Limited Review Fees	6.00	6.00
In Other Capacity		
Certification Fees	1.75	1.50
Reimbursement of expenses	0.58	0.48
Total	**30.83**	**30.48**

NOTE-40 TAX EXPENSES

(₹ in Lacs)

	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
A.	**Income tax recognised in Statement of Profit and Loss:**		
	Current Tax:		
	In respect of the current year	-	-
	In respect of the prior years	5.07	17.39
	Total	**5.07**	**17.39**
	Deferred Tax:		
	In respect of the current year	375.44	(778.28)
	Total	**375.44**	**(778.28)**
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 :**		
	Profit / (loss) before tax	1,414.94	(3,170.71)
	Income Tax Expense @ 25.168% (Last year @ 25.168%)	356.11	(798.00)
	Tax effect of the amounts which are not deductible / (taxable) in calculating taxable income :		
	Effect of expenses that are not deductible in determining taxable profit	18.30	19.72
	Others	1.03	-
		375.44	**(778.28)**
	Adjustments in respect of current income tax of previous year	5.07	17.39
	Total	**380.51**	**(760.89)**
	Tax effect on Items in Other Comprehensive Income	(23.31)	0.82
	Tax expense as per Statement of Profit and Loss	**357.20**	**(760.07)**

The company's weighted average tax rates for the year ended March 31, 2022 and March 31, 2021 are 26.89 % and 24.00 % respectively.

NOTE - 41 CONTINGENT LIABILITIES NOT PROVIDED FOR AND COMMITMENTS :

(₹ in Lacs)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
	Contingent Liabilities		
(a)	Guarantees given by the company against Borrowing given to companies in which Directors are interested is ₹ 3,001 Lacs (March 31, 2021 ₹ 3,001 Lacs)		
	Outstanding against this as at March 31	567.37	1,056.10
(b)	For Excise-related matter decided in favour of the company, against which Excise Dept. has preferred an appeal	43.00	43.00
(c)	In respect of erstwhile Vadilal Financial Services Limited (VFSL) Income Tax Demand (including interest) for which the company has preferred an appeal.	1.93	1.93
(d)	For Indirect Tax-Disputed by the company and against which company has preferred appeals	271.72	211.78
(e)	For Other Matters-cases against company by the Vendor and Authorities	243.82	245.84
(f)	Differential amount of custom / excise duty in respect of machinery purchased under EPCG Scheme*	-	793.15
(g)	Differential amount of custom duty in respect of Advance Licence*	140.94	209.24
(h)	Outstanding letter of credits and bank guarantees issued by banks	548.59	553.14
	Total Contingent Liabilities	**1,817.37**	**3,114.18**
	Commitments		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) :	**224.36**	**570.37**

Future Cash Outflow in respect of (b) to (e) above depends on ultimate settlement / conclusions with the relevant authorities.

* The company has fulfilled export obligation for license availed under EPCG and Advance Authorization. During the previous year, as the applications for closures were either to be made / pending disposal by department, the same were shown as contingent liabilities.

NOTE - 42

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 NCLT has fixed next hearing in the matter on July 06, 2022.

NOTE - 43 Segment Information :

The Company is primarily engaged in one business segment namely Food segment as determined by the Chief Operating Decision Maker in accordance with IND AS 108 - "Operating Segment".

NOTE - 44 Disclosure as per Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

Amount outstanding:

(₹ in Lacs)

Name of Party	Relationship	Purpose	As at March 31, 2022	As at March 31, 2021
Investments				
Vadilal Industries USA (Inc.)	Wholly owned subsidiary company	Business Purpose	136.41	136.41
Vadilal Cold Storage	Partnership firm where company has 98% Ownership Interest	Business Purpose	140.00	140.00
Varood Industries Ltd.	Wholly owned subsidiary company	Business Purpose	5.00	5.00
Vadilal Delight Ltd.	Wholly owned subsidiary company	Business Purpose	5.00	5.00
Vadilal Industries Pty Ltd.	Wholly owned subsidiary company	Business Purpose	0.06	0.06
Guarantee Given				
Vadilal Enterprises Ltd.	Enterprise over which Key Managerial Personnel is able to exercise significant influence	To avail credit facility and corporate loan	3,001.00	3,001.00
Loans				
Vadilal Industries USA (Inc.)	Wholly owned subsidiary company	Business Purpose	-	250.00

Maximum outstanding during the year: (₹ in Lacs)

Name of Party	Relationship	Purpose	As at March 31, 2022	As at March 31, 2021
Investments				
Vadilal Industries USA (Inc.)	Wholly owned subsidiary company	Business Purpose	136.41	136.41
Vadilal Cold Storage	Partnership firm where company has 98% Ownership Interest	Business Purpose	140.00	140.00
Varood Industries Ltd.	Wholly owned subsidiary company	Business Purpose	5.00	5.00
Vadilal Delight Ltd.	Wholly owned subsidiary company	Business Purpose	5.00	5.00
Vadilal Industries Pty Ltd.	Wholly owned subsidiary company	Business Purpose	0.06	0.06
Guarantee Given				
Vadilal Enterprises Ltd.	Enterprise over which Key Managerial Personnel is able to exercise significant influence	To avail credit facility and corporate loan	3,001.00	3,001.00
Loans				
Vadilal Industries USA (Inc.)	Wholly owned subsidiary company	Business Purpose	250.00	538.71
Vadilal Cold Storage	Partnership firm where company has 98% Ownership Interest	Business Purpose	8.42	19.26

Company has made investment in equity of overseas subsidiary company for ₹ 136.41 lacs. During the year, Subsidiary Company has made a profit of ₹ 3,461.45 lacs (₹ 2,978.25 lacs in the year 2020-21) and net accumulated profit as at March 31, 2022 is ₹ 7,891.91 lacs (₹ 4,430.46 lacs as at March 31, 2021).

NOTE - 45 FINANCIAL INSTRUMENTS

I Capital Management

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to stakeholder. 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 19 and 25 off set by cash and bank balances) and total equity of the Company.

Gearing Ratio (₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Debt *	17,039.64	14,119.29
Less: Cash and cash Equivalents	286.43	846.73
Net Debt	**16,753.21**	**13,272.56**
Total Equity excluding Revaluation Reserve	**14,419.53**	**13,454.41**
Net Debt to equity ratio	**116.18%**	**98.65%**

*Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings as described in notes 19 and 25.

II Category-wise classification of financial instruments

Financial Assets & Financial Liabilities as at March 31, 2022 (₹ in Lacs)

Particulars	Fair value Through Profit and loss	Amortised Cost	Total
Financial Assets			
Investments	25.52	288.75	314.27
Loans	-	17.15	17.15
Trade receivables	-	3,412.28	3,412.28
Cash and Cash Equivalents	-	286.43	286.43
Bank balances other than cash and cash Equivalents	-	644.29	644.29
Other Financial Assets	-	263.88	263.88
Total	**25.52**	**4,912.78**	**4,938.30**
Financial Liabilities			
Borrowings	-	17,039.64	17,039.64
Lease Liabilities	-	587.70	587.70
Trade Payable	-	7,226.71	7,226.71
Other Financial Liabilities	-	777.90	777.90
Total	**-**	**25,631.95**	**25,631.95**

Financial Assets & Financial Liabilities as at March 31, 2021 (₹ in Lacs)

Particulars	Fair value Through Profit and loss	Amortised Cost	Total
Financial Assets			
Investments	11.84	288.75	300.59
Loans	-	258.24	258.24
Trade receivables	-	2,116.96	2,116.96
Cash and Cash Equivalents	-	846.73	846.73
Bank balances other than cash and cash Equivalents	-	1,045.27	1,045.27
Other Financial Assets	-	298.67	298.67
Total	**11.84**	**4,854.62**	**4,866.46**
Financial Liabilities			
Borrowings	-	14,119.29	14,119.29
Lease Liabilities	-	698.15	698.15
Trade Payable	-	10,207.79	10,207.79
Other Financial Liabilities	-	1,028.15	1,028.15
Total	**-**	**26,053.38**	**26,053.38**

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

(₹ in Lacs)

Particular	Fair value	Fair value hierarchy		
		Quoted Price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2022				
Investments at fair value through profit and loss	25.52	9.31	-	16.21
As at March 31, 2021				
Investments at fair value through profit and loss	11.84	1.28	-	10.56

III Financial risk management objective

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:

- Foreign Currency risk
- Equity price risk
- 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:

(i) Currency risk management

The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Company enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk :

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(a) Derivatives instruments

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Forward contract to sell USD		
No. of contracts	4	-
In USD	25,80,000	-
In INR (in Lacs)	1,998.95	-

(b) Particular of foreign currency exposures as at the reporting date.

Particulars	As at March 31, 2022	As at March 31, 2021
Liabilities (Foreign currency)		
In US Dollars (USD)	1,98,436.02	2,11,823.52
In Euro (EUR)	295.00	295.00
In Australian Dollars (AUD)	1,300.00	1,300.00
Assets (Foreign currency)		
In US Dollars (USD)	3,96,984.03	6,27,045.20
In Canadian Dollars (CAD)	-	55,321.08
In Great Britain Pound (GBP)	32,938.95	27,747.44
In Australian Dollars (AUD)	18,542.55	-

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Liabilities (INR)		
In US Dollars (USD)	150.63	155.69
In Euro (EUR)	0.25	0.25
In Australian Dollars (AUD)	0.74	0.73
Assets (INR)		
In US Dollars (USD)	301.35	460.88
In Canadian Dollars (CAD)	-	32.24
In Great Britain Pound (GBP)	32.88	28.01
In Australian Dollars (AUD)	10.57	-

Foreign currency sensitivity analysis

The following table details, Company's sensitivity to a 1% increase and decrease in the rupee against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding not hedged on receivables and payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rate.

A change of 1% in Foreign currency would have following Impact on profit before tax and total equity

(₹ in Lacs)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	1% increase	1% decrease	1% increase	1% decrease
USD	1.51	(1.51)	3.05	(3.05)
CAD	-	-	0.32	(0.32)
GBP	0.33	(0.33)	0.28	(0.28)
AUD	0.10	(0.10)	(0.01)	0.01
Increase / (decrease) in profit & loss	**1.94**	**(1.94)**	**3.64**	**(3.64)**

(ii) Price Risk (Equity Price Risk)

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity Analysis

The table below summarizes the impact of increases / decreases of the BSE index on the Company's equity and Gain / Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

A change of 5% in market index would have following Impact on profit before tax (₹ in Lacs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
BSE Index 100 - Increase by 5%	0.47	0.06
BSE Index 100 - Decrease by 5%	(0.47)	(0.06)

The above referred sensitivity pertains to quoted equity investments. Profit for the year would increase/decrease as a result of gains / losses on equity securities as at Fair Value through Profit and Loss (FVTPL).

(iii) 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 or management 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 reporting period 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 Lacs)

Particulars	Increase / Decrease in basic points	Effect on PBT
As at March 31, 2022	100 bps	47.22
As at March 31, 2021	100 bps	41.25

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 reporting period. 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 forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,

ii) Actual or expected significant changes in the operating results of the counterparty,

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv) Significant increase in credit risk on other financial instruments of the same counterparty,

v) 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. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Concentrations of Credit risk form part of Credit risk

Considering that the Company sells majority of its goods to Vadilal Enterprises Ltd. and Vadilal Industries (USA) Inc., the Company is significantly dependent on such customers. Out of total income, the Company earns 90.00 % revenue (previous year 84.14 %) from such customers, and with one of these customers, the Company has long term contracts. As at March 31, 2022, receivables from such customers constitute 84.01 % (previous year 67.58 %) of total trade receivables. A loss of these customers could adversely affect the operating result or cash flow of the Company.

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 Company's short-term, medium-term and long term funding and liquidity management requirements. The company 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, 2022 (₹ in Lacs)

Particulars	< 1 year	1-5 years	Beyond 5 years	Total
Financial Liabilities				
Borrowings	9,460.56	7,579.08	-	17,039.64
Lease Liabilities	111.33	476.37	-	587.70
Trade Payable	7,226.71	-	-	7,226.71
Other Financial Liabilities	777.90	-	-	777.90
Total Financial Liabilities	**17,576.50**	**8,055.45**	**-**	**25,631.95**

Exposure as at March 31, 2021 (₹ in Lacs)

Particulars	< 1 year	1-5 years	Beyond 5 years	Total
Financial Liabilities				
Borrowings	8,582.18	5,537.11	-	14,119.29
Lease Liabilities	110.46	587.69	-	698.15
Trade Payable	10,207.79	-	-	10,207.79
Other Financial Liabilities	1,026.51	1.64	-	1,028.15
Total Financial Liabilities	**19,926.94**	**6,126.44**	**-**	**26,053.38**

Financial Arrangements

The Company has access to the following undrawn borrowing facilities at the end of the reporting period.

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Expiring within one year (Cash Credit and other facilities)	3,962.94	1,115.82
Expiring beyond one year (Bank loans)	-	239.00

NOTE - 46 EARNINGS PER SHARE (EPS) AS PER INDIAN ACCOUNTING STANDARD 33:

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Profit / (Loss) for the year attributable to owners of the Company (₹ in Lacs)	1,034.43	(2,409.82)
Weighted average number of Equity Shares (in Lacs)	71.88	71.88
Earning per Equity Share (Basic & Diluted)	14.39	(33.53)

NOTE - 47 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 & Relationship

No.	Name	Description of Relationship
1	Vadilal Industries (USA) Inc.	Wholly owned subsidiary company
2	Vadilal Industries PTY Ltd	Wholly owned subsidiary company
3	Varood Industries Limited	Wholly owned subsidiary company (w.e.f. February 19, 2020)
4	Vadilal Delights Limited	Wholly owned subsidiary company (w.e.f. January 31, 2020)
5	Vadilal Cold Storage	Partnership firm where company has 98% Ownership Interest
6	Rajesh R. Gandhi	Key Managerial Personnel
7	Devanshu L. Gandhi	Key Managerial Personnel
8	Kalpit R. Gandhi	Key Managerial Personnel
9	Rashmi Bhatt	Key Managerial Personnel
10	Yogesh Bhatt	Key Managerial Personnel (Upto June 25, 2020)
11	Anil Patil	Key Managerial Personnel (Upto June 25, 2020)
12	Vadilal Enterprises Ltd.	Enterprise over which Key Managerial Personnel is able to exercise significant influence
13	Vadilal International Pvt. Ltd.	Enterprise over which Key Managerial Personnel is able to exercise significant influence
14	Majestic Farm House Ltd.	Enterprise over which Key Managerial Personnel is able to exercise significant influence
15	Vadilal Chemicals Ltd.	Enterprise over which Key Managerial Personnel is able to exercise significant influence
16	Mamta R. Gandhi	Relative of Key Managerial Personnel
17	Deval D. Gandhi	Relative of Key Managerial Personnel

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

(₹ in Lacs)

Transaction		Total	Subsidiary	Control Exists	Key Managerial Person	Relative of Key Managerial Person	Enterprise significantly influenced by Key Managerial Person or relatives of Key Managerial Personnel
(a)	**Sales**						
	Vadilal Enterprises Ltd.	40,002.50					40,002.50
	P.Y.	(22,511.94)					(22,511.94)
	Vadilal Industries (USA) Inc.	8,967.63	8,967.63				
	P.Y.	(7,488.49)	(7,488.49)				
(b)	**Sale of Fixed Assets**						
	Vadilal Enterprises Ltd.	51.38					51.38
	P.Y.	-					-
(c)	**Purchases**						
	Vadilal Chemicals Ltd.	19.90					19.90
	P.Y.	(14.05)					(14.05)
(d)	**Hire Charges / Rent Expense**						
	Vadilal Cold Storage	61.66		61.66			
	P.Y.	(40.73)		(40.73)			
	Vadilal Enterprises Ltd.	4.44					4.44
	P.Y.	-					-
(e)	**i) Managerial Remuneration**						
	Rajesh R. Gandhi	96.11			96.11		
	P.Y.	(74.44)			(74.44)		
	Devanshu L. Gandhi	96.11			96.11		
	P.Y.	(74.44)			(74.44)		

(₹ in Lacs)

Transaction	Total	Subsidiary	Control Exists	Key Managerial Person	Relative of Key Managerial Person	Enterprise significantly influenced by Key Managerial Person or relatives of Key Managerial Personnel
ii) Remuneration						
Kalpit R. Gandhi	41.75			41.75		
P.Y.	(30.85)			(30.85)		
Yogesh Bhatt	-			-		
P.Y.	(1.50)			(1.50)		
Anil Patil	-			-		
P.Y.	(5.50)			(5.50)		
Rashmi Bhatt	18.06			18.06		
P.Y.	(14.18)			(14.18)		
Deval D. Gandhi	8.32				8.32	
P.Y.	(7.03)				(7.03)	
Mamta R. Gandhi	8.32				8.32	
P.Y.	(7.18)				(7.18)	
(f) Interest Income						
Vadilal International Pvt. Ltd.	-					-
P.Y.	(2.66)					(2.66)
Vadilal Industries USA (Inc.)	5.00	5.00				
P.Y.	(32.10)	(32.10)				
(g) Business Support services Income						
Vadilal Industries USA (Inc.)	170.80	170.80				
P.Y.	-	-				
(h) Ocean freight Recovery						
Vadilal Industries USA (Inc.)	588.30	588.30				
P.Y.	-	-				
(i) Advertisement expenses						
Vadilal Industries USA (Inc.)	294.72	294.72				
P.Y.	-	-				
(j) Share of Loss in partnership Firm						
Vadilal Cold Storage	3.64		3.64			
P.Y.	(24.05)		(24.05)			
(k) Royalty Expense						
Vadilal International Pvt. Ltd.	47.30					47.30
P.Y.	(47.03)					(47.03)
(l) Rent deposit given						
Vadilal Enterprises Ltd.	0.61					0.61
P.Y.	-					-
(m) Loan or Deposits Received back						
Vadilal International Pvt. Ltd.	-					-
P.Y.	(600.00)					(600.00)
Vadilal Industries (USA) Inc.	250.00	250.00				
P.Y.	(281.01)	(281.01)				
Balance outstanding at year end :						
Investments						
Vadilal Industries (USA) Inc.	136.41	136.41				
P.Y.	(136.41)	(136.41)				

(₹ in Lacs)

Transaction	Total	Subsidiary	Control Exists	Key Managerial Person	Relative of Key Managerial Person	Enterprise significantly influenced by Key Managerial Person or relatives of Key Managerial Personnel
Varood Industries Ltd	5.00	5.00				
P.Y.	(5.00)	(5.00)				
Vadilal Delights Ltd	5.00	5.00				
P.Y.	(5.00)	(5.00)				
Vadilal Industries PTY Ltd	0.06	0.06				
P.Y.	(0.06)	(0.06)				
Vadilal Cold Storage	140.00		140.00			
P.Y.	(140.00)		(140.00)			
Majestic Farm House Ltd.	3.88					3.88
P.Y.	(3.99)					(3.99)
Trade Receivable						
Vadilal Enterprises Ltd.	2,866.74					2,866.74
P.Y.	(1,430.67)					(1,430.67)
Interest Receivable						
Vadilal Industries (USA) Inc.	-	-				
P.Y.	(67.10)	(67.10)				
Vadilal International Pvt. Ltd.	-					-
P.Y.	(7.86)					(7.86)
Loans & Advances Given						
Majestic Farm House Ltd.	5.38					5.38
P.Y.	(5.31)					(5.31)
Vadilal Industries (USA) Inc	-	-				
P.Y.	(250.00)	(250.00)				
Vadilal Enterprises Ltd.	0.61					0.61
P.Y.	-					-
Other Current Financial Assets						
Vadilal Industries PTY Ltd	10.57	10.57				-
P.Y.	-					-
Trade Payable						
Vadilal International Pvt. Ltd.	10.24					10.24
P.Y.	(9.66)					(9.66)
Vadilal Cold Storage	11.89		11.89			
P.Y.	(7.86)		(7.86)			
Vadilal Chemicals Ltd.	4.32					4.32
P.Y.	(1.72)					(1.72)
Other Current Financial Liabilities						
Vadilal Cold Storage	8.42		8.42			
P.Y.	(4.78)		(4.78)			
Vadilal Industries PTY Ltd	0.06	0.06				
P.Y.	(0.06)	(0.06)				
Advance from Customers						
Vadilal Industries (USA) Inc	68.61	68.61				
P.Y.	(487.07)	(487.07)				
Corporate Guarantee Given						
Vadilal Enterprises Ltd.	3,001.00					3,001.00
P.Y.	(3,001.00)					(3,001.00)

(₹ in Lacs)

Transaction	Total	Subsidiary	Control Exists	Key Managerial Person	Relative of Key Managerial Person	Enterprise significantly influenced by Key Managerial Person or relatives of Key Managerial Personnel
Corporate Guarantee Taken						
Majestic Farm House Ltd.	14,441.00					14,441.00
P.Y.	(14,309.00)					(14,309.00)
Vadilal Enterprises Ltd.	270.00					270.00
P.Y.	(270.00)					(270.00)
Personal Guarantee Taken						
Rajesh R Gandhi and Devanshu L Gandhi (Jointly)	9,635.00			9,635.00		
P.Y.	(7,682.00)			(7,682.00)		

Notes

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

2) Previous Year figures are shown in bracket.

3) The Company has entered into a "Trade Mark License Agreement with Vadilal International Private Limited ("VIPL") (which is the Proprietor and the beneficial owner of the Trade Mark "Vadilal") for the usage of the Trade Mark "Vadilal". The Company has also entered into an agreement with Vadilal Enterprises Limited, a related party, for sale of its products on a principal to principal basis. The Company has obtained a legal opinion, as per which, the sales / supplies of goods by the Company to VEL, do not fall with the scope of "Trade Mark License Agreement" between the Company and VIPL and accordingly, the Company is not contractually obliged to pay any royalty on sales made by it to VEL. Accordingly, the Company has made provision for royalty only on sales made to parties other than VEL which is consistent with the practice followed in the earlier years.

4) Pursuant to the agreement signed with Vadilal Enterprises Ltd. (VEL) and approved by the shareholders, the pricing of the products to be sold to VEL shall be determined by the Company.

   During the financial year 2021-22, the Company has debited to VEL for ₹ 1,372.15 lacs in March'22 on account of higher material and other costs.

   During the previous year, as per the pricing policy for the period from February 15, 2021 to March 31, 2021, the Company has issued debit note to VEL on June 28, 2021 owing to the additional discounted prices at which the original transactions took place.

Compensation to Key Managerial Personnel of the Company:

(₹ in Lacs)

Nature of Benefits	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Short Term Employee Benefits	291.11	243.69
Post Employment Gratuity Benefits*	42.56	41.33
Total	**333.67**	**285.02**

Note: *Key Managerial Personnel and Relatives of Promoters 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 (e) above.

NOTE - 48 EMPLOYEE BENEFITS

I 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 37 ₹ 190.60 Lacs (Previous Year: ₹ 182.57 Lacs).

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 reporting period 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 Lacs)

Particulars	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Obligations at the beginning of the year	**663.15**	**649.44**
Current service cost	39.92	41.57
Past service cost	-	-
Interest cost	45.43	44.42
Actuarial (gain) / loss-due to changes in Demographic Assumptions	(0.06)	(4.56)
Actuarial (gain) / loss-due to changes in Financial Assumptions	32.38	(9.83)
Actuarial (gain) / loss-due to Experience Adjustments	57.10	7.34
Benefits paid	(18.34)	(65.23)
Present value of benefit obligation at the end of the year	**819.58**	**663.15**

b) Movement in the fair value of defined plan assets are as follows : (₹ in Lacs)

Particulars	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Plan assets at the beginning of the year at fair value	**302.37**	**345.36**
Interest Income	20.71	23.63
Return on plan assets excluding interest income	(3.20)	(3.78)
Contributions from the employer	7.37	2.39
Benefits paid	(18.34)	(65.23)
Plan assets at the end of the year at fair value	**308.91**	**302.37**

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

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Gratuity		
Present value of benefit obligation at the end of the period	819.58	663.15
Fair value of plan assets at the end of the period	(308.92)	(302.37)
Net liability / (assets) arising from defined benefit obligation	**510.67**	**360.78**

d) Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses (₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gratuity		
Current service cost	39.92	41.57
Net Interest Cost	24.71	20.80
Past Service Cost	-	-
Net impact on the Profit / (Loss) before tax	**64.63**	**62.37**
(Gain) / Expense recognised in Other Comprehensive Income		
Return on plan assets excluding actuarial return on plan assets	3.20	3.78
Actuarial (gains) / losses arising from changes in Demographic Assumptions	(0.06)	(4.56)
Actuarial (gains) / losses arising from changes in Financial Assumption	32.38	(9.84)
Experience (gains) / losses arising on Experience Adjustments	57.10	7.34
Net (gain) / expense recognised in the Other Comprehensive Income before tax	**92.62**	**(3.28)**

e) The defined benefit obligations shall mature after year end March 31, 2022 as follows: (₹ in Lacs)

Gratuity	As at March 31, 2022
1st Following Year	148.40
2nd Following Year	47.43
3rd Following Year	27.87
4th Following Year	88.40
5th Following Year	56.54
Sum of Years 6 to 10	316.88
Sum of Years 11 and above	948.61

f) 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 reporting period, while holding all other assumptions constant.

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Projected Benefit Obligation on Current Assumptions	819.58	663.15
Delta Effect of +1% Change in Rate of Discounting	(56.31)	(45.32)
Delta Effect of -1% Change in Rate of Discounting	64.94	52.20
Delta Effect of +1% Change in Rate of Salary Increase	59.37	47.85
Delta Effect of -1% Change in Rate of Salary Increase	(53.17)	(42.29)
Delta Effect of +1% Change in Rate of Employee Turnover	(2.47)	0.28
Delta Effect of -1% Change in Rate of Employee Turnover	2.73	(0.32)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period 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 reporting period. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

g) 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 date, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

Gratuity	As at March 31, 2022	As at March 31, 2021
Financial Assumptions		
Discount rate	7.23%	6.85%
Salary Escalation Rate		
For next 1 year	8.00%	5.00%
Thereafter starting from 2nd year	8.00%	7.00%
Attrition Rate		
For Service (4 years & below)	15.00%	15.00%
For Service (5 years & above)	2.00%	2.00%
Mortality Tables	Indian Assured Lives Mortality (2012-14)	

h) 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.

II. Other Long Term Employee Benefits

Compensated Absences

The liability towards compensated absences (leave encashment) for the year ended March 31, 2022 based on actuarial valuation carried out by using Projected Unit Credit Method is ₹ 255.41 Lacs . (As at March 31, 2021 : ₹ 230.18 Lacs)

Compensated Absences	As at March 31, 2022	As at March 31, 2021
Financial Assumptions		
Discount rate	7.23%	6.85%
Salary Escalation Rate		
For next 1 year	8.00%	5.00%
Thereafter starting from 2nd year	8.00%	7.00%
Attrition Rate		
For Service (4 years & below)	15.00%	15.00%
For Service (5 years & above)	2.00%	2.00%
Mortality Tables	Indian Assured Lives Mortality (2012-14)	

NOTE - 49 SCHEDULE OF GOVERNMENT GRANT: (REFER NOTE 24 & 31)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance of Grant	**608.77**	**660.58**
Grant Received during the Year	22.62	-
Amortised to the statement of Profit & Loss	(53.02)	(51.81)
Closing balance of Grant	**578.37**	**608.77**
Current	49.35	51.33
Non-Current	529.02	557.44
Total	**578.37**	**608.77**

NOTE - 50 DISCLOSURE AS PER IND AS 116

The changes in the carrying value of ROU assets for the year ended March 31, 2022 are as follows : (₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	**604.53**	**753.37**
Additions	-	-
Changes on account of lease modification	-	(25.74)
Depreciation	(125.80)	(123.10)
Closing Balance	**478.73**	**604.53**

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, 2022 is as follows : (₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease Liabilities	111.33	110.46
Non-current lease Liabilities	476.37	587.69
Total	**587.70**	**698.15**

The movement in lease liabilities during the year ended March 31, 2022 is as follows: (₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	**698.15**	**809.45**
Finance cost accrued during the period	69.64	77.11
Changes on account of lease modification	-	(25.74)
Payment of lease liabilities	(180.09)	(162.67)
Closing Balance	**587.70**	**698.15**

The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis are as follows :

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	111.33	110.46
One to five years	476.37	587.69
More than five years	-	-
Total	**587.70**	**698.15**

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 ₹ 282.69 Lacs for the year ended March 31, 2022 and ₹ 300.49 Lacs for year ended March 31, 2021.

NOTE - 51 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE:

a) CSR amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 is ₹ 37.40 Lacs for the year 2021-22. (P.Y. ₹ 73.23 Lacs).

b) Expenditure related to CSR is ₹ 39.85 Lacs (P.Y. ₹ 73.51 Lacs), details of the same is as under: (₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	39.85	73.51
Total	**39.85**	**73.51**

(₹ in Lacs)

Details of CSR Activities		31-03-22	31-03-21
(i)	amount required to be spent by the company during the year,	37.40	73.23
(ii)	amount of expenditure incurred,	39.85	73.51
(iii)	shortfall / (Excess) at the end of the year,	(2.45)	(0.28)
(iv)	total of previous years shortfall,	NA	NA
(v)	reason for shortfall,	NA	NA
(vi)	Nature of CSR activities include promoting healthcare including preventive healthcare and sanitation, promoting education, including special education and employment enhancing vocation skills, ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water, promoting gender equality, empowering women, setting up homes and hostels for woman and measures for reducing inequality faced by socially and economically backward groups.		
(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-52 RATIOS

Performance Ratios		Numerator	Denominator	As at 31.03.2022	As at 31.03.2021	Variance	Reason
(a)	Current Ratio	Current Assets	Current Liabilities	1.08	0.87	23.81%	
(b)	Debt-Equity Ratio	Total Debt	Total Equity	0.78	0.67	15.38%	
(c)	Debt Service Coverage Ratio	Earnings available for debt services	Debt Service	1.63	0.12	1220.55%	Refer below Note
(d)	Return on Equity Ratio	Profit after taxes	Average Equity	4.82%	-10.86%	-144.37%	Refer below Note
(e)	Inventory turnover ratio	Net Sales of Products & Services	Average Inventory	4.02	2.61	53.90%	Refer below Note
(f)	Trade Receivables turnover ratio	Net Sales of Products & Services	Average Account Receivable	19.61	13.06	50.16%	Refer below Note
(g)	Trade payables turnover ratio	Total Purchase	Closing Balance of Trade Payable	6.71	3.08	117.85%	Refer below Note
(h)	Net capital turnover ratio	Net Sales of Products & Services	Working Capital	34.67	-13.20	-362.59%	Refer below Note
(i)	Net profit ratio	Profit after taxes	Net Sales of Products & Services	1.91%	-6.79%	-128.11%	Refer below Note
(j)	Return on Capital employed	Profit Before Interest and Tax	Total Assets Less Current Liabilities	9.98%	-4.04%	-346.82%	Refer below Note
(k)	Return on investment	Net income from Current Investment	Opening value of Current Investment	627.34%	4.92%	12655.99%	Refer below Note

Note : The business has been significantly impacted during the previous year on account of COVID-19. The company has witnessed lower revenues due to lockdown imposed during the beginning of the previous year, being the peak period of the ice-cream business. Due to this unforeseen circumstances, operations of the company was impacted so financial ratios are not comparable for current and previous financial year.

NOTE - 53 OTHER STATUTORY INFORMATION :

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

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 company 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 have 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 has complied 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.

h) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company 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.

j) Borrowing based on security of inventory and book debts :

The company has obtained secured short term loan from banks on basis of security of inventories and book debts (Refer Note 25) wherein the quarterly returns as filed with bank is in agreement with the books except below :

(₹ in Lacs)

Financial Year Ended March 31, 2022	Name of Bank	Particulars of securities provided	Amount as per the books of account	Amount as reported in the quarterly return statement	Amount of Difference	Reason for material discrepancies
Quarter ended June 30, 2021	Refer Note (i)	Inventories	11,617.96	11,617.00	0.96	N.A.
Quarter ended June 30, 2021	Refer Note (i)	Trade Receivables	2,083.40	2,083.00	0.40	N.A.
Quarter ended September 30, 2021	Refer Note (i)	Inventories	8,483.40	8,483.00	0.40	N.A.
Quarter ended September 30, 2021	Refer Note (i)	Trade Receivables	1,898.58	1,908.00	-9.42	N.A.

(₹ in Lacs)

Financial Year Ended March 31, 2021	Name of Bank	Particulars of securities provided	Amount as per the books of account	Amount as reported in the quarterly return statement	Amount of Difference	Reason for material discrepancies
Quarter ended June 30, 2020	Refer Note (i)	Inventories	13,248.66	15,949.00	-2,700.34	Refer below Note (ii)
Quarter ended June 30, 2020	Refer Note (i)	Trade Receivables	2,149.78	2,150.00	-0.22	N.A.
Quarter ended September 30, 2020	Refer Note (i)	Inventories	10,255.40	12,122.18	-1,866.78	Refer below Note (ii)
Quarter ended March 31, 2021	Refer Note (i)	Inventories	12,632.72	12,774.39	-141.67	N.A.
Quarter ended March 31, 2021	Refer Note (i)	Trade Receivables	2,116.96	2,289.06	-172.10	N.A.

Note:

(i) Company is having consortium arrangement with Bank of Baroda, State Bank of India, IDBI and Indusind Bank, where lead bank is Bank of Baroda.

(ii) Due to COVID-19 pandemic, submission was done based on provisional data since office was closed and people were working from home.

NOTE - 54

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 allegations relating to potential personal expenses claimed as official business expenditure amounting to ₹ 25.33 lacs (for financial year 2017-18 and financial year 2018-19), and ₹ 25.00 lacs (for financial year 2014-15 to financial year 2018-19) by two Promoter Directors respectively for which report / findings are yet to be received. The Board of Directors believe that it shall not have any material financial impact on the financial statements of the Company for year ended March 31, 2022.

NOTE - 55

The business has been impacted during the financial year on account of second wave of COVID-19 and the Company has witnessed lower revenues in domestic ice-cream business in April and May 2021 being the peak period of the ice-cream business.

The Company has also assessed the possible impact of COVID-19 in preparation of the standalone financial results, including recoverable value of its financial and non-financial assets and impact on revenues and cost.

The Company has considered internal and external sources of information and based on current estimates, expects to recover the carrying amount of these assets. The impact of COVID-19 may be different from that estimated at the date of the approval of these standalone financial results and the Company will continue to closely monitor any material changes to the future economic conditions.

NOTE - 56

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 - 57

Previous years' figures have been regrouped and rearranged wherever necessary to comply with requirement of Ind AS.

For Arpit Patel & Associates
Chartered Accountants
ICAI Firm registration number: 144032W

Arpit K Patel
Partner
Membership No.: 034032
Place : Ahmedabad
Date: May 28, 2022

For and on behalf of the Board of Directors

Rajesh R Gandhi
Managing Director
(DIN: 00009879)

Devanshu L Gandhi
Managing Director
(DIN: 00010146)

Kalpit R Gandhi
Director & Chief Financial Officer
(DIN: 02843308)
Place : Ahmedabad
Date: May 28, 2022

Rashmi Bhatt
Company Secretary

Independent Auditor's Report

To the members of Vadilal Industries Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of Vadilal Industries Limited (the "Holding Company"), and its subsidiaries (the Holding Company and the subsidiaries together referred to as the "Group"), which comprising of the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'consolidated 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 consolidated 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 Group as at March 31, 2022 and its profit, total comprehensive expense, 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 consolidated financial statements of the Holding Company for the year ended March 31, 2022. The matter more fully discussed in Note No. 50 of the consolidated financial statements pertaining to the pending receipt of conclusive reports/findings for the item described therein:

(i) Matter involving counter allegations levelled by two Promoter Directors of the Holding Company against each other in respect of potential personal expenses claimed as official business expenditure amounting to ₹ 25.33 lakh (for financial year 2017-18 and financial year 2018- 19), and ₹ 25.00 lakh (for financial year 2014-15 to financial year 2018-19) respectively, by the Promoter Directors.

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

We conducted our audit of the consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated 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 consolidated financial statements.

Emphasis of Matter

We draw attention to:

1. Note No. 42 of the consolidated financial statements, which refers to the status of on-going litigations filed against the Holding 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 Holding Company before the National Company Law Tribunal, Ahmedabad.
2. Note No. 51 of the consolidated financial statements, which describes the management's assessment of the impact of the outbreak of COVID-19 on the business operations of the Group.

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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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
	Inventory Existence and Carrying Value	
1.	Refer to Note No. 2(g) (accounting policy), Note No. 9 to the consolidated financial statements. Inventory is held by the Group's plants, and hired locations across India. The Group has significant levels of inventories and significant management judgments are taken with regard to categorization of inventories into obsolete and/or slow moving and which should be therefore be considered for provision. Estimates are then involved in arriving at provisions against cost in respect of slow moving and obsolete inventories to arrive at valuation based on lower of cost and net realizable value. Given the level of significant management judgments and estimates involved this is considered to be a key audit matter.	Our procedures included : ► Performed inventory count at plant on sample basis, which were selected based on financial significance and risk. Where locations were not attended, we tested certain controls over inventory existence across the Group. ► Observing sample of management's inventory count procedures, to assess compliance with the Group process. ► Performing roll forward procedures for the year-end balance from the date of inventory count attended. ► Obtaining inventory confirmations from the hired locations as on balance sheet date and comparing the same with the inventory as per books and obtaining the reconciliations for the variations (if any). ► Challenging the management with regard to the calculation methodology, the basis for provision and the process with respect to inventory provision; ► Testing the design, implementation and operating effectiveness of the key controls management has established for provision computations and to ensure the accuracy of the inventory provision. ► Assessing the adequacy of, and movements in, inventory provisions held, by recalculating a sample of items included within the provision to ensure appropriate basis of valuation. ► Evaluating, on a sample basis, whether inventories were stated at the lower of cost or net realizable value at the reporting date by comparing the sales prices of inventories subsequent to the reporting date. ► Evaluating the appropriateness of the assumptions used based on our knowledge and information of the client and the industry.

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

The Holding 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 consolidated 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 consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditors' responsibilities relating to other Information'.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's responsibility for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the financial position, financial performance, including total comprehensive expense, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act 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 Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors of the respective companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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 consolidated financial statements for the financial year ended March 31, 2022 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.

Other Matter

The accompanying consolidated financial statements includes the audited financial statements and other financial information in respect of:

(a) 3 (three) subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of INR 11,909.52 lakh as at March 31, 2022, total revenue (before consolidation adjustments) of INR 24,576.86 lakh, total net profit after tax (before consolidation adjustments) of INR 3,456.90 lakh and net cash inflows of INR 2,554.87 lakh for the year ended on that date. These

financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

The financial statements of an overseas subsidiary have not been prepared in accordance with the accounting principles generally accepted in India as applicable to the Holding Company. The Management of the Holding Company has converted the financial statements of this subsidiary from those accounting principles to the accounting principles generally accepted in India, as applicable to the Holding Company.

(b) 1 (One) subsidiary, whose financial statements reflects total assets (before consolidation adjustments) of ₹ 51.58 lakh as at March 31, 2022, total revenue (before consolidation adjustments) of ₹ 34.99 lakh, total net profit after tax (before consolidation adjustments) of ₹ 5.15 lakh and net cash inflows of INR Nil for the year ended on that date. These unaudited financial statements have been approved and furnished to us by the Management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on such unaudited financial statements. In our opinion, and according to the information and explanations given to us by the Management of the Holding Company, these financial statements are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on other legal and regulatory requirements

1. 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 Group companies incorporated in India so far as it appears from our examination of those books.

   (c) The consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Expense), the consolidated Statement of Changes in Equity and the consolidated 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 consolidated 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 Group.

   (f) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 Holding Company and its subsidiary companies incorporated in India, with reference to the consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A' 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, remuneration paid by the Company to its directors during the year 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 Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements. Please refer Note No. 41.

      (ii) The Group 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 Holding Company and such companies incorporated in India.

(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 Holding Company and such companies incorporated in India 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 Holding Company and such companies incorporated in India ("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 Holding Company and such companies incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and such companies incorporated in India 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) As stated in note 18(a) to the accompanying consolidated financial statements, the Board of Directors of the Holding have proposed final dividend for the year which is subject to the approval of the members of the Holding Company 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.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and by the auditors of its subsidiaries included in the consolidated financial statements of the Holding Company, we report that there are no qualifications or adverse remarks in these CARO reports.

For Arpit Patel & Associates.
Chartered Accountants
[Firm Registration No: 144032W]

Arpit K. Patel
Partner
[Membership No.: 034032]
UDIN: 22034032AJUOWV6966

Place: Ahmedabad
Date: May 28, 2022

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

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

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

We have audited the internal financial controls over financial reporting of the Holding Company as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

Management's responsibility for internal financial controls

The Holding 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 respective companies 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 respective 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 Holding 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 consolidated 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 consolidated 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 judgement, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to consolidated 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 consolidated 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 consolidated 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 Holding Company's internal financial controls over financial reporting as at March 31, 2022:

We draw attention to Note No. 50 of the consolidated financial statements relating to the counter allegations levelled by two Promoter Directors against each other in respect of potential personal expenses claimed as official business expenditure amounting to ₹ 25.33 lakh (for financial year 2017-18 and financial year 2018-19), and ₹ 25.00 lakh (for financial year 2014-15 to financial year 2018-19) respectively, by the Promoter Directors. without following the process of the Holding Company. Pending receipt of the reports/findings, as referred above, we are unable to conclude whether the Group'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 travelling 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 consolidated 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 Holding Company and such companies incorporated in India have 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, 2022, based on the internal control over financial reporting criteria established by the companies 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 consolidated financial statements of the Holding Company for the year ended March 31, 2022, and this material weakness has affected our opinion on the said consolidated financial statements of the Holding Company and we have issued a qualified opinion on the consolidated financial statements of the Holding Company.

For Arpit Patel & Associates.
Chartered Accountants
[Firm Registration No: 144032W]

Arpit K. Patel
Partner
[Membership No.: 034032]
UDIN: 22034032AJUOWV6966

Place: Ahmedabad
Date: May 28, 2022

CONSOLIDATED BALANCE SHEET as at March 31, 2022

(₹ in Lacs)

Particulars	Note No.	As At March 31, 2022	As At March 31, 2021
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3 (a)	29,433.70	29,798.28
(b) Capital Work-in-Progress	3 (b)	276.53	529.59
(c) Investment Property	3 (c)	18.38	18.72
(d) Intangible Assets	3 (d)	86.60	110.38
(e) Right of Use Assets	3 (e)	1,133.72	1,250.48
(f) Financial Assets			
(i) Investments	4	62.11	56.46
(ii) Loans	5	4.36	1.05
(iii) Other Financial Assets	6	330.14	311.34
(g) Non Current Tax Assets (Net)	7	176.05	131.23
(h) Other Non-Current Assets	8	562.78	327.51
Total Non-Current Assets		**32,084.37**	**32,535.04**
(2) Current Assets			
(a) Inventories	9	16,518.70	14,113.12
(b) Financial Assets			
(i) Investments	10	9.31	1.28
(ii) Trade Receivables	11	6,543.77	4,529.81
(iii) Cash & Cash Equivalents	12	4,516.40	2,522.01
(iv) Other Balances with Banks	13	644.29	1,045.27
(v) Loans	14	15.08	9.42
(vi) Other Financial Assets	15	49.37	30.39
(c) Other Current Assets	16	1,952.15	1,962.43
Total Current Assets		**30,249.07**	**24,213.73**
Total Assets		**62,333.44**	**56,748.77**
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	17	718.78	718.78
(b) Other Equity	18	29,015.31	24,388.48
Total Equity		**29,734.09**	**25,107.26**
Non Controlling Interest		**31.09**	**31.16**
(2) Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	7,730.53	5,718.20
(ii) Lease Liabilities	20	960.32	1,029.14
(iii) Other Financial Liabilities	21	-	1.64
(b) Provisions	22	392.41	256.67
(c) Deferred Tax Liabilities (Net)	23	1,167.14	806.57
(d) Other Non Current Liabilities	24	529.02	557.43
Total Non-current Liabilities		**10,779.42**	**8,369.65**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	9,497.98	8,617.31
(ii) Lease Liabilities	26	382.43	408.74
(iii) Trade Payables			
- Dues of micro enterprises and small enterprises	27	879.42	857.57
- Dues of creditors other than micro enterprises and small enterprises	27	7,374.75	10,217.02
(iv) Other Financial Liabilities	28	787.15	1,031.09
(b) Provisions	29	373.67	334.29
(c) Current Tax Liabilities (Net)	30	1,516.32	1,106.13
(d) Other Current Liabilities	31	977.12	668.55
Total Current Liabilities		**21,788.84**	**23,240.70**
Total Liabilities		**32,568.26**	**31,610.35**
Total Equity & Liabilities		**62,333.44**	**56,748.77**

See accompanying notes to the consolidated financial statements.

In terms of our report attached.

For Arpit Patel & Associates
Chartered Accountants
ICAI Firm registration number: 144032W

Arpit K Patel
Partner
Membership No.: 034032
Place : Ahmedabad
Date: May 28, 2022

For and on behalf of the Board of Directors

Rajesh R Gandhi
Managing Director
(DIN: 00009879)

Devanshu L Gandhi
Managing Director
(DIN: 00010146)

Kalpit R Gandhi
Director & Chief Financial Officer
(DIN: 02843308)
Place : Ahmedabad
Date: May 28, 2022

Rashmi Bhatt
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS for the year ended March 31, 2022

(₹ in Lacs)

Particulars		Note No.	Year Ended March 31, 2022	Year Ended March 31, 2021
I	Revenue From Operations	32	69,771.81	46,335.28
II	Other Income	33	831.11	1,653.41
III	**Total Income (I+II)**		**70,602.92**	**47,988.69**
IV	**Expenses:**			
	Cost of Materials Consumed	34	33,407.41	21,407.51
	Purchase of Stock-in-trade	35	3,703.75	3,038.58
	Changes in Inventories of Finished Goods and Stock-in-trade	36	(1,543.27)	17.72
	Employee Benefits Expense	37	6,881.67	5,472.03
	Finance Costs	38	1,938.43	2,144.00
	Depreciation and Amortization Expenses	3	2,397.47	2,284.89
	Other Expenses	39	17,434.40	12,855.48
	Total Expense (IV)		**64,219.86**	**47,220.21**
V	**Profit Before Tax (III-IV)**		**6,383.06**	**768.48**
VI	**Tax Expenses**			
	(a) Current Tax	40	1,531.21	1,128.71
	(b) Deferred Tax	40	381.76	(822.99)
	Total Tax Expenses		**1,912.97**	**305.72**
VII	**Profit for the year (V-VI)**		**4,470.09**	**462.76**
VIII	**Profit / (Loss) Applicable to Non Controlling Interest**		**(0.07)**	**(0.49)**
IX	**Profit / (Loss) Attributable to Owner of Group (VII-VIII)**		**4,470.16**	**463.25**
X	**Other Comprehensive Income**			
	A. Item that will not be reclassified to profit or loss			
	(i) Remeasurement of defined benefit plans		(92.62)	3.27
	(ii) Income tax relating to items that will not be reclassified to profit or loss		23.31	(0.82)
	B. Items that will be reclassified to statement of Profit or Loss			
	(i) Exchange difference on translation on foreign operations		225.98	(63.35)
	Other Comprehensive Income for the Year		**156.67**	**(60.90)**
	Attributable to:			
	a) Non Controlling Interest		-	-
	b) Owners of group		156.67	(60.90)
XI	**Total Comprehensive Income for the Year (VII+X)**		**4,626.76**	**401.86**
	Attributable to:			
	a) Non Controlling Interest		(0.07)	(0.49)
	b) Owners of group		4,626.83	402.35
Earning Per Share (Face Value of ₹ 10 each)				
-Basic & Diluted		44	62.19	6.44

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

For Arpit Patel & Associates
Chartered Accountants
ICAI Firm registration number: 144032W

Arpit K Patel
Partner
Membership No.: 034032
Place : Ahmedabad
Date: May 28, 2022

For and on behalf of the Board of Directors

Rajesh R Gandhi
Managing Director
(DIN: 00009879)

Devanshu L Gandhi
Managing Director
(DIN: 00010146)

Kalpit R Gandhi
Director & Chief Financial Officer
(DIN: 02843308)
Place : Ahmedabad
Date: May 28, 2022

Rashmi Bhatt
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended March 31, 2022

(₹ in Lacs)

Particulars		Year Ended March 31, 2022	Year Ended March 31, 2021
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	**6,383.06**	**768.48**
	Adjustments for:		
	Depreciation and Amortisation Expense	2,397.47	2,284.89
	Loss on Sale of Property, Plant and Equipment (Net)	12.51	21.22
	Profit on Sale of Investments	(5.66)	(2.08)
	Excess Provision Written Back	(188.14)	(85.83)
	Gain on Fair Value of Current Investment	(8.03)	(0.06)
	Gain Fair Value of Non Current Investment	(5.65)	(0.50)
	Financial Guarantee Commission Income	(24.90)	(28.91)
	Grant Income	(53.02)	(51.81)
	Dividend Income	(0.31)	-
	Interest Income	(48.43)	(384.66)
	Finance Costs	1,938.43	2,144.00
	Provision / (Reversal) for Doubtful Debts	225.25	(46.80)
	Reversal of Provision for Doubtful Advances	(1.18)	-
	Bad Debts Written Off	7.82	5.26
	Exchange Rate Difference on Consolidation	225.98	(63.35)
		4,472.14	**3,791.37**
	Operating Profit before Working Capital Changes	**10,855.20**	**4,559.85**
	Changes in Working Capital:		
	(Increase) / Decrease in Inventories	(2,405.58)	1,339.77
	(Increase) / Decrease in Trade Receivables, Financial Assets, Other assets and Loans given	(1,857.42)	(100.76)
	Increase / (Decrease) in Trade Payable, Financial Liabilities, Other Liabilities and Provisions	(2,225.27)	2,627.51
	Cash Generated from Operations	**(6,488.27)**	**3,866.52**
	Income Taxes Paid (Net of Refund)	(1,163.72)	(221.05)
	Net Cash Generated from / (Used in) Operating Activities (A)	**3,203.21**	**8,205.32**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Capital Expenditure on Property, Plant & Equipment	(2,138.60)	(1,484.74)
	Proceeds from Sale of Property, Plant & Equipment	83.82	15.22
	Proceeds from Sale of Current Investment (Net)	5.66	2.08
	Purchase of Non Current Investment	-	0.01
	Interest Received	56.16	383.84
	Dividend Received	0.31	-
	Net Cash Generated from / (Used in) Investing Activities (B)	**(1,992.65)**	**(1,083.59)**

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended March 31, 2022

(₹ in Lacs)

Particulars		Year Ended March 31, 2022	Year Ended March 31, 2021
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from Non Current Borrowings	4,630.64	2,535.03
	Repayment of Non Current Borrowings	(2,024.47)	(1,957.73)
	Proceeds from / (Repayment of) Current Borrowings (Net)	286.83	(3,591.92)
	Repayment of Lease Liabilities	(95.13)	(518.80)
	Interest Paid	(2,014.05)	(2,026.25)
	Net Cash Generated from / (Used in) Financing Activities (C)	**783.82**	**(5,559.67)**
	Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)	**1,994.38**	**1,562.06**
	Cash and Cash Equivalents at the beginning of the year (Refer Note-12)	2,522.01	959.95
	Cash and Cash Equivalents at the end of the year (Refer Note-12)	4,516.40	2,522.01

See accompanying notes to the consolidated financial statements.

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 Lacs)

Particulars of liabilities arising from financing activity.	Note No.	As at March 31, 2021	Net cash Flows	Other changes*	As at March 31, 2022
Borrowings :					
Non Current borrowings	19	7,372.94	2,567.71	38.46	9,979.11
Current borrowings	25	6,962.57	286.83	-	7,249.40
Interest accrued on borrowings	28	338.65	(338.65)	263.03	263.03
Total		**14,674.16**	**2,515.89**	**301.49**	**17,491.54**

(₹ in Lacs)

Particulars of liabilities arising from financing activity.	Note No.	As at March 31, 2020	Net cash Flows	Other changes*	As at March 31, 2021
Borrowings :					
Non Current borrowings	19	6,795.64	532.50	44.80	7,372.94
Current borrowings	25	10,554.49	(3,591.92)	-	6,962.57
Interest accrued on borrowings	28	220.90	(220.90)	338.65	338.65
Total		**17,571.03**	**(3,280.32)**	**383.45**	**14,674.16**

* This relates to amount charged to 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 year figures have been regrouped wherever necessary to make them comparable with current year figures.

3) Figures in bracket represent outflow.

In terms of our report attached.

For Arpit Patel & Associates
Chartered Accountants
ICAI Firm registration number: 144032W

Arpit K Patel
Partner
Membership No.: 034032
Place : Ahmedabad
Date: May 28, 2022

For and on behalf of the Board of Directors

Rajesh R Gandhi
Managing Director
(DIN: 00009879)

Devanshu L Gandhi
Managing Director
(DIN: 00010146)

Kalpit R Gandhi
Director & Chief Financial Officer
(DIN: 02843308)
Place : Ahmedabad
Date: May 28, 2022

Rashmi Bhatt
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2022

A. EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	**718.78**	**718.78**
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	**718.78**	**718.78**
Changes in equity share capital during the year	-	-
Balance as at the end of the year	**718.78**	**718.78**

B. OTHER EQUITY

(₹ in Lacs)

Particulars	Capital Reserve	Securities Premium Reserve	General Reserves	Retained Earning	Revaluation Surplus	Exchange difference on translating the financial statements of foreign operations	Items of other compre-hensive income	Total
Balances as at April 01, 2020	**8.84**	**487.28**	**5,000.00**	**11,146.44**	**7,524.17**	**(66.00)**	**(114.60)**	**23,986.13**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	463.25	-	-	-	463.25
Current year transfer	-	-	-	-	-	(63.35)	-	(63.35)
Other Comprehensive income (Actuarial gain net of income tax)	-	-	-	-	-	-	2.45	2.45
Total Comprehensive Income	**-**	**-**	**-**	**463.25**	**-**	**(63.35)**	**2.45**	**402.35**
Balances as at March 31, 2021	**8.84**	**487.28**	**5,000.00**	**11,609.69**	**7,524.17**	**(129.35)**	**(112.15)**	**24,388.48**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	4,470.16	-	-	-	4,470.16
Current year transfer	-	-	-	-	-	225.98	-	225.98
Other Comprehensive income (Actuarial loss net of income tax)	**-**	**-**	**-**	**-**	**-**	**-**	(69.31)	(69.31)
Total Comprehensive Income	**-**	**-**	**-**	**4,470.16**	**-**	**225.98**	**(69.31)**	**4,626.83**
Balances as at March 31, 2022	**8.84**	**487.28**	**5,000.00**	**16,079.85**	**7,524.17**	**96.63**	**(181.46)**	**29,015.31**

See accompanying notes to the consolidated financial statements.

In terms of our report attached.
For Arpit Patel & Associates
Chartered Accountants
ICAI Firm registration number: 144032W

Arpit K Patel
Partner
Membership No.: 034032
Place : Ahmedabad
Date: May 28, 2022

For and on behalf of the Board of Directors

Rajesh R Gandhi
Managing Director
(DIN: 00009879)

Devanshu L Gandhi
Managing Director
(DIN: 00010146)

Kalpit R Gandhi
Director & Chief Financial Officer
(DIN: 02843308)
Place : Ahmedabad
Date: May 28, 2022

Rashmi Bhatt
Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 GROUP INFORMATION:-

Vadilal Industries Limited is a Public Limited Company domiciled in India. Group has its registered office at Vadilal House, 53, Shrimali Society, Nr. Navrangpura Railway Crossing, Navrangpura, Ahmedabad - 380009.

Group is engaged in the business of manufacturing Ice-cream, Flavored Milk, Frozen Dessert, Processed Foods, Other Dairy Products. It is also engaged in export of Ice-cream, Dairy Products, Processed Food Products such as Frozen Fruits, Vegetable, Pulp, Ready-to-eat and Ready-to-serve products etc.

Group is having two ice-cream production facilities – one in Gujarat and the other in Uttar Pradesh.

Group is processing Frozen Fruits, Vegetables and Processed Foods at factory situated at Dharampur, Dist.Valsad, Gujarat. Group is exporting to various Countries.

Group is exporting to various countries across globe.

Group is having RBI license under AD.II category and engaged in Money changing business. Group's shares are listed on BSE and NSE.

The consolidated financial statements comprise the financial statements of the Holding Company Vadilal Industries Limited (VIL) and the following subsidiaries / partnership entity (together referred to as "Group"):

Entity	Country of Incorporation
Subsidiaries [having 100% proportion of ownership interest]	
Vadilal Industries (USA) Inc.	U.S.A.
Vadilal Industries Pty Ltd.	Australia
Varood Industries Ltd.	India
Vadilal Delight Ltd.	India
Partnership Firm [having 98% proportion of ownership interest]	
Vadilal Cold Storage	India

The Consolidated Financial Statements for the year ended 31st March, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 28, 2022.

2 SIGNIFICANT 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, 2022 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 consolidated 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.

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, Group 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) Amendments to Schedule III of the Companies Act, 2013

Ministry of Corporate Affairs (MCA) issued notifications dated 24th March, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Group in its consolidated financial statements. These amendments are applicable to the group for the financial year starting 1st April, 2021 and applied to the consolidated financial statements :

(i) Lease liabilities separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

(ii) Certain additional disclosures in the consolidated Statement of Changes in Equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

(iii) Additional disclosure for shareholding of promoters.

(iv) Additional disclosure for ageing schedule of trade receivables, trade payables, capital work-in-progress.

(v) Specific disclosure such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in the name of Group, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc.

(vi) Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency.

d) Functional and Presentation Currency

The consolidated financial statements are presented in Indian Rupees, which is the functional currency of the Holding Company. All the amounts are stated in the nearest rupee lacs.

e) Use of Estimates

The presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to the accounting estimates are recognized in the financial year in which the estimates are revised and in any future financial years affected.

f) Basis of Consolidation

Group consolidates all entities which it controls. Control is established when Group has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity.

Subsidiaries are consolidated from the date control commences and until the date control ceases.

Profit and loss and each component of other comprehensive income are attributed to the owners of Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

g) Inventories

Inventories are valued as under -

Finished Goods:-At lower of cost or net realizable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis. Due provision for obsolescence is made.Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Raw Materials, Packing Materials & Stores and Spares:-Valued at lower of cost or net realisable value and for this purpose cost is determined on moving weighted average basis. Due provision for obsolescence is made.

h) Cash and Cash Equivalents

Group 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.

i) Revenue Recognition

Sale of Goods

The Group earns revenue primarily from sale of manufactured ice-creams. It has applied the principles laid down in Ind AS 115 and determined that there is no change required in the existing revenue recognition methodology. In case of sale to domestic customers, most of the sale is made on ex-factory basis and revenue is recognised when the goods are dispatched from the factory gates. In case of export sales, revenue is recognised on shipment date or goods are made available to customer.

Revenue is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government.

Assets and liabilities arising from rights to return

Right to return assets

A return right gives an entity a contractual right to recover the goods from a customer (return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer. The Group has therefore recognized refund liabilities in respect of customer's right to return. The liability is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to Group 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.

j) Government Grant

Government grants are not recognized until there is reasonable assurance that Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit and loss on a systematic basis over the periods in which Group recognises as expenses the related costs for which the grants are intended to compensate.

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

k) 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 equipments 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 sale 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 are charged based on straight line method on 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
Building	
1) Factory Building	28 Years
2) Others - RCC Structured	58 Years
Plant & Machinery	
1) Continuous Process	18 Years
2) Plastic Crates	5 Years
3) Others	20 Years

The estimated useful lives and residual values of the property, plant and equipment are reviewed at the end of each reporting 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.

l) Intangible Assets

Intangible Assets Acquired Separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life are reviewed at the end of each reporting period, 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 amortized over their estimated useful life on a straight line basis over a period of 5 years.

m) Investment Property

Investment property comprise portion of office building that are held for long term yield and / or capital appreciation.

Investment property is initially recognized at cost. Subsequently investment property comprising of building is carried at cost less accumulated depreciation and accumulated impairment losses.

Investment property is depreciated under the straight line method as per the rates and the useful life prescribed as per Schedule II of the Companies Act.Though Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on value as per local body on periodic basis.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss.

n) 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.

Group as a lessee :

(i) Right-of-use assets

Group 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:

Assets	Estimated useful life
Right-of-use of office premises,parlour premises,warehouses	Over the balance peiod of lease agreement

If ownership of the leased asset transfers to the Group 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, group 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. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating the lease, if the lease term reflects the group exercising the option to terminate. 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, group 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

Group 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.

Group as a lessor

Leases for which group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

o) Foreign Currencies

In preparing the financial statements of Group, the transactions in currencies other than the entity's functional currency (INR) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting financial year, monetary items denominated in foreign currencies are retranslated at the rate prevailing at that date and differences are recognised in statement of profit and loss account. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on monetary items are recognized in the statement of profit and loss in the financial year in which they arise.

p) Employee Benefits

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

Defined Contribution Plan:

Group'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 financial year 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. Group 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 Group in respect of services provided by employees up to the reporting date.

q) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the statement of profit and loss in the financial year in which they are incurred.

r) Earnings Per Share

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. Group did not have any potential dilutive securities in any period presented.

s) 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. Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting 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 reporting 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 reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which Group expects, at the end of the reporting 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.

t) Provisions, Contingent Liabilities and Contingent Assets and Commitments

Provisions are recognized when Group has a present obligation (legal or constructive) as a result of a past event, it is probable that Group 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 reporting 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.

Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.

u) Financial Instruments

Financial instrument is a contract that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification:

Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

All financial liabilities are classified as subsequently measured at amortised cost except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives, are subsequently measured at fair value, with any gains or loss arising on re-measurement recognised in profit and loss.

Initial Recognition and Measurement

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 asset and liabilities at fair value through profit & loss) are added to or deducted from the fair value measured on initial recognition of the financial assets or financial liabilities.

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost using effective interest rate method, if:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(b) 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.

This category generally applies to trade and other receivables.

Financial Asset at Fair Value Through profit and loss (FVTPL)

Financial assets are measured at fair value through profit and loss unless it is measured at amortized cost or fair value through other comprehensive income. Financial assets under this category are measured initially as well as at each reporting financial year at fair value with all changes recognised in the statement of profit and loss.

Derecognition of Financial Assets

Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, Group recognises its retained interest in the asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit and loss if such gain or loss would have otherwise been recognized in profit and loss on disposal of that financial asset.

Financial Liabilities and Equity Instruments

Classification as debt or equity

Financial instruments are classified as a liability or equity according to the substance of the contractual arrangement and not its legal form.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of issue costs.

Financial Liabilities

All financial liabilities are subsequently measured at amortised cost. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit and loss.

Derecognition of Financial Liabilities

Group derecognises financial liabilities when, and only when, Group's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit and loss.

Derivative Contracts

Group enters into derivative financial instruments to hedge foreign currency / price risk on unexecuted firm commitments and highly probable forecast transactions.

Such derivatives financial instruments are initially recognized at fair value on the date on which the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting financial year. The resulting gain or loss is recognized in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in the statement of Profit & Loss

v) Impairment

Financial assets (other than at fair value)

Group assesses at each Balance sheet whether a financial asset or a group of financial assets is impaired.

Non-financial Assets

Property, Plant and Equipment and Intangible Assets

At the end of each reporting financial year, Group 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, Group 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.

w) Operating Cycle

Group 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 reporting 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 reporting 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 reporting financial year, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting financial year

All other liabilities are classified as non-current.

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

Group has identified twelve months as its operating cycle.

x) Recent accounting pronouncements

Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022, has made the following amendments to Ind AS which are effective 1st April, 2022:

(i) Ind AS 109: Annual Improvements to Ind AS (2021)

(ii) Ind AS 103: Reference to Conceptual Framework

(iii) Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract

(iv) Ind AS 16: Proceeds before intended use

Based on preliminary assessment, the group does not expect these amendments to have any significant impact on its consolidated financial statements.

y) Standards issued but not yet effective

As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the Group. Hence, the disclosure is not applicable.

z) Critical Accounting Judgements and Key Sources of Estimation Uncertainty

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.

Key Sources of Estimation Uncertainty

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(k), Group 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 Doubtful Debts

As described in Note 11, Group makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts 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 financial year 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 financials 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 43.

NOTE-3

(₹ in Lacs)

Particulars	Land (Refer Note 18 (b))	Building	Leasehold Building Improvements	Plant & Machinery	Furniture & Fixtures	Office Equipments	Vehicles	Total
3 (a) Property, Plant and Equipment								
As at April 1, 2020	**7,769.66**	**6,887.55**	**17.13**	**29,078.16**	**282.13**	**951.59**	**469.43**	**45,455.65**
Additions	148.41	150.04	-	1,398.62	22.40	40.70	10.36	1,770.53
Deductions	-	-	-	196.90	-	37.87	26.24	261.01
As at March 31, 2021	**7,918.07**	**7,037.59**	**17.13**	**30,279.88**	**304.53**	**954.42**	**453.55**	**46,965.17**
Additions	-	71.90	-	1,331.53	96.57	45.75	-	1,545.75
Deductions	-	8.83	-	366.99	0.27	14.67	0.43	391.19
As at March 31, 2022	**7,918.07**	**7,100.66**	**17.13**	**31,244.42**	**400.83**	**985.50**	**453.12**	**48,119.73**
Accumulated Depreciation and Impairment								
As at April 1, 2020	**-**	**2,111.34**	**10.88**	**12,398.67**	**205.68**	**689.74**	**282.87**	**15,699.18**
Depreciation charge for the year	-	256.66	1.81	1,283.73	16.42	87.17	46.47	1,692.26
Deductions	-	-	-	163.63	-	36.11	24.83	224.57
As at March 31, 2021	**-**	**2,368.00**	**12.69**	**13,518.77**	**222.10**	**740.80**	**304.51**	**17,166.87**
Depreciation charge for the year	-	254.26	1.79	1,432.55	14.87	77.72	32.83	1,814.02
Deductions	-	5.10	-	274.87	0.22	14.24	0.43	294.86
As at March 31, 2022	**-**	**2,617.16**	**14.48**	**14,676.45**	**236.75**	**804.28**	**336.91**	**18,686.03**
Net carrying value								
As at March 31, 2022	**7,918.07**	**4,483.50**	**2.65**	**16,567.97**	**164.08**	**181.22**	**116.21**	**29,433.70**
As at March 31, 2021	**7,918.07**	**4,669.59**	**4.44**	**16,761.11**	**82.43**	**213.62**	**149.04**	**29,798.30**

3 (b)	Capital Work In Progress	(₹ in Lacs)
	As at April 1, 2020	**865.23**
	Additions	1,192.83
	Deductions	1,528.47
	As at March 31, 2021	**529.59**
	Additions	904.43
	Deductions	1,157.49
	As at March 31, 2022	**276.53**

3 (c)	Investment Property	(₹ in Lacs)
	Deemed cost	
	As at April 1, 2020	**20.69**
	Additions	-
	Deductions	-
	As at March 31, 2021	**20.69**
	Additions	-
	Deductions	-
	As at March 31, 2022	**20.69**
	Accumulated Depreciation	
	As at April 1, 2020	**1.63**
	Depreciation charge for the year	0.34
	Deductions	-
	As at March 31, 2021	**1.97**
	Depreciation charge for the year	0.34
	Deductions	-
	As at March 31, 2022	**2.31**
	Net Carrying Amount	
	As at March 31, 2022	**18.38**
	As at March 31, 2021	**18.72**
	Fair Value of Investment Property	
	As at March 31, 2022 (As per valuation report by approved valuer)	**61.11**
	As at March 31, 2021	**51.09**

3 (d)	Intangible Assets (Software & Development Cost)	(₹ in Lacs)
	Cost or Deemed Cost	
	As at April 1, 2020	**852.27**
	Additions	23.02
	Deductions	-
	As at March 31, 2021	**875.29**
	Additions	14.98
	Deductions	-
	As at March 31, 2022	**890.27**
	Amortisation	
	As at April 1, 2020	**708.16**
	Depreciation charge for the year	56.75
	Deductions	-
	As at March 31, 2021	**764.91**
	Depreciation charge for the year	38.76
	Deductions	-
	As at March 31, 2022	**803.67**
	Net Carrying Amount	
	As at March 31, 2022	**86.60**
	As at March 31, 2021	**110.38**

3 (e)	Right of Use Assets	(₹ in Lacs)
	Cost or Fair Value	
	As at April 1, 2020	**2,416.32**
	Additions	-
	Translation Difference	(38.17)
	Changes on account of lease modification	(25.74)
	Deductions	-
	As at March 31, 2021	**2,352.41**
	Additions	427.59
	Deductions	-
	As at March 31, 2022	**2,780.00**
	Accumulated Depreciation and Impairment	
	As at April 1, 2020	**566.39**
	Additions	535.54
	Deductions	-
	As at March 31, 2021	**1,101.93**
	Additions	544.35
	Deductions	-
	As at March 31, 2022	**1,646.28**
	Net Carrying Amount	
	As at March 31, 2022	**1,133.72**
	As at March 31, 2021	**1,250.48**

Note: (i) Refer footnote to Note 19 & 25 for security / charges created on property, plant and equipment.

(ii) CWIP Ageing Schedule

CWIP aging schedule as at March 31, 2022 **(₹ in Lacs)**

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	138.99	40.87	89.69	6.98	276.53
Projects temporarily suspended	-	-	-	-	-
TOTAL	**138.99**	**40.87**	**89.69**	**6.98**	**276.53**

CWIP aging schedule as at March 31, 2021 **(₹ in Lacs)**

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	398.88	100.77	21.48	8.46	529.59
Projects temporarily suspended	-	-	-	-	-
TOTAL	**398.88**	**100.77**	**21.48**	**8.46**	**529.59**

(iii) CWIP whose costs has exceeded compared to its original budget : None (As at March 31, 2021 : None)

(iv) Project in progress are individual plant & machinery pending for installation at different production facilities due to delay in technical support from vendors on account of COVID-19 pandemic. The same are expected to be installed in F.Y.2022-23.

NOTE-4 INVESTMENTS

Particulars	Face Value	As at March 31, 2022		As at March 31, 2021	
		Units	(₹ in Lacs)	Units	(₹ in Lacs)
Non Current					
Investment in Partnership Firm at cost :					
Vadilal Cold Storage			43.62		43.62
Investment in Government and Trust securities at amortized cost (Unquoted) :					
7 Year National Saving Certificates			0.28		0.28
(Lodged with Government Authorities)					
In Equity instruments of other companies at Cost (Unquoted fully paid up) :					
Kalupur Commercial Co-operative Bank Ltd.	25	8,000	2.00	8,000	2.00
In Equity instruments of other companies at FVTPL (Unquoted fully paid up) :					
Vadilal Forex and Consultancy Services Ltd.	10	36,250	12.27	36,250	6.51
Majestic Farm House Ltd. (Refer Note-45)	10	74,100	3.88	74,100	3.99
Padm Complex Ltd.	10	280	0.03	280	0.03
Volute Construction Ltd.	10	280	0.03	280	0.03
Total			**62.11**		**56.46**

NOTE- 5 LOANS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
(Unsecured, Considered good)		
Loan to employees	4.36	1.05
Total	**4.36**	**1.05**

NOTE-6 OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Margin Money Deposits with banks (Refer Note-13)	36.61	18.91
Security Deposits (Refer Note-45)	20.35	20.13
Other Deposits	273.18	272.30
Total	**330.14**	**311.34**

NOTE-7 TAX ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Taxes Receivable	176.05	131.23
Total	**176.05**	**131.23**

NOTE-8 OTHER ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Capital Advances	428.87	161.95
Prepaid Expenses	133.91	165.56
Total	**562.78**	**327.51**

NOTE-9 INVENTORIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(At lower of Cost or Net Realisable Value)		
Raw Materials	7,347.15	6,823.10
Packing Materials	1,696.02	1,561.06
Finished Goods	6,629.30	5,086.03
Stores, Spares and Consumables	846.23	642.93
Total	**16,518.70**	**14,113.12**

Inventories write downs are accounted, considering the nature of inventory usage, ageing and net realisable value. Write-down of inventories amounted to ₹ 626.57 Lacs as at March 31, 2022 (as at March 31, 2021 ₹ 608.89 Lacs). These write-downs are recognised as an expense in the statement of profit & loss.

NOTE-10 INVESTMENTS

Particulars	Face Value	As at March 31, 2022		As at March 31, 2021	
		Units	(₹ in Lacs)	Units	(₹ in Lacs)
Current					
(Valued at fair value through Profit and Loss)					
Investments in Equity Instruments-Quoted					
Century Enka Ltd.	10	15	0.08	15	0.04
Great Eastern Shipping Co. Ltd.	10	100	0.35	100	0.31
GOL Offshore Ltd.	10	25	-	25	-
Interface Financial Services Ltd.	1	25,000	0.05	25,000	0.05
Radhe Developers Ltd.	10	4,900	8.36	4,900	0.41
Saket Projects Ltd.	10	2,500	0.02	2,500	0.02
Sanara Media Ltd.	1	9,00,000	0.45	9,00,000	0.45
Total			**9.31**		**1.28**

NOTE-11 TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables considered good- Secured	105.73	104.49
Trade Receivables considered good- Unsecured (Refer Note-45)	6,438.04	4,425.32
Trade Receivables which have significant increase in credit risk	360.50	135.25
Trade Receivables- credit impaired	-	-
	6,904.27	**4,665.06**
Less: Expected credit loss allowance	360.50	135.25
Total	**6,543.77**	**4,529.81**

Note: Refer Note-43 for information about credit risk and market risk of Trade receivables.

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Break-up of trade receivables		
Trade receivables from other than related parties	3,677.03	3,099.14
Receivables from related parties (Refer Note-45)	2,866.74	1,430.67
Total	**6,543.77**	**4,529.81**

Notes

1. The credit period ranges from 0 days to 180 days.
2. Before accepting any new customer, Group 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 except, as at March 31, 2022 : ₹ 2,866.74 lacs are due from one customer (as at March 31, 2021 : ₹ 1,430.67 lacs are due from one customer).
3. In determining the allowances for doubtful trade receivables, Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on Group policy and ageing of the receivables that are due.
4. Movement in Expected Credit Loss Allowance

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	135.25	182.05
Add: Allowance for the year	235.08	15.65
Less : Reversal of provision due to recovery	9.83	62.45
Balance at the end of the year	**360.50**	**135.25**

5. Trade Receivable Ageing Schedule as on March 31, 2022 (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	2,866.74	3,711.15	105.72	47.70	56.15	60.20	6,847.66
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	77.29	168.48	51.50	26.84	36.39	360.50
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
TOTAL	**2,866.74**	**3,788.44**	**274.20**	**99.20**	**82.99**	**96.59**	**7,208.16**
Less: Expected credit loss allowances							360.50
TOTAL							**6,847.66**

Trade Receivable Ageing Schedule as on March 31, 2021 (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1430.67	2,999.94	46.36	59.59	62.79	33.51	4,632.86
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	32.77	35.67	32.03	17.94	16.84	135.25
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
TOTAL	**1,430.67**	**3,032.71**	**82.03**	**91.62**	**80.73**	**50.35**	**4,768.11**
Less: Expected credit loss allowances							135.25
TOTAL							**4,632.86**

NOTE-12 CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks :		
In Current Accounts	4,499.29	2,494.78
Cheques, Drafts on hand	-	8.73
Cash on hand	17.11	18.50
Total	**4,516.40**	**2,522.01**

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

NOTE-13 OTHER BALANCES WITH BANKS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances in Fixed Deposits Repayment Reserve Account	48.58	278.58
Balances in Unclaimed Dividend Accounts	16.05	18.62
Margin Money Deposit (towards Funded and Non-Funded facilities from Banks & NBFCs)	616.27	766.98
	680.90	**1,064.18**
Less : Deposits with maturity of more than 12 months		
Amount disclosed under Non-Current Financial Assets (Refer Note-6)	36.61	18.91
Total	**644.29**	**1,045.27**

Note: Unclaimed Dividend Account balance can only be used for payment of Unclaimed Dividend.

NOTE-14 LOANS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
(Unsecured, Considered Good)		
Loan to Employees	15.08	9.42
Total	**15.08**	**9.42**

NOTE-15 OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
(Unsecured, Considered Good)		
Interest accrued on loans and deposits from related parties (Refer Note-43)	-	7.86
Interest accrued on loans and deposits from others	2.97	2.84
Other Deposits	34.32	19.69
Mark to Market Receivables on Derivatives	12.03	-
Others	0.05	-
Total	**49.37**	**30.39**

NOTE-16 OTHER ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Prepaid Expenses	289.26	312.23
Balances with Govt.Authorities	283.44	445.70
Export Benefits Receivable	799.43	569.22
(A)	**1,372.13**	**1,327.15**
Advances for Goods & Expenses		
Considered Good	580.02	635.28
Considered Doubtful	221.27	222.42
Less: Allowances for Doubtful Advance	221.27	222.42
(B)	**580.02**	**635.28**
Total (A + B)	**1,952.15**	**1,962.43**

NOTE-17 EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised Share Capital:		
1,50,00,000 (as at March 31, 2021 :1,50,00,000) Equity shares of ₹ 10/- each	1,500.00	1,500.00
	1,500.00	**1,500.00**
Issued, Subscribed and Fully paid-up Share Capital		
Issued and Subscribed Share Capital :		
71,88,230 (as at March 31, 2021 :71,88,230) Equity shares of ₹ 10/- each	718.82	718.82
	718.82	**718.82**
Paid up Share Capital:		
71,87,830 (as at March 31, 2021 :71,87,830) Equity shares of ₹ 10/- each	718.78	718.78
	718.78	**718.78**

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	(₹ in Lacs)	No. of shares	(₹ in Lacs)
Shares outstanding at the beginning of the period	71,87,830	718.78	71,87,830	718.78
Add / Less: Issued shares / buy back during the year	-	-	-	-
Shares outstanding at the end of the period	**71,87,830**	**718.78**	**71,87,830**	**718.78**

b) Rights, preferences and restrictions attached to equity shares:

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

All shares rank equally with regard to Group's residual assets after distribution of all preferential amount.

c) Details of shareholders holding more than 5% shares in group (Equity shares of ₹ 10 each fully paid)

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% of holding	No. of shares held	% of holding
Vadilal International Pvt. Ltd.	28,09,704	39.09%	28,09,704	39.09%

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

d) Details of shares held by Promoters as on March 31, 2022 and as on March 31, 2021.

Sr. No.	Name of the Promoters / Promoter Group	No. of Equity Shares Held as on March 31, 2022	% of Total Shares	No. of Equity Shares Held as on March 31, 2021	% of Total Shares	% change during the year
	Promoter					
1	Mr. Rajesh Ramchandra Gandhi	2,27,721	3.17	2,27,721	3.17	NIL
2	Mr. Devanshu Laxmanbhai Gandhi	3,45,691	4.81	3,45,691	4.81	NIL
	Promoter Group					
1	M/s. Virendra Ramchandra Gandhi, HUF	1,19,699	1.67	1,19,699	1.67	NIL
2	M/s. Rajesh R. Gandhi, HUF	62,411	0.87	62,411	0.87	NIL
3	M/s. Vadilal International Private Limited	28,09,704	39.09	28,09,704	39.09	NIL
4	M/s. Vadilal Finance Company Limited	3,28,311	4.57	3,28,311	4.57	NIL
5	M/s. Veronica Constructions Pvt. Ltd.	2,44,600	3.40	2,44,600	3.40	NIL
6	M/s. Vadilal Marketing Pvt. Ltd.	10,330	0.14	10,330	0.14	NIL
7	M/s. Byad Packaging Industries Pvt. Ltd.	10,137	0.14	10,137	0.14	NIL
8	M/s. Axilrod Pvt. Ltd.	9,943	0.14	9,943	0.14	NIL
9	M/s. Vadilal Enterprises Limited	150	0.00	150	0.00	NIL
10	Mr. Virendra Ramchandra Gandhi	1,58,634	2.21	1,58,634	2.21	NIL
11	Ms. Mamta Rajesh Gandhi	1,22,251	1.70	1,22,251	1.70	NIL
12	Ms. Ila Virendrabhai Gandhi	1,07,931	1.50	1,07,931	1.50	NIL
13	Ms. Deval Devanshu Gandhi	59,266	0.82	59,266	0.82	NIL
14	Mr. Janmajay Virendrabhai Gandhi	14,893	0.21	14,893	0.21	NIL
15	Ms. Nitaaliashemali Piyush Surti	11,558	0.16	11,558	0.16	NIL
16	Mr. Navinchandra Chimanlal Modi	7,304	0.10	7,304	0.10	NIL
17	Ms. Khevna Raj Shah	809	0.01	811	0.01	-0.00278%
18	Mr. Dharini Ketan Khambhatta	811	0.01	811	0.01	NIL
	TOTAL	**46,52,154**	**64.72**	**46,52,156**	**64.72**	

NOTE-18 OTHER EQUITY

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Reserve		
Balance at beginning of the year	8.84	8.84
Balance at the end of the year	**8.84**	**8.84**
Securities Premium		
Balance at beginning of the year	487.28	487.28
Balance at the end of the year	**487.28**	**487.28**
Revaluation Reserve		
Balance at beginning of the year	7,524.17	7,524.17
Balance at the end of the year	**7,524.17**	**7,524.17**
General Reserve		
Balance at beginning of the year	5,000.00	5,000.00
Balance at the end of the year	**5,000.00**	**5,000.00**
Foreign Currency Translation Reserve		
Balance as per last Financial Statements	(129.35)	(66.00)
Add : Transfer for the current year	225.98	(63.35)
Closing Balance	**96.63**	**(129.35)**
Retained Earnings		
Balance at beginning of the year	11,609.69	11,146.44
Add : Profit for the year	4,470.16	463.25
Balance at the end of the year	**16,079.85**	**11,609.69**
Other Comprehensive Income		
Balance at beginning of the year	(112.15)	(114.60)
Add : Remeasurement of Employee Benefit	(69.31)	2.45
Balance at the end of the year	**(181.46)**	**(112.15)**
Total Other Equity	**29,015.31**	**24,388.48**

a) The Board of Directors of the Holding Company has recommended dividend of ₹ 1.25 per equity share (12.50 %) on face value of ₹ 10 each for the year ended March 31, 2022 on 7,187,830 equity shares amounting to ₹ 89.85 lacs subject to approval of the shareholders.

b) Nature and Purpose of Reserve

Capital Reserve Group has created capital reserve out of investment utilization reserve written back and forfeited 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. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

Revaluation Reserve: Group has created revaluation reserve out of revaluation of land carried out as at April 1, 2016.

General Reserve : General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit and loss.

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

NOTE-19 BORROWING

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Secured-at amortised Cost		
Term Loans from Banks	5,499.70	4,398.68
Less: Current maturity of long term loans (Refer Note-25)	1,377.68	1,117.59
	4,122.02	**3,281.09**
Vehicle Loans from Bank	113.56	89.68
Less: Current maturity of long term vehicle loans (Refer Note-25)	51.75	24.89
	61.81	**64.79**
Term Loans from Non Banking Financial Company	1,000.00	395.43
Less: Current maturity of long term loans (Refer Note-25)	-	75.91
	1,000.00	**319.52**
	5,183.83	**3,665.40**
Unsecured-at amortised Cost		
Public Fixed Deposits	3,365.85	2,489.15
Less: Current maturity of long term public fixed deposits (Refer Note-25)	819.15	436.35
	2,546.70	**2,052.80**
Total	**7,730.53**	**5,718.20**

Note

1 Refer Note-43 for information about Liquidity Risk.

2 Amount stated in current maturities is disclosed under the head of " Current Borrowings " (Note-25).

Repayment Schedule of Loans

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021	Effective Interest Rate	Terms of repayment
Term Loans				
From Banks				
Bank of Baroda	-	27.76	14.16%	72 monthly instalments of ₹ 27.78 lacs starting from December, 2014
Bank of Baroda (COVID 19)	32.02	203.40	8.15%	6 monthly instalments of ₹ 5.65 lacs starting from December, 2020 and 12 monthly instalment of ₹ 16.01 lacs starting from June, 2021
State Bank of India (COVID 19)	20.00	140.00	7.40%	18 monthly instalments of ₹ 10.00 lacs starting from December, 2020
IndusInd Bank (partially disbursed)	2,573.84	3,094.29	11.19%	72 monthly instalments of ₹ 61.11 lacs starting from February, 2019
IndusInd Bank (GECL)	916.16	717.00	9.25%	48 monthly instalments of ₹ 14.94 lacs starting from February, 2022
IDBI Bank (GECL)	22.04	-	7.80%	48 monthly instalments of ₹ 0.48 lacs starting from February, 2022
State Bank of India (GECL)	782.77	-	10.25%	47 monthly instalments of ₹ 17.40 lacs starting from January, 2022 and 1 instalment of ₹ 17.20 lacs on December, 2025
State Bank of India (GECL Extension)	559.00	-	10.25%	48 monthly instalments of ₹ 11.65 lacs starting from January, 2024
Bank of Baroda (GECL)	405.00	-	8.40%	48 monthly instalments of ₹ 8.44 lacs starting from April, 2022
Bank of America	67.42	98.70	4.70%	48 monthly instalments* of $ 4240.88 starting from Feb, 2020
US Small Business Administration	121.45	117.52	3.75%	333 monthly instalments* of $ 731.00 starting from July 17, 2021

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021	Effective Interest Rate	Terms of repayment
From Non Banking Financial Company				
Tata Capital Financial Services Ltd.	-	395.44	11.89%	78 monthly instalments of ₹ 6.33 lacs starting from October, 2019
Samunnati Financial Intermediation & Services Private Limited	1,000.00	-	15.00%	5 monthly instalments of ₹ 200 lacs starting from April, 2023
Vehicle Loans from Bank				
HDFC Bank Limited	113.56	89.68	8.30% to 12.76%	From 5 to 55 monthly Instalments * of ₹ 0.15 lacs to ₹ 0.92 lacs
Total Loan (a)	**6,613.26**	**4,883.79**		
Fixed deposits (b)	3,365.85	2,489.15	8.00% to 9.00% based on period of deposit	12 months to 36 months
Grand Total (a)+(b)	**9,979.11**	**7,372.94**		

***Includes Interest portion**

A Term Loans from BOB ₹ NIL (As at March 31, 2021 ₹ 27.76 Lacs), Indusind Bank ₹ 2,573.84 Lacs (As at March 31, 2021 ₹ 3,094.29 Lacs), Guaranteed Emergency Credit Line of Indusind Bank ₹ 916.16 Lacs (As at March 31, 2021 ₹ 717.00 Lacs), Guaranteed Emergency Credit Line of State Bank of India for ₹ 782.77 Lacs (As at March 31, 2021 ₹ NIL) , Guaranteed Emergency Credit Line Extension of State Bank of India for ₹ 559.00 Lacs (As at March 31, 2021 ₹ NIL), Guaranteed Emergency Credit Line of Bank of Baroda for ₹ 405.00 lacs (As at March 31, 2021 ₹ NIL) and Guaranteed Emergency Credit Line of IDBI Bank for ₹ 22.04 lacs (As at March 31, 2021 ₹ NIL) are secured by way of Mortgage on immovable properties and hypothecation on movable properties of the group situated at the following places by way of 1st and 2nd charge on pari-passu basis :-

(i) Land and Building together with all plant and machineries situated on land bearing Final Plot No. 292-3-A of T. P. Scheme No. 14 of Mouje Dariapur- Kazipur of city taluka of Ahmedabad. (Ice-cream Plant) (1st charge to term lenders and 2nd charge to GECL lenders)

(ii) Land and Building together with all plant and machineries situated at Village Dharampur, forming part of New Survey Nos. 3645 i.e. Old Survey Nos. 970/1 (Survey No. 970 (Paiki)) Mouje Dharampur of Dharampur Taluka, Dist. Valsad (Canning Unit) (1st charge to term lenders and 2nd charge to GECL lenders)

(iii) Land and Building together with all plant and machineries situated at New Survey No.1663 i.e. Amalgamated Survey No.637/13/1 (Old Survey No. 637/14, 637/16, 637/13/2, 637/15, 643/2, 643/1, 637/13/1) situated Village: Pundhra, Tal.: Kalol, Dist.: Gandhinagar (Ice-cream Plant) (1st charge to term lenders and 2nd charge to GECL lenders)

(iv) Basement and 3rd Floor, Vadilal House, Navrangpura, Ahmedabad (Office Complex) (1st charge to term lenders and 2nd charge to GECL lenders)

(v) Land and Building together with all plant and machineries being Unit – I, situated at Plot No. D-24 Parsakhera Industrial Estate, Bareilly, U.P. (Ice-cream Plant) (1st charge to term lenders and 2nd charge to GECL lenders)

(vi) Land and Building together with all plant and machineries situated at Unit – II, being Plot No. D-23 and D-22, F-11/14/15 at Parsakhera Industrial Estate, Bareilly, U.P. (Ice-cream Plant) (1st charge to term lenders and 2nd charge to GECL lenders)

(vii) Land and Building together with all plant and machineries situated at New Survey Nos. 3642, 3643, 3644 and 3646 i.e. Old Survey Nos. 962/1, 966, 969 and 970/2 at Mouje Dharampur, Dist.: Valsad (New land). (1st charge to term lenders and 2nd charge to GECL lenders)

(viii) Land and Building together with all plant and machineries situated at New Survey No. 3647 i.e. Old Survey No. 970 (Paiki) Mouje Dharampur, Dist.: Valsad (IQF unit) (2nd charge on term lenders and GECL lenders)

(ix) Ground and 2nd Floor, Vadilal House, Navrangpura, Ahmedabad (Office Complex) (2nd charge on term lenders and GECL lenders)

(x) 4 Flats No. 801 to 804, situated at Maruti Centre, Gurukul, Drive-in-Road, Ahmedabad (Residential Flats) (2nd charge on term lenders and GECL lenders)

(xi) Land and Building together with all plant and machineries situated at Plot No. F-12, Parsakhera Industrial Estate, Bareilly, U.P. (Leased Property) (1st charge to term lenders and 2nd charge to GECL lenders)

B The above Term Loans and GECL loans are also secured by way of Hypothecation on entire current assets of the Company on 2nd pari-passu charge basis.

C Vehicle loans are secured by hypothecation of vehicles.

D The Term Loans are secured by Corporate Guarantee by Vadilal Cold Storage, Padm Complex Ltd. and Volute Constructions Ltd. The Credit Facilities of IndusInd Bank are also secured by Corporate Guarantee of Vadilal Enterprises Ltd.

E Term loan of ₹ 1,000.00 lacs from Samunnati Finance Intermediation & Services Private Limited is secured as below :

(i) Primary Security: Subservient Charge on entire moveable assets of the holding company both present and future.

(ii) Collateral Security: Lien on fixed deposit of ₹ 50,00,000/- (Rupees Fifty Lacs Only)

(iii) Personal Guarantee of Mr. Rajesh R Gandhi, Managing Director of the Holding Company.

F The Short Term / Demand Loan from Bank of Baroda under Baroda Covid Emergency Credit Line outstanding as on March 31, 2022 ₹ 32.02 Lacs (As at March 31, 2021 ₹ 203.40 Lacs) is secured as under :

(i) Primary; Hypothecation of Stock and Book Debts on First and Pari-passu basis.

(ii) First charge and Second charge on fixed assets on Pari-passu basis. Personal and Corporate Guarantee of Promoters / Corporate Guarantors as per Lead Bank approval.

G Fund Based Working Capital (Demand Loan) from State Bank of India under Common Covid 19 Emergency Credit Line outstanding as on March 31, 2022 ₹ 20.00 lacs (As at Match 31, 2021 ₹ 140.00 lacs) is secured as under:

(i) Extension of charge on existing primary and or collateral security and Personal and Corporate Guarantee of Promoters / Corporate Guarantors as per Lead Bank approval.

H Fixed Deposit lien with Indusind Bank ₹ 296.80 lacs

I Term loan in subsidiary company from Bank of America and US Small Business Administration is secured against tangible and intangible assets of the subsidiary company.

J Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

Collateral / Additional Securities :-

A Term loan and GECL loan from Consortium Banks, namely, BOB, SBI, IDBI and IndusInd bank are also secured by way of Mortgage on immovable properties of :-

(i) Padm Complex Ltd. & Volute Constructions Ltd. by way of 2nd charge on pari-passu basis (Ground Floor, Office No. 2B, "Mahalaya" Opp. President Hotel, Swastik Char Rasta, Ahmedabad. (Owned Property))

(ii) Vadilal Cold Storage by way of 2nd charge on pari-passu basis Gomtipur, Ahmedabad (Leased Property)

NOTE-20 LEASE LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Lease Liabilities	960.32	1,029.14
Total	**960.32**	**1,029.14**

NOTE-21 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Financial Guarantee Liabilities (Refer Note-45)	-	1.64
Total	**-**	**1.64**

NOTE-22 PROVISIONS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Provision for Employee Benefits		
Gratuity (Refer Note-46)	392.41	256.67
Total	**392.41**	**256.67**

NOTE-23 DEFERRED TAX LIABILITY (NET)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities	2,371.02	2,338.41
Deferred Tax Assets	(1,203.88)	(1,531.84)
Total	**1,167.14**	**806.57**

Movement in Deferred Tax Liabilities and Assets (₹ in Lacs)

Movement during the year ended March 31, 2022	As at April 1, 2021	Charge/(Credit) in statement of Profit and Loss	Charge/(Credit) in Other Comprehensive Income	As at March 31, 2022
Deferred Tax Liabilities / (Assets)				
Property, plant and equipment	2,047.85	35.43		2,083.28
Expenditure allowed in the year of payment	(198.11)	(35.41)		(233.52)
Provision for doubtful debts & advances	(17.28)	(5.85)		(23.13)
Government Grant under EPCG	(150.90)	12.87		(138.03)
Discounting of security deposit to present value and corresponding impact on other expenses	5.94	(1.13)		4.81
Discounting of security deposit to present value and corresponding impact on interest income	(6.41)	1.03		(5.38)
Increase in borrowing cost pursuant to application of EIR	25.95	(13.73)		12.22
Effect of measuring corporate guarantee liability	(6.68)	6.27		(0.41)
Leased Assets under Ind AS 116	152.15	(31.66)		120.49
Leased Liability under Ind AS 116	(175.71)	27.80		(147.91)
Unabsorbed Loss	(865.84)	353.06		(512.78)
Impact on Unrealised Profit of Inventory	(73.20)	(8.50)		(81.70)
Impact of USA Tax	64.40	16.94		81.34
Others	4.41	26.76	(23.31)	7.86
Total	**806.57**	**383.88**	**(23.31)**	**1,167.14**

(₹ in Lacs)

Movement during the year ended March 31, 2021	As at April 1, 2020	Charge/(Credit) in statement of Profit and Loss	Charge/(Credit) in Other Comprehensive Income	As at March 31, 2021
Deferred Tax Liabilities / (Assets)				
Property, plant and equipment	1,948.01	96.63		2,047.85
Expenditure allowed in the year of payment	(170.84)	(27.27)		(198.11)
Provision for doubtful debts & advances	(18.95)	1.67		(17.28)
Government Grant under EPCG	(163.77)	12.87		(150.90)
Discounting of security deposit to present value and corresponding impact on other expenses	72.06	(66.12)		5.94
Discounting of security deposit to present value and corresponding impact on interest income	(90.31)	83.90		(6.41)
Increase in borrowing cost pursuant to application of EIR	37.21	(11.26)		25.95
Effect of measuring corporate guarantee liability	(13.94)	7.26		(6.68)
Leased Assets under Ind AS 116	189.61	(37.46)		152.15
Lease Liabilities under Ind AS 116	(203.72)	28.01		(175.71)
Unabsorbed Loss	-	(865.84)		(865.84)
Impact on Unrealised Profit of Inventory	(28.49)	(44.71)		(73.20)
Impact of USA Tax	27.59	36.81		64.40
Others	4.26	(0.67)	0.82	4.41
Total	**1,588.72**	**(786.18)**	**0.82**	**806.57**

NOTE-24 OTHER LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Deferred Govt. Grant	529.02	557.43
Total	**529.02**	**557.43**

NOTE-25 BORROWINGS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Secured-at amortised Cost		
Working Capital Loans from Banks	2,579.32	4,318.44
Current Maturities of long term borrowings From Banks	1,377.68	1,117.59
Current Maturities of long term borrowings For Vehicle Loan	51.75	24.89
Current Maturities of long term borrowings From Non Banking Financial Company	-	75.91
Total	**4,008.75**	**5,536.83**
Unsecured-at amortised Cost		
Public Fixed Deposits	1,208.90	553.80
Inter Corporate Deposits from others	3,438.50	2,040.00
Book Overdraft in current account with Banks	22.68	50.33
Current Maturities of long term borrowings of Public Fixed Deposits	819.15	436.35
	5,489.23	**3,080.48**
Total	**9,497.98**	**8,617.31**

A Working Capital facility from Consortium Banks, namely, BOB, SBI, IDBI and IndusInd Bank aggregating to ₹ 67.92 crores are secured by way of Mortgage on immovable properties and hypothecation on movable properties of the Holding Company situated at the following places by way of 1st and 2nd charge on pari-passu basis:-

(i) Land and Building together with all plant and machineries situated on land bearing Final Plot No. 292-3-A of T. P. Scheme No. 14 of Mouje Dariapur- Kazipur of city taluka of Ahmedabad. (Ice-cream Plant) (2nd charge to Working Capital lenders)

(ii) Land and Building together with all plant and machineries situated at Village Dharampur, forming part of New Survey Nos. 3645 i.e. Old Survey Nos. 970/1 (Survey No. 970 (Paiki)) Mouje Dharampur of Dharampur Taluka, Dist. Valsad (Canning Unit) (2nd charge to Working Capital lenders)

(iii) Land and Building together with all plant and machineries situated at New Survey No.1663 i.e. Amalgamated Survey No.637/13/1 (Old Survey No. 637/14, 637/16, 637/13/2, 637/15, 643/2, 643/1, 637/13/1) situated Village: Pundhra, Tal.: Kalol, Dist.: Gandhinagar (Ice-cream Plant) (2nd charge to Working Capital lenders)

(iv) Basement and 3rd Floor, Vadilal House, Navrangpura, Ahmedabad (Office Complex) (2nd charge to Working Capital lenders)

(v) Land and Building together with all plant and machineries being Unit – I, situated at Plot No. D-24 Parsakhera Industrial Estate, Bareilly, U.P. (Ice-cream Plant) (2nd charge to Working Capital lenders)

(vi) Land and Building together with all plant and machineries situated at Unit – II, being Plot No. D-23 and D-22, F-11/14/15 at Parsakhera Industrial Estate, Bareilly, U.P. (Ice-cream Plant) (2nd charge to Working Capital lenders)

(vii) Land and Building together with all plant and machineries situated at New Survey Nos. 3642, 3643, 3644 and 3646 i.e. Old Survey Nos. 962/1, 966, 969 and 970/2 at Mouje Dharampur, Dist.: Valsad (New land). (2nd charge to Working Capital lenders)

(viii) Land and Building together with all plant and machineries situated at New Survey No. 3647 i.e. Old Survey No. 970 (Paiki) Mouje Dharampur, Dist.: Valsad (IQF unit) (1st charge to working capital lenders)

(ix) Ground and 2nd Floor, Vadilal House, Navrangpura, Ahmedabad (Office Complex) (1st charge to working capital lenders)

(x) 4 Flats No. 801 to 804, situated at Maruti Centre, Gurukul, Drive-in-Road, Ahmedabad (Residential Flats) (1st charge to working capital lenders)

(xi) Land and Building together with all plant and machineries situated at Plot No. F-12, Parsakhera Industrial Estate, Bareilly, U.P. (Leased Property) (2nd charge to Working Capital lenders)

B The above Working Capital facilities are also secured by way of Hypothecation on entire current assets of the Company on 1st pari-passu charge basis.

C The above Working Capital facilities are also secured by Personal Guarantee of Mr. Rajesh R. Gandhi, Managing Director and Mr. Devanshu L. Gandhi, Managing Director of the Holding Company. The Working Capital facilities of the Consortium Bank are also secured by Corporate Guarantee by Vadilal Cold Storage, Padm Complex Ltd. and Volute Constructions Ltd.

D Cash Credit facility from Kalupur Commercial Co-operative Bank of ₹ 1,500.00 Lacs is secured by pledge stocks and Personal Guarantee of Mr. Rajesh R. Gandhi, Managing Director and Mr. Devanshu L. Gandhi, Managing Director of the Holding Company.

E Secured Borrowing i.e. Working Capital facility & Term Loan Facility availed from Banks / FIs carries interest @ 8.80 % to 12.25 %.

F Secured Borrowing i.e. CECL facility & GECL facility availed from Banks carries interest @ 7.40 % to 8.90%

G The unsecured borrowings availed from Banks / FIs carries rate of interest upto 15.00%.

H Inter corporate deposits are repayable between 90 days to 365 days and carry Interest @ 12.00 % to 15.50 %

I Fixed deposits are repayable for 12 months to 36 months and carry interest @ 8.00 % to 9.00 %.

J Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

Collateral / Additional Securities :-

A Working Capital facility from Consortium Banks, namely, BOB, SBI, IDBI and IndusInd bank are also secured by way of Mortgage on immovable properties of: -

(i) Padm Complex Ltd. & Volute Constructions Ltd. by way of 1st charge on pari-passu basis (Ground Floor, Office No. 2B, "Mahalaya" Opp. President Hotel, Swastik Char Rasta, Ahmedabad. (Owned Property))

(ii) Vadilal Cold Storage by way of 1st charge on pari-passu basis Gomtipur, Ahmedabad (Leased Property)

NOTE-26 LEASE LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Lease Liabilities	382.43	408.74
Total	**382.43**	**408.74**

NOTE-27 TRADE PAYABLES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Due to Micro and Small Enterprises-Refer Note (A)	879.42	857.57
Due to Others	7,374.75	10,217.02
Total	**8,254.17**	**11,074.59**

Note

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

B) Trade Payables ageing schedule as on March 31, 2022

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	850.37	28.83	-	-	-	879.20
(ii) Others	3,983.97	2,142.18	-	-	0.66	6,126.81
(iii) Disputed dues – MSME	-	-	0.14	0.08	-	0.22
(iv) Disputed dues - Others	-	-	13.82	10.98	75.17	99.97
TOTAL	**4,834.34**	**2,171.01**	**13.96**	**11.06**	**75.83**	**7,106.20**
Accrued Expense	365.30	573.13	88.87	41.34	79.33	1,147.97
GRAND TOTAL	**5,199.64**	**2,744.14**	**102.83**	**52.40**	**155.16**	**8,254.17**

Trade Payables ageing schedule as on March 31, 2021 (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	857.52	-	-	-	-	857.52
(ii) Others	3,777.82	3,507.59	-	-	-	7,285.41
(iii) Disputed dues – MSME	-	-	0.05	-	-	0.05
(iv) Disputed dues - Others	-	-	435.67	41.35	37.16	514.18
TOTAL	**4,635.34**	**3,507.59**	**435.72**	**41.35**	**37.16**	**8,657.16**
Accrued Expense	632.10	1,093.64	574.60	38.30	78.79	2,417.43
GRAND TOTAL	**5,267.44**	**4,601.23**	**1,010.32**	**79.65**	**115.95**	**11,074.59**

NOTE-28 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Interest Accrued	263.03	338.65
Unclaimed Dividends*	16.05	18.62
Unclaimed Deposits and Interest accrued thereon*	16.15	21.74
Financial Guarantee Liabilities (Refer Note-45)	1.64	24.90
Payable for Capital Goods	343.79	480.18
Security Deposits from Customers	136.81	137.32
Others	9.68	9.68
Total	**787.15**	**1,031.09**

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

NOTE-29 PROVISIONS

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Provision for Employee Benefits		
Gratuity (Refer Note-46)	118.26	104.11
Compensated Absences	255.41	230.18
Total	**373.67**	**334.29**

NOTE-30 TAX LIABILITIES (NET)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Income Tax Payable (Net of Advance Tax)	1,516.32	1,106.13
Total	**1,516.32**	**1,106.13**

NOTE-31 OTHER LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Statutory Remittances	507.25	357.77
Advances Received from Customers	209.92	51.74
Other Liabilities	210.60	207.71
Deferred Govt. Grant	49.35	51.33
Total	**977.12**	**668.55**

NOTE-32 REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Sale of Products		
Finished goods (Refer Note-45)	69,386.86	46,113.69
Currency	158.70	31.66
Sale of Services		
Income from Money Changing Business	3.32	3.99
Other Operating Revenues		
Scrap Sales	187.95	138.04
Cold Storage Rent Income	34.98	47.90
Total	**69,771.81**	**46,335.28**
Reconciliation of revenue from operation with contract price		
Revenue from contract with customers as per the contract price	70,489.58	47,047.07
Adjustment made to contract price on account of:		
Discounts and Rebates	(717.77)	(711.79)
Revenue from Operations	**69,771.81**	**46,335.28**

NOTE-33 OTHER INCOME

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Income	48.43	384.66
Export Licenses Income	156.61	338.29
Other Export Incentive Income	193.37	248.03
Financial Guarantee Commission Income	24.90	28.91
Gain on Fair Value of Current Investment	8.03	0.06
Gain on Fair Value of Non Current Investment	5.65	0.50
Grant Income	53.02	51.81
Dividend income on long term Investment	0.31	-
Net gain on Foreign Currency translations and transactions	2.80	18.17
Profit on sale of current investment	5.66	2.08
Excess Provision written back	188.14	85.83
Miscellaneous Income	143.01	118.51
Loans & Advances written back	-	373.71
Provision for Doubtful Debt written back	-	2.85
Provision for Doubtful Advance written back	1.18	-
Total	**831.11**	**1,653.41**

NOTE-34 COST OF MATERIALS CONSUMED

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Inventory at the beginning of the year	8,384.16	9,888.46
Add : Purchases	34,066.42	19,903.21
Less: Inventory at the end of the year	9,043.17	8,384.16
Total	**33,407.41**	**21,407.51**

NOTE-35 PURCHASE OF TRADED GOODS

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Processed Food	3,244.20	2,646.11
Dairy Products	131.83	81.48
Others	170.62	280.16
Currency	157.10	30.83
Total	**3,703.75**	**3,038.58**

NOTE-36 CHANGE IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Inventories at beginning of the year		
Finished Goods	5,086.03	5,103.75
	5,086.03	**5,103.75**
Inventories at end of the year		
Finished Goods	6,629.30	5,086.03
	6,629.30	**5,086.03**
Total	**(1,543.27)**	**17.72**

NOTE-37 EMPLOYEE BENEFIT EXPENSES

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salary, Wages, Allowances and Bonus etc. (Refer Note-45)	6,369.33	5,032.93
Contribution to Provident and Other funds (Refer Note-46)	301.52	282.53
Staff Welfare Expenses	210.82	156.57
Total	**6,881.67**	**5,472.03**

NOTE-38 FINANCE COSTS

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Expense	1,778.72	1,995.37
Other Borrowing Costs	159.71	148.63
Total	**1,938.43**	**2,144.00**

NOTE-39 OTHER EXPENSES

(₹ in Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Job Charges	3,402.29	2,840.83
Power & Fuel	3,363.88	2,749.81
Stores and Spares Consumption	844.70	716.62
Repairs & Maintenance	880.38	733.13
Rent	686.63	495.45
Freight and forwarding charges	4,379.37	2,637.29
Sales Promotion Expense (Refer Note-45)	469.56	411.18
Corporate Social Responsibility Expense	39.85	73.51
Payment to Auditors	30.83	48.65
Provision for Doubtful Debts	235.08	15.65
Less : Reversal of provision due to recovery	9.83	62.45
Less : transferred to income side	-	2.85
Provision for Doubtful Debts	225.25	(43.95)
Bad Debt written off	7.82	5.26
Foreign Exchange Loss (Net)	-	6.26
Loss on Sale of Property, Plant & Equipment (Net)	12.51	21.22
Other Expenses (Including Legal & Professional, Conveyance, Telephone, Postage, Printing & Stationery etc.)	3,091.33	2,160.22
Total	**17,434.40**	**12,855.48**

NOTE-40 TAX EXPENSES

(₹ in Lacs)

	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
A.	**Income tax recognised in Statement of Profit and Loss:**		
	Current Tax:		
	In respect of the current year	1,526.14	1,111.32
	In respect of the prior years	5.07	17.39
	Total	**1,531.21**	**1,128.71**
	Deferred Tax:		
	In respect of the current year	381.76	(822.99)
	Total	**381.76**	**(822.99)**
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 :**		
	Profit / (loss) before tax	6,383.06	768.48
	Income Tax Expense@ 25.168% (Previous Year @ 25.168%)	1,606.49	193.41
	Tax effect of the amounts which are not deductible / (taxable) in calculating taxable income :		
	Effect of expenses that are not deductible in determining taxable profit	18.30	19.72
	Effect of income that are not taxable	-	(94.06)
	Others	42.76	0.35
	Effect of different tax rate in India & foreign jurisdictions	240.35	168.91
		1,907.90	**288.33**
	Adjustments in respect of current income tax of previous year	5.07	17.39
	Total	**1,912.97**	**305.72**
	Tax effect on Items in Other Comprehensive Income	(23.31)	0.82
Tax expense as per Statement of Profit and Loss		**1,889.66**	**306.54**

Group's weighted average tax rates for the year ended March 31, 2022 and March 31, 2021 are 29.97 % and 39.78 % respectively.

NOTE - 41 CONTINGENT LIABILITIES NOT PROVIDED FOR AND COMMITMENTS :

(₹ in Lacs)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
	Contingent Liabilities		
(a)	Guarantees given by the holding company against Borrowing given to companies in which Directors are interested is ₹ 3,001 Lacs (March 31, 2021 ₹ 3,001 Lacs)		
	Outstanding against this as at March 31	567.37	1,056.10
(b)	For Excise-related matter decided in favour of Group, against which Excise Dept. has preferred an appeal	43.00	43.00
(c)	In respect of erstwhile Vadilal Financial Services Limited (VFSL) Income Tax Demand (including interest) for which Group has preferred an appeal.	1.93	1.93
(d)	For Indirect Tax-Disputed by Group and against which group has preferred appeals	271.72	211.78
(e)	For Other Matters-cases against group by the Vendor and Authorities	243.82	245.84
(f)	Differential amount of custom / excise duty in respect of machinery purchased under EPCG Scheme*	-	793.15
(g)	Differential amount of custom duty in respect of Advance Licence*	140.94	209.24
(h)	Outstanding letter of credits and bank guarantees issued by banks	548.59	553.14
	Total Contingent Liabilities	**1,817.37**	**3,114.18**
	Commitments		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	224.36	570.37

Future Cash Outflow in respect of (b) to (e) above depends on ultimate settlement / conclusions with the relevant authorities.

* The Holding Company has fulfilled export obligation for licence availed under EPCG and Advance Authorization. During the previous year, as the applications for closures were either to be made / pending disposal by department, the same were shown as contingent liabilities.

NOTE - 42

In FY 2017-18, a petition was filed against the Holding Company and some of its promoters of Holding Company, 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 Holding Company. The NCLT has fixed next hearing in the matter on July 06, 2022.

NOTE - 43 FINANCIAL INSTRUMENTS

I Capital Management

Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to stakeholders. The Capital structure of Group 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. Group may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The capital structure of Group consists of net debt (borrowings as detailed in notes 19 and 25 off set by cash and bank balances) and total equity of Group.

Gearing Ratio (₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Debt *	17,228.51	14,335.51
Less: Cash and cash Equivalents	4,516.40	2,522.01
Net Debt	**12,712.11**	**11,813.50**
Total Equity excluding Revaluation Reserve	**22,209.92**	**17,583.09**
Net Debt to equity ratio	**57.24%**	**67.19%**

* Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings as described in notes 19 and 25.

II Category-wise classification of financial instruments

Financial Assets & Financial Liabilities as at March 31, 2022 (₹ in Lacs)

Particulars	Fair value Through Profit and loss	Amortised Cost	Total
Financial Assets			
Investments	25.52	45.90	71.42
Loans	-	19.44	19.44
Trade receivables	-	6,543.77	6,543.77
Cash and Cash Equivalents	-	4,516.40	4,516.40
Bank balances other than cash and cash Equivalents	-	644.29	644.29
Other Financial Assets	-	379.51	379.51
Total	**25.52**	**12149.31**	**12,174.83**
Financial Liabilities			
Borrowings	-	17,228.51	17,228.51
Lease Liabilities	-	1,342.75	1,342.75
Trade Payable	-	8,254.17	8,254.17
Other Financial Liabilities	-	787.15	787.15
Total	**-**	**27612.58**	**27,612.58**

Financial Assets & Financial Liabilities as at March 31, 2021 (₹ in Lacs)

Particulars	Fair value Through Profit and loss	Amortised Cost	Total
Financial Assets			
Investments	11.84	45.90	57.74
Loans	-	10.47	10.47
Trade receivables	-	4,529.81	4,529.81
Cash and Cash Equivalents	-	2,522.01	2,522.01
Bank balances other than cash and cash Equivalents	-	1,045.27	1,045.27
Other Financial Assets	-	341.73	341.73
Total	**11.84**	**8495.19**	**8,507.03**
Financial Liabilities			
Borrowings	-	14,335.51	14,335.51
Lease Liabilities	-	1,437.88	1,437.88
Trade Payable	-	11,074.59	11,074.59
Other Financial Liabilities	-	1,032.73	1,032.73
Total	**-**	**27880.71**	**27,880.71**

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

(₹ in Lacs)

Particular	Fair value	Fair value hierarchy		
		Quoted Price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2022				
Investments at fair value through profit and loss	25.52	9.31	-	16.21
As at March 31, 2021				
Investments at fair value through profit and loss	11.84	1.28	-	10.56

III Financial risk management objective

Group's financial liabilities comprise mainly of borrowings, trade payables and other financial liabilities. Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other financial assets.

Group's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risks.

Group's senior management has the overall responsibility for establishing and governing Group's risk management framework.

A. Management of Market Risk

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

- Foreign Currency risk
- Equity price risk
- Interest rate risk

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

(i) Currency risk management

Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates. Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk :

The carrying amounts of Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(a) Derivatives instruments

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Forward contract to sell USD		
No. of contracts	4	-
In USD	25,80,000	-
In INR (in Lacs)	1,998.95	-

(b) Particular of foreign currency exposures as at the reporting date.

Particulars	As at March 31, 2022	As at March 31, 2021
Liabilities (Foreign currency)		
In US Dollars (USD)	1,98,436.02	2,11,823.52
In Euro (EUR)	295.00	295.00
In Australian Dollars (AUD)	1,300.00	1,300.00
Assets (Foreign currency)		
In US Dollars (USD)	3,96,984.03	6,27,045.20
In Canadian Dollars (CAD)	-	55,321.08
In Great Britain Pound (GBP)	32,938.95	27,747.44
In Australian Dollars (AUD)	18,542.55	-

(₹ in lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Liabilities (INR)		
In US Dollars (USD)	150.63	155.69
In Euro (EUR)	0.25	0.25
In Australian Dollars (AUD)	0.74	0.73
Assets (INR)		
In US Dollars (USD)	301.35	460.88
In Canadian Dollars (CAD)	-	32.24
In Great Britain Pound (GBP)	32.88	28.01
In Australian Dollars (AUD)	10.57	-

Foreign currency sensitivity analysis

The following table details, Group's sensitivity to a 1% increase and decrease in the rupee against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding not hedged on receivables and payables in Group at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rate.

A change of 1% in Foreign currency would have following Impact on profit before tax and total equity

(₹ in Lacs)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	1% increase	1% decrease	1% increase	1% decrease
USD	1.51	(1.51)	3.05	(3.05)
CAD	-	-	0.32	(0.32)
GBP	0.33	(0.33)	0.28	(0.28)
AUD	0.10	(0.10)	(0.01)	0.01
Increase / (decrease) in profit & loss	**1.94**	**(1.94)**	**3.64**	**(3.64)**

(ii) Price Risk (Equity Price Risk)

Group's exposure to equity securities price risk arises from investments held by Group and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by Group.

Sensitivity Analysis

The table below summarizes the impact of increases / decreases of the BSE index on Group's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all Group's equity instruments moved in line with the index.

A change of 5% in market index would have following Impact on profit before tax (₹ in Lacs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
BSE Index 100 - Increase by 5%	0.47	0.06
BSE Index 100 - Decrease by 5%	(0.47)	(0.06)

The above referred sensitivity pertains to quoted equity investments. Profit for the year would increase / decrease as a result of gains / losses on equity securities as at Fair Value through profit and loss (FVTPL).

(iii) 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 Group's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury or management 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 Group 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 reporting period 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 Lacs)

Particulars	Increase / Decrease in basic points	Effect on PBT
As at March 31, 2022	100 bps	47.22
As at March 31, 2021	100 bps	41.25

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, Group 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.

Group 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 reporting period. To assess whether there is a significant increase in credit risk, Group 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 forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,

ii) Actual or expected significant changes in the operating results of the counterparty,

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv) Significant increase in credit risk on other financial instruments of the same counterparty,

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Group 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. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Concentrations of Credit risk form part of Credit risk

Considering that the Group sells majority of its goods to Vadilal Enterprises Ltd., the Group is significantly dependent this customer. Out of total income, the Group earns 57.33 % revenue (previous year 48.58 %) from this customer, and with this customer, the Group has long term contract. As at March 31, 2022, receivables from this customer constitute 43.81 % (previous year 31.58 %) of total trade receivables. A loss of this customer could adversely affect the operating result or cash flow of the Group.

C. Management of Liquidity Risk

Liquidity risk is the risk that Group will face in meeting its obligation associated with its financial liabilities. Group'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 Group'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, 2022 (₹ in Lacs)

Particulars	< 1 year	1-5 years	Beyond 5 years	Total
Financial Liabilities				
Borrowings	9,497.98	7,631.23	99.30	17,228.51
Lease Liabilities	382.43	960.32	-	1,342.75
Trade Payable	8,254.17	-	-	8,254.17
Other Financial Liabilities	787.15	-	-	787.15
Total Financial Liabilities	**18,921.73**	**8,591.55**	**99.30**	**27,612.58**

Exposure as at March 31, 2021 (₹ in Lacs)

Particulars	< 1 year	1-5 years	Beyond 5 years	Total
Financial Liabilities				
Borrowings	8,617.31	5,622.42	95.78	14,335.51
Lease Liabilities	408.74	1,029.14	-	1,437.88
Trade Payable	11,074.59	-	-	11,074.59
Other Financial Liabilities	1,031.09	1.64	-	1,032.73
Total Financial Liabilities	**21,131.73**	**6,653.20**	**95.78**	**27,880.71**

Financial Arrangements

Group has access to the following undrawn borrowing facilities at the end of the reporting period.

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Expiring within one year (Bank overdraft and other facilities)	3,962.94	1,115.82
Expiring beyond one year (bank loans)	-	239.00

NOTE - 44 EARNINGS PER SHARE (EPS) AS PER INDIAN ACCOUNTING STANDARD 33:

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Profit for the year attributable to owners of Group (₹ in Lacs)	4,470.16	463.25
Weighted average number of Equity Shares (in Lacs)	71.88	71.88
Earning per Equity Share (Basic & Diluted)	62.19	6.44

NOTE - 45 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 & Relationship

No.	Name	Description of Relationship
1	Rajesh R. Gandhi	Key Managerial Personnel
2	Devanshu L. Gandhi	Key Managerial Personnel
3	Kalpit R. Gandhi	Key Managerial Personnel
4	Rashmi Bhatt	Key Managerial Personnel (w.e.f. February 12, 2019)
5	Yogesh Bhatt	Key Managerial Personnel ((w.e.f. December 13, 2019 and Upto June 25, 2020)
6	Anil Patil	Key Managerial Personnel ((w.e.f. December 13, 2019 and Upto June 25, 2020)
7	Vadilal Enterprises Ltd.	Enterprise over which Key Managerial Personnel are able to exercise significant influence
8	Vadilal International Pvt. Ltd.	Enterprise over which Key Managerial Personnel are able to exercise significant influence
9	Majestic Farm House Ltd.	Enterprise over which Key Managerial Personnel are able to exercise significant influence
10	Vadilal Chemicals Ltd.	Enterprise over which Key Managerial Personnel is able to exercise significant influence
11	Mamta R. Gandhi	Relative of Key Managerial Personnel
12	Deval D. Gandhi	Relative of Key Managerial Personnel

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

(₹ in Lacs)

Transaction		Total	Key Managerial Person	Relative of Key Managerial Person	Enterprise significantly influenced by Key Managerial Person or relatives of Key Managerial Personnel
(a) Sales					
Vadilal Enterprises Ltd.		40,002.50			40,002.50
	P.Y.	(22,511.94)			(22,511.94)
(b) Sale of Fixed Assets					
Vadilal Enterprises Ltd.		51.58			51.58
	P.Y.	-			-
(c) Purchases					
Vadilal Chemicals Ltd.		19.90			19.90
	P.Y.	(14.05)			(14.05)
(d) Rent Expense					
Vadilal Enterprises Ltd.		4.44			4.44
	P.Y.	-			-
(e) i) Managerial Remuneration					
Rajesh R. Gandhi		96.11	96.11		
	P.Y.	(74.44)	(74.44)		
Devanshu L. Gandhi		96.11	96.11		
	P.Y.	(74.44)	(74.44)		
ii) Remuneration					
Kalpit R. Gandhi		41.75	41.75		
	P.Y.	(30.85)	(30.85)		
Yogesh Bhatt		-	-		
	P.Y.	(1.50)	(1.50)		
Anil Patil		-	-		
	P.Y.	(5.50)	(5.50)		
Rashmi Bhatt		18.06	18.06		
	P.Y.	(14.18)	(14.18)		
Deval D. Gandhi		8.32		8.32	
	P.Y.	(7.03)		(7.03)	
Mamta R. Gandhi		8.32		8.32	
	P.Y.	(7.18)		(7.18)	
(f) Interest Income					
Vadilal International Pvt. Ltd.		-			-
	P.Y.	(2.66)			(2.66)
(g) Royalty Expense					
Vadilal International Pvt. Ltd.		47.30			47.30
	P.Y.	(47.03)			(47.03)
(h) Rent deposit given					
Vadilal Enterprises Ltd.		0.61			0.61
	P.Y.	-			-
(i) Loan or Deposits Received back					
Vadilal International Pvt. Ltd.		-			-
	P.Y.	(600.00)			(600.00)
Balance outstanding at year end :					
Investments					
Majestic Farm House Ltd.		3.88			3.88
	P.Y.	(3.99)			(3.99)
Trade Receivable					
Vadilal Enterprises Ltd.		2,866.74			2,866.74
	P.Y.	(1,430.67)			(1,430.67)
Interest Receivable					
Vadilal International Pvt. Ltd.		-			-
	P.Y.	(7.86)			(7.86)

(₹ in Lacs)

Transaction		Total	Key Managerial Person	Relative of Key Managerial Person	Enterprise significantly influenced by Key Managerial Person or relatives of Key Managerial Personnel
Loans & Advances Given					
Majestic Farm House Ltd.		5.38			5.38
	P.Y.	(5.31)			(5.31)
Vadilal Enterprises Ltd.		0.61			0.61
	P.Y.	-			-
Trade Payable					
Vadilal International Pvt. Ltd.		10.24			10.24
	P.Y.	(9.66)			(9.66)
Vadilal Chemicals Ltd.		4.32			4.32
	P.Y.	(1.72)			(1.72)
Corporate Guarantee Given					
Vadilal Enterprises Ltd.		3,001.00			3,001.00
	P.Y.	(3,001.00)			(3,001.00)
Corporate Guarantee Taken					
Majestic Farm House Ltd.		14,441.00			14,441.00
	P.Y.	(14,309.00)			(14,309.00)
Vadilal Enterprises Ltd.		270.00			270.00
	P.Y.	(270.00)			(270.00)
Personal Guarantee Taken					
Rajesh R Gandhi and Devanshu L Gandhi (Jointly)		9,635.00	9,635.00		
	P.Y.	(7,682.00)	(7,682.00)		

Notes

1) Transaction of Sales / Purchases (where input tax credit is not available to the group) and outstanding of Trade Payables / Receivable are inclusive of Taxes.

2) Previous Year figures are shown in bracket.

3) The Holding Company has entered into a "Trade Mark License Agreement with Vadilal International Private Limited ("VIPL") (which is the Proprietor and the beneficial owner of the Trade Mark "Vadilal") for the usage of the Trade Mark "Vadilal". The Holding Company has also entered into an agreement with Vadilal Enterprises Limited, a related party, for sale of its products on a principal to principal basis. The Holding Company has obtained a legal opinion, as per which, the sales / supplies of goods by the Holding Company to VEL, do not fall with the scope of "Trade Mark License Agreement" between the Holding Company and VIPL and accordingly, the Holding Company is not contractually obliged to pay any royalty on sales made by it to VEL. Accordingly, the Holding Company has made provision for royalty only on sales made to parties other than VEL which is consistent with the practice followed in the earlier years.

4) Pursuant to the agreement signed with Vadilal Enterprises Ltd. (VEL) and approved by the shareholders of Holding Company, the pricing of the products to be sold to VEL shall be determined by the Holding Company.

   During the financial year 2021-22, the Holding Company has debited to VEL for ₹ 1,372.15 lacs in March'22 on account of higher material and other costs.

   During the previous year, as per the pricing policy for the period from February 15, 2021 to March 31, 2021, the Holding Company has issued debit note to VEL on June 28, 2021 owing to the additional discounted prices at which the original transactions took place.

Compensation to Key Managerial Personnel of Group:

(₹ in Lacs)

Nature of Benefits	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Short Term Employee Benefits	291.11	243.69
Post Employment Gratuity Benefits*	42.56	41.33
Total	**333.67**	**285.02**

Note: * Key Managerial Personnel and Relatives of Promoters who are under the employment of Group 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.

Disclosure as per Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

Amount outstanding:

Name of Party	Relationship	Purpose	As at March 31, 2022	As at March 31, 2021
Gurantee Given				
Vadilal Enterprises Ltd.	Enterprise over which Key Managerial Personnel is able to exercise significant influence	To avail credit facility and corporate loan	3,001.00	3,001.00

Maximum outstanding during the year:

Name of Party	Relationship	Purpose	As at March 31, 2022	As at March 31, 2021
Gurantee Given				
Vadilal Enterprises Ltd.	Enterprise over which Key Managerial Personnel is able to exercise significant influence	To avail credit facility and corporate loan	3,001.00	3,001.00

NOTE - 46 EMPLOYEE BENEFITS

I Post Employment Benefit Plans as per Indian Accounting Standard 19:

Defined Contribution Plan:

Group makes provident fund (PF) contributions to defined contribution benefit plans for eligible employees. Under the scheme Group 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 37 ₹ 190.60 Lacs (Previous Year: ₹ 182.57 Lacs).

Defined Benefit Plan:

Group 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 group 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 reporting period 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 Lacs)

Particulars	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Obligations at the beginning of the year	**663.15**	**649.44**
Current service cost	39.92	41.57
Past service cost	-	-
Interest cost	45.43	44.42
Actuarial (gain) / loss-due to changes in Demographic Assumptions	(0.06)	(4.56)
Actuarial (gain) / loss-due to changes in Financial Assumptions	32.38	(9.83)
Actuarial (gain) / loss-due to Experience Adjustments	57.10	7.34
Benefits paid	(18.34)	(65.23)
Present value of benefit obligation at the end of the year	**819.58**	**663.15**

b) Movement in the fair value of defined plan assets are as follows : (₹ in Lacs)

Particulars	Gratuity	
	As at March 31, 2022	As at March 31, 2021
Plan assets at the beginning of the year at fair value	**302.37**	**345.36**
Interest Income	20.71	23.63
Return on plan assets excluding interest income	(3.20)	(3.78)
Contributions from the employer	7.37	2.39
Benefits paid	(18.34)	(65.23)
Plan assets at the end of the year at fair value	**308.91**	**302.37**

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

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of benefit obligation at the end of the period	819.58	663.15
Fair value of plan assets at the end of the period	(308.92)	(302.37)
Net liability / (assets) arising from defined benefit obligation	**510.67**	**360.78**

d) Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses (₹ in Lacs)

Gratuity	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	39.92	41.57
Net Interest Cost	24.71	20.80
Past Service Cost	-	-
Net impact on the Profit / (Loss) before tax	**64.63**	**62.37**
Gain / (Expense) recognised in Other Comprehensive Income		
Return on plan assets excluding actuarial return on plan assets	3.20	3.78
Actuarial (gains) / losses arising from changes in Demographic Assumptions	(0.06)	(4.56)
Actuarial (gains) / losses arising from changes in Financial Assumption	32.38	(9.84)
Experience (gains) / losses arising on Experience Adjustments	57.10	7.34
Net expense recognised in the Other Comprehensive Income before tax	**92.62**	**(3.28)**

e) The defined benefit obligations shall mature after year end March 31, 2022 as follows: (₹ in Lacs)

Gratuity	As at March 31, 2022
1st Following Year	148.40
2nd Following Year	47.43
3rd Following Year	27.87
4th Following Year	88.40
5th Following Year	56.54
Sum of Years 6 to 10	316.88
Sum of Years 11 and above	948.61

f) 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 reporting period, while holding all other assumptions constant.

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Projected Benefit Obligation on Current Assumptions	819.58	663.15
Delta Effect of +1% Change in Rate of Discounting	(56.31)	(45.32)
Delta Effect of -1% Change in Rate of Discounting	64.94	52.20
Delta Effect of +1% Change in Rate of Salary Increase	59.37	47.85
Delta Effect of -1% Change in Rate of Salary Increase	(53.17)	(42.29)
Delta Effect of +1% Change in Rate of Employee Turnover	(2.47)	0.28
Delta Effect of -1% Change in Rate of Employee Turnover	2.73	(0.32)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period 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 reporting period. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

g) 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 date, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

Gratuity	As at March 31, 2022	As at March 31, 2021
Financial Assumptions		
Discount rate	7.23%	6.85%
Salary Escalation Rate		
For next 1 year	8.00%	5.00%
Thereafter starting from 2nd year	8.00%	7.00%
Attrition Rate		
For Service (4 years & below)	15.00%	15.00%
For Service (5 years & above)	2.00%	2.00%
Mortality Tables	Indian Assured Lives Mortality (2012-14)	

h) 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.

II. Other Long Term Employee Benefits

Compensated Absences

The liability towards compensated absences (leave encashment) for the year ended March 31, 2022 based on actuarial valuation carried out by using Projected Unit Credit Method is ₹ 255.41 Lacs . (As at March 31, 2021 : ₹ 230.18 Lacs)

Compensated Absences	As at March 31, 2022	As at March 31, 2021
Financial Assumptions		
Discount rate	7.23%	6.85%
Salary Escalation Rate		
For next 1 year	8.00%	5.00%
Thereafter starting from 2nd year	8.00%	7.00%
Attrition Rate		
For Service (4 years & below)	15.00%	15.00%
For Service (5 years & above)	2.00%	2.00%
Mortality Tables	Indian Assured Lives Mortality (2012-14)	

NOTE - 47 SCHEDULE OF GOVERNMENT GRANT: (REFER NOTE 24 & 31)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance of Grant	**608.77**	**660.58**
Grant Received during the Year	22.62	-
Amortised to the statement of Profit & Loss	(53.02)	(51.81)
Closing balance of Grant	**578.37**	**608.77**
Current	49.35	51.33
Non Current	529.02	557.43
Total	**578.37**	**608.76**

NOTE - 48 DISCLOSURE AS PER IND AS 116

The changes in the carrying value of ROU assets for the year ended March 31, 2022 are as follows : (₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	**1,250.48**	**1,849.93**
Additions	378.66	-
Translation Difference	48.93	(38.17)
Changes on account of lease modification	-	(25.74)
Depreciation	(544.35)	(535.54)
Closing Balance	**1,133.72**	**1,250.48**

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, 2022 is as follows : (₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease Liabilities	382.43	408.74
Non-current lease Liabilities	960.32	1,029.14
Total	**1,342.75**	**1,437.88**

The movement in lease liabilities during the year ended March 31, 2022 is as follows: (₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	**1,437.88**	**1,982.42**
Addition during the year	427.59	-
Finance cost accrued during the period	166.35	190.43
Changes on account of lease modification	-	(25.74)
Payment of lease liabilities	(664.40)	(682.81)
Translation difference	(24.67)	(26.42)
Closing Balance	**1,342.75**	**1,437.88**

The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis are as follows :

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	382.43	408.74
One to five years	960.32	1,029.14
Total	**1,342.75**	**1,437.88**

The Group 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 ₹ 686.63 Lacs for the year ended March 31, 2022 and ₹ 495.45 Lacs for the year ended March 31, 2021.

NOTE - 49 OTHER STATUTORY INFORMATION :

a) The group does not have any transactions with companies struck- off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

b) The group 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 group 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 company 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 group have not traded or invested in Crypto Currency or Virtual Currency during the financial year.

e) The group have 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 group have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

g) The group have complied 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.

h) The group do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

i) The group has not entered into any scheme of arrangement which has an accounting impact on current year or previous year.

j) Borrowing based on security of inventory and book debts :

The group has obtained secured short term loan from banks on basis of security of inventories and book debts (Refer Note 25) wherein the quarterly returns as filed with bank is in agreement with the books except below :

(₹ in Lacs)

Financial Year Ended March 31, 2022	Name of Bank	Particulars of securities provided	Amount as per the books of account	Amount as reported in the quarterly return statement	Amount of Difference	Reason for material discrepancies
Quarter ended June 30, 2021	Refer Note (i)	Inventories	11,617.96	11,617.00	0.96	N.A.
Quarter ended June 30, 2021	Refer Note (i)	Trade Receivables	2,083.40	2,083.00	0.40	N.A.
Quarter ended September 30, 2021	Refer Note (i)	Inventories	8,483.40	8,483.00	0.40	N.A.
Quarter ended September 30, 2021	Refer Note (i)	Trade Receivables	1,898.58	1,908.00	-9.42	N.A.

(₹ in Lacs)

Financial Year Ended March 31, 2021	Name of Bank	Particulars of securities provided	Amount as per the books of account	Amount as reported in the quarterly return statement	Amount of Difference	Reason for material discrepancies
Quarter ended June 30, 2020	Refer Note (i)	Inventories	13,248.66	15,949.00	-2,700.34	Refer Below Note (ii)
Quarter ended June 30, 2020	Refer Note (i)	Trade Receivables	2,149.78	2,150.00	-0.22	N.A.
Quarter ended September 30, 2020	Refer Note (i)	Inventories	10,255.40	12,122.18	-1,866.78	Refer Below Note (ii)
Quarter ended March 31, 2021	Refer Note (i)	Inventories	12,632.72	12,774.39	-141.67	N.A.
Quarter ended March 31, 2021	Refer Note (i)	Trade Receivables	2,116.96	2,289.06	-172.10	N.A.

Note:

(i) Group is having consortium arrangement with Bank of Baroda, State Bank of India, IDBI and Indusind Bank, where lead bank is Bank of Baroda.

(ii) Due to COVID-19 pandemic, submission was done based on provisional data since office was closed and people were working from home.

NOTE - 50

Based on the report received from the Independent Law Firm and Chartered Accountant Firm, the board of directors of Holding Company 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 of Holding Company upon each other except the allegations relating to potential personal expenses claimed as official business expenditure amounting to ₹ 25.33 lacs (for financial year 2017-18 and financial year 2018-19), and ₹ 25.00 lacs (for financial year 2014-15 to financial year 2018-19) by two Promoter Directors of Holding Company respectively for which report / findings are yet to be received. The Board of Directors of Holding Company believe that it shall not have any material financial impact on the financial statements of the Holding Company for the quarter and year ended March 31, 2022.

NOTE - 51

The business of Holding Company has been impacted during the financial year on account of second wave of COVID-19 and the Holding Company has witnessed lower revenues in domestic ice-cream business in April and May 2021 being the peak period of the ice-cream business.

The Holding Company has also assessed the possible impact of COVID-19 in preparation of the standalone financial results, including recoverable value of its financial and non-financial assets and impact on revenues and cost.

The Group has considered internal and external sources of information and based on current estimates, expects to recover the carrying amount of these assets. The impact of COVID-19 may be different from that estimated at the date of the approval of these consolidated financial results and the Group will continue to closely monitor any material changes to the future economic conditions.

NOTE - 52

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 Holding 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 - 53 Segment Information:

The Group is primarily engaged in one business segment namely Food segment as determined by the Chief Operating Decision Maker in accordance with IND AS 108 - "Operating Segment".

NOTE - 54

Previous years' figures have been regrouped and rearranged wherever necessary to comply with requirement of Ind AS.

For Arpit Patel & Associates
Chartered Accountants
ICAI Firm registration number: 144032W

Arpit K Patel
Partner
Membership No.: 034032
Place : Ahmedabad
Date: May 28, 2022

For and on behalf of the Board of Directors

Rajesh R Gandhi
Managing Director
(DIN: 00009879)

Devanshu L Gandhi
Managing Director
(DIN: 00010146)

Kalpit R Gandhi
Director & Chief Financial Officer
(DIN: 02843308)
Place : Ahmedabad
Date: May 28, 2022

Rashmi Bhatt
Company Secretary

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VADILAL INDUSTRIES LTD.

Vadilal House, 53, Shrimali Society, Nr. Navrangpura Railway Crossing,
Navrangpura, Ahmedabad-380009.

Ph. No.: 079-26564019-24 | Email: info@vadilalgroup.com, ib@vadilalgroup.com
Website: www.vadilalicecreams.com, www.vadilalgroup.com, www.vadilalworld.com