

The
Best
Part of
Everyday



32nd Annual Report 2016-17

Vadilal

VADILAL ENTERPRISES LTD.

The Flavours of Togetherness



BOARD OF DIRECTORS

Non-executive & Non-Independent Directors

Rajesh R. Gandhi Chairman
Devanshu L. Gandhi
Mamta R. Gandhi

Independent Directors

Jayantilal M. Shah
Jignesh J. Shah
Ashish H. Modi
Preet P. Shah

COMPANY SECRETARY

Darshan Shah

CHIEF EXECUTIVE OFFICER

Vishal Surti

CHIEF FINANCIAL OFFICER

Rajesh Bhagat

AUDITORS

M/s. Kantilal Patel & Co.
Chartered Accountants, Ahmedabad
(A member firm of Polaris International, USA)

BANKER

Bank of India

REGISTERED OFFICE

A/801, 8th Floor, "Time Square" Building,
C. G. Road, Nr. Lal Bunglow Char Rasta,
Navrangpura, Ahmedabad - 380 009.
CIN No. : L51100GJ1985PLC007995
Phone : 079-26407201-09, 079-30153000
Fax : 079-30153102

REGISTRAR & SHARE TRANSFER AGENT

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

SHARE DEPARTMENT

10th Floor, Colonnade Building,
Opp. Iscon Temple BRTS Bus Stand,
Ambli-Bopal Road,
Ahmedabad-380015
Phone : 079-30921200

Notes :

- Important Communication to Members :** The Ministry of Corporate Affairs has, pursuant to its Green Initiative in the Corporate Governance, allowed paperless compliances by Companies. It has issued circulars allowing the Companies to service notice/documents including Annual Report by email to its members. Many of the Shareholders have registered their emails pursuant to the said initiative. We thank those shareholders for the same. Those Shareholders, who have not registered their email addresses so far, may, as a support to those initiative, register their email addresses, in respect of electronic holdings, with the Depository through their respective Depository Participant. Members who hold shares in physical mode are requested to register their email address with MCS Limited, Share Transfer Agent of the Company.
- Members are requested to send their all correspondence relating to Shares including transfer, transmission, change of address, issue of duplicate share certificates etc. to MCS Share Transfer Agent Limited, Registrar & Share Transfer Agent of the Company at 201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380 009 (Phone: 079 - 26580461/62/63) or at the Share Department of the Company situated at 10th Floor, Colonnade Building, Opp. Iscon Temple BRTS Bus Stand, Ambli-Bopal Road, Ahmedabad-380015, Phone : 079-30921200.
- The process and manner of e-voting is being sent to all the members whose e-mail ids are registered with the Company/Depository Participant /Share Transfer Agent for communication purpose through electronic mode. For members who have not registered their e-mail ids as above, the process and manner of e-voting is provided in a separate sheet as enclosed alongwith this Annual Report / e-mail separately.**

32nd ANNUAL GENERAL MEETING

Day - Friday

Date - 29th September, 2017

Time - 2.30 p.m.

Venue - GICEA, Gajjar Hall, Nirman Bhavan,
Opp. Law Garden, Ellisbridge,
Ahmedabad - 380 006.

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E-mail for Investor Grievances : shareslogs@vadilalgroup.com

Web : www.vadilalgroup.com



SHAREHOLDER INFORMATION

1. Name of Company :

Vadilal Enterprises Limited

2. Company CIN:

L51100GJ1985PLC007995

3. Fixed Deposit Department:

Fixed Deposit Department of the Company is operated at the following address:

10th Floor, Colonnade Building,

Opp. Iscon Temple BRTS Bus Stand,

Ambli-Bopal Road, Ahmedabad-380015

Phone : 079-30921200

Email: vijaysshah@vadilalgroup.com

4. Book-Closure:

Book-Closure from 16th September, 2017 to 29th September, 2017 (both days inclusive) for the purpose of payment of Dividend of Re. 0.80/- per share (@ 8%) for the year ended on 31st March, 2017 as recommended by the Board and if declared at the Meeting and to determine the members eligible for the said dividend.

5. Stock Exchanges where the Shares are listed :

BSE LTD.

Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001

Phone: 91-22-2272 1234 / 1233

The Annual Listing Fees up to the Financial Year 2017-2018 have been duly paid to the above Stock Exchange.

6. Security Code :

Bombay Stock Exchange Ltd. - 519152

ISIN Number - INE693D01018

7. Dematerialisation of Shares :

The Company, consequent to introduction of Depository System (DS), entered into an agreement with NSDL and CDSL and has established an electronic connectivity with both the Depositories. Members, therefore, have the option of holding and dealing in the shares of the Company in electronic form through NSDL and CDSL.

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

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

8. Registrar & Share Transfer Agent :

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

MCS Share Transfer Agent Limited

201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380009.

Phone : 079-26580461/462/463 • Fax : 079-26581296 • Email: mcsahmd@gmail.com

9. Share Transfer System :

Presently, share transfers which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Share Transfer Committee of the Board meets at regular intervals to approve transfers, issue of duplicate certificates, consolidation and splitting of shares etc.

As required under Regulation 40(9) of SEBI (Listing Obligation and Disclosure Requirement), 2015, a certificate is obtained every six months from a Practicing Company Secretary, with regard to, inter alia, effecting transfer, transmission and consolidation within one month of their lodgment. The certificates are forwarded to BSE, where the equity shares are listed.

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

10. Distribution of Shareholding as on 31st March, 2017:

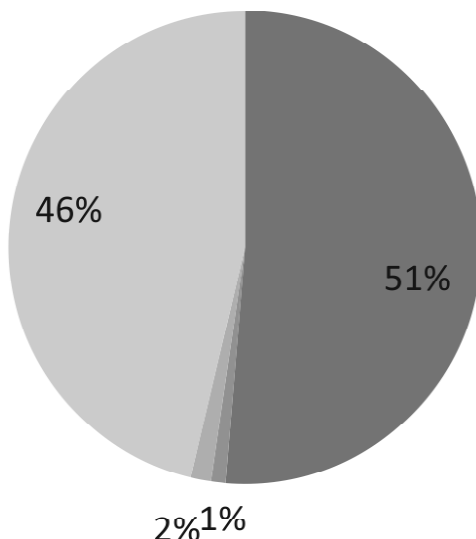
No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of total Shares
Up to 500	1486	92.70	159146	18.44
501 to 1000	47	2.93	37572	4.36
1001 to 2000	22	1.37	32910	3.82
2001 to 3000	8	0.49	19157	2.22
3001 to 4000	7	0.44	25702	2.98
4001 to 5000	6	0.38	27864	3.24
5001 to 10000	13	0.82	94254	10.92
10001 to 50000	11	0.68	224598	26.03
50001 & above	3	0.19	241465	27.99
Total	1603	100.00	862668	100.00

11. Categories of Shareholders as on 31st March, 2017:

Sr.	Category of Shareholders	No. of Equity Shares held	% of total Paid-up Capital
<u>A : Promoters and Promoters' Group :</u>			
1	Directors	208698	24.19
2	Directors' relatives	103188	11.96
3	Group Companies	105407	12.22
4	HUFs	25284	2.93
	Total (A) :	442577	51.30
<u>B : Public :</u>			
1	Bodies Corporate	36825	4.26
2	NRI	8463	0.99
3	HUF	9023	1.05
4	Residential Individual	365780	42.40
	Total (B) :	420091	48.70
	Total	862668	100.00

Percentage of total paid-up capital

■ Promoter Group ■ NRIs/OCBs ■ HUF ■ Public





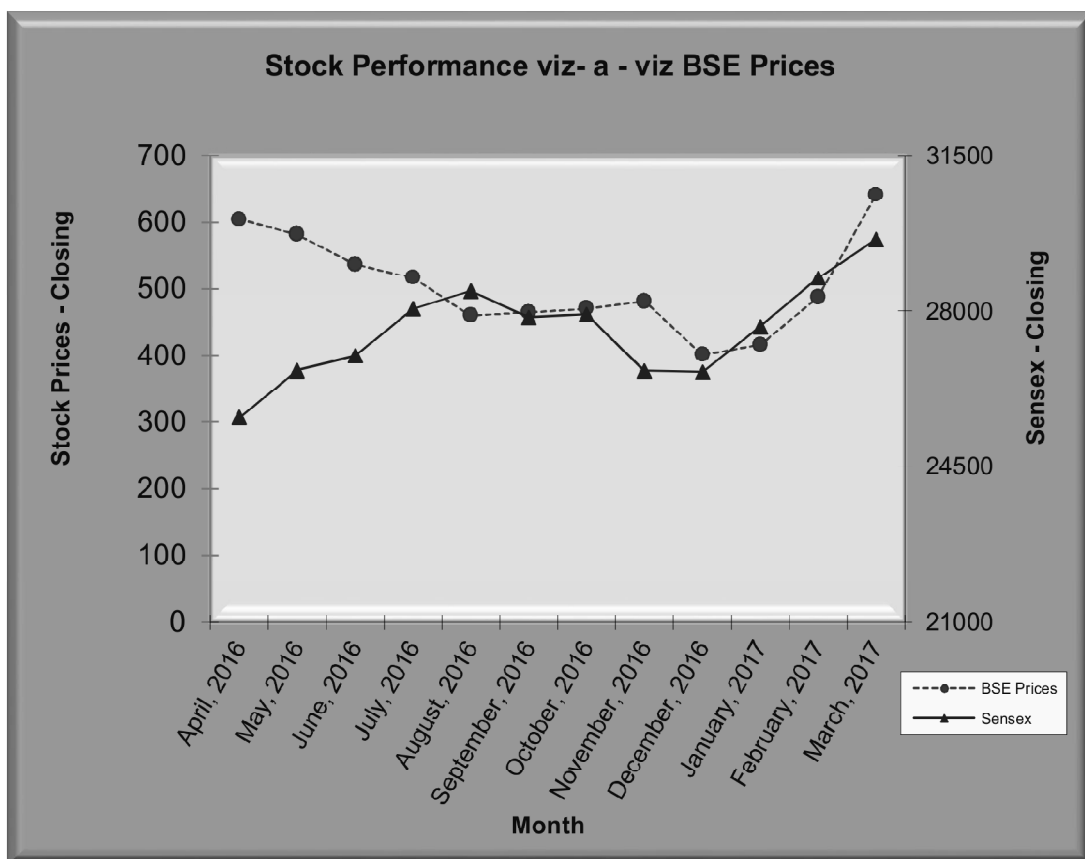
12. Share price performance in comparison to BSE Sensex based on data available on Stock exchange website:

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

Month	PRICE OF SHARE ON BSE			SENSEX		
	High	Low	Close	High	Low	Close
April, 2016	659.00	526.25	604.00	26,100.54	24,523.20	25,606.62
May, 2016	597.00	530.00	582.00	26,837.20	25,057.93	26,667.96
June, 2016	559.95	491.00	537.30	27,105.41	25,911.33	26,999.72
July, 2016	591.65	480.00	517.00	28,240.20	27,034.14	28,051.86
August, 2016	565.00	419.00	460.50	28,532.25	27,627.97	28,452.17
September, 2016	525.00	429.00	465.25	29,077.28	27,716.78	27,865.96
October, 2016	534.00	414.45	471.00	28,477.65	27,488.30	27,930.21
November, 2016	498.95	400.00	481.90	28,029.80	25,717.93	26,652.81
December, 2016	504.00	397.00	401.55	26,803.76	25,753.74	26,626.46
January, 2017	458.00	380.00	416.75	27,980.39	26,447.06	27,655.96
February, 2017	498.00	392.50	487.90	29,065.31	27,590.10	28,743.32
March, 2017	642.45	465.00	642.45	29,824.62	28,716.21	29,620.50

- All the rates are in Rs.

Price Chart



13. Consolidation of Folios:

Some of the members might have more than one folio in their individual name or jointly with other person(s) mentioned in the same order. It is desirable to consolidate all similar holdings under one folio. Consolidation helps the members to monitor their holdings effectively. By doing so, it would also enable the Company to avoid unnecessary duplication of effort and related costs. Please write to the Company at the address of Share Dept. given below, requesting in writing, quoting the folio numbers that need to be consolidated and send the relevant Share Certificates.

14. Nomination facility:

Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 the facility of nomination in the Shares of a Company is available. Your Company has already offered the facility of nomination to the members. Individual Shareholders can avail of the facility of nomination and may submit to the Company the prescribed **Form SH-13** at the Share Department of the Company. It is advisable to avail of this facility especially by Shareholders who currently hold Shares in single name.

The Nominee shall be the person in whom all rights of transfer and/or amount payable in respect of the Shares shall vest in the event of the death of the Shareholders. A minor can be a nominee provided the name of the guardian is given in the Nomination Form.

The facility of the nomination is not available to non-individual Shareholders such as Societies, Trusts, Bodies Corporate, Partnership Firms, Kartas of HUF and holders of Powers of Attorney.

In case of any assistance, please contact share department at the address mentioned below.

Share Department:

10th Floor, Colonnade Building,
Opp. Iscon Temple BRTS Bus Stand,
Ambli-Bopal Road, Ahmedabad-380015
Phone : 079-30921200
Email: shareslogs@vadilalgroup.com



NOTICE

NOTICE is hereby given that the **32nd ANNUAL GENERAL MEETING** of the members of **VADILAL ENTERPRISES LIMITED** will be held on **Friday, 29th day of September, 2017 at 2.30 p.m.** at GICEA, Gajjar Hall, Nirman Bhavan, Opp. Law Garden, Ellisbridge, Ahmedabad - 380006, to transact the following business :

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Statement of Profit & Loss for the year ended March 31, 2017, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
- 2) To declare dividend on Equity Shares for the financial year ended on March 31, 2017.
- 3) To appoint a Director in place of Mrs. Mamta R. Gandhi (DIN: 00674579) who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
- 4) To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) read with rules under the Companies (Audit and Auditors) Rules, 2014, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Registration No.: 117366W/W-100018), be and are hereby appointed as Statutory Auditors of the Company, in place of M/s. Kantilal Patel & Co., Chartered Accountants (ICAI Registration No. 112066W), the retiring Statutory Auditors, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 37th Annual General Meeting of the Company, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

By Order of the Board
For VADILAL ENTERPRISES LIMITED

Registered Office :

A/801, 8th Floor, "Time Square" Building, C. G. Road,
Nr. Lal Bungalow Char Rasta, Navrangpura, Ahmedabad - 380 009.

CIN : L51100GJ1985PLC007995

Email : sharelogs@vadilalgroup.com

Website : www.vadilalgroup.com

Phone : 079 301503189

Dated : 26th August, 2017

RAJESH R. GANDHI

Chairman

DIN : 00009879

NOTES :

- 1) A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office/ Share Department of the Company not less than forty-eight hours before the commencement of the Meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 2) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- 3) A Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 4) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 5) (a) The Company has notified closure of Register of Members and Share Transfer Books from **16th September, 2017 to 29th September, 2017 (both days inclusive)** for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
(b) Dividend of 0.80 per share (@ 8.00%) on Equity Shares for the year ended on 31st March, 2017 as recommended by the Board, if declared at the meeting, will be paid without deduction of tax at source :
to those members, whose names appear on the Register of Members after giving effect to all valid share transfers in physical form lodged with the Company/Share Transfer Agent on or before **15th September, 2017** or
in respect of shares held in electronic form, to those "Beneficial Owners" whose names appear in the Statement of Beneficial Ownership furnished by NSDL and CDSL as at the end of business hours on **15th September, 2017**.
- 6) Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agent, cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.

- 7) **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
- 8) The amount of dividend for the financial year ended on 31st March, 2010, 31st March, 2011, 31st March, 2012, 31st March, 2013, 31st March, 2014, 31st March, 2015 and 31st March, 2016 remaining unpaid or unclaimed for a period of 7 years is due for transfer to the Investor Education and Protection Fund on, 4th November, 2017, 1st November, 2018, 3rd November, 2019, 26th October, 2020, 29th October, 2021, 1st November, 2022 and 1st November, 2023 respectively.
Members, who have so far not encashed their dividend warrants for the said financial years, are requested to approach the Company for revalidation or duplicate dividend warrants. Thereafter, no claims shall lie against the said Fund or the Company for the amount of dividend so transferred nor shall any payment be made in respect of such claims.
- 9) Members, who hold shares in dematerialised form, are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
- 10) Members are requested to intimate immediately the change in their registered address, if any, to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company or Share Transfer Agent, in respect of their physical share folios, if any. In case of mailing address mentioned on this Annual Report is without PINCODE, members are requested to kindly inform their PINCODE immediately.
- 11) Relevant documents referred to in the accompanying Notice are open for inspection for the members at the Share Department of the Company on all working days, except Saturdays, during normal business hours, upto the date of this Annual General Meeting.
- 12) Members are requested to bring their copy of Annual Report to the meeting, as the copies of Annual Report will not be distributed at the meeting.
- 13) Members seeking any further information about the Accounts and/or Operations of the Company are requested to send their queries to the Company at its **Share Department**, at least 10 days before the date of the meeting.
- 14) Mrs. Mamta R. Gandhi (DIN: 00674579), Director of the Company, shall retire by rotation and being eligible, offer himself for re-appointment.
As required under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 given below are the details of the above Directors to be re-appointed/appointed as Directors of the Company :-

Mrs. Mamta R. Gandhi

Mrs. Mamta R. Gandhi has been associated with the Company since many years with wide experience and expertise in the respective fields. She is Bachelor in Arts. She looks after day-to-day affairs of the Ice-cream Division of Vadilal Group companies situated at Pundhra.

Presently, She is not a Member of any Committee of the Company. She is on the Board of following other Companies. Mrs. Mamta R. Gandhi holds 21145 shares in Vadilal Enterprises Limited in her individual capacity.

Directorship:	Member of the Board Committees:
➤ Vadilal International Private Limited	Audit Committee :
➤ Vadilal Marketing Private Limited	NIL
	Shareholders/ Investors' Grievance Committee and/or Share Transfer Committee:
	NIL

15) Voting through electronic means:

The Company is pleased to offer remote e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement), 2015. Accordingly, a member may exercise his vote through e-voting services provided by Central Depository Services (India) Limited (CDSL)

The process and manner of remote e-voting is being sent to all the members whose e-mail ids are registered with the Company/Depository Participant /Share Transfer Agent for communication purpose through electronic mode. For Members who have not registered their e-mail ids as above, the process and manner of e-voting is enclosed alongwith this Notice.

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

Registered Office :
A/801, 8th Floor, "Time Square" Building, C. G. Road,
Nr. Lal Bunglow Char Rasta, Navrangpura, Ahmedabad - 380 009.
CIN : L51100GJ1985PLC007995
Email : sharelogs@vadilalgroup.com
Website : www.vadilalgroup.com
Phone : 079 301503189
Dated : 26th August, 2017

RAJESH R. GANDHI
Chairman
DIN : 00009879



Process and Manner for availing remote e-voting facility

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirement), 2015. Accordingly, a member may exercise his vote through e-voting service provided by Central Depository Services (India) Limited (CDSL) and the Company may pass any resolution by electronic voting system in accordance with the above provision.

1. The Process and manner of remote e-voting is being sent to all members whose e-mail ids are registered with the Company/Depository Participants/Share Transfer Agents for communication purpose through electronic mode.
2. The members who have casted there vote by remote e-voting may also attend meeting but shall not entitled to cast their vote again.
3. The Board of Director has appointed **Mr. Manoj Hurkat** of M/s. Manoj Hurkat and Associates, a Practicing Company Secretary, Ahmedabad as Scrutinizer to scrutinize the poll and remote e-voting process in fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same purpose.
4. Voting rights shall be reckoned on the paid up value of shares registered in the name of the members/ beneficial owner (in case of electronic shareholding) as on cutoff date i.e. **22nd September, 2017**
5. Any person, who acquires shares of the Company and becomes member of Company after dispatch of the notice of the AGM and holding shares on cut-off date i.e. **22nd September, 2017** may obtain the User ID and Password in manner mentioned below:
 - If e-mail address or mobile number of member is registered against folio number/DP ID/Client ID, then on homepage of www.evotingindia.com, the member may click on "Forgot Password" and enter folio number/DP ID/ Client ID and PAN to generate a password
 - Member may send request at helpdesk.evoting@cdslindia.com
 - Member may call CDSL toll free number 18002005533
 - If person is already registered with CDSL for e-voting then excising user id and password can be used for casting vote.
6. The Scrutinizer, after scrutinizing the votes cast at the meeting (poll) and through remote e-voting, will not later than three days of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to Chairman. The results declared along with consolidated scrutinizer's report shall be placed on the website of the Company www.vadilalgroup.com and on the website of CDSL viz. www.evotingindia.com. The results shall simultaneously be communicated to Stock Exchanges.
7. The instruction for shareholders voting electronically are as under:
 - (i) The voting period begins on **26th September, 2017 (9.00 a.m.) and ends on 28th September, 2017 (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 (record date) of **22nd September, 2017** 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	<ul style="list-style-type: none"> • Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on address sticker (Labels) indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> • Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (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 Enterprise 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) 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 linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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



DIRECTORS' REPORT

To,
The members,
VADILAL ENTERPRISES LIMITED
Ahmedabad.

Your Directors have pleasure in presenting herewith the 32nd Annual Report together with the Audited Statement of Accounts for the year ended on 31st March, 2017.

FINANCIAL HIGHLIGHTS :

FINANCIAL RESULTS

(₹ in Lacs)

Sr. No.	Particulars	Year ended 31-03-2017	Year ended 31-03-2016
(a)	Earnings before Interest, Tax, Depreciation and Amortization	1160.65	904.96
(b)	Finance Cost	169.97	92.76
(c)	Depreciation & Amortization Expense	948.47	783.25
(d)	Profit/(Loss) before Tax	42.21	28.95
(e)	Tax Expense		
—	Current Tax	14.98	27.49
—	Deferred Tax (Reversed)	(0.95)	(15.48)
—	Income Tax written off / (written back) of earlier years	13.49	4.32
	Total Tax:	27.52	16.33
(f)	Profit/(Loss) for the year	14.69	12.62
(i)	Surplus in the statement of Profit & Loss:		
	Balance brought forward from the last year	4.32	0.00
	Add: Profit/(Loss) after tax for the year	14.69	12.62
	Add: Amount transferred from General Reserve	0.00	0.00
	Less : Appropriation		
—	Proposed Equity Dividend (amount per share Rs. 0.80, previous year Re. 0.80)	0.00	6.90
—	Tax on proposed Equity Dividend	0.00	1.40
—	Transfer to General Reserve	0.00	0.00
	Net Surplus / (Deficit) in the statement of Profit and Loss	19.01	4.32

STATE OF COMPANY'S AFFAIRS:

The Company has earned Revenue from Operations of Rs. 51794.50 lacs during the year ended on 31st March, 2017 as against Rs. 48826.66 lacs earned during the previous year ended on 31st March, 2016 giving a rise of 6.09% as compared to previous year.

The Company has earned the Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) of Rs. 1160.65 lacs during the year ended on 31st March, 2017 as compared to Rs. 904.96 lacs earned during the previous year ended on 31st March, 2016 showing a rise of 28.25%. The Company has incurred Finance Cost of Rs. 169.97 lacs and provided for Depreciation and Amortisation expenses of Rs. 948.47 lacs for the year ended on 31st March, 2017.

The Company has earned profit before Tax of Rs. 42.21 lacs during the year under review as compared to Profit Rs. 28.95 lacs incurred during the previous year ended on 31st March, 2016. The Company has earned profit for the year of Rs. 14.69 lacs during the year ended on 31st March, 2017 after providing Finance Cost and Depreciation and Amortisation expenses and after deducting Current Tax & Deferred Tax of Rs. 27.52 lacs and other adjustments, as compared to Profit of Rs. 12.62 lacs earned by the Company during the previous year ended on 31st March, 2016.

DIVIDEND:

The Directors have recommended dividend of Rs. 0.80/- per share (@ 8.00%) on 8,62,668 Equity Shares of Rs.10/- each of the Company for the financial year ended on 31st March, 2017 as compared to Rs. 0.80/- per share (@ 8.00%) dividend declared in the previous financial year ended on 31st March, 2016. If approved, the dividend will be paid without deduction of tax at source to the shareholders.

TRANSFER TO RESERVE :

The Company does not propose to transfer any amount to General Reserve during the year under review.

EXTRACT OF ANNUAL RETURN:

Extract of Annual Return of the Company as required under Section 92(3) of the Act and Rule – 12 of the Companies (Management and Administration) Rules, 2014, in the prescribed Form – MGT-9, is annexed herewith as **Annexure -A** to this Report.

OPERATIONS - MARKETING FOCUS:

India is the largest producer of milk, as the country accounts for over 1/5th of global milk production, thereby offering ice cream market in the country with a large volume of raw material for manufacturing of ice creams. The ice cream market in India is forecast to exhibit a CAGR of 17.03% during 2016-2021. Keeping up with the economy's quantum growth in recent years, the ice cream market has also set new records. The total Indian ice cream market is estimated at approx. Rs. 3000 crores with the organized sector estimated at Rs. 2000 crores.

An ice cream makes everything better, be it an everyday occasion or life's most precious moments. Our range of ice creams and frozen desserts have always fulfilled this promise by making these special moments even more beautiful.

Increasing urbanization, rising disposable incomes and increasing "out of home food" consumption coupled with the ever-increasing availability of various foods in the markets close to residential areas are some of the reasons driving the ice cream segment.

To ensure maximum exposure to the public in terms of marketing, we spend on an optimum mix of ATL and BTL activities. We utilize various communication touch points like Retail, Outdoor, Print, TV, Digital, etc. to get the brand message across. This year, we have a 360-degree marketing plan.

However, the advertising budgets are skewed more towards television as we have a nationwide reach now. Apart from traditional media platforms, we also enjoy commendable brand presence and preference in the digital space.

Our consumer engagement initiative, Vadilal Freeze the Moment Contest Calendar launched in 2012 has become a successful annual event and is eagerly awaited by consumers every year.

On the sales promotions front, we constantly engage our trade patrons through various schemes and offers. Vadilal also invests in consumer promotional activities from time to time. As an example, last year we had a "surprise gift" available with each candy of Ice Trooper to delight our young customers.

We are making steady progress in launching new products in the premium segment. We have introduced a new range of Jumbo Ice Cream Cups that are made with pure milk cream and fine ingredients. Apart from these we have also added more ice cream flavours in our popular party pack segment.

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

We have worked on increasing the physical touch points with our consumers and executed it by putting in place a robust network of dealers, FOWs (Freezer On Wheels) and Ice Cream parlours.

Along with various ATL campaigns, we also plan various BTL activities to enhance consumer experience with Vadilal. We plan to organize innovative cross promotional activities to enhance the brand engagement with consumers and use the digital space actively as well. We are also planning to increase the branding activity at the retail level.

The overall vision of the company is to increase the consumption of ice-cream at national level supported fully by appropriate promotion and communication strategies.

FINANCE :

During the year under review, the company has availed / reviewed various secured and unsecured loans from various Banks, FIs. During the year under review, the company has made regular repayment of Loan & interest and there is no any overdue payment to Banks and FIs. Company has maintained external rating from CARE Ratings, they have reviewed and enhanced the external rating of the company from BBB (Negative) to BBB (Stable)."

During the year under review, the Company has transferred Rs. 46,654/- to Investors' Education and Protection Fund being the amount of Unpaid/Unclaimed Dividend for the Financial year – 2008-2009.

During the year under review, the Company has transferred the unclaimed interest on Fixed Deposit of Rs. 2425/- for the financial year ended on 31st March, 2010 to Investors' Education and Protection Fund.

DETAILS OF DEPOSITS:

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

	(Rs. in lakhs)
(a) Amount of existing deposits as at 1st April, 2016	: 79.97
(b) Amount of deposits accepted or renewed during the year	
(i) Secured deposits	: 0
(ii) Unsecured deposits	: 29.85
Total (b) :	: 29.85
(c) Amount of deposits repaid during the year	: 16.05
(d) Balance of deposits outstanding at the end of the year (a+b-c)	<u>93.77</u>

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

- c. The Company has not accepted or renewed any deposit which is not in compliance with the provisions of Chapter – V of the Companies Act, 2013.



CONSOLIDATED FINANCIAL STATEMENTS :

Pursuant to the requirements of Section 129(3) read with Schedule – III of the Companies Act, 2013 and Rules made thereunder, and Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement), 2015 and other applicable Accounting Standards, the Consolidated Financial Statements of the Company are not attached as there is no subsidiary or associate company as on 31st March, 2017. However, Vadilal Forex and Consultancy Services Ltd., and Majestic Farm House Limited have ceased to be associate companies w.e.f. 25th March, 2017.

Subsidiaries, Joint Ventures and Associate Companies :

As on 31st March, 2017, the Company does not have any subsidiary, joint venture or associate company. Therefore Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies is not required to be given.

During the year under review, none of the companies have become or ceased to be Company's subsidiaries or joint ventures. Vadilal Forex and Consultancy Services Ltd., and Majestic Farm House Limited have ceased to be associate companies w.e.f. 25th March, 2017.

DIRECTORS' RESPONSIBILITY STATEMENT :

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

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

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

Particulars of loans given, investments made, guarantees given and securities provided by the Company under Section 186 of the Companies Act, 2013 are not provided as during the year under review, the Company has not given any loan nor made any investment nor given any guarantee nor provided any security to any person.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

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

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

Your Directors draw attention of the members to Note 28.2 to the financial statement which sets out related party disclosures.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder, Mrs. Mamta R. Gandhi, Director (DIN: 00674579) of the Company, shall retire by rotation at this Annual General Meeting and being eligible, offer himself for re-appointment. The Members are requested to consider her re-appointment as Director of the Company, for which necessary resolution has been incorporated in the notice of the meeting.

The brief resume/details relating to Mrs. Mamta R. Gandhi is furnished in the Notes to the Notice of the Annual General Meeting.

BOARD EVALUATION :

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act.

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

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a

whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

COMMITTEES OF DIRECTORS:

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

A. AUDIT COMMITTEE :

The Audit Committee comprises the following Director of the Company, as on 31st March, 2017 namely:

Sr. No.	Name of the Member	Designation	Category
1	Mr. Jayantilal M. Shah	- Chairman	Independent Director
2	Mr. Devanshu L. Gandhi	- Member	Non-Executive and Non-Independent Director
3	Mr. Preet P. Shah	- Member	Independent Director

Mr. Darshan Shah, who is a Company Secretary of the Company, is the Secretary to the Audit Committee.

B. NOMINATION AND REMUNERATION COMMITTEE :

The Nomination and Remuneration Committee comprises the following Directors of the Company, as on 31st March, 2017 namely:

Sr. No.	Name of the Member	Designation	Category
1	Mr. Jignesh J. Shah	- Chairman	Independent Director
2	Mr. Devanshu L. Gandhi	- Member	Non-executive and Non-Independent Director
3	Mr. Preet P. Shah	- Member	Independent Director

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

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE :

The erstwhile Share Transfer Committee of the Directors of the Company was re-constituted and re-nomenclature as a *Stakeholders' Relationship Committee*, at the meeting of Board of Directors held on 29th May, 2014, pursuant to the provisions of Section 178 of the Companies Act, 2013 and Rules made thereunder.

The Stakeholders' Relationship Committee comprises the following Directors of the Company, as on 31st March, 2017, namely:

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

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

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Nomination and Remuneration Committee has at its meeting held on 29th May, 2014 recommended to the Board a policy on appointment and remuneration of Directors of the Company in terms of the provisions of Section 178 of the Companies Act, 2013 and Rules made thereunder, which was approved by the Board of Directors, at its meeting held on 29th May, 2014. The Policy on appointment and remuneration of Directors is enclosed with the Directors' report and marked as "Annexure - C".

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

The Securities Exchange Board of India has notified SEBI (Listing Obligation and Disclosure Requirement), 2015 on 2nd September, 2015 under which Company needs to formulate several policies and need to take certain measures for the purpose of effective Corporate Governance.

List of Policies formulated and approved by the Board of Director is as follows:

1. Policy on Related Party Transaction
2. Policy on determining Material Subsidiary
3. Whistle Blower Policy

All of the above policy and measures are prepared on the line of Companies Act, 2013 as amended and SEBI (Listing Obligation and Disclosure Requirement), 2015 which is subject to amendment as per applicable law from time to time.

The said policies are available at Company's web-site viz. <http://vadilalgroup.com/>

NUMBER OF BOARD MEETINGS:



During the year under review, four Meetings of Board of Directors were held on 28-5-2016, 8-8-2016, 11-11-2016 and 9-2-2017.

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

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

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

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

AUDITORS:

In accordance with Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Kantilal Patel & Co., Chartered Accountants, Statutory Auditors of the Company shall retire at the conclusion of the Annual General Meeting of the Company. Pursuant to the provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board of Directors has, on recommendation of the Audit Committee, recommended for the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Registration No.: 117366W/W-100018) as the Statutory Auditors at the Annual General Meeting for a period of five years i.e. to hold office from the conclusion of this Annual General Meeting till the conclusion of the 37th Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every AGM, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

Consent and certificate u/s 139 of the Companies Act, 2013 have been obtained from M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, to the effect that their appointment, if made, shall be in accordance with the applicable provisions of the Act and the Rules issued thereunder.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

AUDITORS' REPORT OF THE COMPANY:

The Auditors' Report on the Annual Accounts of the Company for the year ended on 31st March, 2017 does not contain any qualification / reservation / observation.

SECRETARIAL AUDITOR:

Section 204 of the Companies Act, 2013 inter alia requires every listed company to annex with its Board Report a Secretarial Audit Report given by a Company Secretary in practice in the prescribed form. The Board has appointed M/s SPAN & Co., Company Secretaries LLP, to conduct Secretarial Audit for the financial year – 2016-2017. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith marked as **Annexure - D** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

LISTING AGREEMENT WITH STOCK EXCHANGES:

The Equity Shares of the Company are listed on the BSE Limited (BSE).

The Company confirms that it has paid Annual Listing Fees due to the BSE Limited upto the Financial Year –2017-2018.

DEPOSITORY SYSTEM:

Your Company has established electronic connectivity with the Depositories, NSDL and CDSL. In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialisation of the Company's shares on NSDL and CDSL as aforesaid.

The ISIN number allotted to the Company is INE693D01018.

PARTICULARS OF EMPLOYEES:

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

The Statement of particulars of employees under Section 197(12) read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided with as, during the financial year under review, no employee of the Company was in receipt of remuneration in excess of the limits set out in the said rules.

MATERIAL INFORMATION :

During the period under review, a Company Petition (being Company Petition No. 43 of 2017) has been filed against the Company, before the National Company Law Tribunal, Ahmedabad ("NCLT"), under Sections 241 and 242 of the Companies Act, 2013. In connection to the said Company Petition No. 43 of 2017, the Petitioners and some of the parties to the petition are seeking to arrive at an amicable resolution of matter.

GENERAL:

- During the year under review, there was no change in the nature of business of the Company and there is no material change and/or commitments, affecting the financial position of the Company, during the period from 31st March, 2017 till the date of this report.

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

INSURANCE:

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

TRADE RELATIONS:

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

ACKNOWLEDGEMENT:

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

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

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

By Order of the Board of Directors

RAJESH R. GANDHI
Chairman

DEVANSHU L. GANDHI
Director

Date : 26th August, 2017
Place : Ahmedabad

**ANNEXURE – A TO THE DIRECTORS' REPORT****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2016****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L51100GJ1985PLC007995
2.	Registration Date	13-07-1985
3.	Name of the Company	VADILAL ENTERPRISES LIMITED
4.	Category/Sub-category of the Company	Public Limited Company
5.	Address of the Registered office & contact details	A-801, 8 th Floor, Time Square Building, Nr. Lal Bungalow Cross, C. G. Road, Navrangpura, Ahmedabad – 380 009.
6.	Whether listed company	Listed at BSE Limited
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MCS Share Transfer Agent Limited 201, 2nd Floor, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380 009. Tel. Nos. : (079) 26580461/462/463 Fax No. : (079) 26584027

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Ice-cream and Frozen Desert Product (Marketing)	1050	97.42%
2	Fruit Pulp, Frozen Fruits etc. (Marketing)	1030	2.58%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
NIL					

Vadilal Forex & Consultancy Services Limited & Majestic Farm House Limited were associates of the Company. They ceased to be associate company w.e.f. 25th March, 2017.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	25284	0	25284	2.93	25284	0	25284	2.93	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	105407	0	105407	12.22	105407	0	105407	12.22	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Directors' Relatives	296907	14979	311886	36.15	296907	14979	311886	36.15	0.00
Sub Total(A)(1)	427598	14979	442577	51.30	427598	14979	442577	51.30	0.00
(2) Foreign									
Individuals (Non-Residents Individuals/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	-0.05

Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Institutions	0	0	0	0.00	0	0	0	0.00	0.00
Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total(A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A)	427598	14979	442577	51.30	427598	14979	442577	51.30	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0.00
b) Banks / FI	0	0	0	0	0	0	0	0	0.00
c) Central Govt	0	0	0	0	0	0	0	0	0.00
d) State Govt(s)	0	0	0	0	0	0	0	0	0.00
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
f) Insurance Companies	0	0	0	0	0	0	0	0	0.00
g) FIs	0	0	0	0	0	0	0	0	0.00
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i) Others (specify)	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	20912	600	21512	2.49	36225	600	36825	4.26	1.77
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	256078	92906	348984	40.45	224076	88466	312542	36.22	-4.23
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	26782	0	26782	3.10	53238	0	53238	6.17	3.07
c) Others (specify)									
Non Resident Indians	10747	0	10747	1.25	8463	0	8463	0.981	-0.269
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Bodies - D R	0	0	0	0.00	0	0	0	0.00	0.00
Hindu Undivided Families (HUF)	12066	0	12066	1.40	9023	0	9023	0.00	-0.36
Sub-total (B)(2):-	326585	93506	420091	48.70	331025	89066	420091	48.70	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	326585	93506	420091	48.70	331025	89066	420091	48.70	0.00
C. Shares held by Custodian for GDRs & ADRs									
	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	754183	108485	862668	100	758623	104045	862668	100	0

B) Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (31-3-2016)			Shareholding at the end of the year (31-3-2017)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	VIRENDRA RAMCHANDRA GANDHI HUF	11689	1.35	0	11689	1.35	0	0.00
2	LAXMAN R GANDHI HUF	11479	1.33	0	11479	1.33	0	0.00
3	RAJESH R GANDHI HUF	2116	0.25	0	2116	0.25	0	0.00



4	VORTEX ICE CREAM PVT. LTD.	43308	5.02	0	43308	5.02	0	0.00
5	VADILAL MARKETING PRIVATE LIMITED	43299	5.02	0	43299	5.02	0	0.00
6	BYAD PACKAGING INDUSTRIES PVT LTD	18700	2.17	0	18700	2.17	0	0.00
7	VADILAL CHEMICALS LIMITED	100	0.01	0	100	0.01	0	0.00
8	VIRENDRA RAMCHANDRA GANDHI	72347	8.39	0	72347	8.39	0	0.00
9	RAJESH RAMCHANDRA GANDHI	78408	9.09	0	78408	9.09	0	0.00
10	DEVANSHU LAXMANBHAI GANDHI	109145	12.65	0	109145	12.65	0	0.00
11	MAMTA RAJESH GANDHI	21145	2.45	0	21145	2.45	0	0.00
12	JANMAJAY VIRENDRABHAI GANDHI	10613	1.23	0	10613	1.23	0	0.00
13	ILA V GANDHI	8957	1.04	0	8957	1.04	0	0.00
14	DEVAL DEVANSHU GANDHI	4710	0.55	0	4710	0.55	0	0.00
15	NITAALIASHEMALI PIYUSH SURATI	1826	0.21	0	1826	0.21	0	0.00
16	RAMCHANDRA RANCHHODLAL GANDHI	3400	0.39	0	3400	0.39	0	0.00
17	SHARMISTHABEN P SURATI	865	0.10	0	865	0.10	0	0.00
18	NAYNABEN SURENDRABHAI CHOKSHI	400	0.05	0	400	0.05	0	0.00
19	KALPIT RAJESH GANDHI	70	0.01	0	70	0.01	0	0.00
	Total	442577	51.30	0	442577	51.30	0	0.00

There is no change in holding of the Promoters from the previous year data.

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

SN	Particulars	Shareholding at the beginning of the year (As on 1-4-2016)		Cumulative Shareholding during the year (from 1-4-2016 to 31-3-2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	442577	51.30	442577	51.30
	Increase / Decrease in Promoters Shareholding during the year due to restructuring of promoters' group	0	0	0	0
	At the end of the year	442577	51.30	442577	51.30

There is no change in holding of the Promoters from the previous year data.

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 1-4-2016)		Cumulative Shareholding during the Year (from 1-4-16 to 31-3-2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	54981	6.37	54981	6.37
	Increase / Decrease in Shareholding during the year due to transfer	58280	6.75	113261	13.12
	At the end of the year	113261	13.12	113261	13.12

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (As on 1-4-2016)		Cumulative Shareholding during the Year (from 1-4-16 to 31-3-2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Rajesh R. Gandhi, Director				
	At the beginning of the year	78408	9.09	78408	9.09
	Increase / Decrease in Promoters Shareholding during the year	0	0	78408	9.09
	At the end of the year	78408	9.09	78408	9.09

2. Mr. Devanshu L. Gandhi, Director				
At the beginning of the year	109145	12.65	109145	12.65
Increase / Decrease in Promoters Shareholding during the year due to transmission	0	0.00	109145	12.65
At the end of the year	109145	12.65	109145	12.65
3. Mrs. Mamta R. Gandhi, Director				
At the beginning of the year	21145	2.45	21145	2.45
Increase / Decrease in Promoters Shareholding during the year	0	0	21145	2.45
At the end of the year	21145	2.45	21145	2.45
4. Mr. Vishal Surati, Chief Executive Officer				
At the beginning of the year	340	0.04	340	0.04
Increase / Decrease in Promoters Shareholding during the year	0	0	340	0.04
At the end of the year	340	0.04	340	0.04
5. Mr. Rajesh Bhaghat, Chief Financial Officer				
At the beginning of the year	0	0	0	0
Increase / Decrease in Promoters Shareholding during the year	0	0	0	0
At the end of the year	0	0	0	0
6. Mr. Darshan Shah, Company Secretary				
At the beginning of the year	0	0	0	0
Increase / Decrease in Promoters Shareholding during the year	0	0	0	0
At the end of the year	0	0	0	0

V. INDEBTNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Rs. in Lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	305.35	69.03	79.97	454.35
ii) Interest due but not paid	0	0	0.78	0.78
iii) Interest accrued but not due	2.97	5.79	0.65	9.41
Total (i+ii+iii)	308.32	74.82	81.4	464.54
Change in Indebtedness during the financial year				
* Addition	1485.93	0	44.68	1530.61
* Reduction	-308.75	-74.82	-28.97	-412.54
Net Change	1177.18	-74.82	15.71	1118.07
Indebtedness at the end of the financial year				
i) Principal Amount	1484.64	-	93.77	1578.41
ii) Interest due but not paid	-	-	0.76	0.76
iii) Interest accrued but not due	0.86	-	2.58	3.44
Total (i+ii+iii)	1485.5	-	97.11	1582.61

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

N.A. As the Company does not have any Managing Director, Whole-time Director or Manager.



B. REMUNERATION TO OTHER DIRECTORS

SN.	Particulars of Remuneration	Name of Directors							Total Amount (Gross)
		Mr. Rajesh R. Gandhi	Mr. Devanshu L. Gandhi	Mrs. Mamta R. Gandhi	Mr. Jayantilal M. Shah	Mr. Jignesh J. Shah	Mr. Ashish Modi	Mr. Preet P. Shah	
1	Independent Directors								
	Fee for attending board / committee meetings	0	0	0	14000	8000	6000	10000	38000
	Commission	0	0	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0	0	0
	Total (1)	0	0	0	14000	8000	6000	10000	38000
2	Other Non-Executive Directors								
	Fee for attending board / committee meetings	8000	14000	8000	0	0	0	0	30000
	Commission	0	0	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0	0	0
	Total (2)	8000	14000	8000	0	0	0	0	30000
	Total Managerial Remuneration (1+2)								68000 (Gross)
	Overall Ceiling as per the Act 10% of Net Profit	NA							

No additional remuneration taken by the any of the director except sitting fees for attending Board or Committee meeting.

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

SN	Particulars of Remuneration	Key Managerial Personnel (CTC as on 31-3-2017)			
		Mr. Vishal Surati, Chief Executive Officer	Mr. Rajesh Bhaghat, Chief Financial Officer	Mr. Darshan Shah, Company Secretary	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1200000	323652	113028	1636680
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2556000	817596	302928	3676524
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission				
	- as % of profit	0	0	0	0
	others, specify...	0	0	0	0
5	Others (Bonus, Insurance, Gratuity, Ex-gratia, Provident Fund)	445920	123336	45804	615060
	Total	4201920	1264584	461760	5928264

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
NIL					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
NA					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
NA					
Penalty					
Punishment					
Compounding					

ANNEXURE – B - TO THE DIRECTORS' REPORT

FORM NO. AOC -2

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

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

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

Sr. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Vadilal Industries Limited (VIL), a Public Company in which Directors are Directors and holding more than 2% shares alongwith relatives.
b)	Nature of contracts/arrangements/transaction	Agreement between VIL and VEL to sell Ice-cream, Frozen Desserts, Flavoured Milk and other Milk and Dairy products and Processed Food Products by VIL to VEL.
c)	Duration of the contracts/arrangements/transaction	Agreement executed on 29.09.2017, which is valid for a period of 10 years w.e.f. 1st October, 2017.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	<p>- Purchase of Ice-cream, Frozen Desert, Flavoured Milk and other Milk and Dairy products and Processed Food Products by VEL from VIL on Principal to Principal basis and on credit basis. All matters related to marketing including marketing expenses will be decided and born by VEL.</p> <p>- Payment shall be made by VEL within 180 days from the last date of month in which the Company has supplied the products to VEL. VEL shall be liable to pay interest @15% at the discretion of the Company on all outstanding amount due to the Company, beyond the said credit period of 180 days</p>
e)	Date of approval by the Board	8-8-2017 and at every quarterly Audit Committee Meetings.
f)	Amount paid as advances, if any	No.

ANNEXURE – C TO THE DIRECTORS' REPORT

NOMINATION AND REMUNERATION POLICY OF VADILAL ENTERPRISES LIMITED

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

Objective and purpose of the Policy:

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the Ice-cream industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee at its meeting held on 29th May, 2014 and adopted by the Board of Directors at its meeting held on 29th May, 2014.

Effective Date:

This policy shall be effective from 29th May, 2014.

Constitution of the Nomination and Remuneration Committee:

The Board has changed the nomenclature of the existing Remuneration Committee of the Company by renaming it as Nomination and Remuneration Committee on 29th May, 2014 and by re-constituting it as per the criteria laid down under Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of following Directors:

Sr.	Name of the Member	Designation	Category
1	Mr. Jignesh J. Shah	Chairman	Independent Director
2	Mr. Devanshu L. Gandhi	Member	Non-executive and Non-Independent Director
3	Mr. Preet P. Shah	Member	Independent Director

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.



Definitions:

1. Board means Board of Directors of the Company.
2. Directors means Directors of the Company.
3. Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
4. Company means Vadilal ENTERPRISES Limited.
5. Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013.
6. Key Managerial Personnel (KMP) means -
 - (i) Chief Executive Officer and / or Managing Director;
 - (ii) Whole-time Director;
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary;
 - (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
7. Senior Management means personnel of the Company occupying the position of Chief Executive Officer (CEO) of any unit / division or Vice President including Vice President of any unit / division of the Company. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Applicability:

The Policy is applicable to :

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

General:

- This Policy is divided in three parts: Part – A covers the matters to be dealt with and recommended by the Committee to the Board, Part – B covers the appointment and nomination and Part – C covers remuneration and perquisites etc.
- The key features of this Company's policy shall be included in the Board's Report.

PART – A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE:

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

PART – B

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT:

Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term / Tenure:

1. Managing Director/Whole-time Director:

- The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

- **Evaluation:**
The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).
- **Removal:**
Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations and due to reasons of any fraud, mis-appropriation, cheating, siphoning away of funds, breach of duty, breach of trust, mis-management, financial or other irregularities found in the Company, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.
- **Retirement:**
The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART – C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

- **General:**
 1. The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
 2. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.
 3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director. Increments will be effective from 1st October in respect of a Whole-time Director and 1st April in respect of other employees of the Company.
 4. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- **Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**
 1. **Fixed pay:**
The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break -up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
 2. **Minimum Remuneration:**
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.
 3. **Provisions for excess remuneration:**
If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
- **Remuneration to Non- Executive / Independent Director:**
 1. **Remuneration / Commission:**
The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.
 2. **Sitting Fees:**
The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
 3. **Commission:**
Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
 4. **Stock Options:**
An Independent Director shall not be entitled to any stock option of the Company.



ANNEXURE – D TO THE DIRECTORS' REPORT:

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

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

To,
The Members
Vadilal Enterprises Limited
A/801, 8th Floor, "Time Square" Building,
Nr. Lal Bunglow Char Rasta,
Navrangpura, Ahmedabad – 380 006

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of yearly secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on **31st March, 2017** ("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (*Not Applicable to the Company during the Audit period*);
- v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (*Not Applicable to the Company during the Audit period*);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (*Not Applicable to the Company during the Audit period*);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (*Not Applicable to the Company during the Audit period*);
 - f) The Securities and Exchange Board of India (Registrar to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (*Not Applicable to the Company during the Audit period*); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (*Not Applicable to the Company during the Audit period*);
- vi. During the Audit Period, no law was applicable specifically to the Company.

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India; and
 - ii) The Listing Agreement entered into by the Company with BSE Limited and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Standards etc. mentioned above.

We further report that:

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

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

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

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

We further report that during the audit period, the company had no specific events/ actions having major bearing on the

Company's affairs in pursuance of the above referred laws, rules, regulations, standards etc.

Place : Ahmedabad
Date : 26th August, 2017

Name of practicing C S : Premnarayan Tripathi, Designated Partner
SPAN & Co.
Company Secretaries LLP
FCS : 8851
COP : 10029

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

Annexure A

To,
The Members
Vadilal Enterprises Limited
A/801, 8th Floor, "Time Square" Building,
Nr. Lal Bunglow Char Rasta, Navrangpura,
Ahmedabad – 380 006

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Ahmedabad
Date : 26th August, 2017

Name of practicing C S : Premnarayan Tripathi, Designated Partner
SPAN & Co.
Company Secretaries LLP
FCS : 8851
COP : 10029

ANNEXURE – E TO THE DIRECTORS' REPORT: **PARTICULARS OF EMPLOYEES:**

The information required under Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

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

Name of the Managing Directors, Chief Financial Officers and Company Secretary	Ratio to median remuneration of the employees	% increase in remuneration in the financial year
Mr. Vishal Surati, Chief Executive Officer	N.A.	15%
Mr. Rajesh Bhaghat, Chief Financial Officer	N.A.	8%
Mr. Darshan Shah, Company Secretary	N.A.	10%

The Company does not have any Managing Director or Whole-time Director or Manager. The Company does not pay any remuneration to the Non-executive Directors except sitting fees for attending Board and Committee Meetings.

- b. **The percentage increase in the median remuneration of employees in the financial year: 12.80%**
- c. **The number of permanent employees on the rolls of Company: 584**
- d. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
During the year under review, the average annual increase was around 13%. The Company does not have any Managing Director or Whole-time Director or Manager.
In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.
- e. The Company affirms remuneration is as per the remuneration policy of the Company.
- f. The Statement of particulars of employees under Section 197(12) read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided with as, during the financial year under review, no employee of the Company including Managing Directors was in receipt of remuneration in excess of the limits set out in the said rules.



INDEPENDENT AUDITOR'S REPORT

To the Members of VADILAL ENTERPRISES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Vadilal Enterprises limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the 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 Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 the Companies (Accounts) Rules, 2014. This responsibility also 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; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 thereunder.

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 the 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's 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 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 31 March 2017, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27.1 to the financial statements;
- ii. The Company did not have any long term contracts, including derivate contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 based on information available with the company. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 29 of financial statements.

For **KANTILAL PATEL & CO.,**
CHARTERED ACCOUNTANTS
 Firm Reg. No. : 104744W

Jinal A. Patel
Partner

Place : Ahmedabad

Date : May 25, 2017

Membership No. : 153599

“Annexure - A “

To the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) In respect of Deep freeze machines, push carts and freezer on wheels lying with third parties we are informed that the company has formulated a programme of physical verification of these assets over a period of three years. Major Deep freeze machines and push carts are covered as per formulated programme during the year. No material discrepancies were noticed on such physical verification.
 Other assets viz. furniture & office equipments are not verified during the year. In absence of physical verification of such fixed assets, material discrepancies if any could not be ascertained.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted loans to any bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Thus, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The company has accepted deposits from members during the year under audit the directives issued by Reserve Bank of India and provisions of sections 73 & 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under have been generally complied with.

We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

- (vi) The maintenance of cost records has not been specified by Central Government under section 148(1) of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, value added tax, duty of customs, duty of excise, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, and on the basis of our examination of the records of the company, the detail of disputed amounts in respect of sales Tax, income tax, service tax, value added tax, custom duty and excise duty / cess not deposited with the appropriate authorities are as follow:

Sr. No:	Dispute Under	Amt (Net of Deposit) (₹ in Lakhs)	Nature of dues	Period to which amount relates	Forum where Dispute is pending
1	Central Sales Tax, 1956 and Sales Tax Act	13.51	Sales Tax Demand	2008-09	Tribunal
		10.28	Sales Tax Demand	2008-09	Dpt.Comm(Appeals)
		49.96	Sales Tax Demand	2009-10	Tribunal
		17.47	Sales Tax Demand	2009-10	Dy. Comm
		4.88	Sales Tax Demand	2010-11	Dy. Comm
		3.65	Sales Tax Demand	2011-12	Addl Comm
		6.62	Sales Tax Demand	2012-13	Dy. Comm
		0.29	Sales Tax Demand	2014-15	Add. Comm Gr.-II
		0.74	Sales Tax Demand	2015-16	Add. Comm Gr.-II
		107.40			
2	Income Tax Act, 1961	24.97	Income Tax Demand	A.Y. 1993-94	High Court
		19.14	Income Tax Demand	A.Y. 1994-95	High Court
		6.48	Income Tax Demand	A.Y. 1991-92 & 1992-93	High Court
		0.37	Income Tax Demand	A.Y. 2013-14	CIT(A)
		2.59	Income Tax Demand	A.Y.2014-15	CIT (A)
		53.55			

- (viii) In our opinion and according to information and explanation given to us, the company has not defaulted in the repayment of loans or borrowings to the banks. The company does not have any loans or borrowing from financial institutions or government and has not issued any debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) The Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **KANTILAL PATEL & CO.,**
CHARTERED ACCOUNTANTS
Firm Reg. No. : 104744W

Jinal A. Patel

Partner

Membership No. : 153599

Place : Ahmedabad
Date : May 25, 2017

"Annexure – B"

To the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Vadilal Enterprises limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **KANTILAL PATEL & CO.,**
CHARTERED ACCOUNTANTS
Firm Reg. No. : 104744W

Jinal A. Patel
Partner

Membership No. : 153599

Place : Ahmedabad
Date : May 25, 2017



BALANCE SHEET AS AT 31ST MARCH, 2017

	NOTES	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
I EQUITY & LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	86.27	86.27
(b) Reserves and surplus	3	325.09	310.40
		<u>411.36</u>	<u>396.67</u>
2 Non-current liabilities			
(a) Long-term borrowings	4	563.68	132.63
(b) Deferred tax liabilities (net)	12	-	-
(c) Long-term provisions	5	45.49	45.16
		<u>609.17</u>	<u>177.79</u>
3 Current liabilities			
(a) Short-term borrowings	6	799.13	80.37
(b) Trade payables	7		
(i) Total Out Standing Dues of Micro, Small and medium enterprises		-	-
(ii) Total Out Standing Dues of Creditor Other than Micro, Small and medium enterprises		3,232.63	5,105.57
(c) Other current liabilities	8	5,959.33	5,724.64
(d) Short-term provisions	9	126.40	110.99
		<u>10,117.49</u>	<u>11,021.57</u>
TOTAL		<u><u>11,138.02</u></u>	<u><u>11,596.03</u></u>
II. ASSETS			
Non-current assets			
1 (a) (i) Property,Plants & Equipments	10	4,754.28	4,373.63
(ii) Intangible assets		92.88	95.39
(iii) Capital work-in-progress		165.74	514.77
(b) Non-current investments	11	7.56	4.48
(c) Deferred tax assets (net)	12	184.09	183.15
(d) Long-term loans and advances	13	2,543.15	2,537.04
(e) Other non-current assets	14	15.88	40.13
		<u>7,763.58</u>	<u>7,748.59</u>
2 Current assets			
(a) Inventories	15	119.30	98.20
(b) Trade receivables	16	2,190.08	2,240.30
(c) Cash and bank balances	17	286.64	571.07
(d) Short-term loans and advances	18	642.16	668.69
(e) Other current assets	19	136.26	269.18
		<u>3,374.44</u>	<u>3,847.44</u>
TOTAL		<u><u>11,138.02</u></u>	<u><u>11,596.03</u></u>
Summary of Significant accountning policies	1.1		
The accompanying notes are integral part of financial statements.			

As per our report of even date
FOR KANTILAL PATEL & CO.
Chartered Accountants
Firm Registration No. 104744W

Jinal A. Patel
Partner
Membership No.:153599

Place: Ahmedabad
Date : 25th May 2017

For and on behalf of the Board of Directors of Vadilal Enterprises Ltd.

Rajesh R.Gandhi : Chairman

Devanshu L.Gandhi : Director

Rajesh Bhagat : Chief Financial Officer

Darshan Shah : Company Secretary

Place: Ahmedabad
Date : 25th May 2017

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	NOTES	YEAR ENDED 31.03.2017 (₹ in Lacs)	YEAR ENDED 31.03.2016 (₹ in Lacs)
Income			
I	Revenue from Operation (net) 20	51,794.50	48,826.66
II	Other Income 21	182.03	155.00
III	Total Revenue (I+ II)	51,976.53	48,981.66
IV Expenses			
	Purchase of traded goods 22	42,345.28	40,490.48
	(Increase) / decrease in traded goods 23	(11.54)	3.16
	Employee benefit expense 24	1,967.10	1,766.25
	Finance Cost 25	169.97	92.76
	Depreciation & Amortization Expense 10	948.47	783.25
	Other Expenses 26	6,515.04	5,816.81
	TOTAL	51,934.32	48,952.71
V	Profit Before Exceptional & Extra ordinary Items and Tax (III-V)	42.21	28.95
VI	Exceptional Items	-	-
VII	Profit before extraordinary items and tax(VI-VII)	42.21	28.95
VIII	Extraordinary items	-	-
IX	Profit Before Tax (VIII-IX)	42.21	28.95
X	Tax Expense [Refer Note No.1-H]		
	- Current Tax (MAT Tax)	14.98	27.49
	- Deferred Tax Charge/(Release)	(0.95)	(15.48)
	- Income Tax Written-off /(Written back) of earlier years	13.49	4.32
	Total (X)	27.52	16.33
XI	Profit for the year (IX-X)	14.69	12.62
	Earnings per equity share [Nominal value of share ₹ 10] 28.5	1.70	1.46
	Basic & Diluted		
	(Computed on the basis of total profit for the year)		
	Summary of significant accounting policies 1		
	The accompanying notes are integral part of the financial statements.		

As per our report of even date
FOR KANTILAL PATEL & CO.
Chartered Accountants
Firm Registration No. 104744W

Jinal A. Patel
Partner
Membership No.:153599

Place: Ahmedabad
Date : 25th May 2017

For and on behalf of the Board of Directors of Vadilal Enterprises Ltd.

Rajesh R.Gandhi : Chairman

Devanshu L.Gandhi : Director

Rajesh Bhagat : Chief Financial Officer

Darshan Shah : Company Secretary

Place: Ahmedabad
Date : 25th May 2017



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Year Ended 31.03.2017 (₹ in Lacs)	Year Ended 31.03.2017 (₹ in Lacs)
A CASH FLOW FROM OPERATING ACTIVITIES	42.21	28.95
Net profit/(loss) before tax		
Adjustments for:		
Depreciation	948.47	783.25
Depreciation Fund written Back	(0.96)	(36.27)
Loss / (profit) on sale of assets	(3.41)	(0.44)
Loss / (profit) on sale of investment	(0.52)	0.00
Provisions for doubtful receivables	96.55	87.46
Bad debts/advances written off	4.69	3.45
Property Plant & Equipment written off	100.86	60.45
Dividend received on investments	(0.07)	(0.07)
Interest income	(38.44)	(28.35)
Interest expenses	169.97	92.76
Excess Provision Written Back	(88.13)	(61.02)
Scrap sale of assets	(19.12)	(27.17)
Operating profit before working capital changes	1212.10	903.00
Increase/(decrease) in trade payables	(1872.96)	1141.85
Increase/(decrease) in long-term provisions	0.32	13.59
Increase/(decrease) in short-term provisions	111.84	26.24
Increase/(decrease) in other current liabilities	265.10	108.15
Decrease/(increase) in trade receivables	(51.01)	(103.41)
Decrease/(increase) in other receivables	132.93	(109.15)
Decrease/(increase) in inventories	(21.10)	10.47
Decrease/(increase) in long-term loans and advances	(18.35)	725.75
Decrease/(increase) in short-term loans and advances	26.53	44.01
Cash generated from / (used in) operations	(214.60)	2760.50
Direct taxes paid (Net of Refunds)	(16.23)	30.30
NET CASH FROM / (USED IN) OPERATING ACTIVITIES (A)	(230.83)	2790.80
B CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase of Property, Plant & Equipment (including capital work in progress, capital advances and pre-operative expenses)	(1087.51)	(1794.81)
Proceeds from sale of Property, Plant & Equipment	32.56	41.52
Investments in bank deposits (having original maturity of more than three months)	25.02	(17.09)
Dividend received on investments	0.07	0.07
Proceeds from sale of investment	9.34	0.00
Decrease in Diminution of Investment	(11.90)	0.00
Interest received	38.44	28.35
NET CASH FROM / (USED IN) INVESTING ACTIVITIES (B)	(993.98)	(1741.96)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	646.65	293.88
Repayment of long term borrowings	(247.03)	(212.23)
Repayment/Receipt of short-term borrowings(net)	718.77	(518.63)
Interest paid	(168.95)	(94.18)
Dividend paid	(6.89)	(6.53)
Tax on Equity Dividend	(1.40)	(1.40)
NET CASH FROM / (USED IN) FINANCING ACTIVITIES (C)	941.15	(539.09)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	(283.66)	509.75
Cash and cash equivalent at 01.04.2016 (Opening Balance)	570.30	60.55
TOTAL	286.64	570.30
Major Components of Cash & cash Equivalents as at	31.03.2017	31.03.2016
Cash on Hand	8.05	22.23
Balances with Banks - On current accounts	270.75	544.25
- Deposit repayment Reserve Account	4.78	0.78
- Unclaimed Dividend Accounts*	3.06	3.04
	286.64	570.30

* The company can utilize this balance only towards settlement of unclaimed dividend.

Notes : 1) The above cash flow has been prepared under Indirect Method set out in AS 3, issued by The Institute of Chartered Accountants of India.

2) Previous years figures have been restated wherever necessary to make them comparable with current year figures.

As per our report of even date	For and on behalf of the Board of Directors of Vadilal Enterprises Ltd.	
FOR KANTILAL PATEL & CO.	Rajesh R. Gandhi	: Chairman
Chartered Accountants	Devanshu L. Gandhi	: Director
Firm Registration No. 104744W	Rajesh Bhagat	: Chief Financial Officer
Jinal A. Patel	Darshan Shah	: Company Secretary
Partner		
Membership No.:153599		
Place: Ahmedabad	Place: Ahmedabad	
Date : 25th May 2017	Date : 25th May 2017	

Company Information

Vadilal Enterprise Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay stock exchange in India. The Company is engaged in the marketing and distribution of the Ice cream, Dairy Products, frozen deaserts and Process food products of the brand "Vadilal" all over India except Ice cream, Dairy Product and frozen desserts in Maharashtra, Goa, Karnataka, Kerala & Andhra Pradesh.

1 Basis Of Preparation:

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013 read to-gether with Paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1 Significant accounting policies

A) USE OF ESTIMATES:

Preparation of financial statements in conformity with the generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates, are recognised in the period in which the results are known / materialised.

B) PROPERTRY, PLANT & EQUIPMENTS AND DEPRECIATION:

PROPERTRY, PLANT & EQUIPMENTS :

- (i) Property, Plant & Equipments are stated at cost of acquisition & installation, less accumulated depreciation and impairment loss, if any. Borrowing costs incurred during the period of construction/ acquisition of assets are added to the cost of Property, Plant & Equipments. Exchange differences arising out of fluctuations in exchange rate on settlement/period end in long term foreign currency monetary liabilities used for acquisition of Property, Plant & Equipments are adjusted to the cost of the Property, Plant & Equipments and depreciated over the remaining useful life of the asset.

INTANGIBLE ASSETS :

- (ii) Intangible assets are carried at cost less accumulated amortisation and impairment, if any.

DEPRECIATION & AMORTISATION:

- (iii) (a) Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II.

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

- (iii) (b) Software is amortised on straight line basis over a period of five years.

(iv) IMPAIRMENT OF ASSETS:

The carrying amount of assets is reviewed at each balance sheet date for any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of tangible assets exceeds its recoverable amount. The recoverable amount is measured as the higher of the net selling price & the value in use determined by the present value of estimated future cash flows.

C) INVESTMENTS:

Investments are classified as non current investments and are stated at cost. A provision for diminution in value of Non Current investments is made for each investment individually, if such decline is other than temporary.

D) INVENTORIES:

Inventories are valued as under:

INVENTORY

VALUATION METHOD

- (i) Finished Goods (Trading) : At lower of Cost or Net realisable value. Cost is determined on (Trading)'Weighted Average' basis.
- (ii) Machinery Parts : At lower of Cost or Net realisable value. Cost is determined on 'Weighted Average' basis. Due provision for obsolescence and wear & Tear is Made

E) REVENUE RECOGNITION:

- (i) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. Revenue from Sale of goods is recognised on delivery of the products, when all significant contractual obligations have been satisfied, the property in goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained.
- (ii) Sales are shown net of Damages, Trade Discount and Special Scheme Discount. Sales do not include Value Added Tax.
- (iii) Service charges income are accounted when there is reasonable certainty of recovery.

- (iv) Dividend income from Investment is accounted for when the right to receive is established
- (v) Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- (vi) Lease Rent income are accounted when there is reasonable certainty of recovery.

F) EMPLOYEES BENEFITS :

(a) Short Term Employee Benefits :

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, etc, and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

(b) Post-Employment Benefits :

(i) Defined Contribution Plans :

State Governed provident fund scheme and employees state insurance scheme are defined contribution plans. The contribution paid / payable under the schemes is recognised during the period in which the employees renders the related services.

(ii) Defined Benefit Plans:

The employee's gratuity fund scheme and compensated absences is company's defined benefit plans.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government Securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognized immediately in the profit and loss account.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligations under the defined benefit plans, to recognize the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefits plans are recognized when the curtailment or settlement occurs. Past service cost is recognized as expense on a straight -line basis over the average period until the benefits become vested.

(c) Long term employee benefits :

The obligation for long term employee benefits such as long term compensated absences, is recognised in the same manner as in case of defined benefit plans as mentioned in b)ii) above.

G) BORROWING COST:

Borrowing cost utilized for acquisition, construction or production of qualifying assets are capitalised as part of cost of such assets till the activities necessary for its intended use are complete. All other borrowing costs are charged in statement of profit & loss of the year in which incurred.

H) TAXES ON INCOME :

- (a) Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such asset. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed at each Balance Sheet date to reassess realisation.

(b) MAT Credit Entitlement

MAT credit is recognised as an asset only when there is convincing evidence that the company will pay normal income tax within the specified period. The asset shall be reviewed at each balance sheet date.

I) FOREIGN CURRENCY TRANSACTIONS:

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Assets and Liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at the year-end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognised over the life of the contract. The difference in translation of current assets and current liabilities is recognized in the statement of Profit & Loss.
- (iii) Exchange differences, in respect of accounting periods commencing on or after 7th December, 2006 arising on reporting of long-term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, are added to or deducted from the cost of the asset and are depreciated over the remaining useful life of the asset, and in other cases are accumulated in a "Foreign currency Monetary item Translation Difference Account" in the company's financial statements and amortised Account" in the company's financial statements and amortised over the balance period of such long term asset/liability but not beyond accounting period ending on or before 31st March, 2020.

J) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions are recognised when the company has present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. These are reviewed at each year end and adjusted to reflect the best current estimate.

Contingent Liabilities are disclosed by way of notes to Accounts. Contingent Assets are neither recognised nor disclosed in the financial statements.

K) CONTINGENCIES AND EVENTS OCCURRING AFTER BALANCE SHEET DATE:

- All contingencies and events occurring after Balance Sheet date which have a material effect on the financial position of the company are considered for preparing the financial statement.
- Dividend declared by the company to the share holders after the balance sheet date is considered as a liability of the year in which it is paid.

L) EARNINGS PER SHARE:

Basic Earning Per Share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares Outstanding during the period. For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

M) LEASES :

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expenses in the statement of profit and loss.

N) CASH AND CASH EQUIVALENTS :

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

O) CASH FLOW STATEMENT :

Cash flow statement is prepared using the indirect method, whereby profit before extraordinary item and tax is adjusted for the effect of transactions of non - cash nature and any deferrals or accruals of past or future cash receipts or payment. The cash flow from operating, investing and financing of the company are segregated based on the available informations.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH 2017

	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
Note : 2 Share Capital		
Authorised:		
20,00,000 (P.Y. 20,00,000) Equity Shares of ₹ 10/-each	200.00	200.00
	200.00	200.00
Issued:		
8,70,148 (P.Y. 8,70,148) Equity Shares of ₹ 10/-each	87.01	87.01
	87.01	87.01
Subscribed and fully paid up:		
8,62,668 (P.Y.8,62,668) Equity Shares of ₹ 10/-each	86.27	86.27
Total	86.27	86.27

a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the reporting period :

	31.03.2017		31.03.2016	
Equity Shares	No.	₹ in Lacs	No.	₹ in Lacs
At the beginning of the year	862,668	86.27	862,668	86.27
Outstanding At the end of the year	862,668	86.27	862,668	86.27

b) Term/Rights attached to equity shares:

The company has only one class of equity shares having a par value of ₹ 10 per share. Each share holder is entitled to one vote per share. The company declares & pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be distributed in the number of equity shares held by the shareholders.

The company does not have any holding company.

The company has not issued any bonus shares, or shares for consideration other than cash or bought back equity shares during the year or for the period of five years immediately preceding the date of balance sheet.



c) Details of shareholder holding more than 5% shares in the company:

Equity Shares of ₹ 10 each fully paid	31.03.2017		31.03.2016	
	No.	%Holding in the class	No.	%Holding in the class
1 Devanshu Laxmanbhai Gandhi	109,145	12.65%	109,145	12.65%
2 Rajesh Ramchandra Gandhi	78,408	9.09%	78,408	9.09%
3 Virendra Ramchandra Gandhi	72,347	8.39%	72,347	8.39%
4 Vortex Ice-cream Pvt. Ltd.	43,308	5.02%	43,308	5.02%
5 Vadilal Marketing Pvt. Ltd.	43,299	5.02%	43,299	5.02%

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

	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
Note : 3		
Reserves & Surplus:		
Capital Reserve		
Balance as per last financial statement	0.37	0.37
Securities Premium		
Balance as per last financial statement	93.21	93.21
General Reserve		
Balance as per last financial statement	212.50	212.50
Surplus in the Statement of profit and loss:		
Balance brought forward from the last year	4.32	-
Add: Profit After Tax for the year	14.69	12.62
Less: Appropriation:		
Proposed Equity Dividend (Refer Note 1.1-K & 27.6)	-	6.90
Tax on Proposed Equity Dividend	-	1.40
Closing Balance of Profit & Loss	19.01	4.32
Closing balance	325.09	310.40

	As at 31/03/2017 Non-current maturities (Refer note 8) ₹ in Lacs	As at 31/03/2016 Non-current maturities (Refer note 8) ₹ in Lacs	As at 31/03/2017 Current maturities (Refer note 8) ₹ in Lacs	As at 31/03/2016 Current maturities (Refer note 8) ₹ in Lacs
Note: 4				
Long Term Borrowings:				
Term Loans :-				
From Banks (Secured)	490.00	142.05	2.05	4.49
From Others (Secured)	-	66.66	66.66	232.15
From Others (Unsecured)	-	-	-	10.39
	490.00	208.71	68.71	247.03
Less: Amount Disclosed under the head "Other Current Liabilities" (Refer note No. 8)	-	208.71	-	247.03
Net Amount (A)	490.00	-	68.71	-
Deposits (Unsecured)				
Fixed Deposits from Public	73.68	6.89	63.92	-
Less: Amount Disclosed under the head "Other Current Liabilities" (Refer note No. 8)	-	6.89	-	-
Net Amount (B)	73.68	-	63.92	-
Total (A+B)	563.68	-	132.63	-

Note : Repayment schedule of Loan

Name of the Bank	Original Loan amount ₹ in Lacs	Outstanding 31.03.2017 ₹ in Lacs	Balance 31.03.2016 ₹ in Lacs	Rate of interest	Remaining No. of Installments
1 Bank of India (Refer Note No.i)	700.00	630.00	0.00	14.10%	54 EMI of 11.67 lacs
2 Car Loan (Refer Note No. iii) HDFC Bank Limited	32.39	2.05	6.54	12.00%	5 EMI of 0.42 lacs *
3 IBM India Pvt.Ltd. (Refer Note No.iv)	45.84	0.00	10.39	13.00%	
4 Tata Capital Financial Services Ltd. (Refer Note No.ii)	550.00	66.66	298.81	11.50%	5 of ₹ 13.33 lacs each
		698.71	315.74		
5 Fixed Deposits		80.57	63.92	9.5% to 11%	12 to 36 months based on period of deposits

* Each EMI includes interest portion also.

- (i) Term Loan From Bank of India (Secured on 1st charge by hypothecation on (i) movable assets of the company such as Deep Freeze Machines,Refrigerated Vehicles,FOW, Push Carts,Tricycles etc.(ii) stocks of the company, such as Ice-Cream,Mango Pulp,Mango Juice,Frozen Fruits & Vegetables (iii) Book Debts and Receivables of the company.The Term Loan is also Secured on 1st charge by Equitable Mortgage by simple deposit of Title Deeds in respect of immovable properties of the company I.e.First Floor of Vadilal House situated at Shrimali Soc.,Navrangpura, Ahmedabad)
- (ii) Term Loan from TATA Capital Services Limited (Secured on 2nd charge by hypothecation on (i) movable assets of the company such as Deep Freeze Machines,Refrigerated vehicles,FOW, Pushcarts,Tricycles etc. (ii) stocks of the company, such as Ice-Cream,Mango Pulp,Mango Juice,Frozen Fruits & Vegetables,(iii) Book Debts and Receivables of the Company. The term loan is also secured on 1st charge by hypothecation on specific equipments and machineries financed by Tata Capital Financial Services Ltd.The Term Loan is also secured on 2nd charge by equitable mortgage by simple deposit of Title Deeds in respect of immovable properties of the company I.e.First Floor of Vadilal House situated at Shrimali Soc.,Navrangpura, Ahmedabad)
- (iii) Car loans from HDFC Bank Limited are secured against hypothecation of specific vehicles of the Company.
- (iv) Equipment Lease and financing transaction for SAP project for ₹ 200 Lakhs availed by compnay from IBM India Pvt, Ltd. is guranteed by some of the Directotrs and group company.

	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
Note : 5		
Long-term provisions		
Provision for employee benefits:		
Gratuity (Refer Note 28.1)	45.49	45.16
Total	45.49	45.16
Note : 6		
Short-term borrowings		
Loans repayable on demand from bank :		
Working Capital Loan :- (Secured)	785.93	-
(Refer Note No.i)		
Fixed Deposits from Public (Unsecured)	13.20	16.05
(Repayable within 12 months @ interest 9.00%)		
Loans From Related Parties : (Refer Note No. 28.2) (Unsecured)	-	64.32
(Repayable on demand @ 10.50%)		
Total	799.13	80.37

- (i) Working Capital facilitiesFrom Bank of India is Secured on 1st charge by hypothecation on (i) movable assets of the company such as Deep Freeze Machines,Refrigerated Vehicles,FOW, Push Carts,Tricycles etc.(ii) stocks of the company, such as Ice-Cream,Mango Pulp,Mango Juice,Frozen Fruits & Vegetables (iii) Book Debts and Receivables of the company.Working capital facilities is also secured on 2nd charge by hypothecation on specific equipments and machineries financed by Tata Capital Financial Services Ltd. Working Capital Facilites is also Secured on 1st charge by Equitable Mortgage by simple deposit of Title Deeds in respect of immovable properties of the company I.e.First Floor of Vadilal House situated at Shrimali Soc.,Navrangpura, Ahmedabad)

The cash credit is repayable on demand and carries interest @13.45% p.a.

	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
Note : 7 Trade Payables		
(a) Total Out standing dues of Micro,Small and Medium Enterprises	-	-
(Refer Note No.27.3)		
(B) Total Out standing dues of Creditor other than	3,232.63	5,105.57
Micro,Small and Medium Enterprises (Refer Note No. 27.2 & 28.2)		
Total	3,232.63	5,105.57

Note : 8 Other current liabilities

Current maturities of long-term debt (Refer note 4)

- From Banks (Secured)
- From Others (Secured)
- From Others (Unsecured)
- From Fixed Deposits From Public (Unsecured)

Security Deposits from Dealers/Distributors

Interest accrued but not due on borrowings

Interest accrued and due on borrowings

Advances received from customers and others

142.05	4.49
66.66	232.15
-	10.39
6.89	-
5,043.76	4,446.37
3.43	3.73
2.36	1.05
105.42	98.78



	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
Unclaimed Dividends*	3.06	3.04
Unclaimed Matured Deposits*	1.25	1.25
Creditor for Capital Goods	255.68	588.76
Other Liabilities	112.79	150.95
Book Overdraft	14.70	5.58
Statutory dues payable	201.28	178.10
Total	5,959.33	5,724.64
*Not due for transfer to Investor, Education & Protection Fund		
Note : 9 Short-term provisions		
Provision for employee benefits:		
Provision for Gratuity (Refer Note no. 28.1)	47.65	37.95
Provision for Compensated Absences	78.75	64.74
Other provisions:		
Income tax (net of advance tax)	-	-
Proposed Equity Dividends (Refer Note: 1.1K & 27.6)	-	6.90
Dividend Tax on Proposed Dividends	-	1.40
Other provisions:	-	-
Total	126.40	110.99

Note 10 : Fixed Assets (Refer Note No.1.1-B)										₹ in Lacs
	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK	
	As on 01.04.16	Addi- tion	Deduc- tion	As on 31.03.17	Up to 01.04.16	For the year	Deduc- tion	Upto 31.03.17	As on 31.03.17	As on 31.03.16
Property, Plant & Equipments :										
Buildings	56.40	-	-	56.40	32.22	0.68	-	32.90	23.50	24.18
Plant & Machinery	8,168.87	1,394.76	554.67	9,008.96	3,889.59	899.56	447.07	4,342.08	4,666.88	4,279.28
Office equipments	68.09	11.15	0.26	78.98	36.16	9.76	0.08	45.84	33.14	31.93
Furniture and fixtures	40.52	3.90	-	44.42	23.55	4.39	-	27.94	16.48	16.97
Vehicles	159.90	-	43.26	116.64	138.63	4.83	41.10	102.36	14.28	21.27
Total (a)	8,493.78	1,409.81	598.19	9,305.40	4,120.15	919.22	488.25	4,551.12	4,754.28	4,373.63
Previous Year	7,227.73	1,860.33	594.28	8,493.78	3,848.57	764.33	492.75	4,120.15	4,373.63	3,379.16
Intangible assets:										
Computer software	137.26	26.75	-	164.01	41.87	29.26	-	71.13	92.88	95.39
Total (b)	137.26	26.75	-	164.01	41.87	29.26	-	71.13	92.88	95.39
Previous Year	67.17	70.09	-	137.26	22.95	18.92	-	41.87	95.39	44.22
Total (a+b)	8,631.04	1,436.56	598.19	9,469.41	4,162.02	948.48	488.25	4,622.25	4,847.16	4,469.02
Pre. Year Total (a+b)	7,294.90	1,930.42	594.28	8,631.04	3,871.52	783.25	492.75	4,162.02	4,469.02	3,423.38
Capital Work in progress	514.77	774.25	1,123.28	165.74	-	-	-	-	165.74	514.77
Previous Year	650.38	1,440.44	1,576.05	514.77	-	-	-	-	514.77	650.38
Grand Total	9,145.81	2,210.81	1,721.47	9,635.15	4,162.02	948.48	488.25	4,622.25	5,012.90	4,983.79
Previous Year	7,945.28	3,370.86	2,170.33	9,145.81	3,871.52	783.25	492.75	4,162.02	4,983.79	4,073.76

- Vehicles amounting to ₹ .17.25 lacs (P.Y. ₹ 35.39 lacs) are held in the Name of Directors of the company.
- Gross Block of ₹ . 9469.41 lacs (P.Y. ₹ .8631.04 lacs) and Depreciation up to 31-03-17 of ₹ 4622.25 lacs (P.Y. ₹ 4162.02 lacs) include amount of ₹ . 1465.18 lacs (P.Y. ₹ 1282.75 lacs) which represents Property, Plant & Equipments fully depreciated and Net Block value of respective Property, Plant & Equipments is ₹ NIL (P.Y. ₹ . NIL)
- Plant & Machinery includes Deep Freeze Machine & Freezers on Wheels given on cancellable operating lease.
Gross Block ₹ 3562.93 Lacs - (P.Y.. ₹ 4171.52 lacs)
Accumulated Depreciation ₹ .1100.08 Lacs (P.Y. ₹ 878.64 lacs)
Net Carrying Amount ₹ 2462.85 (P.Y. ₹ 3292.88 lacs)

	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
Note : 11 Non-current investments (Valued at cost unless stated otherwise)		
Non-Trade, Quoted:		
(A) Investments in Quoted Equity Instruments		
In Equity shares of ₹ 10/- each fully paid up :		
2000 (P.Y.2000) Gujarat Narmada Knitwear Ltd.	0.20	0.20
400 (P.Y.400) Aminex Chemicals Ltd.	0.04	0.04
	0.24	0.24
Less : Diminution in value of Investments - Non Trade Quoted	(0.24)	(0.24)
Non-Trade, Unquoted:		
Investments in Unquoted Equity Instruments		
(B) Investments in Unquoted Equity Instruments		
NIL (P.Y. 2,450) equity shares of ₹ 25 each fully paid in Textile Traders Coop Bank Ltd	-	0.61
NIL (P.Y. 4) equity shares of ₹ 25 each fully paid in Siddhi Coop Bank Ltd	-	0.01
48,000 equity shares (P.Y. NIL) of ₹ 10 each fully paid up in Vadilal Forex and Consultancy services Ltd	4.80	-
55,200 equity shares (P.Y. NIL) of ₹ 10 each fully paid up in Majestic Farm House Ltd.	5.52	-
(C) Investments in Associates		
NIL (P.Y. 70,000) equity shares of ₹ 10 each fully paid up in Vadilal Forex and Consultancy services Ltd	-	7.00
NIL (P.Y. 1,15,200) equity shares of ₹ 10 each fully paid up in Majestic Farm House Ltd.	-	11.52
	10.32	19.14
Less : Diminution in value of Investments - Non Trade Unquoted	(2.76)	(14.66)
	7.56	4.48
Total	7.56	4.48
a Aggregate amount of Quoted investments :		
- Book Value	0.24	0.24
- Market Value	Not available	Not available
b) Aggregate amount of Unquoted investments		
- Book Value	10.32	19.14
c) Provision for Diminution in value of investments	(3.00)	(14.90)
Note : 12 Deferred tax assets / (liabilities) (net)		
Deferred tax assets:		
Provsion For Doubtful Debts	50.13	61.36
Expenses disallowable u/s 43B	53.90	57.75
Difference between Book & Income tax Depreciation	77.75	61.73
Unabsorbed Depreciation	2.31	2.31
Total	184.09	183.15
Note : 13 Long-term loans and advances (Unsecured, considered good)		
Capital advances	0.65	0.54
Trade/Security deposits (Refer Note No. 28.2)	2,499.21	2,479.10
Deposit with Government Authority	43.72	34.01
Loan to Others	6.00	6.00
Staff Loan	0.83	1.24
Advance Payment of Taxes Less provision (Current tax)	26.63	38.86
Advances recoverable in cash or in kind or for Value to be Received	0.06	0.06
Less:- Provision for Doubtful Advances	(33.95)	(22.77)
Total	2,543.15	2,537.04
Of the above Loans & Advances		
- Fully Secured		
- Unsecured Considered Good	2,543.15	2,537.04
- Considered Doubtful	33.95	22.77
	2,577.10	2,559.81



	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
Note : 14 Other non-current assets		
Bank deposits for more than 12 months maturity:		
against guarantees	15.63	39.83
against margin money	0.25	0.30
(Out of which ₹ 15.63 lacs (P.Y. ₹ 39.83) pledged with scheduled bank & ₹ 0.25 lacs (P.Y. ₹ 0.30 lacs) lying with third parties)		
Total	15.88	40.13
Note : 15 Inventories : (Refer Note No. 1.1-D)		
(Valued at lower of cost or net realizable value)		
Traded Goods (Refer note No. 23)	18.61	7.07
Machinery Parts	100.69	91.13
Total	119.30	98.20
Note : 16 Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment	498.64	448.71
Less: Provision for doubtful receivable	(145.47)	(172.11)
Total (A)	353.17	276.60
Of the above receivable		
- Secured,considered good	347.11	265.80
- Unsecured,considered good	6.06	10.80
- Doubtful	145.47	172.11
	498.64	448.71
Other Trade Receivables	1,836.91	1,973.41
Less: Provision for doubtful receivable	-	(9.71)
Total (B)	1,836.91	1,963.70
Of the above receivable		
- Secured,considered good	942.75	835.59
- Unsecured,considered good	894.16	1,128.11
- Doubtful	-	9.71
	1,836.91	1,973.41
Total (A + B)	2,190.08	2,240.30
Note : 17 Cash and bank balances		
Cash and cash equivalents:		
Cash on hand	8.05	22.23
Bank balance in Current Accounts	270.75	544.25
Deposit Repayment Reserve Account	4.78	0.78
Unclaimed Dividend Accounts	3.06	3.04
Other bank balances:		
Bank deposits:		
against margin money less than 12 months	0.00	0.77
Total	286.64	571.07
Note : 18 Short-term loans and advances		
(Unsecured, considered good unless otherwise stated)		
Security deposit (Refer Note no. 28.2)	560.00	560.00
Current Maturities of Staff Loan	7.12	9.08
Loans & Advances to others	94.66	119.23
Less:- Provision for Doubtful Advances	(19.62)	(19.62)
Total	642.16	668.69
Loans & Advances to others		
- Considered good	75.04	99.61
- Dobut ful	19.62	19.62
	94.66	119.23
Note : 19 Other current assets		
Interest receivable (Refer Note no. 28.2)	27.44	27.44
Other receivable	108.82	241.74
Total	136.26	269.18

	YEAR ENDED 31.03.2017 (₹ in Lacs)	YEAR ENDED 31.03.2016 (₹ in Lacs)
Note : 20 Revenue from operations: (Refer Note No.1.1-E)		
Sales of Products	54,832.98	52,027.46
Less: Sales Comm., Trade Discount, Scheme Discount, Damages etc.	3,357.14	3,578.80
	51,475.84	48,448.66
Sale of Services	74.48	87.75
TOTAL - >	51,550.32	48,536.41
Other Operating Income:		
Scrap sale of assets	19.12	27.17
Commission Income	7.69	4.40
Rental Income (Machines)	167.53	214.64
Promotional Charges Recovered	49.84	44.04
TOTAL - >	244.18	290.25
GRAND TOTAL - >	51,794.50	48,826.66
Details of products sold		
Traded Goods Sold		
Ice-cream/Frozen Dessert	50,343.36	47,200.56
Processed Food	462.83	671.60
Dairy Products	523.75	467.12
Others	145.90	109.38
TOTAL - >	51,475.84	48,448.66
Details of services rendered		
Service Charge Income of Deep Freezers & Freezers on wheels	74.48	87.75
TOTAL - >	74.48	87.75
Note : 21 Other Income:		
Interest Income	38.44	28.35
Dividend Income on Long Term Investments (Gross)	0.07	0.07
Profit on Sale of Property, Plant & Equipment	3.41	0.44
Depreciation Fund Written Back	0.96	36.27
Profit/Loss on Sale of Investment	0.52	0.00
Diminution of Investment Written back	11.90	0.00
Excess Provision /Credit Balance/Deposits Written Back	88.75	61.02
Miscellaneous Income	37.98	28.85
TOTAL - >	182.03	155.00
Note : 22 Purchase of Traded Goods :		
Purchases	42,345.28	40,490.48
TOTAL - >	42,345.28	40,490.48
Details of Purchase of Traded Goods		
Ice Cream/ Frozen Desserts	41,325.56	39,335.85
Processed Food	387.50	604.44
Dairy Products	477.24	424.39
Others	154.98	125.80
TOTAL - >	42,345.28	40,490.48
Note : 23 (Increase)/Decrease in Traded Goods		
Inventories at the end of the year	18.61	7.07
Traded goods		
Inventories at the beginning of the year	7.07	10.23
Traded goods		
TOTAL - >	(11.54)	3.16
Details of Inventory		
Ice Cream/Frozen Desserts	7.92	2.55
Processed Food	0.29	0.44
Dairy Products	0.12	0.22
Others	10.28	3.86
TOTAL - >	18.61	7.07



	YEAR ENDED 31.03.2017 (₹ in Lacs)	YEAR ENDED 31.03.2016 (₹ in Lacs)
Note : 24		
Employee Benefit Expense :		
Salaries & Wages	1,856.07	1,668.21
Contribution to Provident & Other Funds (Refer Note No.28.1)	87.55	73.83
Staff Welfare Expense	23.48	24.21
TOTAL - >	1,967.10	1,766.25
Note : 25		
Finance Cost (Refer Note No.1.1 -G)		
On Fixed Loans	86.27	32.58
On Working Capital Loan	7.53	16.68
On Fixed Deposits	10.84	4.14
On Others	34.28	11.53
Brokerage & Other Financial Charges	31.05	27.83
TOTAL - >	169.97	92.76
Note : 26		
Other Expense		
Advertisement,Sales Promotion & Publicity Expenses	2473.74	2150.05
Freight & Forwarding Charges	1780.74	1729.35
Repairs & Maintenance : Machinery	69.70	57.62
Other	0.07	11.57
Stores & Spare Consumption	246.15	195.34
Rent (Refer Note No.28.2)	251.26	193.67
Rates & Taxes	38.70	34.98
Payment to Auditor (Refer Details below)	17.86	14.55
Insurance	33.12	28.74
Royalty (Refer Note No.28.2)	193.28	181.41
Vehicle Repairs & Petrol Expenses	53.47	44.59
Traveling & Conveyance	443.65	406.13
Director's Travelling Expense	0.50	0.00
Provision for doubtful receivable (net)	96.55	87.46
Property, Plant & Equipment Written off (net)	100.86	60.45
Bad Debts written-off	C.Y. 137.57 (P.Y. 60.78)	
Less : Provided in earlier years	C.Y. 132.89 (P.Y. 57.33)	
	4.68	3.45
Sales Tax & Entry Tax	12.04	7.83
C & F Commission	226.62	207.76
Directors' Sitting fees	0.79	0.78
Other Expenses (Including Legal & Professional Charges, Conveyance,Electricity,Printing & Stationery,Telephone, Misc. etc.)	471.26	401.08
TOTAL - >	6,515.04	5,816.81
Payment to Auditor:-		
As auditor:		
- Audit Fees	7.75	7.75
- Tax Audit Fees	2.75	2.75
In other capacity:		
- Certificate Fees	3.74	2.27
- Taxation Matters	2.98	1.62
- Out of Pocket expenses	0.64	0.16
TOTAL - >	17.86	14.55

27. Additional information to the Financial Statements

27.1. CONTINGENT LIABILITIES NOT PROVIDED FOR :

PARTICULAR	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
(a) Estimated amount of Contracts remaining to be executed on Capital account and not provided for. (net of advances)	281.21	625.99
(b) Claims against the Company not acknowledged as debt / against which appeal has been filed.		
(i) Sales Tax	151.12	140.77
(ii) Others	38.24	38.24
(iii) Income Tax	53.55	56.69
Note : Future Cash outflows in respect of 27.1 (b) above depends on ultimate settlement / conclusions with the relevant authorities.		

27.2 Certain balances of receivables, payables, loans and advances and deposits from dealers/distributors are subject to confirmation. Any adjustments, if required, would be made at the time of reconciliation/settlement of the Accounts.

27.3 Based on the information available with the company, there are no suppliers who are registered under the Micro, Small & Medium Enterprises Development Act, 2006 as at 31st March 2017. Hence, the information required under the Micro, Small & Medium Enterprises Development Act, 2006 is not disclosed. This is relied upon by Auditors.

27.4 REMUNERATION TO CHAIRMAN & MANAGING DIRECTOR

Salaries, wages, allowances, Bonus etc includes ₹ NIL towards managerial remuneration.

27.5 REMITTANCE OF FOREIGN CURRENCIES FOR DIVIDENDS :

The Company has not made any remittances in foreign currencies on account of dividends during the year. The particulars of dividends paid to non-resident shareholders are as follows :

Year to which dividend relates	2015-16	2014-15
Number of non-resident shareholders	NIL	NIL
Number of shares held by them on which dividend is due	NIL	NIL
Amount remitted to bank accounts in India of non-resident shareholders	NIL	NIL

27.6 The Board of Directors of the Company have recommended dividend of ₹ 0.80 per Share (i.e. @ 8 %) on 8,62,668 Equity Shares of ₹ 10/- each for the year ended on 31st March, 2017 subject to the approval of the members at the ensuing Annual General Meeting of the Company.

28. Disclosure under Accounting Standards

28.1 Disclosure as per Accounting Standard 15 (Revised) Employee Benefits:

(i) Defined Contribution Plans:

Amount of ₹ 87.42/- Lacs (P.Y. ₹ 73.77/-Lacs) is recognized as expenses and included in Employee Benefit Expenses" (Note 24) in the statement of Profit and Loss.

(ii) Defined Benefit Plans:

(a) Changes in present value of defined benefit obligation :

Particulars	Gratuity Plan	
	31.03.17 (₹ In Lacs)	31.03.16
Opening defined benefit obligation As at 01.04.2016	131.12	109.78
Service Cost	15.75	13.56
Interest Cost	10.23	8.76
Actuarial Losses /(Gains)	6.81	4.92
Losses /(Gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Benefits Paid	(6.87)	(5.90)
Closing defined benefit obligation as at 31.03.2017	157.04	131.12

(b) Changes in the fair value of plan assets

Particulars	Gratuity Plan	
	31.03.17 (₹ In Lacs)	31.03.16
Opening fair value of plan assets as at 01.04.2016	48.00	46.25
Expected return	3.75	3.69
Actuarial gains and (Losses)	(0.98)	(0.93)
Assets distributed on settlements	-	-
Contributions by employer	20.00	4.89
Benefits Paid	(6.87)	(5.90)
Closing balance of fair value of plan Assets as at 31.03.2017	63.90	48.00

(c) The amounts recognised in Balance Sheet:

Particulars	Gratuity Plan	
	31.03.17	31.03.16
	(₹ In Lacs)	
Amount to be recognised in Balance Sheet		
i) Present value of Defined Benefit Obligations		
- Funded	63.90	48.00
- Unfunded	93.14	83.11
TOTAL	157.04	131.11
Less: Fair value of Plan Assets	63.90	48.00
Unrecognised Past Service Costs	-	-
Amount to be recognised as liability	93.14	83.11
ii) Amount Reflected in the Balance Sheet		
Liabilities	93.14	83.11
Assets	0	0
Net Liability/(Asset)	93.14	83.11

(d) The amounts recognised in Profit and Loss account

Particulars	Gratuity Plan	
	31.03.17	31.03.16
	(₹ In Lacs)	
1 Current Service Cost	15.75	13.56
2 Interest Cost	6.48	5.06
3 Expected return on plan assets	-	-
4 Net Actuarial Losses (Gains) recognised in year	7.79	5.86
5 Past service cost	-	-
6 Losses (Gains) on curtailments and Settlement	-	-
Total included in 'Employee Benefit Expense' [Ref. Note 24]	30.02	24.48
Actual return on plan assets	2.77	2.76

(e) The Major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	Gratuity Plan	
	31.03.17	31.03.16
	(₹ In Lacs)	
Government of India Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Insurance company	100%	100%

(f) Principal actuarial assumptions at the balance sheet date. (expressed as weighted averages):

Particulars	Gratuity Plan	
	31.03.17	31.03.16
Discount rate	7.27%	7.80%
Expected return on plan assets	7.27%	7.80%
Annual increase in salary costs	7.00%	7.00%
Attrition Rate		11%
For Service 4 Years & Below	15.00%	
For Service 5 Years & Above	2.00%	

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors, such as supply and demand in the employment market.

(g) Amount pertaining to defined benefit plans are as follows:

Particular	Gratuity Plan					
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)
Defined benefit obligation	157.04	131.11	109.78	89.31	75.49	75.80
Plan Assets	63.90	48.00	46.25	47.11	56.17	54.65
Surplus / (deficit)	(93.14)	(83.11)	(63.53)	(42.20)	(19.32)	(21.15)
Experience adjustments on Plan Liabilities	6.37	3.54	0.91	14.29	(14.29)	7.02
Experience adjustments on Plan Assets	(0.98)	(0.93)	(0.11)	1.50	(0.29)	(0.22)

- (h) The company expects to fund ₹ 30.02/- Lacs (P.Y. ₹ 20.00 Lacs) towards gratuity plan and ₹ 67.03/- Lacs (P.Y. ₹ 60.93/- Lacs) towards Provident Fund plan during the year 2017-18.

Notes:

- (i) The company provides retirement benefits in the form of Provident Fund, Gratuity and Compensated Absences. Provident Fund contributions made to "Government Administrated Provident Fund" are treated as defined contribution plan since the company has no further obligations beyond its monthly contributions. Gratuity is treated as defined benefit plan, and is administrated by making contributions to Group Gratuity Scheme of Life Insurance Corporation of India. Compensated Absences is considered as defined benefit plans is administrated by making contributions to the Group Compensated Absences Scheme of Life Insurance Corporation of India and sick leave is considered as defined benefit plan and it remains unfunded.

28.2 Related Party Transactions as per Accounting Standard 18:

A) Name of related party and description of relationship with whom transactions taken place.

- 1) Group of Individuals Having Significant Influence over the company & relative of such individuals
 - i) Rajesh R. Gandhi
 - ii) Devanshu L. Gandhi
 - iii) Nija K. Gandhi
- 2) Key Management Personnel
 - i) Vishal P. Surati
 - ii) Rajesh Bhagat
 - iii) Darshan Shah
- 3) Enterprises owned or significantly influenced by Key management personnel or their relatives :
 - i) Vadilal Industries Ltd.
 - ii) Vadilal Soda Fountain.
 - iii) Vadilal International Pvt Ltd.
 - iv) Vadilal Marketing Private Ltd.
 - V) Valiant Construction Pvt. Ltd.
 - Vi) Veronica Construction Pvt. Ltd.

B) Transaction with related parties :

(₹ in Lacs)

Sr. No.	Particulars of Transaction & Name of related party which transactions, more than 10 %	Key Management Personnel/ Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
1	Sales : Vadilal Soda Fountain	-	102.60 (141.29)	102.60 (141.29)
2	Purchase : Vadilal Industries Ltd.	-	47,366.27 (45,308.66)	47,366.27 (45,308.66)
3	Rent paid : Vadilal Industries Ltd.	-	0.90 (0.90)	0.90 (0.90)
4	Salary Paid Nija Kalpit Gandhi	10.73 (10.73)	-	10.73 (10.73)
	Vishal P Surati	35.57 (31.90)	-	35.57 (31.90)
	Rajesh Bhagat	8.68 (8.49)	-	8.68 (8.49)
	Darshan Shah	3.96 (0.25)	-	3.96 (0.25)
5	Royalty Paid : Vadilal International Pvt.Ltd.	-	193.28 (181.41)	193.28 (181.41)
6	Interest Expense Vadilal Marketing Pvt. Ltd.	-	5.36 (6.32)	5.36 (6.32)
7	Interest Income : Vadilal International Pvt.Ltd.	-	24.00 (24.00)	24.00 (24.00)



Sr. No.	Particulars of Transaction & Name of related party which transactions, more than 10 %	Key Management Personnel/ Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
8	Deposit Given Vadilal Industries Ltd.	-	-	-
		-	(560.00)	(560.00)
9	Loan Received Vadilal Marketing Pvt. Ltd.	-	105.00	105.00
		-	(58.00)	(58.00)
10	Loan Repaid Vadilal Marketing Pvt. Ltd.	-	169.32	169.32
		-	(151.50)	(0.00)
11	Balance outstanding at year end :			
a)	Receivable :			
	Trade Deposit Given			
i)	Vadilal International Pvt.Ltd.	-	2,400.00	2,400.00
		-	(2,400.00)	(2,400.00)
ii)	Vadilal Industries Ltd.	-	560.00	560.00
		-	(560.00)	(560.00)
	Other Current Asset			
iii)	Vadilal International Pvt. Ltd	-	21.60	21.60
		-	(21.60)	(21.60)
	Trade Receivable :			
iv)	Vadilal soda Fountain	-	0.69	0.69
		-	(10.56)	(10.56)
b)	Payable :			
	Trade Payable :			
	Vadilal Industries Ltd.	-	1,654.99	1,654.99
		-	(3,495.41)	(3,495.41)
	Vadilal International Pvt. Ltd	-	49.38	49.38
		-	(65.55)	(65.55)
	Loan			
	Vadilal Marketing Pvt. Ltd.	-	-	-
		-	(64.32)	(64.32)
c)	Investment:			
	Vadilal Forex & Consultancy Pvt. Ltd.	-	4.80	4.80
		-	(7.00)	(7.00)
	Majestic Farm House Ltd.	-	5.52	5.52
		-	(11.52)	(11.52)
d)	Against corporate guarantee taken :			
	Vadilal Industries Ltd.	-	3,059.12	3,059.12
		-	(2,009.00)	(2,009.00)

Note :

- Director's Sitting fees is shown separately in accounts.
- Figures in bracket relates to previous year.
- Transaction of Purchase / Sales and out standing of Trade Payables / Receivable are inclusive of Taxes.

28.3 Segment information as per Accounting Standard 17:

Segment Reporting as defined in Accounting Standard 17 is not applicable as the company's primary segment is food products which is Ice Cream/Frozen Dessert, Process Food, Flavored Milk & Dairy Products which mainly have similar risk & return. Similarly, as the company sells its products in India there are no reportable geographical Segments.

28.4 Operating Leases as per Accounting Standard 19:

- The Company has taken various residential, office and godown premises under operating lease or leave and license agreements. These are generally not non-cancellable and range between 11 months to 36 months under leave and license or longer for other leases and are renewable by mutual consent on mutually agreeable terms. The company has given refundable interest free security deposits under certain agreements.
- Lease payments are recognized as expense in the Statement of Profit & Loss under "Other Expenses" in Note 26

28.5 Earning per share as per Accounting Standard 20:

- (a) The amount used as the numerator in calculating basic and diluted earnings per share is the net profit for the year disclosed in the Statement of profit & loss.
- (b) The weighted average number of equity shares used as the denominator in calculating both basic & diluted earnings per share is 8,62,668 (P.Y. 8,62,668).

28.6 During the year, Company has sold part of its investments in Associate, as a result these company ceased to be associates at the year end. As no significant influence was exercised by the company over these associates nor are their financial result material to the company's result, consolidated financial statements have not been prepared. However, Profit on Sale of investment & reversal of impairment is recognised in this financial statements.

29 Disclosure of SBN in financial statements.

Particulars	SBN Amount	Others Amount	Total
Closing cash in hand as on 08.11.2016	2,574,000	51,024	2,625,024
Add : Permitted receipts	-	7,172,708	7,172,708
Less : Permitted Payments	-	1,765,599	1,765,599
Less : Amount deposited in Banks	2,574,000	1,878,525	4,452,525
Closing Balance as on 30.12.2016	-	-	3,579,608

30 Previous year's figures have been regrouped wherever necessary to make them comparable with figures of the current year.

As per our report of even date
FOR KANTILAL PATEL & CO.
 Chartered Accountants
 Firm Registration No. 104744W

Jinal A. Patel
 Partner
 Membership No.:153599

Place: Ahmedabad
 Date : 25th May 2017

For and on behalf of the Board of Directors of Vadilal Enterprises Ltd.

Rajesh R.Gandhi : Chairman

Devanshu L.Gandhi : Director

Rajesh Bhagat : Chief Financial Officer

Darshan Shah : Company Secretary

Place: Ahmedabad
 Date : 25th May 2017



VADILAL ENTERPRISES LIMITED

Share Department: 10th Floor, Colonnade Building, Opp. Iscon Temple BRTS Bus Stand, Ambli-Bopal Road, Ahmedabad-380015
CIN: L51100GJ1985PLC007995, Web: www.vadilalgroup.com, Email: sharelogs@vadilalgroup.com, Tel: +91 079 30921200

E-COMMUNICATION REGISTRATION FORM

Dear Shareholders,

You are aware that the provisions of Companies Act, 2013 have been made effective. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued thereunder, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository or with Share Transfer Agent.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity for every shareholder of Vadilal Enterprises Limited to contribute to the cause of Green Initiative.

We therefore invite all our shareholders to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode.

Please note that as a Member of the Company, you will be entitled to receive all such communication in physical form, upon request.

Best Regards,

Darshan Shah
Company Secretary

E-COMMUNICATION REGISTRATION FORM

Folio No. / DP ID and Client ID :

Name of the 1st Registered Holder :

Name of the Joint Holder[s] :

Registered Address :

E-mail ID (to be registered) :

I / We Shareholder(s) of Vadilal Enterprises Limited agree to receive communication from the Company in electronic mode. Please register my/our above e-mail ID in your records for sending communication in electronic form.

Date : _____

Signature _____

Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.

**VADILAL ENTERPRISES LIMITED**

Share Department: 10th Floor, Colonnade Building, Opp. Iscon Temple BRTS Bus Stand, Ambli-Bopal Road, Ahmedabad-380015
 CIN: L51100GJ1985PLC007995, Web: www.vadilalgroup.com, Email: sharelogs@vadilalgroup.com, Tel: +91 079 30921200

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. JOINT SHAREHOLDERS MAY OBTAIN ADDITIONAL ATTENDANCE SLIP ON REQUEST.

Name	Regd Folio No. *DP ID No. and Client ID No.	No. of Shares held
Shareholder _____ _____		
Proxy _____		

I hereby record my presence at the 32nd Annual General Meeting of the members of the Company on Friday, the 29th September, 2017, at 2.30 p.m., at GICEA, Gajjar Hall, Nirman Bhavan, Opp. Law Garden, Ellisbridge, Ahmedabad - 380 006.

* Applicable for investors holding shares in electronic form.

Signature of Shareholder(s)/Proxy

Tear here

**VADILAL ENTERPRISES LIMITED**

Share Department: 10th Floor, Colonnade Building, Opp. Iscon Temple BRTS Bus Stand, Ambli-Bopal Road, Ahmedabad-380015
 CIN: L51100GJ1985PLC007995, Web: www.vadilalgroup.com, Email: sharelogs@vadilalgroup.com, Tel: +91 079 30153189

Form No. MGT-11

FORM OF PROXY

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s) _____
Registered Address : _____ _____
E-mail ID _____ Folio No. / DP ID and Client ID _____

I/We, being the Member(s) of _____ Equity Shares of the above named Company, hereby appoint

1. Name: _____ E-mail ID: _____

Address: _____

Signature: or failing him/her

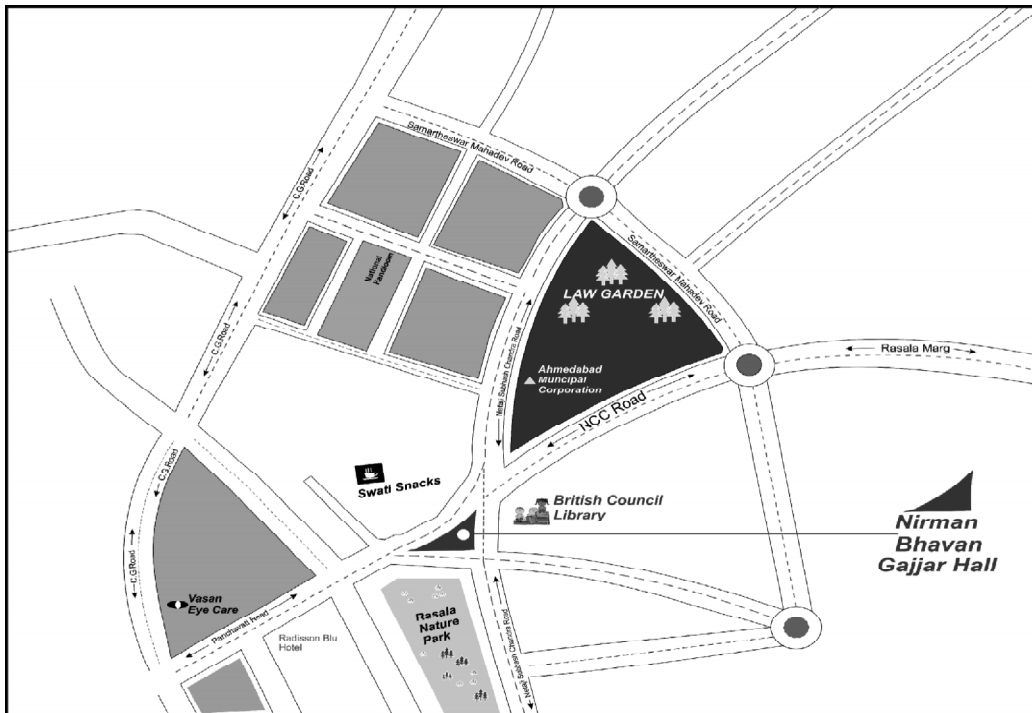
2. Name: _____ E-mail ID: _____

Address: _____

Signature:

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on Friday, the 29th September, 2017, at 2.30 p.m. at GICEA, Gajjar Hall, Nirman Bhavan, Opp. Law Garden, Ellisbridge, Ahmedabad - 380006 and at any adjournment thereof in respect of such resolutions as are indicated below:

See overleaf



Tear here

Resolution No.	Description
1.	To receive, consider and adopt the audited Statement of Profit & Loss for the year ended March 31, 2017, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2.	To declare dividend on Equity Shares for the financial year ended on March 31, 2017.
3.	To appoint a Director in place of Mrs. Mamta R. Gandhi (DIN: 00674579) who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
4.	To appoint Statutory Auditors and fix their remuneration.

Signed this _____ day of _____ 2017

Signature.....

Affix
Revenue
Stamp

Notes:

1. A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.
2. This form of Proxy, to be effective, should be deposited at the Share Department of the Company at 10th Floor, Colonnade Building, Opp. Iscon Temple BRTS Bus Stand, Ambli-Bopal Road, Ahmedabad-380015, not later than FORTY-EIGHT HOURS before the commencement of the aforesaid meeting.

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NOTES

The Flavours of Togetherness





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