



VADILAL DAIRY INTERNATIONAL LTD.

'Gul Manzil', 1st Floor,
14, Dashrathlal Joshi Road,
Vile Parle (West), Mumbai - 400 056
TEL. 022 - 2617 0201 / 2617 0301
FAX : (022) 2617 8843
E-mail : info@vadilal.net
http://www.vadilalicecream.com

o/c

Date: 4th September, 2015

The DSC-CRD,
Bombay Stock Exchange Limited,
Pheeroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai- 400001

Dear Sir/ Madam,

Sub: Submission of Annual Report

Ref: BSE Scrip Code: 519451

With Reference to the Clause 31 of the Listing Agreement, please find enclosed herewith 6 copies of the Annual Report of the Company for the Year 2014-2015, including Notice (Forming part of Annual Report) convening the 28th Annual General Meeting of the Company.

Form A, as required under the aforesaid clause, for Unqualified Annual Audit Report is stated as below:

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the company	Vadilal Dairy International Limited
2.	Annual financial statements for the year ended	31 st March, 2015
3.	Type of Audit observation	Un-qualified

CIN : L15200MH1997PLC107525

Regd. Office : Plot No. M - 13, MIDC, Tarapur, Navapur Road, Boisar, Dist. Palghar - 401 506. Tel.: (02525) 272697 / 272501 Fax : (02525) 273234



Vadilal Dairy International Ltd.



Twenty Eighth Annual Report
2014-15

**CORPORATE INFORMATION:****BOARD OF DIRECTORS**

Shailesh R. Gandhi	: Managing Director (Executive, Non-Independent)
Subhashchandra P. Patil	: Director (Non-Executive, Independent)
Vishnu D. Barhate	: Director (Non-Executive, Independent)
Prakash O. Mankar	: Director (Non-Executive, Independent)
Rahil S. Gandhi	: Whole-time Director (Executive, Non-Independent)
Bela S. Gandhi	: Director (Executive, Non-Independent)

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. UDAY A. SAWANT
E-mail: cs@vadilal.net

STATUTORY AUDITORS

M/s. VINOD K. MEHTA & CO.
B-5, Satyam Shopping Centre,
2nd Floor, M. G. Road,
Ghatkopar (East), MUMBAI - 400077

REGISTERED OFFICE

Plot No. M-13, MIDC Ind. Area,
Tarapur, Boisar - 401506
Tel No: 02525-272501 / 272697
Fax No.: 02525-273234
Website: <http://blackcurrant.in/vadilal/index.php>

BANKERS

HDFC Bank Limited
Federal Bank
Bank of India

REGISTRAR AND SHARE TRANSFER AGENTS

SHAREX DYNAMIC (INDIA) PVT. LTD.
Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool, Andheri (E),
Mumbai-400 072

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As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

TWENTY EIGHTH ANNUAL GENERAL MEETING

Day: Wednesday

Date: 30th September, 2015

Time: 12.00 Noon

Venue: Plot No. M-13, MIDC Industrial Area, Tarapur, Boisar - 401506

ATTENTION

Shareholders are requested to please note that pursuant to recent changes in applicable laws and regulations, in order to receive and participate in all corporate actions of the Company, you are requested to:-

- Inform our Registrar/Depository Participants, if not already done earlier, for updating details of your PAN number. Non-submission of PAN number is a cause of rejection especially by shareholders holding securities in physical form.
- Inform your Depository Participants, to reactivate your account for credit actions. Frozen Demat Accounts may lead to non-credit/delayed credit of securities allotted to your account.
- Update your address with Registrar/Depository Participants to ensure timely receipt of shareholder communication.



NOTICE

Notice is hereby given that the TWENTY EIGHTH Annual General Meeting of **VADILAL DAIRY INTERNATIONAL LIMITED** will be held at Plot no. M-13, MIDC, Industrial Area Tarapur, Boisar- 401506, on Wednesday, 30th September, 2015 at 12.00 Noon to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider & adopt the Audited Balance Sheet as at 31st March 2015 and Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Shailesh R. Gandhi (DIN: 01963172), who retires by rotation and being eligible, offers himself for re-appointment.
3. **Ratification of Auditors' Appointment**

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 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to resolution passed by the members at the Twenty-Seventh Annual General Meeting (AGM) held on September, 29, 2014 in respect of appointment of auditors, M/s. **Vinod K. Mehta & Co**, Chartered Accountants, (Registration No. 111508W) till the conclusion of AGM to be held in the year 2017, the Company hereby ratifies and confirms the appointment of M/s. **Vinod K. Mehta & Co**, as Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the Twenty-Ninth AGM of the Company to be held in the year 2016 to examine and audit the accounts of the Company on such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

**For and on behalf of the Board
For VADILAL DAIRY INTERNATIONAL LIMITED
Sd/-**

**Shailesh R. Gandhi
Managing Director
DIN: 01963172**

Place: Mumbai
Date: 14th August, 2015

Registered Office:
Plot no. M-13, MIDC Ind. Area,
Tarapur, Boisar, Maharashtra
Thane: 401506

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND, AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE, NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, PARTNERSHIP FIRMS, ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE, ISSUED BY THE MEMBER ORGANIZATION.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 24th September, 2015 to Wednesday, 30th September, 2015 (both days inclusive) for the purpose of Annual General Meeting, pursuant to the provisions of Section 91 of the Companies Act, 2013.
3. (a) Members are requested to notify change of address, if any, with PIN CODE number and quote reference of their Folio Number/s.
(b) In case your mailing address mentioned on this Annual Report is without the PIN CODE then you are requested to inform your PIN CODE immediately.
4. Members are requested to quote Folio Numbers in all correspondences.
5. Documents referred to in the accompanying Notice are open for inspection at the Registered Office of the



Company during office hours on all working days except holidays between 10.00 a.m. to 12.00 noon up to the date of Annual General Meeting.

6. In case you intend to raise any query in the forthcoming Annual General Meeting you are requested to please forward the same at least 7 days before the date of the meeting to the Registered Office, so that the same may be attended to your entire satisfaction.
7. Members are requested to bring their attendance slip along with copy of Annual Report to the Meeting.
8. SEBI has made it mandatory for every participant in the securities/capital market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with a photocopy of both sides of the PAN card, duly attested, to the Registrar and Share Transfer Agents of the Company i.e. Sharex Dynamic (India) Private Limited.
9. Members desiring any information are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the Meeting.
10. Information & other instructions relating to E-Voting:
 - (i) In compliance with the provisions of Section 108 of the Act and the Rules framed there under and Clause 35B of the listing agreement, Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. In order to enable its Members, who do not have the access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for Ballot Forms are given at the back of the said Form and instructions for e-voting are given herein below. Resolution(s) passed by the Members through Ballot Forms or e-voting is/are deemed to have been passed as if they have been passed at the Annual General Meeting.
 - ii) The Board of Directors have appointed Mr. Suhas S. Ganpule, Practicing Company Secretary, (Membership No. ACS 12122), as the Scrutinizer to scrutinize the voting by remote e-voting process (i.e. casting of votes using electronic voting system from place other than the venue of the Meeting) and the Ballot Form received from the Members in a fair and transparent manner.
 - iii) Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
 - iv) Completed Ballot Forms should reach the Scrutinizer not later than the close of working hours i.e. at 5.00 p.m. on Tuesday, September 29, 2015. Ballot Forms received after this date will be considered as invalid.
 - v) In case a Member is desirous of obtaining a duplicate Ballot Form or having any query/grievance pertaining to the Ballot process can write to the Company at its registered office Plot No. M-13, MIDC Ind. Area, Tarapur, Boisar – 401506 or to the email ID cs@vadilal.net. Duly completed and signed duplicate Ballot Form should, however, reach the Scrutinizer not later than the close of working hours on Tuesday, September 29, 2015. Ballot Forms received after this date will be treated as invalid.

The Procedure / Instructions for e-voting are as under:

- (i) The voting period begins on **27/09/2015** at 9.00 A.M. and ends on **29/09/2015** at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **23/09/2015**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.



- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is printed in the attendance slip in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If 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 (iv)

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **Vadilal Dairy International Limited** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - 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 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.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

1. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
2. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
3. Mr. Suhas Ganpule, a Practicing Company Secretary, (Membership No. 12122; Certificate of Practice No. 5722) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The Scrutinizer shall within a period not exceeding 3(three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
5. The Results shall be declared on the date of AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website <http://blackcurrant.in/vadilal/index.php> and on the website of CDSL within 3 (three) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
6. The members are requested to:
 - i. Intimate to the Registrars / Company, changes if any, in their registered address at an early date along with the pin code number;
 - ii. Quote Registered Folio / Client ID & DP ID in all their correspondence;
 - iii. Dematerialise the shares held in physical form at the earliest as trading in the Equity Shares of the Company shall be only in dematerialised form for all the investors.

For and on behalf of the Board
For VADILAL DAIRY INTERNATIONAL LIMITED
Sd/-

Shailesh R. Gandhi
Managing Director
DIN: 01963172

Place: Mumbai
Date: 14th August, 2015

Registered Office:
Plot no. M-13, MIDC Ind. Area,
Tarapur, Boisar, Maharashtra
Thane: 401506

**DIRECTORS' REPORT**

To

The Members,

Vadilal Dairy International Limited

Your Directors have pleasure in presenting the TWENTY EIGHTH Annual Report for the financial year ended on 31st March, 2015.

1. FINANCIAL HIGHLIGHTS:**(Rs. in lakhs)**

PARTICULARS	2014-2015	2013-2014
Profit Before Depreciation and Financial Charges	531.22	123.53
Less: Depreciation	89.59	43.01
Financial Charges	5.71	10.05
Profit before Exceptional Items and Tax	435.91	70.38
Exceptional Items	-	-
Profit Before Tax	435.91	70.38
Provision for Deferred Tax (Asset)	10.55	28.11
Current Tax	38.00	-
Profit After Tax	387.36	98.48
Profit/(Loss)brought forward from last year	(394.74)	(493.22)
Opening Written Down Value of Plant & Machinery on expiry of useful life of the fixed assets in view of Schedule II of Companies Act, 2013.	0.95	--
Amount available for Appropriation	(8.34)	(394.74)
Appropriations:		
- Dividend	--	--
- Corporate Dividend Tax	--	--
- Transferred to General Reserve	--	--
Surplus carried to Balance Sheet	(8.34)	(394.74)

2. STATE OF COMPANY'S AFFAIRS:

The Company achieved the total revenue of Rs.4081.00/- lakhs as against Rs.2659.55/- lakhs achieved during the previous year ended on 31st March, 2014.

The Profit for the year was Rs. 387.36/- lakhs as against the Profit of Rs.98.48 lakhs during the previous year.

The Company's EPS is Rs. 12.13 compared to Rs. 3.08 of the previous year.

3. BUSINESS OUTLOOK:

The Company expects to maintain its performance in F.Y.2015-16 and hopes to grow at a rate faster. The approach would be to continue with the growth momentum while balancing risk.

4. BOARD FOR INDUSTRIAL & FINANCIAL RECONSTRUCTION:

The Company has been registered with BIFR (Board for Industrial & Financial Reconstruction) since 19.06.2000. The BIFR has sanctioned a Rehabilitation Scheme for the Company (SS-07) vide their Order dated 31.10.2007.

5. DIVIDEND:

In order to conserve the resources and for further growth, the Company does not propose to pay any dividend.



6. TRANSFER TO RESERVES:

The Board does not propose transfer of any amount to Reserves.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no Material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date by or of the report like settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases against the company, sale or purchase of capital assets or destruction of any assets etc.

8. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired economically, used efficiently and adequately protected.

The Company, through its own, independent Internal Audit Department, carries out periodic audits at all locations and functions based on the annual audit plan (keeping in mind various key risks) approved by the Audit Committee, and inter alia, tests the design, adequacy and operating effectiveness of the internal controls. Significant observations including recommendation for improvement of business processes are reviewed by the Management before reporting to the Audit Committee, which reviews the Internal Audit reports, and monitors the implementation of audit recommendations.

9. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company does not have any Subsidiary Company

The details of Associate Companies are:

Sr. No.	Name of Company	CIN No.
1	Bela Investment And Finance Company Private Limited	U65990MH1992PTC069347
2	Rahil Dairy Industries Private Limited	U15200MH1993PTC071809

10. PREVENTION OF SEXUAL HARASSMENT:

The Company has formed Committee “Women Dispute Redressal Committee.”

Prevention of Sexual harassment Policy can be viewed on Company’s website on the link: <http://blackcurrant.in/vadilal/index.php>

11. DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

12. BOARD MEETINGS:

During the year under review, Nine Board Meetings were convened and held.

Details of the composition of the Board and its Committees and of the Meetings held, attendance of the Directors at such Meetings and other relevant details are provided in the Corporate Governance Report.

13. DIRECTORS:

A) CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

I. CESSATION:

None of the Director was ceased from their Office during the Year 2014-15

**II. RETIREMENT BY ROTATION:**

Pursuant to the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Shailesh R. Gandhi, Managing director (DIN: 01963172) of the Company, retire by rotation at this Annual General Meeting, and being eligible, offers himself for re-appointment.

III. APPOINTMENT:

1. Mr. Rahil S. Gandhi has been appointed as Whole Time Director of the Company with effect from 1st October, 2014 for the period of 5 Years i.e. 1st October, 2014 to 30th September, 2019 with Remuneration of Rs. 12 Lakhs per annum.
2. Mrs. Bela S. Gandhi has been appointed as an Additional Director of the Company w.e.f. 14th August, 2014 upto the date of Annual General Meeting held of 29/09/2014. Further, the Appointment of Mrs. Bela S. Gandhi was regularized in the Annual General Meeting.
3. During the Year Mr. Uday Sawant was appointed as a Company Secretary (Key Managerial Personnel) and Compliance Officer of the Company on 22nd December, 2014 pursuant to Listing Agreement and Companies Act, 2013.

B) DECLARATION BY AN INDEPENDENT DIRECTOR(S):

The Company has complied with the definition of Independence as per Clause 49 of the Listing Agreement and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

C) FORMAL ANNUAL EVALUATION:

In terms of the provisions of the Act, the Board has carried out annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee (NRC) and Stakeholders Relationship Committee (SRC).

D) REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy may be accessed on the Company's website at the link: <http://blackcurrant.in/vadilal/index.php>

14. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

All new Independent Directors (IDs) inducted into the Board are given an orientation. Presentations are made by Executive Directors (EDs) and Senior Management giving an overview of our operations, to familiarise the new IDs with the Company's business operations. The new IDs are given an orientation on our products, group structure, Board constitution and procedures, matters reserved for the Board, and our major risks and risk management strategy. Details of familiarization program are provided in <http://blackcurrant.in/vadilal/index.php>

15. COMPANY SECRETARY AND COMPLIANCE OFFICER:

During the year Mr. Uday Sawant was appointed as a Company Secretary (Key Managerial Personnel) and Compliance Officer of the Company on 22nd December, 2014 pursuant to Listing Agreement and Companies Act, 2013

16. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;



- iv) they have prepared the annual accounts on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were generally operating effectively;
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

17. MANAGERIAL REMUNERATION:

Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The Ratio of the remuneration of each Director to the Median of the employees of the Company for the financial Year:

Director	Ratio
Shailesh R. Gandhi	12.94
Rahil S. Gandhi	3.83

Note: The Independent Directors do not receive any remuneration except sitting fees.

- 2. There was no increase in the remuneration of any Director or Key Managerial Personal
- 3. The percentage increase in the median remuneration of the employees in the financial year was 118.76%.
- 4. As on 31st March there were total of 120 employees on the roll of the Company.
- 5. Increase in remuneration depends upon factors like Company performance, Bench Marking, Inflationary trends, talent availability and turnover apart from the individual performance of employees.
- 6. Comparison of Average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration:

Particulars	% change in Remuneration
Average increase in salary of employees(other than managerial personnel)	118.86
Average increase in remuneration of managerial personnel	--

7. Comparison of each remuneration of key managerial personnel against the performance of the Company:

Particulars	Shailesh R. Gandhi Managing Director	Rahil S. Gandhi Whole-Time Director	Prakash C. Mistry Chief Financial Officer	Uday A. Sawant Company Secretary & Compliance Officer
Remuneration in F.y. 2014-15 (Rs.)	30,00,000	8,88,000	8,57,072	34,147
Revenue	393,591,213			
Remuneration of each KMP as % of total revenue	0.762	0.225	0.222	0.008
Profit before tax	43,591,087			
Remuneration of each KMP as a % of PBT	6.882	2.037	2.012	0.078

18. STATUTORY AUDITORS:

M/s. **Vinod K. Mehta & Co**, Chartered Accountants (Registration No. 111508W), were appointed as Auditors of the Company, to hold office from the conclusion of Twenty Seventh Annual General Meeting till the conclusion of the thirtieth Annual General Meeting (subject to ratification in every Annual General Meeting of the Company) at such remuneration as shall be fixed by the Board of Directors of the Company."



19. SECRETARIAL AUDIT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed SG & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure B"

20. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section which forms, part of the Annual Report.

21. EXTRACT OF THE ANNUAL RETURN:

The Extract of Annual Return is attached to this Report in Form MGT-9 as "Annexure C".

22. CORPORATE GOVERNANCE REPORT:

The Company is committed to maintain the highest standard of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has also implemented several best Corporate Governance Practices as prevalent globally.

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company confirming compliance with the condition of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report.

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

The particulars relating to conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134 (3(m)) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to the conservation of energy and technology. The same is attached in "Annexure A".

24. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES:

The Company has a vigil mechanism and has adopted Whistle Blower Policy to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

25. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186.

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments made by company are given in notes to the financial statements.

**27. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of every contract or 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 transactions under third proviso thereto shall be disclosed in Form No. AOC-2 in this Report as “**Annexure D.**”

28. RISK MANAGEMENT POLICY:

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

29. AUDITOR'S REPORT:

The following clarification has been made by the Directors in respect of the observation as emphasis of matter made by the Auditors in their Report for the Year ended on 31st March, 2015:-

Regarding observation on Note No. 4.3.2(c) and 5, the Board clarifies that the company has made provision in respect of principal amount of VAT claimed by VAT Department, Govt. of Maharashtra for the period from 01.04.2007 till 31.03.2012 amounting to Rs.6.81 crore approx., though as per the provisions of SS-07 sanctioned by Hon'ble BIFR, the company was allowed exemption from payment of VAT during the said period. The company's application for issuance of directions to VAT Department, Govt. of Maharashtra to provide the said exemption to the company as per SS-07 is still under the consideration of the Hon'ble BIFR and (that the company is confident that Hon'ble BIFR will allow the said application of the company). The provision of principal dues was made in the respective years out of abundant caution and without prejudice to the right of the Company to reverse the same after receipt of favourable order from Hon'ble BIFR. Interest on the amount of VAT claimed, as estimated at Rs.3.75 crore approx., has, however, not been provided in the books of accounts in view of the provisions of SS-07 and pendency of the application of company before Hon'ble BIFR and the same shall be provided, if so required in the unlikely event of disallowance of the relief, as provided in SS-07, by Hon'ble BIFR or any higher authority / court.

30. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

31. STATUTORY DISCLOSURES:

None of the Director's of your Company is disqualified as per the provisions of Section 164(1) of the Companies Act, 2013. Your Directors have made necessary disclosures, as required under the various provisions of the Act and Clause 49 of the Listing Agreement.

32. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR:

The Nomination and Remuneration Committee has formulated a policy relating to the appointment, remuneration and removal of Executive Directors, Key Managerial Personnel and Other Senior Management Personnel of the Company in accordance with the provisions of Section 178 of the Act. The Remuneration policy is made available on the website of the Company at the link:<http://blackcurrant.in/vadilal/index.php>"



33. ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, bankers, regulatory bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance of the Company during the year.

**For and on behalf of the Board
For VADILAL DAIRY INTERNATIONAL LIMITED**

Sd/-

Sd/-

**Shailesh R. Gandhi
Managing Director
DIN: 01963172**

**Subhaschandra P. Patil
Director
DIN: 01872909**

Place: Mumbai

Date: 14th August, 2015

ANNEXURE 'A' TO DIRECTORS' REPORT

Particulars required under the Companies (Disclosure of particulars in the report of Board of Director(s) Rules), 1988.

A) CONSERVATION OF ENERGY:

- i) Energy conservation measures taken optimum utilization of cold storage, switching off power supply at intervals for cold storages whenever temperature reaches the desired level and switching off power supply whenever not required in office premises.
- ii) Additional investment and proposals for reduction of consumption of energy.
 - a) Improving system power factor by adding capacitors.
 - b) Replacing existing machines/equipments with more productive energy efficient machines/equipments.
- iii) Impact of measures of two points above for reduction energy consumption and consequent impact on the cost of production of goods. The measures taken have resulted in savings in the cost of production.
- iv) Total energy consumption & energy consumption per unit of production (Form 'A').



FORM – A
(SEE RULE -2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY: (Details required from them)

A) POWER & FUEL CONSUMPTION	CURRENT YEAR 2014-15	PREVIOUS YEAR 2013-14
1. Electricity		
a) Purchase unit	1914714	1773448
Total amount (Rs.)	14526664	13024224
Rate/ Unit (Rs.)	7.59	7.34
b) Own generation		
i) Through diesel generation unit	Nil	Nil
Units per litre of diesel	Nil	Nil
Cost/unit (Rs.)	Nil	Nil
ii) Through Steam Turbine /Generator units	Nil	Nil
Units per Litre of fuel oil/ Gas	Nil	Nil
2 Coal (Specify Quality & where used)		
Quantity (Tones)	Nil	Nil
Total Cost (Rs.)	Nil	Nil
Average Rate (Rs.)	Nil	Nil
3 Furnace Oil / LDO		
Qty. (K. Litres)	25	25
Total cost (Rs.)	1560113	1443765
Average Rate (Rs.)	62.16	57.98
4 Other/Internal Generation		
Qty (units)	Nil	Nil
Total cost (Rs.)	Nil	Nil
Rate /Unit (Rs.)	Nil	Nil
Consumption per liter of production	2014-15	2013-14
Product	Electricity	Electricity
	(Kwh/Ltrs.)	(Kwh/Ltrs.)
Ice cream	0.46	0.48

B) RESEARCH & DEVELOPMENT:

a. Specific areas in which R & D carried out by the Company:

The R & D efforts of the Company are directed towards process Development, energy conservation, pollution control, efficiency Improvement and quality upgradation.

b. Benefits derived as a result of the above R & D:

Improvement in quality and material utilization.

c. Future Plan of Action:

Continuation of the present work in R & D for introduction of new Products and processes improvement in the existing products and processes in the areas in which the Company is operating.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

There was no foreign exchange outgoing for the year ended on 31st March, 2015 (P.Y. Nil).



ANNEXURE 'B' TO DIRECTORS' REPORT

Form No. MR-3

Secretarial Audit Report

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

Secretarial Audit Report

For the Financial Year ended 31st March, 2015

To,

The Members,

Vadilal Dairy International Limited,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vadilal Dairy International Limited (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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 has 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 financial year ended on 31st March, 2015 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- V. Other laws applicable to the Company as per the representations made by the Company. We have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards with respect to Board and general meetings of The Institute of Company Secretaries of India which are not in force as on the date of this report.
 - (ii) The Factories Act, 1948.
 - (iii) The Payment of Wages Act, 1936.
 - (iv) The Minimum Wages Act, 1948
 - (v) The Employees' State Insurance Act, 1948



- (vi) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952.
- (vii) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,

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

- a) Secretarial Standards by The Institute of Company Secretaries of India. The same was not notified by the ICSI till 31st March, 2015.
- b) The Listing Agreements entered into by the Company with BSE.
- c) Since the Company is still registered with the **Board for Industrial and Financial Reconstruction (BIFR)**, compliance with the respect to Sick Industrial Companies (Special Provisions) Act, commonly known as the SICA.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All the decisions were carried out unanimously by the members of the Board and Committees and the same were duly recorded in the minutes of the meeting of the Board of Directors and Committees of the Company.

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.

I further report that during the audit period, there were no instances of:

Public / Rights / Preferential issue of shares / debentures / sweat equity.

- i. Buy-Back of securities.
- ii. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- iii. Merger / amalgamation / reconstruction etc.
- iv. Foreign technical collaborations

This Report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this Report.

**For SG and Associates,
Company Secretaries**

Sd/-

**Suhas Ganpule,
Proprietor,
Membership No: 12122
C. P No: 5722**

Date: 14th August, 2015

Place: Mumbai



Annexure A of Secretarial Audit Report

To,

The Members,

Vadilal Dairy International Limited.

Boisar

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. 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 record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, 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 obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For SG and Associates,
Company Secretaries**

Sd/-

**Suhas Ganpule,
Proprietor,
Membership No: 12122
C. P No: 5722**

Date: 14th August, 2015

Place: Mumbai



ANNEXURE 'C' TO DIRECTORS' REPORT

<p>EXTRACT OF ANNUAL RETURN As on financial year ended 31.03.2015 [Pursuant to Section 92(3) of the Companies act, 2013 read with [The Companies (Management and Administration) Rules, 2014] FORM NO. MGT-9</p>

A. REGISTRATION AND OTHER DETAILS:

CIN:-	L15200MH1997PLC107525
Registration Date:	20/07/1987
Name of the Company:	Vadilal Dairy Intl Ltd.
Category / Sub-Category of the Company	Category : Public Company Sub- Category : Limited by shares
Address of the Registered office and contact details:	Plot No. M-13, MIDC Industrial Area, Tarapur, Boisar- 401506 Contact No.- 02525272501 / 02525272697
Whether listed company	YES
Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Private Limited Address: Unit 1, Luthra Ind. Premises, 1st Floor, 44-E, M- Vasanti Marg, Andheri- Kurla Rd. Safed Pool, Andheri (East) Telephone No: 022-22641376/ 22702485

B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service% to total turnover of the company	% to total turnover of the company
a.	Ice Cream and Frozen Deserts	1520	100%

C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% to total turnover of the company
a	Bela Investment And Finance Company Private Limited	U65990MH1992PTC069347	Associate	NIL
b	Rahil Dairy Industries Private Limited	U15200MH1993PTC071809	Associate	NIL

D. SHARE HOLDING PATTERN

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2014				No. of Shares held at the end of the year 31/03/2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTER'S									
(1). INDIAN									
(a). individual	0	2501430	2501430	78.313	0	2501430	2501430	78.313	0
(b). Central Govt.	0	0	0	0	0	0	0	0	0
(c). State Govt(s).	0	0	0	0	0	0	0	0	0



(d). Bodies Corpp.	0	459830	459830	14.396	0	459830	459830	14.396	0
(e). FIINS / BANKS.	0	0	0	0	0	0	0	0	0
(f). Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	0	2961260	2961260	92.709	0	2961260	2961260	92.709	0
(2). FOREIGN									
(a). Individual NRI / For Ind	0	0	0	0	0	0	0	0	0
(b). Other Individual	0	0	0	0	0	0	0	0	0
(c). Bodies Corporates	0	0	0	0	0	0	0	0	0
(d). Banks / FI	0	0	0	0	0	0	0	0	0
(e). Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(f). Any Other Specify	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0	2961260	2961260	92.709	0	2961260	2961260	92.709	0
(B) (1). PUBLIC SHAREHOLDING									
(a). Mutual Funds	0	0	0	0	0	0	0	0	0
(b). Banks / FI	0	50000	50000	1.565	0	50000	50000	1.565	0
(c). Central Govt.	0	0	0	0	0	0	0	0	0
(d). State Govt.	0	16700	16700	0.523	0	16700	16700	0.523	0
(e). Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f). Insurance Companies	0	0	0	0	0	0	0	0	0
(g). FIs	0	0	0	0	0	0	0	0	0
(h). Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i). Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	66700	66700	2.088	0	66700	66700	2.088	0
2. Non-Institutions									
(a). BODIES CORP.									
(i). Indian	0	6990	6990	0.219	0	6990	6990	0.219	0
(ii). Overseas									
(b). Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	0	131250	131250	4.109	0	131250	131250	4.109	0
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	0	27950	27950	0.875	0	27950	27950	0.875	0
(c). Other (specify)									
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0



Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Boodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	166190	166190	5.203	0	166190	166190	5.203	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	232890	232890	7.291	0	232890	232890	7.291	0
C. Shares held by Custodian for GDRs & ADRs									0
Grand Total (A+B+C)	0	3194150	3194150	100.00	0	3194150	3194150	100.00	0

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2014			Share holding at the end of the Year 31/03/2015			% change in share holding during theyear
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	SHRI SHAILESH R GANDHI	7760	0.243		7760	0.243		
2	S R GANDHI (H U F)	65900	2.063		65900	2.063		
3	SMT BELA S GANDHI	7500	0.235		7500	0.235		
4	BELA INVT & FINANCE CO LTD	123500	3.866		123500	3.866		
5	SHAILESH R GANDHI	127	0.004		127	0.004		
6	SHAILESH R GANDHI	41673	1.305		41673	1.305		
7	BELA S GANDHI	68469	2.144		68469	2.144		
8	SHRI SHAILESH R GANDHI	1	0		1	0		
9	BELA INVESTMENTS & FINANCE CO	146330	4.581		146330	4.581		
10	SHAILESH R GANDHI	1850000	57.918		1850000	57.918		
11	BELA S GANDHI	460000	14.401		460000	14.401		
12	BELA INVESTMENT & FINANCE CO LTD.	190000	5.948		190000	5.948		



(iii) Change in Promoters' Shareholding (please specify, if there is no change)

There are no changes in Promoter' Shareholding during the Financial Year 2014-2015.

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

SI No.	Name	No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company]
1	STATE IND & INVT CORPN OF MAH LTD - Closing Balance	16700	0.523	4/1/2014 3/31/2015			16700	0.523
2	KANTILAL CHUNILAL CHOKSHI - Closing Balance	490	0.015	4/1/2014 3/31/2015			490	0.015
3	PRISM FINANCE LTD. - Closing Balance	620	0.019	4/1/2014 3/31/2015			620	0.019
4	ARTI A VIRANI - Closing Balance	1010	0.032	4/1/2014 3/31/2015			1010	0.032
5	PERSIS A KHAMBATTA - Closing Balance	650	0.02	4/1/2014 3/31/2015			650	0.02
6	K SIYER - Closing Balance	570	0.018	4/1/2014 3/31/2015			570	0.018
7	KINETIC FINCAP LIMITED - Closing Balance	490	0.015	4/1/2014 3/31/2015			490	0.015
8	UNION BANK OF INDIA - Closing Balance	50000	1.565	4/1/2014 3/31/2015			50000	1.565
9	WINDIA INFRASTRUCTURE FINANCE LTD - Closing Balance	3250	0.102	4/1/2014 3/31/2015			3250	0.102

(v) Shareholding of Directors and Key Managerial Personnel:

SI No.		Shareholding at the beginning of the year 01/04/2014		Cumulative Shareholding during the year 31/03/2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2435530	76.23	--	--
	At the End of the year	--	--	2435530	76.23



V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	--	6420000	--	6420000
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	6420000	--	6420000
Change in Indebtedness during the financial year				
• Addition	48,60,000	53816500	--	58676500
• Reduction	--	7760000	--	7760000
Net Change	48,60,000	46056500	--	50916500
Indebtedness at the end of the financial year				
i) Principal Amount	48,60,000	52476500	--	57336500
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not	80414	--	--	80414
Total (i+ii+iii)	4940414	52476500	--	57416914

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		SHAILESH GANDHI	RAHIL GANDHI	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,00,000	888,000	38,88,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission			
	- as % of profit	--	--	--
	- others, specify...	--	--	--
5	Others, please specify	--	--	--
	Total (A)	30,00,000	888,000	38,88,000
	Ceiling as per the Act	As per Companies Act ceiling limit is 42 lakhs approx.		

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Not Applicable



B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Vishnu Barhate	Prakash Mankar	Subhaschandra Patil	
1.	Independent Directors				
	• Fee for attending board / committee meetings	22,500	22,500	22,500	67,500
	• Commission				
	• Others, please specify				
	Total (1)	22,500	22,500	22,500	67,500
2.	Other Non-Executive Directors	--	--	--	--
	• Fee for attending board / committee meetings	--	--	--	--
	• Commission	--	--	--	--
	• Others, please specify	--	--	--	--
	Total (2)	--	--	--	--
	Total (B)=(1+2)	22,500	22,500	22,500	67,500
	Total Managerial Remuneration	22,500	22,500	22,500	67,500
	Overall Ceiling as per the Act	Non Executive Directors are not being paid remuneration except sitting fees which is within the limits prescribed under the Act."			

Note: Apart from Sitting Fees, Independent Directors are not receiving any other Remuneration or other Commission or perquisites from the Company.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	34,147	8,57,072	8,91,219
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NA	--	--	--
2	Stock Option	NA	--	--	--
3	Sweat Equity	NA	--	--	--
4	Commission				
	- as % of profit				
	- others, specify...	NA	--	--	--
	Others, please specify	NA	--	--	--
	Total	NA	34,147	8,57,072	8,91,219



ANNEXURE D TO 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.

SL. No.	Particulars	Details		
		Name	Nature of Relationship	
	Name (s) of the related party & nature of relationship	1. Rahil Dairy Industries Private Limited	Associate	
		2. Bela Investment and Finance Company Private Limited	Associate	
		3. S. R. Gandhi (HUF)	Associate	
		4. Loan from : b) S.R. Gandhi (HUF)	Associate	
		3. Loan from Directors: a) Shailesh Gandhi b) Bela Gandhi c) Rahil Gandhi	Director	
		4. Loan repaid: a) S.R. Gandhi (HUF)	Associate	
		4. Loan repaid: a) Shailesh Gandhi b) Bela Gandhi c) Rahil Gandhi	Director	
		5. Remuneration to Directors: 1. Shailesh Gandhi 2. Rahil Gandhi	Director	
	Duration of the contracts/ arrangements/transaction	Annually		
	Salient terms of the contracts or arrangements or transaction including the value, if any	Name	Nature of Transactions	Value
		1. Bela Investment and Finance Company Private Limited	1. Royalty paid to Bela Investment and Finance Company Private Limited	7,166,869
			2. Process Hire Charges paid to Bela Investment and Finance Company Private Limited	1,20,000
		2. S. R. Gandhi (HUF)	1. Loan taken	200,000
			2. Loan repaid	200,000
		a) Shailesh Gandhi b) Bela Gandhi c) Rahil Gandhi	Loan taken	32,125,000 21,191,500 500,000
		a) Shailesh Gandhi b) S.R. Gandhi (HUF) c) Bela Gandhi d) Rahil Gandhi	Loan repaid	340,000 200,000 5,620,000 15,00,000
		1. Shailesh Gandhi 2. Rahil Gandhi	Remuneration to Directors:	3,000,000 888,000
	Justification for entering into such contracts or arrangements or transactions'	For Business purposes		
	Date of approval by the Board	14th February, 2014		
	Amount paid as advances, if any	NIL		
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable		

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- Same as above

**For and on behalf of the Board
For VADILAL DAIRY INTERNATIONAL LIMITED**

**Sd/-
Shailesh R. Gandhi
Managing
DIN: 01963172**

**Sd/-
Subhaschandra P. Patil
Director Director
DIN: 01872909**

**Place: Mumbai
Date: 14th August, 2015**



MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis Report form a part of the Annual Report of the Company. It indicates the Company's movement in the external environment Vis-a -Vis its own strengths and resources.

1 PERFORMANCE OF THE COMPANY:

With the Management's efforts and improvements in the working of the organization, the Company was able to earn a Net Profit of Rs **387.36** Lakhs in comparison to the Net Profit of Rs. **98.48** Lakhs in the previous year.

2 STRATEGY:

The Company has introduced new varieties of ice cream in more attractive packs and has made them available with the Company's stockiest/dealers. The Company's policy of innovative scheme to attract consumers will be continued.

3 BUSINESS OUTLOOK:

The Company expects to maintain its performance in F.Y.2015-16 and hopes to grow at a rate faster. The approach would be to continue with the growth momentum while balancing risk.

4 THREATS:

- 1 Marketing will be the most problematic area where improvements are called for Continuous quality improvement will be the need of the hour for which urgent measures are called for from all stakeholders.
- 2 Increasing competition from other manufactures and foreign Companies will be a major problem. Now-a-days the markets are flooded with new local and regional players with cheaper products. There are few concerns like rising infrastructure and input costs, which the Company should take in mind.

5 INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has a compact organization Structure which helps it run business operation smoothly. The Company has adequate internal control system, commensurate with the size and nature of its operations. The scope of the internal audit is to ensure that the control system established by the management is correctly implemented.

All assets and resources are used efficiently and are adequately protected. All internal policies and statutory guidelines are complied with. There is accuracy in timing of financial reports and management information.

Audit Committee, the details of which has been provided in the Corporate Governance Report has been entrusted with detailed terms of reference to review and look into proper recording of transactions and preparation of financial statement. One of the important functions of the Audit Committee is to review the adequacy of internal control systems and compliance thereof.

6 HUMAN RESOURCE DEVELOPMENT:

The Company's progress is largely attributed to the wholehearted support from its manpower. The technical team were constantly challenged for quality performance and expected to work with an entrepreneurial spirit on the project.

7 CAUTIONARY STATEMENT:

Statements made in the Management Discussion and analysis describing business outlook, projections, opportunities and threats, etc. may be "forward looking statement" within the meaning of the applicable securities, laws and regulations. Actual results could differ from those expressed or implied. Readers are hence advised not to place undue reliance on these statements and are advised to conduct their own investigation and analysis of the information contained or referred to in this section before taking any action with regard to their own specific objections. Further, the discussion herein reflects the perception on major issues as on date and opinions expressed herein are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report, consequent to any new information, future event or otherwise.

For and on behalf of the Board
For VADILAL DAIRY INTERNATIONAL LIMITED
Sd/-

Place: Mumbai
Date: 14th August, 2015

Shailesh R. Gandhi
Managing Director
DIN: 01963172

**REPORT ON CORPORATE GOVERNANCE****1 COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The foundation on which the super structure of Corporate Governance rests is in the "The Theory of Trusteeship". The shareholders while placing their capital in the hands of Board of Directors put them in the fiduciary capacity. The Trustees, in turn are required to run the business with **TRANSPARENCY, FULL DISCLOSURE, FAIRNESS to all and INDEPENDENT MONITORING AND SUPERVISION** which enables the Company to perform efficiently and maximize long term value for shareholders. This is the essence of '**GOOD CORPORATE GOVERNANCE**'. It also puts in place and enhances the trust of creditors, employees, suppliers, customers and public at large.

At Vadilal Dairy International Ltd. it is also considered as a business necessity and thus it has ensured:

- * A strong team of non executive directors.
- * Capable and result oriented management team.
- * Due importance to compliance of laws, rules and regulations.
- * Appropriate internal control systems and procedures to effectively monitor the role of the management and the affairs of the Company.

This year's annual report has made substantial disclosures on the Board of Directors, Financial and Stock performance which are as follows:-

2 BOARD OF DIRECTORS:

- i. The Board of Directors of the Company not only oversees the management functions but also supervises, directs and manages the performance of the Company.

The Board has constituted various committees of Directors', for the matters requiring special attention and their effective and efficient disposal.

- ii. The Board of Directors of the Company consisted of Six Directors including a Managing Director. Out of Six Directors, Three are Non-Executive Independent Directors. The said composition complies with clause 49 of the Listing Agreement entered into with Stock Exchange.

- iii. Details of the Directors constituting the Board, their attendance at the Board Meetings of the Company and the last Annual General Meeting are as follows:

Sr. No	Name of Director	Designation	Attendance in Board meetings		Attendance in last AGM held on 29 th September, 2014
			Held	Attended	
1.	Mr. Shailesh R. Gandhi	Managing Director, Non- Independent (Chairman)	9	9	Yes
2.	Mr. Subhashchandra P. Patil	Non-Executive Independent Director	9	9	Yes
3.	Mr. Vishnu D. Barhate	Non-Executive Independent Director	9	9	No
4.	Mr. Rahil S. Gandhi	Executive Non-Independent Director	9	9	Yes
5.	Mr. Prakash O. Mankar	Non-Executive Independent Director	9	9	Yes
6.	Bela Shailesh Gandhi	Executive Non-Independent Director	9	9	Yes

Note: None of the Directors are related except Mr. Shailesh R. Gandhi, Mr. Rahil S. Gandhi and Bela Gandhi.

Non-Executive Director means an 'Independent Director' who apart from receiving Director's remuneration does not have any material pecuniary relationship or transactions with the Company, its promoters, its directors, its management or its subsidiaries and associates and nor is a substantial shareholder of the Company, which may affect independence of the Director.

As stipulated under Clause 49 (II) (D) of the Listing Agreement, none of the Director is a Member of more than 10



Committees or a Chairman of more than 5 Committees across all the companies in which he is a Director. (Committees being Audit Committee and the Shareholder's Relationship Committee)

- iv. Nine Board Meetings were held during the year and the gap between two meetings did not exceed 120 days. The dates on which the said meetings were held are as follow:

Sr. No.	Date of Board Meeting
1	10 th April, 2014
2	13 th June, 2014
3	28 th June, 2014
4	14 th August, 2014
5	23 rd August, 2014
6	28 th August, 2014
7	14 th November, 2014
8	22 nd December, 2014
9	14 th February, 2015

- v. Code of Conduct

The Company has framed a code of conduct for the members of the Board of Directors and Senior Management personnel of the Company. A certificate from the Managing Director affirming compliance of the said Code by the Board Members and Senior Management personnel is annexed separately to this report.

Details of Directors seeking Appointment/ Re-appointment at the Annual General Meeting.

Name of Director	Shailesh R. Gandhi
Date of Appointment	24/04/1997
Qualification	Diploma in Dairy Technology
Nature of expertise in specific functional areas	Production & Marketing of Dairy Products
List of other Companies in which Directorship held as on 31st March, 2015	1. Rahil Dairy Industries Private Limited 2. Bela Investment And Finance Company Private Limited
Membership/Chairmanship of Committees of other public companies (includes only Audit Committee and Shareholder's Relationship Committee)	NIL

4. COMMITTEES OF THE BOARD

As of 31st March, 2015, your Company has three committees. They are:

- **Audit Committee**
- **Stakeholders Relationship Committee**
- **Nomination and Remuneration Committee**

a) Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchange read with Section 177 of the Companies Act, 2013.

Objective:

The Audit Committee reviews, acts and reports to the Board of Directors, inter-alia, with respect to:



- discussion and review of quarterly, half yearly and annual financial results;
- review of the adequacy of the internal control system with the Management, Internal Auditors and Statutory Auditors;
- review of Company's financial reporting processes, changes in the Accounting Policies and its compliance with regulatory guidelines;
- review of financial and risk management system;
- recommendation for appointment of Statutory Auditors and the remuneration payable to them.

The Committee also reviews the observations of the Internal and Statutory Auditors along with the comments and action taken thereon by the management and invites senior executives to its meetings as and when necessary.

Composition & Meetings:

The Audit Committee is composed of Executive / Non-Executive Independent Directors as per the requirement of Clause 49 of the Listing Agreement. The members of the Audit Committee have requisite financial, legal and management expertise.

During the year under review four meetings of the Audit Committee were held on:

	28 th June, 2014	14 th August, 2014	14 th November, 2014	14 th February, 2015
Sr. No	Name of Director	Designation	Attendance in Audit Committee meetings	
			Held	Attended
1	Mr. Vishnu D. Barhate	Non-Executive Independent Director	4	4
2	Mr. Shailesh R. Gandhi	Executive Non-Independent Director	4	4
3	Mr. Subhashchandra P. Patil	Non-Executive Independent Director (Chairman)	4	4

b) Stakeholders' Relationship Committee:

Objective:

The Company has a Stakeholders' Relationship Committee which reviews & approves:

- issue of Duplicate Share Certificates;
- matters connected with transfer/credit of Securities
- redressal of Investors' / Shareholders' complaints related to non-receipt of declared dividend, transfer of shares, non-receipt of annual reports, non receipt of duplicate share certificates, etc.
- carrying out the secretarial audits.

Composition & Meetings:

During the year under review two meetings of Stakeholders' Relationship Committee were held on 14th August, 2014 & 14th February, 2015.

The composition of the Stakeholders' Relationship Committee and the attendance record of the members of the Committee at the Meetings are given below:



Sr. No.	Name of Director	Designation	Attendance in Shareholders'/ Investors' Grievance Committee meetings	
			Held	Attended
1.	Mr. Prakash O. Mankar	Non-Executive Independent Director (Chairman)	2	2
2.	Mr. Subhashchandra P. Patil	Non-Executive Independent Director	2	2
3.	Shailesh R. Gandhi	Executive Non-Independent Director	2	2

During the year 2 shareholders complaint were received. As at 31st March 2015, no complaint remained to be resolved. There were no share transfers pending for registration for more than 15 days.

Compliance Officer

Mr. Uday Sawant

Vadilal Dairy International Ltd.
Plot No. M-13, MIDC Industrial Area,
Tarapur, Boisar, Maharashtra.

c) Nomination & Remuneration Committee & Director's Remuneration:

Objective:

The broad terms of reference of the Remuneration Committee are as under:

- to review and approve the Company's policy on remuneration packages for the Chairman, Managing Director and other Senior Management of the Company including pension rights and any compensation payment;
- to review and approve the minimum and maximum remuneration payable to such Directors in terms of such provisions as may be in force from time to time;
- to review and approve the commission and/or other incentive payable to Non-Executive Directors of the Company;
- Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend/approve.

Composition & Meetings:

The composition of the Remuneration Committee is as under and the attendance record of the members of the Committee at the Meetings is given below:

During the year under review, on Remuneration Committee meeting was held 14th August, 2014 & 14th February, 2015.

Sr. No.	Name of Director	Designation	Attendance in Remuneration Committee meetings	
			Held	Attended
1.	Mr.Subhashchandra P. Patil	Non-Executive Independent Director (Chairman)	2	2
2.	Mr. Vishnu D. Barhate:	Non-Executive Independent Director	2	2
3.	Mr. Prakash O. Mankar	Non-Executive Independent Director	2	2

Independent Directors Meeting:

During the year under review, the Independent Directors met on 14th August, 2014, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
- Evaluation of the performance of the Managing Director of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the meeting.

**4. General Body Meetings:**

The details of the date, time and location for the last three Annual General Meetings (AGM) including Extra-ordinary General Meeting (EGM) are as follows:

YEAR	AGM/EGM	LOCATION	DATE & TIME
2011-2012	25 th AGM	Plot no. M-13, MIDC, Industrial Area Tarapur, Boisar, Thane-401506, Maharashtra	September 28, 2012 11.30 AM.
2012-2013	EGM	Plot no. M-13, MIDC, Industrial Area Tarapur, Boisar, Thane-401506, Maharashtra	March 30, 2013 10.00 A.M.
2012-2013	26 th AGM	Plot no. M-13, MIDC, Industrial Area Tarapur, Boisar, Thane-401506, Maharashtra	September 30 th , 2013 11.30 A.M.
2013-2014	EGM	Plot no. M-13, MIDC, Industrial Area Tarapur, Boisar, Thane-401506, Maharashtra	November 14 th , 2013 11.00 AM.
2013-2014	27 th AGM	Plot no. M-13, MIDC, Industrial Area Tarapur, Boisar, Thane-401506, Maharashtra	September 29 th , 2014 12.00 Noon

Details of Special Resolutions passed during the last 3 General Meetings:

Financial Year	Special Resolutions passed for:
2011-2012	NOT APPLICABLE
2012-2013	NOT APPLICABLE
2013-2014	<u>In EGM held on 14th November, 2013.</u> <ol style="list-style-type: none"> To appoint M/s Vinod K. Mehhta & Co., as the Statutory Auditors of the Company in place of M/s B.V. Shah and Associates. To fix salary of Mr. Rahil S. Gandhi as per the provisions of section 314(1) of the Companies Act, 1956.
2013-2014	<u>In AGM held on 29th September, 2014</u> <ol style="list-style-type: none"> To adopt new Articles of Association of the Company in conformity with Companies Act, 2013. To fix the limits of borrowings pursuant to section 180(1)(c) of the Companies Act, 2013.

5. DISCLOSURES:

The Company has received disclosures from Directors/ Key Managerial Personnel where they and/or their relatives have personal interest. None of the transactions with related parties are in conflict with the interests of the Company at large.

Related Party Transactions:

In terms of Accounting Standard AS-18, details of Related Party Transactions during the year have been set out under notes to financial statements. However, these are not having any potential conflict with the interest of the Company at large.

Compliance by the Company:

There is no non compliance by the Company or any penalties, structures imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

Whistle Blower Policy and Access of personnel to the Audit Committee:

The Company has adopted Whistle Blower Policy. The Company's personnel have direct access to the Chairman of the Audit Committee in cases which concerns about unethical behavior, frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee.

Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:



The Company has complied with the mandatory requirements of the Corporate Governance Clause of Listing Agreement. The Company has not implemented the non-mandatory requirements.

6. MEANS OF COMMUNICATION:

Financial Results

The Quarterly Un-Audited Results and the Annual Audited Financial results of the company are sent to the stock exchanges immediately after they are approved by the Board and are also published in one vernacular news paper viz. "Nava Shakti" and one English news paper viz. "Free Press Journal". Also they are uploaded on the company's website <http://blackcurrant.in/vadilal/index.php>. The results are published in accordance with the guidelines of the Stock Exchanges.

7. Management Discussion and Analysis:

Management Discussion and Analysis Report forms a part of the Annual Report for the year 2014-15.

8. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

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 the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under.

During the Financial Year 2014-2015, the Company has not received any complaints of sexual harassment.

9. General Shareholder information:

Annual General Meeting

Date	30 th September, 2015
Time	12.00 Noon.
Place	Plot No. M-13, MIDC Ind.Area, Tarapur, Boisar, Maharashtra Thane -401506.
Financial Year	2014-15
Book Closure	24 th September, 2015 to 30 th September, 2015
Dividend Payment Date	Nil
Listed on Stock Exchange	Bombay Stock Exchange
Stock Code	519451
Demat ISIN No. in CDSL	INE159T01016
Listing fees paid:	NIL
Registrar and Transfer Agents	Sharex Dynamic (India) Private Limited. Unit No. 1, Luthra Ind. Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai - 400072 Tel: (022) 2851 5606/ 2851 5644 Fax No. 2851 2885 Email: sharexindia@vsnl.com

Share Transfer System:

Shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. The total number of shares transferred in physical form during the year 2014-15 was 4 shares.

Postal Ballot:

For the year ended March 31, 2015 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.



Stock Market Price Data:

(SUSPENDED)

Monthly high and low at the Stock Exchange, Mumbai for financial year ended 31st March 2015

Month	High Rs.	Low Rs.	Sensex	Month	High	High Rs.	Sensex
Apr. 2014			22,939.31	Oct. 2014			27,894.32
May. 2014			25,375.63	Nov. 2014			28,822.37
Jun. 2014			25,725.12	Dec. 2014			28,809.64
Jul. 2014			26,300.17	Jan. 2015			29,844.16
Aug. 2014			26,674.38	Feb. 2015			29,560.32
Sep. 2014			27,354.99	Mar. 2015			30,024.74

Distribution of Shareholding as on 31st March, 2015:

No. of Equity shares held	No of Shareholders	%of Shareholders	No of shares	%to Total
Upto 100	5353	98.27	116631	3.65
101-200	52	0.95	8017	0.25
201-500	24	0.44	7620	0.24
501-1,000	3	0.06	1840	0.06
1,001-5,000	2	0.04	4260	0.13
5,001-10,000	2	0.04	15260	0.48
10,001-1,00,000	6	0.11	270692	8.47
1,00,001- Above	5	0.09	2769830	86.72
Total	5447	100.00	3194150	100.00

Categories of Shareholding as on 31st March, 2015:

Category	Shareholders		Shares	
	Number	% to total	Number	% to Capital
Promoters, Relatives of Directors (Individuals / Hindu Undivided Family)	9	0.17	2501430	78.31
Promoters (Body Corporate)	3	0.06	459830	14.40
Banks / Financial Institutions	1	0.02	50000	1.57
Central Government / State Government(s)	1	0.02	16700	0.52
Insurance Companies, Mutual Funds & UTI	-	-	-	-
Bodies Corporate	51	0.94	6990	0.22
NRIs / OCBs	-	-	-	-
Indian Public	5382	98.81	159200	4.99
Others	-	-	-	-
Total	5447	100	3194150	100

Dematerialization of shares and liquidity:

The Company has established required connectivity with Central Depository Services (India) Limited and the same are available in electronic segment under ISIN No. INE159T01016. 31, 94,150 Equity Shares representing 100% had been dematerialized as on 31st March, 2015.



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

There is no GDR/ADR/Warrant or any Convertible Instruments pending conversion or any other instrument likely to impact the equity share capital of the Company.

Plant Locations: Plot No, M-13, MIDC Industrial Area, Tarapur, Boisar- 401506.

Address for Correspondence:

Sharex Dynamic (India) Private Limited.

Unit No. 1, Luthra Ind. Premises,
Andheri Kurla Road, Safed Pool, Andheri (E),
Mumbai - 400072 Tel: (022) 2851 5606/ 2851 5644
Fax No. 2851 2885 Email: sharexindia@vsnl.com

**For and on behalf of the Board
For VADILAL DAIRY INTERNATIONAL LIMITED
Sd/-**

**Shailesh R. Gandhi
Managing Director
DIN: 01963172**

Place: Mumbai
Date: 14th August, 2015



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

Vadilal Dairy International Limited

We have examined the compliance of conditions of Corporate Governance by **VADILAL DAIRY INTERNATIONAL LIMITED**. ("The Company") for the year ended 31st March, 2015, as stipulated by Clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement 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, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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.

For Vinod K. Mehta & Co.

Chartered Accountants

Firm Registration No. : 111508W

Sd/-

Divyesh V. Mehta

(Partner)

M.No. 044293

Place: Mumbai

Date: 14th August, 2015



MANAGING DIRECTORS'/ CFO CERTIFICATION

We, to the best of our knowledge and belief, certify that-

- a. We have reviewed financial statements and the cash flow statements for the year ended March 31, 2015 and that to the best of our knowledge and belief;
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 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 we have taken or propose to take to rectify these deficiencies.
- d. We have disclosed, based on our evaluation wherever applicable, to the Auditors and the Audit Committee that;
 - i. There were no material deficiencies in internal controls over financial reporting during the year;
 - ii. All the significant changes in accounting policies during the year, if any, have been disclosed in the notes to the financial statements; and
 - iii. There were no instances of significant fraud of which we are aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Vadilal Dairy International Limited

Sd/-

Sd/-

Place: Mumbai
Date: 14th August, 2015

Shailesh R. Gandhi Prakash Mistry
Managing Director CFO
DIN: 01963172



**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND
SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

The Board of Directors of Vadilal Dairy International Limited has adopted Code of Conduct to be followed by all Members of the Board and Senior Management Personnel of the Company respectively in compliance with the revised Clause 49 of the Listing Agreement with the Stock Exchanges where the shares of the Company are listed.

I confirm that the Company has in respect of the financial year ended 31st March, 2015, received from the Senior Management Team of the Company and the Members of the Board a declaration of Compliance with the Code of Conduct as applicable to them.

As provided under Clause 49 of the Listing Agreement executed with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2015.

**For and on behalf of the Board
For Vadilal Dairy International Limited
Sd/-**

Place: Mumbai
Date: 14th August, 2015

**Shailesh R. Gandhi
Managing Director
DIN: 1963172**

**INDEPENDENT AUDITORS' REPORT****To the Members of VADILAL DAIRY INTERNATIONAL LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of Vadilal Dairy International Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and the financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015, its profit/loss and its cash flows for the year ended on that date.

Emphasis of Matter

Attention is invited to Note No 4.3.2. (c) and 5 of the Notes forming part of the Financial statement. Same has been prepared on going concern basis for reasons stated there in. Our report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters Specified in paragraphs 3 and 4 of the Order.



8. As required by section 143(3) of the Act, we further report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014
 - e) on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act
 - f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements-Refer Note No.4.3.2. (c) and 5 to the Financial statement.
 - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
 - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For Vinod K Mehta & Co.,
Chartered Accountants
Firm Registration No. : 111508W

Sd/-
Divyesh V Mehta
Partner
Membership No.:044293

Place: Mumbai
Date: 30th May, 2015



Annexure referred to in paragraph 7 Our Report of even date to the members of Vadilal Dairy International Limited on the accounts of the company for the year ended 31st March, 2015

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. **In respect of its fixed assets:**
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b. As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
2. **In respect of its inventories:**
 - c. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
 - d. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - e. In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. As explained to us, the discrepancies noticed in physical verification of the stock as compared to book records were not material and the same have been properly dealt with in the books of accounts.
3. The company has not granted loans to parties covered under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed or reported.
5. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013
6. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act
7. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, , Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India ;
 - (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Service Tax, Sales Tax and Excise Duty which have not been deposited on account of any disputes
 - (c) According to the information and explanation given to us, undisputed amounts payable in respect of income tax, wealth tax, customs duty, excise duty and cess and various other authorities were in arrears as at 31.03.2015 for a period of more than six months from the date they became payable is as follows :

Sr. No	Name of the Statute	Name of the Dues	Amount (in Lakhs)	Period to which the amounts relates
1	The Maharashtra Value Added Tax, 2002	MVAT	218.11	2011-12
2	The Income Tax Act 1961	Fringe Benefit Tax	1.09 0.72	AY 2008-09 AY 2009-10
3	The Central Excise Act, 1944	Excise Duty	2.12	March 99 - June 99
4	The Income Tax Act, 1961	Income Tax	0.19 0.36	1992-93 2007-08



- (d) According to the information and explanation given to us, following are the various disputed liabilities against which appeals are pending with various statutory authorities:

Sr. No	Name of the Statute	Nature of dues	Amount of Dispute (Net) (In Lakhs)	Period to which the amounts relates	Forum where dispute is pending
1	The Bombay Sales Tax Act and The Central Sales Tax Act	Sales Tax	43.05	1992-93	Maharashtra Sales Tax Tribunal and Bombay High Court.
			12.60	1993-94	
			25.88	1995-96	
			1.50	1999-00	
			0.29	2000-01	
			0.10	2001-02	
	The Maharashtra Value Added Tax and Central Sales Tax Act	MVAT & CST including interest	140.28	2005-06	Joint Commissioner of Sales Tax (Appeals)
			172.86	2006-07	
			157.92	2007-08	
			9.53	2008-09	
		27.32	2009-10		
		34.55	2010-11		
	Interest on MVAT Dues	375.84	2007-12	Board for Industrial Financial Reconstruction (BIFR) - Refer Note 1	
2	The Income Tax Act, 1961	Income Tax	19.73	2003-04	Income Tax Appellate Tribunal

Note 1: The BIFR has granted various reliefs and concessions in its order necessary for rehabilitation of the Company. One of such concessions was granted in the form of exemption from Payment of Sales Tax/ VAT for a period of 5 years from cut-off date of the scheme i.e. 31.03.2007 during rehabilitation period. This concession was denied by the Sales Tax Authority of the State Government of Maharashtra during the financial year 2011-12. Against this denial the Company has filed appeal with the BIFR praying to direct the Sales Tax Authorities to grant relief to the Company. The final judgment is yet to be ordered by the BIFR.

- (e) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise
8. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
 9. The company has not defaulted in repayment of dues to financial institutions and banks.
 10. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution during the year.
 11. The company has not obtained any term loans during the year.
 12. During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management

For Vinod K Mehta & Co.,
Chartered Accountants
Firm Registration No. : 111508W

Sd/-
Divyesh V Mehta
Partner
Membership No.:044293

Place: Mumbai
Date: 30th May, 2015



BALANCE SHEET AS AT 31ST MARCH, 2015

	Particulars	Note No.	2015 ₹	2014 ₹
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2.1	31,941,500	31,941,500
	(b) Reserves and surplus	2.2	2,916,194	(35,724,988)
2	Non-current liabilities			
	(a) Long-term borrowings	2.3	52,476,500	6,911,134
	(b) Deferred tax liabilities (net)	-	-	-
	(c) Other long-term liabilities	2.4	46,310,796	78,946,120
	(d) Long-term provisions	2.5	2,693,811	12,700,594
3	Current liabilities			
	(a) Short-term borrowings	2.6	4,940,414	-
	(b) Trade payables	2.7	47,581,458	43,502,718
	(c) Other current liabilities	2.8	9,156,838	8,936,453
	(d) Short-term provisions	2.9	12,940,361	5,781,137
	TOTAL		210,957,871	152,994,668
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	2.10	89,475,318	56,465,474
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		5,097,939	205,189
	(iv) Intangible assets under development		-	-
	(v) Fixed assets held for sale		-	-
	(b) Non-current investments	2.11	800,000	800,000
	(c) Deferred tax assets (net)		1,755,512	2,810,561
	(d) Long-term loans and advances	2.12	36,829,668	36,384,714
	(e) Other non-current assets		-	-
2	Current assets			
	(a) Current investments	2.13	1,700,000	1,700,000
	(b) Inventories	2.14	43,960,476	43,405,367
	(c) Trade receivables	2.15	9,705,036	1,282,897
	(d) Cash and cash equivalents	2.16	19,998,500	8,631,687
	(e) Short-term loans and advances	2.17	819,082	573,920
	(f) Other current assets	2.18	816,339	734,859
	TOTAL		210,957,871	152,994,669
	Significant Accounting Policies	7		
	The accompanying notes are an integral part of the financial statements			

As per our report of even date

For VINOD K MEHTA & Co.

Chartered Accountants

Firm Registration No. : 111508W

Sd/-

DIVYESH V MEHTA

(Partner)

M.No.: 044293

Place: Mumbai

Date: 30th May, 2015

For and on behalf of the Board of Directors

Sd/-

SHAILESH R. GANDHI
MANAGING DIRECTOR

DIN: 01963172

Sd/-

PRAKASH MISTRY
CFO

Sd/-

S. P. PATIL
DIRECTOR

DIN: 01872909

Sd/-

UDAY SAWANT
CS



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Particulars	Note No.	2015 ₹	2014 ₹
A	CONTINUING OPERATIONS			
1	Revenue from operations (net)	3.1	393,591,213	263,466,675
2	Other income	3.2	14,509,160	2,488,092
3	Total revenue (1+2)		408,100,373	265,954,767
4	Expenses			
	(a) Cost of materials consumed	3.3	201,442,976	169,700,972
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade"	3.4	(840,632)	(2,125,732)
	(d) Employee benefits expense	3.5	28,052,399	15,557,414
	(e) Finance costs	3.6	571,313	1,005,566
	(f) Depreciation and amortisation expense		8,959,634	4,301,676
	(g) Other expenses	3.7	126,323,596	70,477,912
	Total expenses		364,509,286	258,917,808
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		43,591,087	7,036,959
6	Exceptional items		-	-
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		43,591,087	7,036,959
8	Extraordinary items		-	-
9	Profit / (Loss) before tax (7 ± 8)		43,591,087	7,036,959
10	Tax expense:			
	(a) Current tax		3,800,000	-
	(b) Deferred tax		1,055,049	2,810,561
11	Profit / (Loss) from continuing operations (9 ± 10)		38,736,038	9,847,520



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Particulars	Note No.	2015 ₹	2014 ₹
B	DISCONTINUING OPERATIONS			
12. i	Profit / (Loss) from discontinuing operations (before tax)		-	-
12. ii	Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		-	-
12. iii	Add / (Less): Tax expense of discontinuing operations		-	-
	(a) on ordinary activities attributable to the discontinuing operations		-	-
	(b) on gain / (loss) on disposal of assets / settlement of liabilities		-	-
13	Profit / (Loss) from discontinuing operations (12.i + 12.ii + 12.iii)		-	-
14	Profit / (Loss) for the year (11 + 13)		38,736,038	9,847,520
15	Earnings per share (of `10 /- each):			
	(a) Basic			
	(i) Continuing operations		12.13	3.08
	(ii) Total operations		12.13	3.08
	(b) Diluted			
	(i) Continuing operations		-	-
	(ii) Total operations		-	-
	Significant Accounting Policies	7		
	The accompanying notes are an integral part of the financial statements			

As per our report of even date

For VINOD K MEHTA & Co.

Chartered Accountants

Firm Registration No. : 111508W

Sd/-

DIVYESH V MEHTA

(Partner)

M.No.: 044293

Place: Mumbai

Date: 30th May, 2015

For and on behalf of the Board of Directors

Sd/-

SHAILESH R. GANDHI
MANAGING DIRECTOR

DIN: 01963172

Sd/-

PRAKASH MISTRY
CFO

Sd/-

S. P. PATIL
DIRECTOR

DIN: 01872909

Sd/-

UDAY SAWANT
CS



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	2015		2014	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		38,736,038		7,036,959
<u>Adjustments for:</u>				
Depreciation and amortisation	8,959,634		4,301,676	
Finance costs	571,313		1,005,566	
Interest income	(663,656)		(398,469)	
Dividend income	(210,000)		(650,000)	
Rental income from investment properties	(180,000)		(240,000)	
Liabilities /provisions no longer required written back	(12,829,753)		(51,949)	
Provsion for Taxation	3,800,000			
Discount Income	(108,067)		(37,682)	
Deferred Tax	1,055,049	394,520		3,929,143
Operating profit / (loss) before working capital changes		39,130,558		10,966,101
<u>Adjustments for -</u>				
Trade and Other Receivables	(9,193,735)		(9,697,571)	
Inventories	(555,109)		13,039,839	
Trade and Other Payables	-13821962	-23570806	(13,171,461)	(9,829,193)
Net cash flow from / (used in) operating activities (A)		15,559,752		1,136,908
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(46,862,228)		(10,837,600)	
Proceeds from sale of Investments	-		349,929	
Interest received	-		398,469	
Dividend received	210,000		650,000	
Rental income from investment properties	180,000		240,000	
Net cash flow from / (used in) investing activities (B)		(51,680,163)		3,965,608



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	2015		2014	
	₹	₹	₹	₹
C. Cash flow from financing activities				
Proceeds from long-term borrowings	42,186,947		(6,284,663)	
Finance cost	(571,313)		(1,005,566)	
Net cash flow from / (used in) financing activities (C)		41,615,633		(7,290,229)
Net increase / (decrease) in				
Cash and cash equivalents (A+B+C)		5,495,222		(2,187,712)
Cash and cash equivalents at the beginning of the year		5,410,216		7,597,928
Cash and cash equivalents at the end of the year		10,905,438		5,410,216
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet	5,410,216		7,597,928	
Net Cash and cash equivalents	5,495,222		(2,187,712)	
Cash and cash equivalents at the end of the year	10,905,438		5,410,216	
Cash And cash equivalent comprises of:				
(a) Cash on hand	454,339		188,413	
(b) Balances with banks				
(i) In current accounts	10,451,099	10,905,438	5,221,803	5,410,216
See accompanying notes forming part of the financial statements				

As per our report of even date

For VINOD K MEHTA & Co.

Chartered Accountants

Firm Registration No. : 111508W

Sd/-

DIVYESH V MEHTA

(Partner)

M.No.: 044293

Place: Mumbai

Date: 30th May, 2015

For and on behalf of the Board of Directors

Sd/-

SHAILESH R. GANDHI
MANAGING DIRECTOR

DIN: 01963172

Sd/-

PRAKASH MISTRY
CFO

Sd/-

S. P. PATIL
DIRECTOR

DIN: 01872909

Sd/-

UDAY SAWANT
CS



Note 2.1 - Share capital

Particulars	2015		2014	
	Number of shares	₹	Number of shares	₹
(a) Authorised				
Equity shares of ₹10 each with voting rights	10,000,000	100,000,000	10,000,000	100,000,000
13.5% Non cumulative redeemable preference shares of ₹100 each	5,000,000	50,000,000	5,000,000	50,000,000
Total	15,000,000	150,000,000	15,000,000	150,000,000
(b) Issued				
Equity shares of ₹10/- each with voting rights	3,194,150	31,941,500	3,194,150	31,941,500
(c) Subscribed and fully paid up				
Equity shares of ₹10/- each with voting rights	3,194,150	31,941,500	3,194,150	31,941,500
Total	3,194,150	31,941,500	3,194,150	31,941,500

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	2015		2014	
	Number of shares	₹	Number of shares	₹
Equity Shares				
Opening Balance	3,194,150	31,941,500	3,194,150	31,941,500
<u>Changes made during the year</u>				
Fresh Issue	0	0	0	0
Closing Balance	3,194,150	31,941,500	3,194,150	31,941,500

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	2015		2014	
	Number of shares	% holding in that class of shares	Number of shares	% holding in that class of shares
Equity shares with voting rights				
Shailesh R.Gandhi	1,899,561	59.47	1,899,561	59.47
Bela S.Gandhi	535,969	16.78	535,969	16.78
Bela Investment & Finance Co. Ltd.	459,830	14.40	459,830	14.40
Total	2,895,360	90.65	2,895,360	90.65

**Note 2.2 - Reserves and surplus**

Particulars	2015 ₹	2014 ₹
(a) Capital reserve		
Opening balance	3,750,000	3,750,000
Closing balance	3,750,000	3,750,000
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(39,474,988)	(49,322,508)
Add: Profit / (Loss) for the year	38,736,038	9,847,520
Amounts transferred from:		
Plant and Machinery profit and loss appropriation	(94,856)	
Closing balance	(833,806)	(39,474,988)
Total	2,916,194	(35,724,988)

Note 2.3 - Long-term borrowings

Particulars	2015 ₹	2014 ₹
(a) Loans and advances from related parties		
Secured	-	-
Unsecured (from Directors)	52,476,500	6,911,134
Total	52,476,500	6,911,134

**Note 2.4 - Other long-term liabilities**

Particulars	2015 ₹	2014 ₹
(a) Trade Payables:		
(i) Acceptances	54,590	3,335,113
(b) Deposits from customers	20,102,167	28,421,000
(c) Others:		
(i) Vat Payable	21,810,689	42,634,590
(ii) Debtors credit under protest	4,131,281	4,131,281
(iii) Excise Duty (highest MRP)	212,069	424,137
	26,154,039	47,190,008
Total	46,310,796	78,946,120

Note 2.5 - Long-term provisions

Particulars	2015 ₹	2014 ₹
(a) Provision for gratuity (net)	2,066,203	1,637,452
(b) Provision - Others:		
Provision for FBT	627,608	627,608
Provision for Excise Duty	-	10,376,999
Provision for Expenses	-	58,535
Sub Total	627,608	11,063,142
Total	2,693,811	12,700,594



Note 2.6 - Short Term Borrowings

Particulars	2015 ₹	2014 ₹
Loan against Security of Fixed Deposits: (Secured)		
From Bank	4,940,414	-
Total	4,940,414	-

Note 2.7 - Trade payables

Particulars	2015 ₹	2014 ₹
Trade payables:		
Acceptances	47,581,458	43,502,718
Total	47,581,458	43,502,718

Note 2.8- Other current liabilities

Particulars	2015 ₹	2014 ₹
(a) <u>Other payables</u>		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	5,618,454	4,575,251
(ii) Others	3,538,384	4,361,202
Total	9,156,838	8,936,453

Note 2.9 - Short-term provisions

Particulars	2015 ₹	2014 ₹
(a) Provision for employee benefits:		
(i) Provision for leave encashment	4,069,350	3,518,836
(b) Provision - Others:		
(i) Provision for bonus	1,736,460	1,721,189
(ii) Provision for audit fees	-	-
(iii) Provision for expenses	3,334,551	541,112
(iii) Provision for taxation	3,800,000	-
	8,871,011	2,262,301
Total	12,940,361	5,781,137



Note 2.10 - Fixed assets

Sr. No.	Particulars	Gross Block at cost				Depreciation				Net Block	
		As on 01.04.2014	Addition	Deductions/ Adjustment	As on 31.03.2015	As on 01.04.2014	For the year	Deductions/ Adjustment	As on 31.03.2015	As on 31.03.2014	As on 31.03.2015
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	TANGIBLE ASSETS										
1	LEASEHOLD LAND	2,249,100	-	-	2,249,100	489,738	24,290	-	514,028	1,759,362	1,735,072
2	BUILDING	15,796,977	677,543	-	16,474,520	10,485,435	474,837	-	10,960,272	5,311,542	5,514,248
3	PLANT & MACHINERY	87,024,441	40,620,196	-	127,644,637	37,980,434	8,332,022	624,825	45,687,631	49,044,007	81,957,006
4	FURNITURE & FIXTURES	1,163,525	-	-	1,163,525	1,089,762	11,239	795	1,100,206	73,763	63,319
5	OFFICEEQUIPMENTS	1,345,082	36,780	-	1,381,862	1,068,283	117,246	9,339	1,176,190	276,799	205,672
	TOTAL	107,579,125	41,334,519	-	148,913,644	51,113,651	8,959,634	634,959	59,438,326	56,465,474	89,475,318
	Previous Year	96,946,713	10,632,412	-	107,579,125	46,811,975	4,301,676	-	51,113,651	50,134,738	56,465,474

**Note 2.11 - Non-current investments**

Particulars	2015 ₹	2014 ₹
(i) Investment In equity Instrument		
Shares Of Sicom (Unquoted)	800,000	800,000
Total	800,000	800,000

Note 2.12 - Long-term loans and advances

Particulars	2015 ₹	2014 ₹
(a) Security deposits		
Unsecured, considered good	36,829,668	36,384,714
Total	36,829,668	36,384,714

Note 2.13 - Current investments

Particulars	2015 ₹	2014 ₹
(i) Investment in equity instruments (Quoted)		
Shares Of BOB (Quoted: Market Value as on 31/3/15- ₹163.50 lakh)	1,700,000	1,700,000
Total	1,700,000	1,700,000

Note 2.14 - Inventories

Particulars	2015 ₹	2014 ₹
(i) Raw Materials And Packing Materials (At Cost)	32,029,614	32,691,735
(ii) Finished goods (At cost or net realisable value, whichever is lower)	9,408,722	8,568,090
(iii) Stores and spares (At cost)	2,522,140	2,145,542
Total	43,960,476	43,405,367

**Note 2.15 - Trade receivables**

Particulars	2015 ₹	2014 ₹
(a) Trade receivables outstanding for a period not exceeding six months from the date they were due for payment. Unsecured, considered good	7,307,221	-167,551
(b) Trade Receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good	2,397,815	1,450,448
Total	9,705,036	1,282,897

Note 2.16 - Cash and cash equivalents

Particulars	2015 ₹	2014 ₹
(a) Cash on hand	454,339	188,413
(b) Balances with banks		
(i) In current accounts	10,451,099	5,221,803
(ii) Bank Fixed Deposits	9,093,062	3,221,471
Total	19,998,500	8,631,687

Note 2.17 Short-term loans and advances

Particulars	2015 ₹	2014 ₹
(a) Loans and advances to employees Unsecured, considered good	819,082	573,920
Total	819,082	573,920

Note 2.18 - Other current assets

Particulars	2015 ₹	2014 ₹
(a) Accruals		
(i) Interest accrued on deposits	-	112,364
	-	112,364
(b) Others		
TDS on FDR interest	520,444	467,600
TDS on interest	39,967	26,796
TDS on rent	90,000	72,000
Prepaid Expenses	165,928	56,099
	816,339	622,495
Total	816,339	734,859

**Note 3.1 - Revenue from operations**

Particulars	2015 ₹	2014 ₹
(a) Sale of products (Refer Note (i) below)	40,10,45,546	26,94,05,332
Less:		
Excise duty	80,40,186	72,48,589
Net Sales	39,30,05,360	26,21,56,743
(b) Other operating revenues (Refer Note (ii) below)	5,85,853	13,09,932
Total	39,35,91,213	26,34,66,675

Notes

Particulars	2015 ₹	2014 ₹
(i) Sale of products comprises of :		
Ice Cream Sales	40,10,45,546	26,94,05,332
(ii) Other operating revenues comprise of:		
Sale of scrap	585853	13,09,932

Note 3.2 - Other income

Particulars	2015 ₹	2014 ₹
(a) Dividend income:		
From non current investments	2,10,000	6,50,000
(b) Interest income comprises:		
Interest from banks on Fixed deposits	5,31,944	2,73,620
MSEB Deposits	1,31,712	1,24,849
(c) Other non-operating income comprises:		
Rental income from Cold Storage Facility	1,80,000	2,40,000
Sundry balance written back	22,99,362	51,949
Excess provision written back	1,04,35,535	
Discount Income	1,08,067	37,682
Miscellaneous Income	6,12,540	11,09,992
Total	1,45,09,160	24,88,092



Note 3.3 - Cost of materials consumed

Particulars	2015 ₹	2014 ₹
(a) Material consumed comprises:		
(i) Packing Material		
Opening stock	1,04,59,550	1,89,15,950
Add: Purchases(Refer Note (i)a)	5,11,51,401	3,17,27,526
	6,16,10,951	5,06,43,476
Less: Closing stock	1,12,16,668	1,04,59,550
Sub-Total	5,03,94,283	4,01,83,926
(ii) Raw Material		
Opening stock	2,22,32,185	2,80,50,567
Add: Purchases (Refer Note (i)b)	14,96,29,454	12,36,98,664
	17,18,61,639	15,17,49,231
Less: Closing stock	2,08,12,946	2,22,32,185
Sub Total	15,10,48,693	12,95,17,046
Total	20,14,42,976	16,97,00,972

Note (i) - Purchases of Raw materials

Particulars	2015 ₹	2014 ₹
(a) Packing material	5,11,51,401	3,17,27,526
(b) Raw material		
Butter	1,04,69,480	1,28,17,133
Chocolate	2,50,121	3,33,406
Cone Biscuit	1,69,53,068	1,09,22,088
Dry fruits	1,34,39,637	1,24,33,896
Other	3,59,07,106	3,15,62,966
Palm oil	1,18,60,703	92,91,381
S.M.P	4,85,55,027	3,48,96,501
Sugar	1,14,64,600	1,05,48,584
Freight for above purchases	7,29,712	8,92,709
Sub Total	14,96,29,454	12,36,98,664
Total	20,07,80,855	15,54,26,190

**Note 3.4 - Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	2015 ₹	2014 ₹
(a) Inventories at the end of the year: Finished goods	94,08,722	85,68,090
(b) Inventories at the beginning of the year: Finished goods	85,68,090	64,42,358
Net (increase) / decrease	-8,40,632	-21,25,732

Note 3.5 - Employee benefits expense

Particulars	2015 ₹	2014 ₹
(i) Salaries and wages	2,58,01,047	1,42,16,621
(ii) Contributions to provident and other funds	13,40,197	5,96,694
(iii) Staff welfare expenses	9,11,155	7,44,099
Total	2,80,52,399	1,55,57,414

Note 3.6 - Finance Cost

Particulars	2015 ₹	2014 ₹
(a) Interest expense on:		
(i) Bank Loan	1,50,414	1,62,365
(ii) C & F deposit	35,000	1,40,000
(iii) Cold Room Deposit	2,90,332	2,50,442
(b) Bank Charges	65,901	18,120
(c) Others	29,666	4,34,639
Total	5,71,313	10,05,566



Note 3.7 - Other expenses

Particulars	2015 ₹	2014 ₹
Consumption of stores and spare parts	89,37,307	73,78,756
Power and fuel	1,68,83,902	1,51,58,818
Water	16,25,901	12,02,403
Rent	14,43,553	7,98,212
Repairs and maintenance - Buildings	1,28,844	4,10,075
Repairs and maintenance - Machinery	7,94,063	6,54,597
Repairs and maintenance - Others	6,67,391	2,91,295
Insurance	3,72,637	2,65,029
Royalty	71,66,869	46,18,717
Rates and taxes	1,07,07,295	18,82,783
Telephone Expenses	5,29,253	3,57,325
Printing and stationery	8,65,305	6,40,742
Freight and forwarding	2,94,92,165	2,46,23,437
Turnover Discount	-	7,34,674
Business promotion	54,37,451	13,11,127
Donations and contributions	4,77,251	36,003
Legal and professional	38,91,803	19,47,497
Payments to auditors (Refer Note (i) below)	1,70,394	1,51,106
Prior period items (net) (Refer Note (ii) below)	8,62,090	12,95,186
Advertisement	58,76,176	54,964
Selling and Distribution	61,73,083	3,10,244
Commission	27,76,255	8,77,275
Cold Storage	1,01,41,221	2,30,490
Travelling & Conveyance	56,00,561	12,50,936
Loss on Stock	1,11,890	1,57,661
Miscellaneous expenses	51,90,936	38,38,559
Total	12,63,23,596	7,04,77,912

Notes : (i) Payments to the auditors comprises of:

Particulars	2015 ₹	2014 ₹
As auditors - Statutory audit	1,70,394	1,23,596
- Energy audit		-
- Reimbursement of Expenses		27,510
Total	1,70,394	1,51,106

(ii) Prior Period Item

Particulars	2015 ₹	2014 ₹
Details of Prior period items (net)		
Prior period: Expenses	8,62,090	12,95,186
Total	8,62,090	12,95,186

**Note 4 Disclosures under Accounting Standards****Note 4.1 - Related Party**

Description of relationship	
Associates	Bela Investment & Finance Co. Pvt Ltd S.R.Gandhi (HUF)
Directors	Shri S.R.Gandhi Smt. B.S. Gandhi Shri R.S. Gandhi

Note: Related parties have been identified by the Management.

Note 4.2 - Details of related party transactions during the year ended 31 March, 2015 :

Particulars	Associates	Directors
Royalty paid to Bela Investment & Finance Co. Pvt Ltd	71,66,869 (46,18,717)	- -
Process Hire Charges paid to Bela Investment & Finance Co. Pvt. Ltd	1,20,000 (1,20,000)	- -
Loan taken from:		
Shri S.R.Gandhi		3,21,25,000
S.R.Gandhi (HUF)	200,000	
Smt. B.S. Gandhi (Opening balance Rs.4620000)		2,11,91,500
Shri R.S. Gandhi (opening balance Rs.1500000)		5,00,000
Loan repaid to:		
Shri S.R.Gandhi		3,40,000
S.R.Gandhi (HUF)	200,000	
Smt. B.S. Gandhi		56,20,000
Shri R.S. Gandhi		15,00,000
Directors Remuneration:		
Shri S.R.Gandhi		30,00,000
		(12,00,000)
Shri R.S. Gandhi		8,88,000

Note: Figures in bracket relates to the previous year



Note 4.3 - Contingent Liabilities

Note	Particulars
4.3.1	Contingent Liabilities are not recognised but are disclosed in financial statements. Provision involving substantial degree of estimation in measurement is recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are estimated till the date of the financial statements.

Note	Particulars	2015 ₹	2014 ₹
4.3.2	Contingent liabilities and commitments (to the extent not provided for)		
	Contingent liabilities		
	(a) Claims against the Company not acknowledged as debt (Excluding interest claimed by the parties)	26,82,091	76,01,886
	(b) Claims from Creditors/Stockiest whose credit balance have been assigned to a customer of the company	-	1,88,80,734
	(c) Interest on VAT, as per Order of Additional Commissioner of Sales Tax for the Period April 2007 to March 2012 Challenged by company with BIFR	3,75,84,055	3,15,26,630
	(d) Income tax demand for A.Y.2003-04, appeal pending with Tribunal	19,73,167	19,73,167
	(e) Difference in Rate of VAT contested before Joint Commissioner of Sales Tax Appeals for the period April 2005 to January 2008	1,47,70,944	1,40,19,268
	Interest on above (interest for previous year was till date of assessment order)	1,73,18,503	1,10,80,125

Note 5- VAT Exemption as per BIFR's Order

Note	Particulars
5.1	The company has made provision in respect of principal amount of VAT claimed by VAT Department, Govt. of Maharashtra for the period from 01.04.2007 till 31.03.2012 amounting to Rs.6.81 crore approx., though as per the provisions of SS-07 sanctioned by Hon'ble BIFR, the company was allowed exemption from payment of VAT during the said period. The company's application for issuance of directions to VAT Department, Govt. of Maharashtra to provide the said exemption to the company as per SS-07 is still under the consideration of the Hon'ble BIFR and (that the company is confident that Hon'ble BIFR will allow the said application of the company). The provision of principal dues was made in the respective years out of abundant caution and without prejudice to the right of the Company to reverse the same after receipt of favourable order from Hon'ble BIFR. Interest on the amount of VAT claimed, as estimated at Rs.3.75 crores approx., has, however, not been provided in the books of accounts in view of the provisions of SS-07 and pendency of the application of company before Hon'ble BIFR and the same shall be provided, if so required in the unlikely event of disallowance of the relief, as provided in SS-07, by Hon'ble BIFR or any higher authority / court. Financial statements of the company have been prepared on going concern basis giving regards to business plans of the company and continued financial support from the shareholders.



6 Corporate information

VADILAL DAIRY INTERNATIONAL LIMITED is a Manufacturer of Ice Creams and Frozen Desserts.

7 Significant accounting policies:

7.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. In applying the Accounting Policies, considerations have been given to prudence, substance over form and Materiality. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

7.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

7.3 Inventories

Inventories are valued as under :

- Raw Materials, Packing Materials, Stores & Spares are valued at cost on FIFO basis after making provision for obsolescence & un-serviceability.
- FINISHED GOODS & WORK IN PROGRESS at lower of cost or net realisable value. Cost comprises Material cost, cost of conversion, other expenses incurred to bring the inventories to their current condition and location.

7.4 Depreciation and amortisation

During the year, the company has adopted the revised useful life of Fixed Assets as per Schedule II of the Companies Act, 2013. Accordingly the opening written down value of fixed assets are being depreciated over their balance revised useful life. In respect of fixed assets whose useful life has expired as on 1st April 2014, the opening WDV of Rs 94856 has been adjusted to opening balance of retained earnings.

7.5 Revenue recognition

Sale of goods

Sales are recognised, net of discount, VAT, CST and excise duty, on transfer of significant risks and rewards of ownership to the buyer.



7.6 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation. The cost of fixed assets include original cost of acquisition and installation. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital Work - in - progress includes the costs incurred towards Effluent Treatment Plant (ETP) as a measure to prevent air and water pollution, which operationalized in the Current financial year i.e. 2015- 16.

7.7 Investments

All investments are carried individually at cost.

7.8 Employee benefits

Employee benefits includes provident fund, gratuity fund, Leave encashment which are accounted on the basis of liability accrued.

7.9 Borrowing costs

All the borrowing costs are charged to profit and loss account being revenue in nature.

7.10 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the number of equity shares outstanding during the year. Since there are no dilutive potential equity shares, Diluted earnings per share is computed in the manner same as used for basic earnings per share.

7.11 Taxes on income

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. As per the past records and future aspects of the company, calculation of deferred tax assets/liabilities is not made.

Particulars	As on 3/31/2015	As on 3/31/2014
Deferred Tax Assets/(Liability)	-1055049	2810561



7.12 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. After review of this year, no impairment is recognized, as there was no necessity.

7.13 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

7.14 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and bank balances in current account. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

7.15 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

7.16 Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule II to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months period has been considered by the company for the purpose of current-non-current classification of assets and liabilities.

7.17 Others

- 7.17.1 Previous year figures are regrouped wherever necessary to make them comparable with the figures of the current year.
- 7.17.2 Balances of loans/advances/ sundry creditors and debtors are subject to confirmation and adjustment if any.
- 7.17.3 In the opinion of Board of Directors the Current Assets, Loans and advances are stated not above the realization value in the ordinary course of business.



CIN: L15200MH1997PLC107525

Form No. MGT-11
Proxy form

CIN : L15200MH1997PLC107525
Name of the Company : Vadilal Dairy International Limited
Registered Office : Plot No. M - 13, MIDC Industrial Area, Tarapur, Boisar - 401506

Name of the member (s):
Registered address:
E-mail Id:
Folio No:

I/We, being the member (s) of shares of the above named Company, hereby appoint:

1.
Name :
Address :
E-mail Id :
Signature :....., or failing him

2.
Name :
Address:
E-mail Id :
Signature:....., or failing him

3.
Name :
Address:
E-mail Id:
Signature:.....

As my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the Annual General Meeting, to be held on Wednesday, September 30, 2015 at 12.00 Noon at Plot No. M- 13, MIDC Industrial Area, Tarapur, Boisar- 401506 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

- 1. Approval of Annual Accounts.
2. To re-appoint Mr. Shailesh R. Gandhi who is liable to retire by rotation at this AGM.
3. To appoint M/s. Vinod K. Mehta as Statutory Auditors of the Company and fix their Remuneration.



VADILAL DAIRY INTERNATIONAL LTD.

TWENTY SEVENTH ANNUAL REPORT 2013-14

CIN: L15200MH1997PLC107525

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

..... cut here

ATTENDANCE SLIP

VADILAL DAIRY INTERNATIONAL LIMITED

Plot No. M - 13, MIDC Industrial Area, Tarapur, Boisar - 401506

No. of shares: _____

Folio No./DP ID - Client ID No.: _____

Name & Address: _____

I hereby record my presence at the Annual General Meeting of the Company scheduled to be held on Wednesday, September 30, 2015 at 12.00 Noon at Plot No. M-13, MIDC Industrial Area, Tarapur, Boisar- 401506.

Signature of Member/Joint Member

Proxy attending the meeting

Please complete this Attendance Slip and bring the Slip to the meeting



Sr. No.: _____

VADILAL DAIRY INTERNATIONAL LIMITED
PLOT NO. M-13, MIDC INDUSTRIAL AREA, TARAPUR, BOISAR - 401506
CIN: L15200MH1997PLC107525

VOTING BY BALLOT PAPER

Twenty Eighth Annual General Meeting of the Members of Vadilal Dairy International Limited to be held on Wednesday, September 30, 2015 at 12.00 Noon at Plot No. M-13, MIDC Industrial Area, Tarapur, Boisar- 401506.

1.	Name(s) of Shareholder(s) (in block letters) including joint holders, (if any).	:	
2.	Registered Folio No. / DP ID No. / Client ID No.	:	
3.	Address	:	
4.	No. of Equity Shares held	:	

I/We hereby exercise my/our vote in respect of the following Ordinary/ Special Resolutions to be passed through ballot:

Agenda Item No.	Description of Resolution	I/We assent to the resolution (Vote in Favour)	I/We dissent to the resolution (vote against)
		Place the tick (Place the tick [✓] mark)	
1.	Adoption of the Audited Balance Sheet as at 31st March, 2015 and Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Mr. Shailesh R. Gandhi who is liable to retire by rotation at this AGM.		
3.	Re-appointment of M/s. Vinod K. Mehta & Co., Chartered Accountants (Firm Reg. No. - 111508W) as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the thirtieth Annual General Meeting subject to ratification in every Annual General Meeting of the Company		

Place: _____

Date: _____

Signature of the Member: _____

Note : Duly completed ballot form should reach the Scrutinizer, at the Registered Office of the Company not later than Tuesday, September 29, 2015 by 5.00 P.M. Any ballot form received beyond said time shall be treated as invalid.



INSTRUCTIONS

1. GENERAL INFORMATION

- a) There will be one Postal Ballot Form, irrespective of the number of joint holders.
- b) Voting rights in the Postal Ballot cannot be exercised by a proxy.

2. PROCESS FOR VOTING BY POSTAL BALLOT

- a) Members desiring to cast their vote by Postal Ballot should complete and sign this Postal Ballot Form and send it to the Scrutinizer, Mr. Suhas S. Ganpule, C/O Plot No. M-13, MIDC Industrial Area, Tarapur, Boisar - 401506 in the enclosed postage prepaid self-addressed envelope. Postal Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.
- b) In case of joint holding, this Postal Ballot Form should be completed and signed by the first named Member and in his absence by the next named Member.
- c) In respect of shares held by corporate and institutional shareholders (companies, trusts, societies, etc.), the Completed Postal Ballot Form should be accompanied by a certified copy of the relevant board resolution / appropriate authorization, with the specimen signature(s) of the authorised signatory (ies) duly attested.
- d) The signature of the Member on this Postal Ballot Form should be as per the specimen signature already registered with the company.
- e) Completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours i.e at Tuesday, September 29, 2015 by 5.00 P.M. Postal Ballot Forms received after this date will be considered invalid.
- f) Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
- g) A Member seeking duplicate Postal Ballot Form or having any grievance pertaining to the Postal Ballot process can write to the Company's Registrars- Sharex Dynamic (India) Pvt. Ltd ,Unit 1, Luthra Ind Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400072 or to the e-mail ID sharexindia@vsnl.com. Duly completed and signed duplicate Postal Ballot Forms should, however, reach the Scrutinizer not later than the close of working hours on Tuesday, September 29, 2015 by 5.00 P.M.
- h) Members are requested not to send any paper (other than the resolution/authority as mentioned under "Process for voting by Postal Ballot" point 2c above) along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.

BOOK POST

If undelivered please return to :

Vadilal Dairy International Ltd.

Regd. Office : Plot No. M-13, MIDC Indl. Area,
Tarapur, Boisar, Thane, Maharashtra - 401 506.