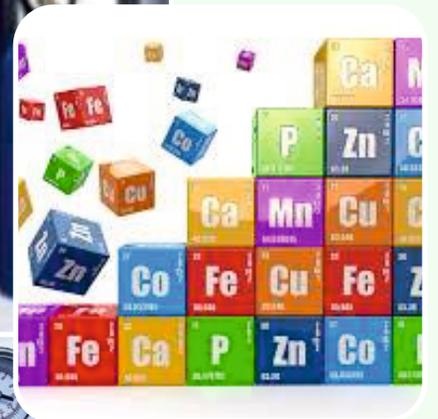
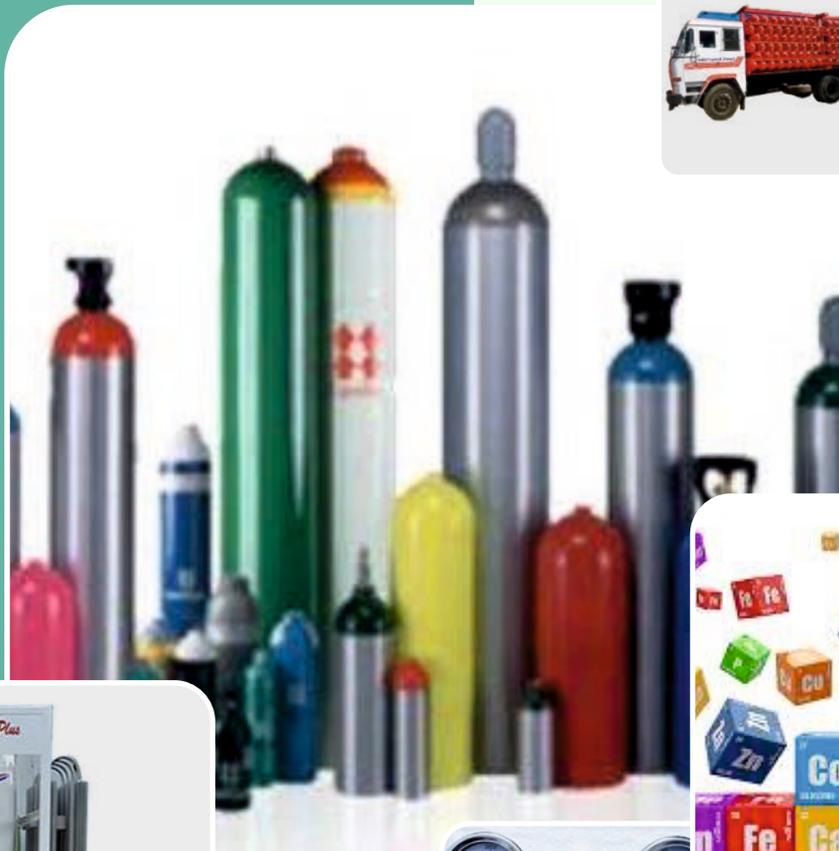




34th Annual Report
2024-2025



VADILAL CHEMICALS LIMITED



VADILAL CHEMICALS LIMITED

Registered Office :-

503-504, Aditya Building, Nr. Sardar Patel Seva Samaj,
Mithakhali, Navrangpura, Ahmedabad - 380 006.

Website : <https://vadilalchemicals.in>

Ph. : 079-48936937-38-39

Plant & Branches

Vadodara

Plot No. 139, Por-Ramangamdi, GIDC Por,
Dist. Vadodara - 391243, Gujarat.

Ahmedabad

Plot No. 2504, Phase IV, GIDC Vatva,
Ahmedabad - 382445, Gujarat

Bharuch

Plot No. 615, GIDC Estate,
Panoli, Dist. Bharuch - 394116, Gujarat

Mumbai

D-397, MIDC, TTC Ind. Area,
Turbhe, Dist. Thane,
Navi Mumbai - 400705 Maharashtra

Pune

S Block, Plot No. 234/20,
MIDC Bhosari,
Pune - 411026 (Maharashtra)

Vapi

40, Shed Area, Plot No. 799, GIDC Estate,
Vapi, Dist. Valsad - 396195, Gujarat

Madhya Pradesh

39-A Sector Industrial Area, Polo Ground,
Indore - 452003, Madhya Pradesh

Rajasthan

Plot No. E 43-B, RIICO Ind. Estate,
Tal. Thijara, District : Alwar,
Rajasthan- 301707.

Telangana

Plot No. 18/A, Phase II, IDA, TSIIIC,
Patancheru, Dist. Medak,
Telangana



VADILAL CHEMICALS LIMITED

(CIN: L24231GJ1991PLC015390)

34th ANNUAL REPORT 2024-25**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. Rajesh R. Gandhi	-	Chairman & Non- Executive Director
Mr. Devanshu L. Gandhi	-	Non- Executive Director
Mr. Virendra R. Gandhi	-	Additional Non- Executive Director (w.e.f. 27.05.2025)
Ms. Deval D. Gandhi	-	Non- Executive Director
Mr. Kalpit R. Gandhi	-	Non- Executive Director (upto 19.07.2024)
Mr. Kamal N. Varma	-	Whole Time Director (w.e.f. 25.05.2024) & Chief Executive Officer (CEO)
Ms. Shaily J. Dedhia	-	Independent Director (w.e.f. 25.05.2024)
Mr. Rajesh K. Pandya	-	Independent Director (w.e.f. 27.05.2025)
Late Mr. Vijay R. Shah	-	Independent Director (upto 26.02.2025)
Mr. Viral H. Shah	-	Additional Independent Director (upto 01.04.2024)

OTHER KEY MANAGERIAL PERSONNEL:

Mr. Dipal J. Soni	-	Chief Financial Officer
Mr. Soham B. Raval	-	Company Secretary

AUDITORS : M/s. Parth R. Shah & Co.,
Chartered Accountants,
Ahmedabad.

BANKERS : Kalupur Bank
IDBI Bank
Bank of Baroda
HDFC Bank

REGISTERED OFFICE : 201, 2nd Floor, Puniska House,
Next to One 42, Opp. Jayantilal
park BRTS Bus Stop, Ambli Bopal
Road, Ahmedabad- 380058.
Ph.: 079-48081200.
E-Mail: cs.vcl@vadilalgroup.com
Website: www.vadilalchemicals.in

REGISTRAR AND SHARE TRANSFER AGENT : Big Share Services Private Limited
PINNACLE BUSINESS PARK,
Office No S6-2, 6th, Mahakali
Caves Rd, next to Ahura
Centre, Andheri East, Mumbai,
Maharashtra 400093.
E-Mail: investor@bigshareonline.com/
Ph: 022 62638200/222/269.

34th ANNUAL GENERAL MEETING

DAY	: Tuesday
DATE	: 23 rd September, 2025
TIME	: 01.00 P.M.
MODE	: through Video Conferencing ("VC") or other Audio Visual Means("OAVM")

Content Sequence for reference:

1. Notice of Annual General Meeting	02-13
2. Directors Report	14-19
3. Management Discussion And Analysis.....	20-28
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5. Balance Sheet.....	37
6. Statement of Profit and Loss.....	38
7. Cash Flow Statement.....	39-40
8. Statement of Changes in Equity.....	41
9. Notes to Financial Statement	42-77

NOTICE

NOTICE is hereby given that the 34th Annual General Meeting of the Members of **VADILAL CHEMICALS LIMITED** will be held on **Tuesday, 23rd September, 2025 at 01.00 p.m.** through Video Conferencing ("VC") or other Audio Visual Means ("OAVM") to transact the following business.

ORDINARY BUSINESS:

1. To Consider and adopt the audited financial statement of the company for the financial year ended on 31st March, 2025, the reports of Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the financial year ended on 31st March, 2025.
3. To appoint a Director in place of Mr. Rajesh R. Gandhi (DIN: 00009879) who retires by rotation as per provision of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Devanshu L. Gandhi (DIN: 00010146) who retires by rotation as per provision of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. To appoint Mr. Virendra R. Gandhi (holding DIN: 00010155) as a Director of the Company 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 Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provision of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and Rules made thereunder and Articles of Association and as per recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, Mr. Virendra R. Gandhi (holding DIN: 00010155)) who was appointed as an Additional Director of the Company pursuant to Section 161(1) of the Companies Act, 2013 and Rules made thereunder and who has signified his consent to act as a Director of the Company, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation."

6. To appoint Mr. Ketan A. Mehta (holding DIN: 01501387) as a Director of the Company 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 Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provision of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and Rules made thereunder and Articles of Association and as per recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, Mr. Ketan A. Mehta (holding DIN: 01501387) who has given his consent to act as a Director of the Company, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation."

7. To appoint Mr. Rajesh K. Pandya (holding DIN: 02711000) as an Independent Director of the Company 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 Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provision of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and as per recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, Mr. Rajesh K. Pandya (holding DIN: 02711000), who was appointed as an Additional Director of the Company pursuant to Section 161(1) of the Companies Act, 2013 and Rules made thereunder and Articles of Association and who holds office upto the date of this Annual General Meeting and who has signified his consent to act as a director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 consecutive years upto the conclusion of the 39th Annual General Meeting of the Company in the calendar year 2030."

8. To approve adoption of the amended and restated articles of association of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**.

"RESOLVED THAT pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time ("**Act**"), read with the applicable rules, regulations, circulars, and notifications issued thereunder (including any statutory amendments, modifications and / or re-enactments thereof, for the time being in force), and the existing articles of association of the Company, the approval of the Members of the Company be and is hereby accorded to amend and replace the existing articles of association of the Company with the amended and restated articles of association, as per the draft

approved by the Board of Directors of the Company and as per disclosures contained in the explanatory statement in substitution and complete exclusion of the existing articles of association of the Company, with Part B of the Restated Articles coming into effect.

RESOLVED FURTHER THAT the board of directors of the Company (including any committee or any other persons authorized by the board of directors) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper and expedient and to execute all such documents, instruments and writings as may be required, to give effect to the above resolution, including to sign and submit all forms to make the requisite filings with the concerned Registrar of Companies and/or any other statutory or competent authority, as may be required, in relation to the adoption of the Restated Articles and other related compliances, in accordance with applicable law.”

9. To approve special rights proposed to be granted to Mr. Rajesh R. Gandhi, Mr. Devanshu L. Gandhi, Mr. Virendra R. Gandhi, and their respective immediate relatives and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**.

“RESOLVED THAT pursuant to the provisions of Regulation 31B of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and other applicable rules, regulations, circulars, notifications, clarifications and guidelines issued thereunder, from time to time (in each case, including any statutory amendments, modification(s) and/or reenactment(s) thereof, for the time being in force), the memorandum and articles of association of the Company, the approval of the Members of the Company be and is hereby accorded to the board of directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee, which the Board has constituted or may hereafter constitute, to exercise one or more its powers, including the powers conferred hereunder) to give effect to special rights proposed to be granted to Mr. Rajesh R. Gandhi, Mr. Devanshu L. Gandhi, Mr. Virendra R. Gandhi, and their respective immediate relatives (“Gandhi Family”), as detailed in the Explanatory Statement, which may qualify as special rights under Regulation 31B of the Listing Regulations, and would be effective from the date of approval of shareholders at the Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Board (including any committee or any other persons authorized by the Board) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper and expedient and to execute all such documents, instruments and writings as may be required, to give effect to the above resolution, including to sign and submit all forms to make the requisite filings with the concerned Registrar of Companies and/or any other statutory or competent authorities, as may be required, in relation to granting of special rights to the Gandhi Family and other related compliances, in accordance with applicable law, and with powers on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Registered Office:

201, 2nd Floor, Puniska House, Next to One 42,
Opp. Jayantilal Park BRTS Bus Stop,
Ambli Bopal Road, Ahmedabad- 380058
CIN : L24231GJ1991PLC015390
Website : www.vadilalchemicals.in
Phone: (079) 48081200
Date: 13-08-2025

**By Order of the Board
For Vadilal Chemicals Limited**

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

NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has, vide its General Circular No. 09/2024 dated September 19, 2024, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 (collectively, referred to as the “MCA Circular”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) , without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15th January, 2021 and SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13th May, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, the AGM of the Company is being held through VC / OAVM. the Notice of the AGM along with the Integrated Annual Report for FY 2024-25 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”), collectively “Depositories”.

2. Since this AGM is being held through VC / OAVM pursuant to the MCA and SEBI Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote through VC/ OAVM on their behalf at the Meeting.
4. The Company has engaged the services of CDSL as authorised agency for conducting the AGM through VC/OAVM and for providing e-voting facility.
5. A Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company / Big Share Services Private Limited (if shares held in physical form).

Individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail to cs.vcl@vadilalgroup.com or investor@bigshareonline.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%

8. (a) The Company has notified closure of Register of Members and Share Transfer Books from 17th September, 2025 to 23rd September, 2025 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
(b) Dividend of Rs. 5/- per share (@50%) on Equity Shares for the year ended on 31st March, 2025 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 with the Company/Share Transfer Agent at the end of business hours on 16th September, 2025 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 16th September, 2025.
9. Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate(s); claim from unclaimed suspense account; renewal/ exchange of securities certificate(s); endorsement; sub-division/splitting of securities certificate(s); consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at <https://vadilalchemicals.in/investors> and on the website of the Company's Registrar and Transfer Agent i.e. Big Share Services Private Limited. It may be noted that any service request can be processed only after the folio is KYC Compliant.

SEBI has mandated furnishing PAN and KYC details (i.e., Postal Address with PIN Code, e-mail ID, mobile number, and bank account details) by holders of securities in physical form and nomination details by all security holders. Any service request or complaint received from a Member holding shares in physical form will not be processed until the aforesaid details/documents are provided to the RTA. Relevant details and prescribed forms in this regard are available on the website of the Company.
10. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD- 1/P/CIR/2023/131 dated July 31, 2023, SEBI/HO/ OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023 and SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/ 191 dated December 20, 2023, had issued guidelines towards an additional mechanism for investors to resolve their grievances by way of Online Dispute Resolution ("ODR") through a common ODR portal. Pursuant to above-mentioned circulars, post exhausting the options to resolve their grievance with the listed company/ its Registrar and Share Transfer Agent and through the existing SCORES platform. The investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).
11. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://vadilalchemicals.in>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Big Share Services Private Limited in case the shares are held in physical form.

12. Transfer of Unclaimed/ Unpaid Amounts to Investors Education and Protection Fund (IEPF):

Members are requested to note that the amount of dividend for the financial year ended on 31st March, 2017, 31st March, 2018 and

31st March, 2019, 31st March, 2022, 31st March, 2023 and 31st March, 2024 remaining unpaid or unclaimed for a period of 7 years is due for transfer to the Investor Education and Protection Fund on 6th November, 2025, 30th October, 2026 and 5th November, 2029 and 29th October, 2030 and 3rd November, 2031 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.

13. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in the case of request received for transmission or transposition of securities. In view of this, Members holding shares in physical form are requested to consider converting their holding to dematerialize form. Members can contact Company or Share Transfer Agent- M/s. Big Share Services Private Limited in this regard.
14. **Dispatch of Annual Report through E-mail:**
In accordance with the MCA Circulars and SEBI Circulars, the Notice along with the Annual Report of the Company for the financial year ended March 31, 2025, will be sent only through e-mail, to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., M/s. Big Share Services Private Limited or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2025 shall also be available on the websites of the Company viz., <http://vadilalchemicals.in>. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility i.e. www.evotingindia.com).
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically for that Members can contact Company or Share Transfer Agent- M/s. Big Share Services Private Limited.
16. Pursuant to SEBI Regulations, the Shareholders who are holding shares in physical form are mandatorily required to furnish the PAN and complete Bank account details with the Company or Registrar and Share Transfer Agent i.e. Big Share Services Private Limited.
Further, in terms of SEBI, Gazette Notification Shares in Physical Form will not be transferred. Hence, Shareholders holding shares in physical form are advised to get their shares converted into demat form at the earliest.
17. The Company's shares are listed at Calcutta Stock Exchange Limited.
18. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members by writing an e-mail to the Company Secretary at cs.vcl@vadilalgroup.com
19. Members seeking any further information about the Accounts and/or Operations of the Company are requested to send their queries to the Company Secretary at the registered office of the Company at least 10 days before the date of the meeting
20. (i) As required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 given below are the details of the above Directors to be re-appointed/appointed as Directors of the Company :-

Mr. Rajesh R. Gandhi

Mr. Rajesh R. Gandhi has been associated with the Company as a Director since 1995 having experience on hands for Chemicals Business, Ice-cream and Processed Food business. He is looking after day-to-day affairs of the Corporate Office of the Company and He is also looking after affairs of Plants of the Company.

Mr. Rajesh R. Gandhi is a Member of Nomination and Remuneration Committee of the Company. He is on the Board and Committee of following other Companies. Mr. Rajesh R. Gandhi holds 1,57,037 shares in Vadilal Chemicals Limited in his individual capacity:

Directorship:	Member of the Board Committees:
Vadilal Industries Limited	Audit Committee:
Vadilal Enterprises Limited	Vadilal Industries Limited
Vadilal International Private Limited	Vadilal Enterprises Limited
Vadilal Gases Limited	Stakeholder Relationship Committee:
Vale Properties Private Limited	Vadilal Enterprises Limited
Vadilal Marketing Private Limited	Nomination and Remuneration Committee:
Numen Technologies Private Limited	Vadilal Enterprises Limited
Vadilal Delights Limited	Corporate Social Responsibility Committee:
Varood Industries Limited	Vadilal Industries Limited
Rystic Trading Private Limited	Risk management Committee
Marveling Marketing Private Limited	Vadilal Industries Limited
ABDG Enterprises Private Limited	

Relationship between the Directors:-



Mr. Rajesh R. Gandhi is not related to any of directors or key managerial personnel of the Company.

Mr. Devanshu L. Gandhi

Mr. Devanshu L. Gandhi has been associated with the Company since inception. He is having experience on hands for Icecream, Processed Food business and Chemicals Business. He is looking after day-to-day affairs of the Corporate Office of the Company and Plants of the Company.

Mr. Devanshu L. Gandhi is a member of the Audit Committee and Nomination Committee of the Company. He is also a member of the following committees of other Companies. Mr. Devanshu L. Gandhi holds 5,32,250 shares in Vadilal Chemicals Limited in his individual capacity.

Directorship & Committee Membership in other Companies:

Directorship:	Member of the Board Committees:
Vadilal Industries Limited	
Vadilal Enterprises Limited	
Vadilal International Private Limited	
Vadilal Gases Limited	Stakeholders' Relationship Committee:
Vale Properties Private Limited	Vadilal Industries Limited
Byad Packaging Industries Pvt Ltd	Vadilal Enterprises Limited
Esveegee Wires and Metals Private Limited	
Numen Technologies Private Limited	
Vadilal Delights Limited	Corporate Social Responsibility Committee:
Varood Industries Limited	Vadilal Industries Limited
Rystic Trading Private Limited	Risk management Committee
Marveling Marketing Private Limited	Vadilal Industries Limited
ABDG Enterprises Private Limited	

Relationship between the Directors:-

Mr. Devanshu L. Gandhi is not related to any of directors or key managerial personnel of the Company.

Process and Manner for availing remote e-voting facility

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular, the Notice calling the EGM has been uploaded on the website of the Company at <http://vadilalchemicals.in> The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
6. The Board of Directors of the company has appointed Mr. Manoj R. Hurkat of M/s. Manoj Hurkat & Associates, Practicing Company Secretary, Ahmedabad as Scrutinizer to scrutinize remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
7. The Scrutinizer after Scrutinizing the votes cast within maximum permissible statutory time limit, make a scrutinizer's report and

submit the same to the chairman. The results declared shall be placed on the website of the Company <http://vadilalchemicals.in> and on the website of CDSL viz. <http://www.evotingindia.com>. The results shall simultaneously be communicated to the stock exchange.

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

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

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

- (i) The voting period begins on **Saturday, 20th September, 2025 (9.00 a.m.) and ends on Monday, 22nd September, 2025 (5.00 p.m.)** E-Voting facility will be available at the time of meeting also. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Tuesday, 16th September, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at 1800 21 09911.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022- 4886 7000 and 022- 2499 7000.

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

- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Company Name <VADILAL CHEMICALS LIMITED> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.



- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs.vcl@vadilalgroup.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES:

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk. evoting@cdslindia.com or contact at 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free on 1800 21 09911.

ANNEXURE TO THE NOTICE:**Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013.****ITEM NO. 5:****To appoint Mr. Virendra R. Gandhi (holding DIN: 00010155) as a Director of the Company:**

On the basis of the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company appointed Mr. Virendra R. Gandhi (DIN: 00010146) as an Additional Director of the Company designated as a Non-Executive Non- Independent Director pursuant to the provisions of Section 161(1) of the Act with effect from 27th May, 2025 up to the conclusion of the ensuing Annual General Meeting. It is proposed to appoint him as a Non-Executive Director of the Company. In terms of the provisions of Sections 149, 152 and other applicable provisions of Companies Act, 2013 and applicable provisions of SEBI Regulations. The Nomination and Remuneration Committee and the Board recommended appointment of Mr. Virendra R. Gandhi as a Director of the Company.

Mr. Virendra R. Gandhi is aged 79 years. He is a Promoter Group director of the Company. He has vast experience in Chemicals and Ice Cream Business. He is not Member of any Committee of the Company. He holds 1,35,002 Equity Shares of Vadilal Chemicals Limited in his individual capacity. He also holds directorship in Vadilal Gases Limited, Vadilal International Private limited and Axilrod Private limited.

Mr. Virendra R. Gandhi being appointee is interested and concerned in the Resolution. None of the other Directors or Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the said Resolution accompanying the Notice. The Board recommends this Ordinary Resolution for your approval.

ITEM NO. 6:**To appoint Mr. Ketan A. Mehta (holding DIN: 01501387) as a Director of the Company:**

Nomination and Remuneration Committee and Board of Directors of the Company recommended to appoint Mr. Ketan A. Mehta (holding DIN: 01501387) as a Director of the Company designated as a Non-Executive Non- Independent Director of the Company. It is proposed to appoint him as a Non-Executive Director of the Company in terms of the provisions of Sections 149, 152 and other applicable provisions of Companies Act, 2013 and applicable provisions of SEBI Regulations.

Mr. Ketan A. Mehta is aged 54 years. He is a commerce graduate. He has vast experience in pharmaceutical Business. He has experience of 32 years' experience. He is not Member of any Committee of the Company. He doesn't hold any Equity Shares of Vadilal Chemicals Limited in his individual capacity. He presently holds directorship in Unjha Herbals Private Limited.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the said Resolution accompanying the Notice. The Board recommends this Ordinary Resolution for your approval.

ITEM NO. 7:**To appoint Mr. Rajesh K. Pandya (holding DIN: 02711000) as an Independent Director of the Company**

On the basis of the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company appointed Mr. Rajesh K. Pandya (DIN: 02711000) as an Additional Director of the Company designated as an Independent Director pursuant to the provisions of Section 161(1) of the Act with effect from 27th May, 2025 up to the conclusion of the ensuing Annual General Meeting. It is proposed to appoint him as an Independent Director from conclusion of this annual general meeting for the period of 5 years till conclusion of the 39th annual general meeting in the calendar year 2030. In terms of the provisions of Sections 149, 152 and other applicable provisions of Companies Act, 2013 and applicable provisions of SEBI Regulation. The Nomination and Remuneration Committee and the Board recommended appointment of Mr. Rajesh K. Pandya as an Independent Director of the Company.

Declaration has been received from Mr. Rajesh K. Pandya that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014. In the opinion of the Board, Mr. Rajesh K. Pandya fulfils the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for appointment as Independent Director and that she is independent of the management of the Company.

Mr. Rajesh K. Pandya aged 70 years. He has done diploma in Electrical Engineering and diploma in Industrial Safety. He has 37 years' experience in that field. He was last associated with La-Gajjar Machineries Private Limited. He is a director in various Vadilal Group Companies.

Mr. Rajesh K. Pandya is Chairman of Audit Committee and Nomination and Remuneration Committee of Vadilal Chemicals Limited. He does not hold any shares in Vadilal Chemicals Limited in his individual capacity. He holds the position of directorship in Vadilal Enterprises Limited, Volute Constructions limited, Vadilal Forex & Consultancy Services Limited, Valiant Constructions Private Limited, Kalpit Realty and Services Limited, Majestic Farm House limited and Padm Complex Limited.

Mr. Rajesh K. Pandya being appointee is interested and concerned in the Resolution. None of the other Directors or Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the said Resolution accompanying the Notice. The Board recommends this Ordinary Resolution for your approval.

ITEM NO. 8:**To approve adoption of the amended and restated articles of association of the Company.**

In furtherance of the inter se rights and obligations of RRG Group, VRG Group and DLG Group, as recorded under the MFA, and to achieve the objectives set out above, it is proposed that the existing articles of association of the Company be amended and substituted to incorporate the relevant provisions of the MFA which pertain to the rights and obligations of the Company in Part B of the amended and restated articles of association of the Company ("**Restated Articles**"). The Restated Articles shall come into effect from the conclusion of Annual General Meeting of the Company.

The Board has, by way of resolution passed at its meeting held on 13th August, 2025, approved the adoption of the Restated Articles, subject to the approval of the Members of the Company.

Members are requested to note that in terms of Section 14 of the Companies Act, 2013, as amended from time to time ("**Act**"), any alteration in the articles of association of the Company requires the approval of the Members of the Company by way of a special resolution. Accordingly, the approval of the Members of the Company is sought for alteration in the articles of association as mentioned above.

The draft of the Restated Articles is available on the website of the Company at www.vadilalchemicals.in. Further, the Restated Articles will also be available for inspection at the registered office of the Company during normal business hours on all working days of the Company (except Saturdays and Sundays) and shall also be made available for inspection through secured mode by writing to the Company at its email id cs.vcl@vadilalgroup.com up to the date of Postal ballot completion in accordance with applicable laws.

None of the directors, key managerial personnel of the Company or their respective relatives, except Mr. Rajesh R. Gandhi, Mr. Devanshu L. Gandhi, Mr. Virendra R. Gandhi, are, in any way, concerned or interested, in the proposed resolution. Mr. Rajesh R. Gandhi, Mr. Devanshu L. Gandhi, Mr. Virendra R. Gandhi are parties to the MFA, and to this extent are interested in the said resolution.

The Board recommends the resolution as set out at item no. 8 of this notice to the Members for their consideration and approval, by way of a special resolution.

ITEM NO. 9:**To approve special rights proposed to be granted to Mr. Rajesh R. Gandhi, Mr. Devanshu L. Gandhi, Mr. Virendra R. Gandhi, and their respective immediate relatives.**

The promoters of the Company have settled inter se disputes and are desirous of separating the ownership from the management of the Company so as to maintain equality of interests and participation of all the promoters while maximizing shareholder value, and to establish a more robust framework of corporate governance by appointing additional independent directors and professional management personnel for management of the business and operations of the Company.

To this end, a memorandum of family settlement has been executed by and among members of Rajesh R. Gandhi family ("**RRG Group**"), members of Virendra R. Gandhi family ("**VRG Group**") and members of Devanshu L. Gandhi family ("**DLG Group**") (each referred individually to as a "**Branch**" and collectively as the "**Gandhi Family**") ("**MFA**"), setting out inter alia the rights and obligations of the RRG Group, VRG Group and DLG Group with respect to the management and operations of the Company.

In furtherance of the inter se rights and obligations of the Gandhi Family, as recorded under the MFA, and to achieve the objectives set out above, the MFA sets out certain rights and obligations of the Gandhi Family with respect to their shareholding in the Company and with respect to the management and governance of the Company which may qualify as special rights under Regulation 31B of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**Listing Regulations**").

Regulation 31B of the Listing Regulations, inter alia states that any special right granted to the shareholders of a listed company shall be subject to the approval of the shareholders in a general meeting by way of a special resolution once in every 5 (five) years starting from the grant of such special rights.

In view of the above, the Board seeks the consent of the members of the Company by way of a special resolution, in accordance with the requirements of Regulation 31B of the Listing Regulations (including any statutory modifications or re-enactment thereof, the circulars, notifications, regulations, rules, guidelines, if any, issued thereunder, for the time being in force), for the following rights proposed to be granted to the Gandhi Family with effect from the Litigation Withdrawal Date.

(a) *Rights in relation to the Board and committees of the Board:*

- (i) Each of the three family branches of the Gandhi Family Members (each, a "**Branch**") will have the right to appoint 1 director to the board of directors of the Company ("**Board**") ("**Nominee Directors**")
- (ii) Apart from the above, the Board will have two independent directors or such higher number as may be required under law appointed in accordance with applicable law and as per the policy for appointment of independent directors adopted by the Company.
- (iii) Such other Directors, as may be appointed in accordance with Applicable Law.

- (iv) Each committee constituted by the Board will have 1 Nominee Director from among the Nominee Directors on the Board on a rotational basis to ensure equitable representation of each Branch on each committee of the Board.
- (b) *Affirmative voting matters:* The Company shall obtain prior unanimous consent of the Gandhi Family in relation to certain matters affecting their shareholding and interests in the Company including inter alia any corporate restructuring of the Company and/or its material group companies, any decisions in relation to the brand 'Vadilal', change in the capital structure of the Company or issuance of fresh securities, creation of joint and several liability directly on the promoters of the group companies, any delisting of the securities of the Company, liquidation or winding up of the Company or any of its material group companies etc.
- (c) *Appointment/re-appointment/removal of independent directors, and key managerial personnel of the Company:* The Gandhi Family Members have a right to identify and recommend candidates for appointment as the independent directors, and key managerial personnel of the Company as per the eligibility criteria and manner of appointment as set out under the applicable policy adopted by the Company. Any appointment, re-appointment and/or removal of independent directors and professional management personnel will require the unanimous consent of each of the Branches.
- (d) *Transfer restrictions on Gandhi Family Members:* Each Branch has a right of first refusal in case of a Gandhi Family member of any other Branch intends to transfer shares of the company to a third party purchaser.
- (e) *Fall away of rights:* The special rights available to each Branch will fall-away in case such Branch ceases to hold at least 10% of the total paid up share capital of the Company on a fully diluted basis.

The aforesaid rights shall come into effect from the Litigation Withdrawal Date, and will continue in force so long as the relevant Branch holds at least 10% of the total paid up share capital of the Company on a fully diluted basis.

The Gandhi Family has, in their capacity as shareholders and management, been instrumental in growing the operations of the Company and is now desirous of separating the ownership from the management of the Company to maximize shareholder value and achieve greater heights. The provisions of the MFA and the aforementioned rights are aimed at ensuring involvement of the Gandhi Family in guiding and overseeing the professional management in the growth of the Company, avoiding inter-se disputes amongst family members impacting the affairs of the Company, and maintaining appropriate checks and balances for protecting and maximizing the interests of all shareholders of the Company.

The Board has accordingly approved the above mentioned rights, subject to the approval of the Members of the Company.

The Board believes that the grant of the aforesaid rights is in the interest of the Company and hence, recommends the resolution set out at item no. 9 of this Notice for the approval of the Members by way of special resolution.

None of the directors, key managerial personnel of the Company or their respective relatives, except Mr. Rajesh R. Gandhi, Mr. Devanshu L. Gandhi, Mr. Virendra R. Gandhi, are, in any way, concerned or interested, in the proposed resolution. Mr. Rajesh R. Gandhi, Mr. Devanshu L. Gandhi and Mr. Virendra R. Gandhi are parties to the MFA, and to this extent are interested in the said resolution.

Registered Office:

201, 2nd Floor, Puniska House, Next to One 42,
Opp. Jayantilal Park BRTS Bus Stop,
Ambli Bopal Road, Ahmedabad- 380058

Date: 13-08-2025

**By Order of the Board
For Vadilal Chemicals Limited**

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



DIRECTORS' REPORT

To,
The Members,
VADILAL CHEMICALS LIMITED
Ahmedabad.

FINANCIAL HIGHLIGHTS:

Your Directors have pleasure in presenting herewith the 34th Annual Report together with the Audited Statement of Accounts for the year ended on 31st March, 2025.

(₹ In lacs)

Sr. No	Particulars	Year ended on 31-03-2025	year ended on 31-03-2024
(a)	Income from Operations	7602.37	8283.90
(b)	Other Income	181.70	72.71
(c)	Total Expenditure	7000.04	7492.32
(d)	Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	784.03	864.29
(e)	Finance Cost	249.93	256.54
(f)	Depreciation and amortization expenses	206.30	156.87
(g)	Profit before Tax	327.80	450.88
(h)	Tax Expenses:		
	- Current Tax	(0.10)	76.07
	- Deferred Tax	68.53	54.47
	Total Tax Expenses	68.43	130.54
(i)	Profit for the year	259.37	320.34
(j)	Other Comprehensive Income:		
	Items not to be reclassified to statement of profit & Loss:		
	- Remeasurements of the defined benefit plans	(6.83)	(4.99)
	- Income Tax relating to items that will not be reclassified to profit & loss	0.00	1.26
	Total Other Comprehensive Income	(6.83)	(3.73)
(k)	Total Comprehensive Income for the year	252.54	316.61
(l)	Surplus in the Statement of Profit and Loss:		
	Balance as per last Financial Statements	1269.74	992.11
	Profit for the year	259.37	320.34
	Add: Other Comprehensive Income arising from remeasurement of defined benefit obligation net of income tax	(6.83)	(3.73)
	Less : Payment of dividend on equity shares (incl. tax on dividend):	(38.99)	(38.98)
	Net Surplus in the statement of Profit and Loss	1483.29	1269.74

STATE OF COMPANY'S AFFAIRS:

The Company has earned Revenue from operations of Rs. 7602.37 lacs during the year ended on 31st March 2025 as against Rs. 8283.90 lacs earned during the previous year ended on 31st March 2024. The company has also earned other income of Rs. 181.70 lacs during the year under review as against Rs. 72.71 lacs earned during the previous year.

The Company has earned Profit before Interest, Tax, Depreciation and Amortisation (EBITDA) of Rs. 784.03 lacs during the year ended on 31st March 2025 as compared to profit of Rs. 864.29 lacs incurred during the previous year ended on 31st March 2024.

The Company has earned Net Profit of Rs. 259.37 lacs for the year ended on 31st March 2025 after providing Finance Cost and Depreciation and Amortization expenses and after making Provision for Deferred Tax Charge and other adjustments, as compared to profit of Rs. 320.34 lacs incurred by the Company during the previous year ended on 31st March 2024.

DIVIDEND:

The Board of Directors have recommended Dividend of Rs. 5/- per share (@ 50%) on 48,74,000 Equity Shares of Rs. 10/- each of the Company for the Financial Year 2024-25. This will absorb Rs. 2.43 crore. If approved, the Company will be required to deduct tax at source from dividend paid to shareholders at the prescribed rates as per Finance Act, 2020.

TRANSFER TO RESERVE:

The Company does not propose to transfer any amount to General Reserve for the financial year 2024-25.

EXTRACT OF ANNUAL RETURN:

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the Annual Return for FY 2024-25 is uploaded on the website of the Company <http://vadilalchemicals.in>

FINANCE:

The Company has taken Term Loan from Bank/ Financial Institutions. The Company has made regular repayment of outstanding Loan/ Overdraft Facility and interest and there is no any overdue payment to Banks and FIs.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report is annexed herewith as Annexure – I to this Report.

DETAILS OF PUBLIC DEPOSITS:

The Company has not accepted any deposit from Members/ Public as per provision of Section 73 of the Companies Act, 2013.

SUBSIDIARY/ ASSOCIATES/ JOINT VENTURE COMPANY:

The Company do not have any subsidiary/ associate/ Joint Venture Company during the year, no company has become or ceased to be a subsidiary/ associate/ joint venture.

CONSOLIDATE FINANCIAL STATEMENT:

Pursuant to the requirement of Section- 129(3) read with Schedule-III of the Companies Act, 2013 Consolidated Financial Statement is not applicable to the Company, as the Company do not have any subsidiary, associate or Joint Venture Company.

CORPORATE GOVERNANCE:

Provisions of Corporate Governance Regulations as specified under Chapter IV of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for regulation 17 to 27 and clauses (b) to (l) of Sub Regulation 2 of Regulation 46 and Para C, D and E of Schedule V is not applicable to the Company as the company neither has paid up capital of Rs. 10 crore nor has net worth exceed Rs. 25 crore at the last day of previous financial year.

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, in the case of a listed company, 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.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:

The Independent Directors of the company have submitted Declaration of Independence at the first Board meeting of financial year pursuant to the provision of section 149 (6) of the Companies Act, 2013.

Regarding proficiency, the Company has adopted requisite steps towards the inclusion of the names of all Independent Directors in the data bank maintained with the Indian Institute of Corporate Affairs. Accordingly, all the Independent Directors of the Company have registered themselves with IICA for the said purpose. In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014.

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

the Company has complied with the provisions of Section 186 and other applicable provisions of the Companies Act, 2013 in respect of loans granted. The Company has not made any investments and not given any guarantees and securities.

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- II in the prescribed Form AOC-2 and the same forms part of this report, the said Related Party Transactions are duly approved by the Audit Committee of the Company.

Your Directors draw attention of the members to Note No. 32 to the financial statement which sets out related party disclosures.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Virendra R. Gandhi has been appointed as an Additional Director of the Company designated as a Non- Executive and Non-Independent Director of the Company w.e.f. 27th May, 2025. As per recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, it is proposed to appoint him as a Non-Executive Non-Independent Director of the Company.

Mr. Rajesh K. Pandya has been appointed as an Additional Director of the Company designated as an Independent Director of the Company w.e.f. 27th May, 2025 up to the conclusion of this Annual General Meeting. As per recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, it is proposed to appoint him as an Independent Director of the Company for the period of 5 years at this Annual General Meeting till the conclusion of Annual General Meeting of the year 2030.

It is proposed to appoint Mr. Ketan A. Mehta as a Non- Executive Director of the Company for which necessary resolution has been incorporated in the notice of the Meeting as per recommendation of Nomination and Remuneration Committee and Board of directors of the Company.

The Members are requested to consider appointment of Mr. Virendra R. Gandhi, Mr. Rajesh K. Pandya and Mr. Ketan A. Mehta as a Directors of the Company, for which necessary resolutions have been incorporated in the notice of the meeting.

Demise of Mr. Vijay R. Shah, Independent Director of the Company happened on 26th February, 2025. The Board of Directors conveyed deepest condolence to his family members.

Mr. Viral H. Shah resigned from the position of additional Independent director of the Company on 2nd April, 2024.

Mr. Kalpit R. Gandhi resigned from the position of Director of the Company w.e.f. 19th July, 2024.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder, Mr. Rajesh R. Gandhi and Mr. Devanshu L. Gandhi, Directors of the Company will be retire by rotation at this Annual General Meeting and being eligible, offer himself for re-appointment. The Members are requested to consider her appointment as Director of the Company, for which necessary resolution has been incorporated in the notice of the meeting.

BOARD EVALUATION:

Annual Evaluation of the performance of the Board, its committees and individual directors has been made 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 of Directors have 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 at the Board Meeting held on 31st January, 2025.

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 at the Independent Directors Meeting held on 31st January, 2025 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 and found it satisfactory.

COMMITTEES OF DIRECTORS:

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

AUDIT COMMITTEE:

Audit Committee comprises the following Members :-

Sr. No.	Name of the Member	Designation	Category
1	Mr. Vijay R. Shah (upto 26-02-2025)	Chairman	Independent Director
2	Mr. Rajesh K. Pandya (w.e.f 27-05-2025)	Chairman	Independent Director
3	Mr. Devanshu L. Gandhi	Director	Non-executive Director
4	Ms. Shaily J. Dedhia	Director	Independent Director

The constitution of the Audit Committee fulfills the requirements of Section 177 of the Companies Act, 2013 and Rules made thereunder. The members of audit committee are financially literate and having accounting or related financial management expertise.

There were four audit committee meetings of the Company held during the year-2024-25 on 25th May, 2024, 6th August, 2024, 14th November, 2024 and 31st January, 2025.

Mr. Soham Raval, Company Secretary is the Secretary to the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee comprises the following Members:

Sr. No.	Name of the Member	Designation	Category
1	Mr. Vijay R. Shah (upto 26-02-2025)	Chairman	Independent Director
2	Mr. Rajesh K. Pandya (w.e.f 27-05-2025)	Chairman	Independent Director
3	Ms. Shaily J. Dedhia	Member	Independent Director
4	Mr. Rajesh R. Gandhi	Member	Non-executive Director
5	Mr. Devanshu L. Gandhi	Member	Non-executive Director

The constitution of the Nomination and Remuneration Committee fulfills the requirements of Section 178 of the Companies Act, 2013 and Rules made there under. One Nomination and Remuneration Committee meetings held on 25th May, 2024 during the year 2024-25.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Nomination and Remuneration Committee have recommended and Board of Directors have adopted the Policy on appointment and remuneration of Directors in terms of the provisions of Section 178 of the Companies Act, 2013 as per the applicable provisions of applicable Listing Regulations.

The Policy on Directors' appointment and remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors is available on the company's website at <https://vadilalchemicals.in>.

CONSTITUTION OF BOARD OF DIRECTORS:

Sr. No.	Name of the Member	Designation	Category
1	Mr. Rajesh R. Gandhi	Director	Chairman, Non- Executive Director
2	Mr. Devanshu L. Gandhi	Director	Non-Executive Director
3	Mr. Virendra R. Gandhi	Additional Director	Non- Executive Director (w.e.f. 27-05-2025)
4	Mr. Kalpit R. Gandhi	Director	Non-Executive Director (upto 19-07- 2024)
5	Ms. Deval D. Gandhi	Director	Non-Executive Director
6	Mr. Kamal N. Varma	Director	Whole Time Director
7	Ms. Shaily J. Dedhia	Director	Independent Director
8	Mr. Rajesh K. Pandya	Additional Director	Independent Director (w.e.f 27-05- 2025)
9	Mr. Vijay R. Shah	Director	Independent Director (upto 26-02-2025)
10	Mr. Viral Shah	Additional Director	Independent Director (upto 02-04- 2025)



NUMBER OF BOARD MEETINGS:

During the year under review, Four Meetings of Board of Directors were held on 25-05-2024, 06-08-2024, 14-11-2024 and 31-01-2025.

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

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules 2014 is annexed in the Annexure –III attached herewith and forming part of the Directors' Report.

RISK MANAGEMENT:

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

Risk management Policy as per Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the company.

INTERNAL FINANCIAL CONTROL:

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 was observed.

AUDITORS AND AUDITORS' REPORT:

In accordance with Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s. Parth R Shah & Co., Chartered Accountants, Ahmedabad (Firm Reg. No. 153846W) were appointed as a Statutory Auditors of the Company for the period of five years at the 32nd annual general meeting of the Company for the year 2022-23 till the Conclusion of 37th Annual General Meeting of the Company 2027-28.

There is no qualification/ reservation/ adverse remark raised by statutory auditors of the company which are required to be clarified in the directors' report on the affairs of the company for the financial year 2024-25.

SECRETARIAL AUDITOR:

Pursuant to the Provision of Section 204 of the Companies Act, 2013, the Company has appointed M/s. SPAN & Co., Company Secretaries, LLP to conduct Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed herewith marked as **Annexure- IV** to this Report.

1. In respect of the qualification in the secretarial audit report regarding not maintaining 25% Public holding, the Board clarifies that the Company is in the process of taking actions as required under SEBI regulations.
2. In respect of qualification regarding non-maintainance of Promoter Shares in Demat form, In this regard, the Board Clarifies that the Company is in the process of Dematerialization of Shares of Promoter Group.

INSURANCE:

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

CHANGE OF REGISTERED OFFICE:

The Company has changed its registered office to 201, 2nd Floor, Puniska House, Next to One 42, Opp. Jayantilal Park BRTS Bus Stop, Ambli Bopal Road, Ahmedabad- 380058 at the Board Meeting held on 25th May, 2024.

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 - V**.

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 Directors was in receipt of remuneration in excess of the limits set out in the said rules.

WHISTLE BLOWER POLICY / VIGIL MECHANISM:

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

The Audit Committee has approved and Board of Directors has adopted Policy of Vigil Mechanism. The Whistle Blower Policy has been posted on the Website of the Company <http://vadilalchemicals.in>

MATERIAL INFORMATION:

During the previous financial year 2023-24, there was cyber fraud case happened with the company involving fraudulent transaction of Rs 1.42 cr. It involves three consignments of commercial gas. Company has prevented delivery of the all three containers with the help and support of cyber police, Consulate office and shipping companies to the fraudster party. During the current financial year 2024-25, the company has received back all the material in same good condition at its plant location.

GENERAL:

- 1 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, 2025 till the date of this report.
2. 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.
3. 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.
4. 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.
5. The Directors state that the Company has complied Secretarial Standards applicable to the Company.
6. The Company has complied with provisions relating to Sexual Harassment of woman at work place (prevention, prohibition and redressal) Act, 2013. The Company has adopted policy on Sexual Harassment of women at workplace which is available on Company's website www.vadilalchemicals.in
7. 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.

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.

Registered Office:

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Opp. Jayantilal Park BRTS Bus Stop,
Ambli Bopal Road, Ahmedabad- 380058

Date: 13-08-2025

**By Order of the Board
For Vadilal Chemicals Limited**

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

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company is one of the leading suppliers (Manufacturer/ Trader) of Industrial Gases in the western India since 1992. Industrial Gases find usage in almost all major Industrial sectors and are directly linked with Industrial growth of the country. In the current scenario of good Industrial growth and open economy resulting in increased export potential, the demand for Industrial gases also increased especially in steel, pharma, diamond and automobile industry.

FUTURE STRATEGY:

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company has earned Revenue from operations of Rs. 7602.37 Lacs during the year ended on 31st March 2025 as against Rs. 8283.90 Lacs earned during the previous year ended on 31st March 2024 giving a decrease of 8.23 % as compared to previous year.

After adding thereto, the other income of Rs. 181.70 Lacs earned by the Company, the Company has earned total income of Rs. 7784.07 Lacs during the year under review. The Company has incurred total expenses of Rs. 7456.27 Lacs including Finance cost of Rs. 249.93 Lacs and Depreciation and Amortization expenses of Rs. 206.30 Lacs, during the year under review.

The Company has earned profit before tax of Rs. 327.80 Lacs during the current year in comparison to Rs. 450.88 Lacs earned by the Company during previous year ended on 31st March 2024. During the current year ended on 31st March 2025, the company has earned net profit for the year of Rs. 259.37 Lacs after deducting Current Tax of Rs. -0.10 Lacs and Deferred Tax of Rs. 68.53 lacs, as compared to Net Profit of Rs. 320.34 Lacs incurred by the company during the previous year ended on 31st March 2024.

Turnover History

Financial Year	Turnover ₹ In Lacs
2020-21	4810.43
2021-22	7097.17
2022-23	8834.41
2023-24	8283.90
2024-25	7602.37



Details of significant changes in key financial ratios are as given below:

Sr. No.	PARTICULARS	UOM	F.Y. 2023-24	F.Y. 2022-23	Growth YOY (In %)
1	Current Ratio	Times	1.16	1.22	-4.5%
2	Debt-Equity Ratio	Times	1.16	1.28	-9.6%
3	Debt Service Coverage Ratio	Times	1.00	1.10	-10.9%
4	Return on Equity Ratio	%	12.34%	17.26%	-28.5%
5	Inventory Turnover Ratio	Times	24.69	22.28	10.8%
6	Trade Receivables turnover Ratio	Times	6.99	7.00	-0.2%
7	Trade payables turnover Ratio	Times	30.25	34.85	-13.2%
8	Net capital turnover Ratio	Times	20.67	15.05	37.4%
9	Net profit Ratio	%	3.41%	3.87%	-11.8%
10	Return on Capital employed	%	11.68%	15.15%	-22.9%
11	Return on Investment	%	15.99%	33.38%	-52.1%

OPPORTUNITIES AND THREATS

As mentioned above, due to booming economy and major steps towards Industrial and Infrastructure development in the country, there is a good opportunity for Industrial gas industry to cater the increased demand and grow proportionately. However, aggressive competition in the market and presence of major Multinationals will continue to exert pressure on prices and margins. In addition, small industrial Gas units in unorganised sector having small plants and low overheads continue to dominate local markets which is very Price sensitive and expects extended Credits.

PRODUCT WISE PERFORMANCE

Due to sustained growth in Steel and Automobile Industry and over infrastructure development, the Gas Industry has witnessed sized growth in Argon and Argon based mixtures. Nitrogen, Hydrogen sales have also increased due to boost in pharmaceuticals sector and Petrochemical complexes. New projects in Gujarat have helped in pure Gases and gas mixtures has also received good and encouraging response from the market and are acceptable by all major Petrochemical, steel & Cement and Pharma Companies.

OUTLOOK

Overall Outlook of Industrial Gas Industry is very bright and promising due to Sustained Industrial growth, Infrastructure developments and new projects coming up in the country. With the economic reforms and positive steps towards globalization, the overall Industrial growth shall continue resulting in increased demand for various industrial gases and their applications. New manufacturing sectors, Research and Developments centers and thrust in Automobile and Pharma product outsourcing shall also help boost the consumption of various gases.

RISKS AND CONCERNS

Through the Overall growth of Indian economy, especially the manufacturing sector has increased the potential of Gas Industry, there is certain risk from import in certain sectors due to reduction in import duties as part of globalization.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate system of Internal Control Commensurate with the size and the nature of its business, which ensures that transaction are recorded, authorized and reported correctly apart from safeguarding its assets against loss from wastage, unauthorized use and removal.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATION FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED.

The Company has manpower strength of about 51 employees & continue to enjoy cordial relationship with them and not even a single man day has been lost due to strike/lockout.

The Company has continued to give special attention to Human Resources/Industrial Relations development. Industrial relations remained cordial throughout the year and there was no incidence of strike, lock out etc.

CAUTIONARY STATEMENT

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

Registered Office:

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Date: 13-08-2025

**By Order of the Board
For Vadilal Chemicals Limited**

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

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.

VADILAL GASES LIMITED

Sr. No.	Particulars	Details
a	Name (s) of the related party & nature of relationship	Vadilal Gases Limited (VGL), a Public Company in which Directors are Directors and holding more than 2% shares alongwith relatives.
b	Nature of contracts/arrangements/transaction	Purchase and Sell of Industrial Gases by the Company to Vadilal Gases Limited.
c	Duration of the contracts/arrangements/transaction	Transactions for the period of 10 years w.e.f. 2019-20 till 2028-29.
d	Salient terms of the contracts or arrangements or transaction including the value, if any	VCL, in the ordinary course of business, enters into transactions of purchase and sale of industrial Gases from VGL. Approval of Shareholders for the transactions upto Rs. 100 Crore per year for the period of 10 years w.e.f. 2019-20 till 2028-29.
e	Justification for entering into such contracts or arrangements or transactions'	The Company and VGL, both are engaged in the business of manufacturing of Industrial Gases. VGL is in the business of manufacturing of various grades of Argon & Nitrogen Gases, Calibration Gases, Mixture Gases etc. and sells its products/materials to VCL, while VCL, after re-labelling the products received from VGL, sells in the open market. During the year- 2024-25, VCL has made purchase of Industrial Gases of Rs. 31,60,29,137/- from VGL and sold Industrial Gases of Rs. 4,73,43,668/- to VGL Further, the Company has paid Rent to VGL of Rs. 4,24,800/- during the financial year- 2024-25.
f	Date of approval by the Board	28th May, 2019
g	Amount paid as advances, if any	Nil
h	Date on which the Ordinary resolution was passed in General meeting as required under first proviso to section 188	Resolution was passed in this 28th Annual General Meeting for the year-2018-19.

OTHER NON- MATERIAL RELATED PARTY TRANSACTIONS:

I. VADILAL INDUSTRIES LIMITED

Sr. No.	Particulars	Details
a	Name (s) of the related party & nature of relationship	Vadilal Industries Limited, a Public Company in which Directors are Directors and holding more than 2% shares alongwith relatives.
b	Nature of contracts/arrangements/transaction	There is no formal contract/ arrangement for the transactions. The Company has taken approval of Board of Directors for the transactions of Sell of Industrial Gases by the Company to Vadilal Industries Limited.
c	Duration of the contracts/arrangements/ transaction	The Company has taken approval of Board of Directors of the Company for the Related Party Transactions with Vadilal Industries Limited for the period of 5 years from 2022-23.
d	Salient terms of the contracts or arrangements or transaction including the value, if any.	The Company, in ordinary course of business and on principal to principal basis, sold Industrial Gases to Vadilal Industries Limited of Rs. 23,75,363/- during the year 2024-25.

Sr. No.	Particulars	Details
e	Justification for entering into such contracts or arrangements or transactions'	Vadilal Industries Limited requires Industrial Gases for its manufacturing units situated at Pundhra and Bareilly. For that purpose, it purchases Industrial Gases from the Company on regular basis. The Company has taken approval of Board of Directors for the transactions.
f	Date of approval by the Board	6th February, 2023
g	Amount paid as advances, if any	Nil
h	Date on which the special resolution was passed in General meeting as required under first proviso to section 188.	No such approval is required as the transactions are non material transactions and they are within the threshold limit.

I. VADILAL ENTERPRISES LIMITED

Sr. No.	Particulars	Details
a	Name (s) of the related party & nature of relationship	Vadilal Enterprises Limited, a Public Company in which Directors are Directors and holding more than 2% shares alongwith relatives.
b	Nature of contracts/arrangements/transaction	There is no formal contract/ arrangement for the transactions. The Company has taken approval of Board of Directors for the transactions of Sell of Industrial Gases by the Company to Vadilal Enterprises Limited.
c	Duration of the contracts/arrangements/ transaction	The Company has taken approval of Board of Directors of the Company for the Related Party Transactions with Vadilal Enterprises Limited for the period of 5 years from 2022-23.
d	Salient terms of the contracts or arrangements or transaction including the value, if any.	The Company, in ordinary course of business and on principal to principal basis, sold Industrial Gases to Vadilal Enterprises Limited of Rs. NIL during the year 2024-25.
e	Justification for entering into such contracts or arrangements or transactions'	Vadilal Enterprise Limited requires Industrial Gases for Machine Maintenance in Refrigeration Service Department (RSD) in various locations all over India. For that purpose, it purchases Industrial Gases from the Company. The Company has taken approval of Board of Directors for the transactions.
f	Date of approval by the Board	6th February, 2023
g	Amount paid as advances, if any	Nil
h	Date on which the special resolution was passed in General meeting as required under first proviso to section 188.	No such approval is required as the transactions are non material transactions and they are within the threshold limit.

Note: The transaction with the related parties are entered into due to business exigencies and are in the interest of the Company.

Registered Office:

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Date: 13-08-2025

**By Order of the Board
For Vadilal Chemicals Limited**

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



ANNEXURE- III TO THE DIRECTORS REPORT

Information as per section 217(1)(e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Director's Report for the year ending on 31st March, 2024.

A. Conservation of Energy:

Steps taken or impact on Conservation of Energy:

The Company has taken measures and applied strict control system to monitor day to day power consumption, to endeavour to ensure the optimal use of energy with minimum extent possible wastage as far as possible.

The Steps taken by the company for utilising alternate sources of energy:

The Company is continuously monitoring and making effort for optimum utilization of equipments which ensures to conserve energy during routine operations itself.

Capital investment on energy conservation equipment:

There is no specific investment plan for energy conservation.

B. Technology Absorption:

Efforts in brief, made towards technology absorption, adaption and innovation:

N.A.

Benefits derived as a result of the above efforts e.g. product, improvement, cost reduction, product development, import substitution etc:

N.A.

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

The Company has not imported any technology hence, the questionnaire is not applicable.

The expenditure incurred on Research and Development:

During the year under review, the Company has not incurred expenditure towards Research and Development.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

There is Rs. 10.67 lacs foreign exchange earnings during the year 2024-25 and no outgo during the year under review.

Registered Office:

201, 2nd Floor, Puniska House, Next to One 42,
Opp. Jayantilal Park BRTS Bus Stop,
Ambli Bopal Road, Ahmedabad- 380058

Date: 13-08-2025

By Order of the Board
For Vadilal Chemicals Limited

Rajesh R. Gandhi
Chairman & Director
(DIN: 00009879)

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025
[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 Chemicals Limited
201, 2nd Floor, Puniska House, Next To One 42, Opp. Jayantilal Parkbrts Bus Stop,
Ambli Bopal Road, Bopal, Daskroi, Ahmedabad- 380058, Gujarat, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Vadilal Chemicals Limited** (CIN: L24231GJ1991PLC015390) (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the **financial year 2024-25 i.e. from 1st April, 2024 to 31st March, 2025 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company during the Audit Period);
- v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the Audit Period);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;(Not Applicable to the Company during the Audit Period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;(Not Applicable to the Company during the Audit Period);
 - f) The Securities and Exchange Board of India (Registrar to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the Audit Period); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period)

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

- a. Explosive Act, 1884 and rules and regulations made thereunder;
- b. Environmentally Hazardous Chemicals Act, 1985 and rules and regulations made thereunder; and
- c. Hazardous Chemical Substantives Regulations, 1995.

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

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

- i) Secretarial Standards (SS-1 for Meetings of the Board of Directors & SS-2 for General Meetings) issued by the Institute of Company Secretaries of India; and
- ii) The provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**LODR Regulations**') and the Listing Agreements entered into by the Company with the Calcutta Stock Exchange Ltd.

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

1. As per Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the Company has not maintained minimum public shareholding of at least twenty-five per cent.
2. As required under Regulation 31(2) of LODR Regulations, hundred percent shareholding of promoters and promoter group is not maintained in dematerialized form.

As represented by the management, the Company was not required to observe compliances for the Ahmedabad Stock Exchange Ltd., the Madras Stock Exchange Ltd. and the Delhi Stock Exchange Ltd. since all these stock exchanges are non-operational and inactive.

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 notices were 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.

Signature: _____
Premnarayan Ramanand Tripathi,
(Designated Partner)
SPAN & Co. Company SecretariesLLP
FCS 8851
COP : 10029
PR : 7043/2025
UDIN: F008851G000990315

Place : Ahmedabad
Date : 13/08/2025

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 Chemicals Limited

201, 2nd Floor, Puniska House, Next To One 42, Opp. Jayantilal Park BRTS Bus Stop,
Ambli Bopal Road, Bopal, Daskroi, Ahmedabad-380058, Gujarat, India

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. 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.

Signature: _____
Premnarayan Ramanand Tripathi,
(Designated Partner)
SPAN & Co. Company SecretariesLLP
FCS 8851
COP : 10029
PR : 7043/2025
UDIN: F008851G000990315

Place : Ahmedabad
Date : 13/08/2025

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	Performance of the company as compare to last year.
Mr. Kamal N. Varma, Whole Time Director and CEO	1.62	Nil	-20.24%
Mr. Dipal Soni, Chief Financial Officer	2.30	16	
Mr. Soham Raval, Company Secretary	1.35	15	

- B.** The percentage increase in the median remuneration of employees in the financial year: 14.00 %
- C.** The number of permanent employees on the rolls of Company: 51
- D.** The explanation on the relationship between average increase in remuneration and Company performance:
On an average, employees received an annual increase of 14.00 %. The individual increments varied from 5.00 % to 20.00 %, based on individual performance.

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.** Market capitalization of the Company & price earnings ratio:

The Company's shares are not frequently traded in the Stock Exchange and hence, the details of Market Capitalization are not provided.

1. The Earning Per Share of the Company as on 31-03-2025 is Rs. 5.32 as compared to Rs. 6.57 as on 31-03-2024.
- F.** The average annual increase in the percentile of remuneration of employees is 14%.
- G.** The key parameters for any variable component of remuneration in case of Directors of the Company is linked with the Company performance. In case of other key managerial personnel(s), the same is linked with Company performance and individual performance.
- H.** The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:
Not applicable.
- I.** The Company affirms remuneration is as per the remuneration policy of the Company.
- J.** 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 Directors was in receipt of remuneration in excess of the limits set out in the said rules.

Registered Office:

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Opp. Jayantilal Park BRTS Bus Stop,
Ambli Bopal Road, Ahmedabad- 380058

Date: 13-08-2025

**By Order of the Board
For Vadilal Chemicals Limited**

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

INDEPENDENT AUDITOR'S REPORT

To the Members,

VADILAL CHEMICALS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **VADILAL CHEMICALS LIMITED (the "Company")** which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of material accounting policies and other explanatory information (herein after referred to as "Financial Statements").

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 Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no separate key audit matters to be communicated in our report.

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

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of cash flow dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with Ind AS prescribed under section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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-A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer note 36)
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d.
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries", with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - e.
 - (a) The final dividend proposed in the previous year, declare and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
 - (b) As stated in note 12 to the financial statements, the Board of Directors of the company have proposed final dividend for the year which is subject to approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
 - f. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

PLACE: USA
DATE : 27th MAY 2025

FOR, PARTH R SHAH AND CO
CHARTERED ACCOUNTANTS
FRN: 153846W
(PARTH R. SHAH)
PROPRIETOR
MEMBERSHIP NO. 129767
UDIN: 25129767BMOYYR4272



Annexure - A to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Vadilal Chemicals Limited of even date)

Report on the Internal Financial Controls over Financial Reporting 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 Chemicals Limited (the "Company")** as on March 31, 2025 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 Board of Directors of the Company 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 or Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding 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 internal financial controls over financial reporting of the Company 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") issued by the ICAI and the Standard on Auditing prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. Those Standards and Guidance Note require that we comply with the 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 the internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of 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 systems over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls 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 purpose 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 transaction are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of 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 limitation 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, projection of any evaluation of the internal financial controls over financial reporting to future periods are subjects to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the 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 March 31, 2025, based on the criteria for internal financial control over financial reporting 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, PARTH R SHAH AND CO
CHARTERED ACCOUNTANTS
FRN: 153846W

(PARTH R. SHAH)
PROPRIETOR

MEMBERSHIP NO. 129767
UDIN: 25129767BMOYYR4272

PLACE: USA
DATE : 27th MAY 2025

Annexure - B to Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Vadilal Chemicals Limited of even date)

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

(₹ in Lacs)

Clause	Sub clause	Reporting
i.		Property, Plant and Equipments :
	(a)	The Company has maintained records showing particulars, including situation of its Property, Plant and Equipments, Intangible Assets and relevant details of right-of-use assets.
	(b)	According to the information and explanation given to us, the Property, Plant & Equipments and right-of-use assets of the Company have been physically verified by the management at reasonable intervals, in a phased verification programme, which in our opinion is reasonable, having regard to the size of the company and nature of its business. According to the information and explanation given to us, no material discrepancies have been noticed on such verification.
	(c)	According to information and explanations given to us and on the basis of our examination of records of the company the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements under Property, Plant & Equipment's are held in the name of the company.
	(d)	The company has not revalued any of its Property, Plant and Equipment (including Right-of-use-assets) and intangible assets during the year.
	(e)	As informed to us, no proceedings have been initiated during the year or are pending against the company as at 31st March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.
ii.		Inventories and Working Capital Limits:
	(a)	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.		Investments, providing any guarantee or security
	(a)	The Company has made investment in companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, in respect of which: The Company has provided loans or advances in the nature of loans or stood guarantee, or provided security to subsidiaries, joint venture, associates and other parties and the details are mentioned in the following table:

(₹ in Lacs)

Particulars:	Guarantees	Security	Loans	Advances in Nature of Loans:
Aggregate amount granted during the year:				
- Subsidiaries,	-	-	-	-
- Joint venture	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	500.00	-
Balance outstanding as at balance sheet in respect of above cases				
- Subsidiaries	-	-	-	-
- Joint venture	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	500.71	-

(₹ in Lacs)

(b)	The investments made, and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
(c)	In respect of loans granted by the Company, the same is repayable on demand and the payment of interest has been stipulated.
(d)	In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at balance sheet date
(e)	No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
(f)	The company has granted loans or advances in the nature of loans which were repayable on demand and without specifying any terms or period of repayment amounting to Rs. 500.71 lakhs at the end of the year. Details of aggregate amount, percentage thereof of the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 are given here under:

(₹ in Lacs)

Sr. No	Particulars:	All Parties	Promoters	Related Parties
1	Aggregate amount of loans:			
	- Repayable on demand as there is no specific agreement(A)	500.71	-	-
	- Agreement does not specify any terms or period of repayment(B)	-	-	-
2	Total (A+B)	500.71	-	-
3	Percentage of loans to the total loans	100.00	-	-

(₹ in Lacs)

Clause	Sub clause	Reporting
iv.		Compliance with section 185 & 186 in respect of Loans and Advances
		In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted, making investments and providing guarantees and securities, as applicable.
v.		Public Deposits
		The Company has not accepted any deposit or amounts which are deemed to be deposit. Hence, reporting under clause 3(v) of the Order is not applicable.
vi.		Maintenance of Cost Records
		According to the information and explanation given to us, the Company has maintained cost records as required under sub-section (1) of the section 148 of the Companies Act. We have however, not carried out any detailed examinations of such records.
vii.		Statutory dues
	(a)	In our opinion and according to the information and explanations given to us, Company is generally regular in depositing with appropriate authorities undisputed statutory dues of Income tax, Service Tax/ Goods and Service Tax, Custom duty, Cess, Provident Funds, ESI and any other statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at 31st March, 2025 for a period of more than six months from the date on which they became payable.
	(b)	According to information and explanations given to us, there were no material dues of Income tax, Service Tax/ Goods and Service Tax, Custom duty, Cess, Provident Funds, ESI and any other statutory dues as applicable which have not been deposited on account of any dispute.
Viii.		Recording of income not recorded in books and disclosed under IT Act
		There were no transactions relating to previously unrecorded income that have been surrender or disclosed as income during the year in the tax assessment under the Income Tax Act,1961.

ix.		Repayment of Loans
	(a)	According to information and explanation give to us, during the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
	(b)	The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
	(c)	To the best of our knowledge and belief, in our opinion, the term loans availed by the Company were used for the purpose for which they were obtained.
	(d)	On an overall examination of the financial statements of the company, funds raised on short term basis have, prima facie, not been used during the year for long-term purpose by the company.
	(e)	The Company does not hold any investments in subsidiary or associate or joint venture during the year and hence reporting under clause 3(ix)(e) of the Order is not applicable.
	(f)	The Company does not hold any investments in subsidiary or associate or joint venture during the year and hence reporting under clause 3(ix)(f) of the Order is not applicable.
x.		Raising of monies through Public Offer
	(a)	The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year, and hence reporting under clause 3(x) (a) of the Order is not applicable.
	(b)	During the year, the company has not made any preferential allotment or private placement of shares or convertible debenture (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.
xi.		Frauds
	(a)	No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
	(b)	No report under Sub-section (12) of section 143 of the companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules,2014 with the Central Government, during the year and up to the date of this report.
	(c)	As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
xii.		Compliance with Net Owned Funds Ratio & unencumbered term deposits
		The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
xiii.		Transaction with Related Party
		In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act,2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
xiv.		System of Internal Audit
	(a)	In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.
	(b)	We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.
xv.		Non- Cash Transaction
		In our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of Companies Act, 2013 are not applicable to the Company.
xvi.		Registration with Reserve Bank of India
	(a),(b)&(c)	In our opinion , the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 . Hence, reporting under clause 3(xvi)(a),(b) and (c) of the Order is not applicable.
	(d)	According to the information and explanation provided to us during the course of audit, the Group does not have any Core Investment Company. Accordingly, the requirements of clause 3(xvi)(d) of the Order is not applicable.
xvii.		Cash Losses
		The Company has not incurred cash losses in current financial year and in the immediately preceding financial year.
xviii.		Resignation of Statutory Auditors
		There has been no resignation of statutory auditors of the Company during the year.

xix.	<p>Financial Ratios, ageing, realization of financial assets and payment of financial liabilities.</p> <p>According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.</p>
xx.	<p>Transfer of unspent CSR Expenditure to fund referred to Schedule VII to the Companies Act</p> <p>The provision of section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are not applicable to the company during the year and hence reporting under this clause is not applicable.</p>
xxi.	<p>Qualifications or Adverse Remarks in CARO of companies included in consolidated financial statements</p> <p>The Company is not required to prepare the Consolidated Financial Statement during the year and we are not required to obtain the Companies (Auditor's Report) Order (CARO) reports of any companies and hence reporting under this clause is not applicable.</p>

PLACE: USA
DATE : 27th MAY 2025

FOR, PARTH R SHAH AND CO
 CHARTERED ACCOUNTANTS
 FRN: 153846W
(PARTH R. SHAH)
 PROPRIETOR
 MEMBERSHIP NO. 129767
 UDIN: 25129767BMOYYR4272

BALANCE SHEET as at 31st March, 2025

(₹ in Lacs)

Particulars	Notes	As At	
		Marh 31, 2025	March 31, 2024
I. ASSETS:			
(1) Non-Current Assets			
(a) Property, Plant & Equipments	2	2,096.16	1,734.00
(b) Intangible Assets	2	29.58	19.51
(c) Right of Use Assets	2	72.89	57.56
(d) Financial Assets			
(i) Investments	3	73.55	67.73
(ii) Other Financial Assets	5	702.33	544.76
(e) Non-Current Tax Assets	6	14.69	14.26
(f) Other Non-Current Assets	7	27.11	8.66
Total Non-Current Assets		3,016.31	2,446.48
(2) Current Assets			
(a) Inventories	8	137.17	478.74
(b) Financial Assets			
(i) Trade receivables	9	979.31	1,196.63
(ii) Cash and Cash Equivalents	10	16.66	398.89
(iii) Other Balances with Banks	11	137.31	127.48
(iv) Loans	4	500.71	-
(v) Other Financial assets	5	0.56	3.83
(c) Current Tax Assets	6	39.55	27.84
(d) Other Current Assets	7	813.05	846.83
Total Current Assets		2,624.32	3,080.24
Total Assets		5,640.63	5,526.72
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	12	487.40	487.40
(b) Other Equity	13	1,720.73	1,507.18
Total Equity		2,208.13	1,994.58
(2) Liabilities			
(2.1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	868.22	784.86
(ii) Lease Liabilities	15	62.20	53.52
(b) Provisions	17	32.32	19.34
(c) Deferred Tax Liabilities (Net)	18	213.21	144.68
Total Non-Current Liabilities		1,175.95	1,002.40
(2.2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	1,685.58	1,766.09
(ii) Lease Liabilities	15	20.01	9.51
(iii) Trade Payables	19		
(a) Total outstanding dues of micro enterprises and small enterprises		9.89	99.62
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		47.48	255.31
(iv) Other Financial Liabilities	16	304.85	321.00
(b) Provisions	17	32.17	29.23
(c) Other Current Liabilities	20	156.57	48.98
Total Current Liabilities		2,256.55	2,529.74
Total Liabilities		3,432.50	3,532.14
Total Equity & Liabilities		5,640.63	5,526.72

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

For Parth R Shah And Co
Chartered Accountants
(Firm Reg. No.: 153846W)

Parth R. Shah
Proprietor
Membership No. : 129767

Place : USA
DATE : 27-05-2025

**For and on behalf of the Board of Directors of
Vadilal Chemicals Limited**
CIN: L24231GJ1991PLC015390

Rajesh R. Gandhi
Chairman & Director
DIN: 00009879

Kamal N. Varma
Director & CEO
DIN: 10235230

Dipal J. Soni
Chief Financial Officer

Place : Ahmedabad
DATE : 27-05-2025

Devanshu L. Gandhi
Director
DIN: 00010146

Soham B. Raval
Company Secretary



STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2025

(₹ in Lacs)

Particulars	Notes	Year Ended March 31, 2025	Year Ended March 31, 2024
I INCOME :			
Revenue from operations	21	7,602.37	8,283.90
Other Income	22	181.70	72.71
Total Income (I)		7,784.07	8,356.61
II EXPENSES :			
Cost of materials consumed	23	2,159.77	2,230.50
Purchase of Stock-in-Trade	24	2,921.86	3,939.00
Changes in inventories of Finished Goods & Stock in trade	25	314.50	(226.55)
Employee Benefits Expense	26	442.18	414.91
Finance Cost	27	249.93	256.54
Depreciation and Amortization Expense	28	206.30	156.87
Other Expenses	29	1,161.73	1,134.46
Total Expenses (II)		7,456.27	7,905.73
III Profit Before Tax (I-II)		327.80	450.88
IV Tax expense:			
Current tax	30	(0.10)	76.07
Deferred tax	30	68.53	54.47
Total Tax Expenses (IV)		68.43	130.54
V Profit For The Year (V-VI)		259.37	320.34
VI Other Comprehensive Income			
Items not to be reclassified to statement of Profit & Loss			
- Remeasurements of the defined benefit plans		(6.83)	(4.99)
Income Tax relating to items that will not be reclassified to profit or loss		-	1.26
Total Other Comprehensive Income (VI)		(6.83)	(3.73)
VII Total Comprehensive Income For the year (V+VI)		252.54	316.61
VIII Earning per equity share: (Face value ₹ 10/- each)	34		
Basic and Diluted		5.32	6.57

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

For Parth R Shah And Co
Chartered Accountants
(Firm Reg. No.: 153846W)

Parth R. Shah
Proprietor
Membership No. : 129767

Place : USA
DATE : 27-05-2025

**For and on behalf of the Board of Directors of
Vadilal Chemicals Limited**
CIN: L24231GJ1991PLC015390

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Chairman & Director
DIN: 00009879

Kamal N. Varma
Director & CEO
DIN: 10235230

Dipal J. Soni
Chief Financial Officer

Place : Ahmedabad
DATE : 27-05-2025

Devanshu L. Gandhi
Director
DIN: 00010146

Soham B. Raval
Company Secretary

STATEMENT OF CASH FLOWS for the year ended 31st March, 2025

(₹ in Lacs)

	Year Ended March 31, 2025	Year Ended March 31, 2024
A) CASH FLOW FROM OPERATIVE ACTIVITIES		
Profit Before Tax	327.80	450.88
Adjustment for :		
Depreciation and Amortization Expense	206.30	156.87
Interest Income	(76.96)	(18.80)
Dividend Income	(0.30)	(0.30)
Finance Cost	249.93	256.54
(Profit) / Loss on sales of property, plants & equipments	(30.29)	(23.09)
Provision for Doubtful Debts & Advances	-	0.56
Decrease / (Increase) in fair value of investments	(5.83)	(9.36)
Effect of Lease Modification	-	(4.92)
(Profit) / Loss from Partnership Firm	(0.26)	(0.44)
Remeasurements of the defined benefit plans	(6.83)	(4.99)
Operating Profit before working capital changes	663.56	802.95
Changes in Working Capital		
(Increase) / Decrease in Inventories, Trade receivables, financial assets and other assets	420.19	(321.08)
Increase / (Decrease) in Trade Payables, financial liabilities, other liabilities and provisions	(190.20)	316.90
Cash generated from operation	893.55	798.77
Direct taxes Paid	(12.04)	(74.71)
Net cash flow from Operating Activity	881.51	724.06
B) CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure on property, plant and equipment	(597.72)	(751.76)
Proceeds from Sale of property, plant and equipment	64.18	46.42
(Increase)/Decrease in Loans Given	(500.71)	-
Fixed Deposit with Bank	(9.83)	(8.86)
Dividend Received	0.30	0.30
Interest Received	76.96	18.80
Net Cash used in Investing Activities	(966.82)	(695.10)
C) CASH FLOW USED IN FINANCING ACTIVITIES		
Finance Cost	(243.48)	(248.21)
Dividend Paid	(38.99)	(38.99)
Payment of Lease Liabilities	(17.30)	(13.18)
Proceed/(Repayment) of Current borrowings	(80.51)	771.78
Proceed/(Repayment) of Non-Current borrowings	83.36	(134.99)
Net Cash used in Financing Activities	(296.92)	336.41
Net Increase/Decrease in Cash & Cash Equivalents Total (A+B+C)	(382.23)	365.37
Cash & Cash Equivalents At The Beginning Of The Year		
Cash on Hand	2.87	3.28
Bank Balance	396.02	30.24
	398.89	33.52
Cash & Cash Equivalents At The End Of The Year (Note: 10)		
Cash on Hand	2.56	2.87
Bank Balance	14.10	396.02
	16.66	398.89

Notes :

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard-7 on statement of Cash Flow.



STATEMENT OF CASH FLOWS for the year ended 31st March, 2025

Reconciliation of liabilities arising from financing activities:

(₹ in Lacs)

As at March 31, 2025	Non-Current Borrowings	Current Borrowings	Total Borrowings
Opening Balance	784.86	1,766.09	2,550.95
Cash Flows	83.36	(80.51)	2.85
Non Cash Changes	-	-	-
Closing Balance	868.22	1,685.58	2,553.80

(₹ in Lacs)

As at March 31, 2024	Non-Current Borrowings	Current Borrowings	Total Borrowings
Opening Balance	919.85	994.31	1,914.16
Cash Flows	(134.99)	771.78	636.79
Non Cash Changes	-	-	-
Closing Balance	784.86	1,766.09	2,550.95

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

For Parth R Shah And Co

Chartered Accountants
(Firm Reg. No.: 153846W)

Parth R. Shah

Proprietor
Membership No. : 129767

Place : USA

DATE : 27-05-2025

For and on behalf of the Board of Directors of

Vadilal Chemicals Limited

CIN: L24231GJ1991PLC015390

Rajesh R. Gandhi

Chairman & Director
DIN: 00009879

Kamal N. Varma

Director & CEO
DIN: 10235230

Dipal J. Soni

Chief Financial Officer

Place : Ahmedabad

DATE : 27-05-2025

Devanshu L. Gandhi

Director
DIN: 00010146

Soham B. Raval

Company Secretary

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2025

(₹ in Lacs)

Particulars	Equity share Capital	Other Equity				Total other equity	Total Equity
		Capital reserve	Securities premium reserve	General reserve	Retained earnings		
Balance as at April 1, 2023	487.40	14.94	152.90	69.60	992.11	1,229.55	1,716.95
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance as at April 1, 2023	487.40	14.94	152.90	69.60	992.11	1,229.55	1,716.95
Profit for the Year	-	-	-	-	320.34	320.34	320.34
Other Comprehensive Income for the Year, Net of Income tax	-	-	-	-	(3.73)	(3.73)	(3.73)
Total Comprehensive Income for the Year	-	-	-	-	316.61	316.61	316.61
Payment of dividends (Including tax on dividend)	-	-	-	-	(38.98)	(38.98)	(38.98)
Balance as at March 31, 2024	487.40	14.94	152.90	69.60	1,269.74	1,507.18	1,994.58
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance as at April 1, 2024	487.40	14.94	152.90	69.60	1,269.74	1,507.18	1,994.58
Profit for the Year	-	-	-	-	259.37	259.37	259.37
Other Comprehensive Income for the Year, Net of Income tax	-	-	-	-	(6.83)	(6.83)	(6.83)
Total Comprehensive Income for the Year	-	-	-	-	252.54	252.54	252.54
Payment of dividends (Including tax on dividend)	-	-	-	-	(38.99)	(38.99)	(38.99)
Balance as at March 31, 2025	487.40	14.94	152.90	69.60	1,483.29	1,720.73	2,208.13

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

For Parth R Shah And Co
Chartered Accountants
(Firm Reg. No.: 153846W)

Parth R. Shah
Proprietor
Membership No. : 129767

For and on behalf of the Board of Directors of
Vadilal Chemicals Limited
CIN: L24231GJ1991PLC015390

Rajesh R. Gandhi
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DIN: 10235230

Devanshu L. Gandhi
Director
DIN: 00010146

Dipal J. Soni
Chief Financial Officer

Soham B. Raval
Company Secretary

Place : USA
DATE : 27-05-2025

Place : Ahmedabad
DATE : 27-05-2025



Notes to the Financial Statement as at 31st March, 2025

COMPANY OVERVIEW:-

Vadilal Chemicals Limited is a Public Limited Company domiciled in India. The company has its registered office at "Puniska" House, 201, 2nd Floor, Next to One 42, Opp. Jayantilal Park BRTS Bus Stop, Ambli Bopal Road, Bopal, Ahmedabad - 380058".

The Company is engaged in the business of manufacturing & Trading of Industrial Gases. Vadilal Chemicals Limited is a leading player in the industrial gas business that supplies pure Gases, industrial gases mixtures and speciality gases. The Company carry a high degree of commitment towards quality, safety and services to ensure full customer satisfaction.

The company has developed an extensive era of customer driven products like pure gases, Speciality gases and Gas Mixtures.

1 MATERIAL ACCOUNTING POLICIES :

(1) STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 as amended.

(2) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

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

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

(3) USE OF ESTIMATES:

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

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

(4) REVENUE RECOGNITION:

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, related discounts & incentives and volume rebates. It excludes taxes or duties collected on behalf of the government.

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

- (ii) Dividend income is recognised when the right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.
- (iii) Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(5) PROPERTY, PLANT & EQUIPMENTS:

Property, Plant & Equipments acquired by the Company are reported at acquisition value, with deductions for accumulated depreciation and impairment losses, if any. The acquisition value includes the purchase price (excluding refundable taxes), and expenses directly attributable to assets to bring it to the factory and in the working condition for its intended use. Where the construction or development of any such asset requiring a substantial period of time to set up for its intended use, is funded by borrowings if any, the corresponding borrowing cost are capitalized up to the date when the asset is ready for its intended use.

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

Leasehold Land and Leasehold Improvements are amortized over the period of the lease or the useful life of the asset, whichever is lower.

(6) DEPRECIATION:

Depreciation is provided on the straight line method (SLM). Depreciation is provided based on useful life of the assets as prescribed in schedule II to the Companies Act, 2013. Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

(7) INTANGIBLE ASSETS:

Intangible assets acquired separately

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

Useful lives of intangible assets

Intangible assets are amortized over their estimated useful life on a straight line basis over a period of 3 years.

(8) CASH FLOW :

The Cash flow statement is prepared by the "Indirect Method" Set out in Indian Accounting Standard 7 on "Cash Flow Statements" and present the cash flow by operating, Investing and financing activities of the company.

Cash and Cash equivalents presented in the cash flow statement consist of cash on hand and other current account balance / deposits with the bank.

(9) INVESTMENTS IN JOINT VENTURE:

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

(10) NON-DERIVATIVE FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit and loss.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Equity instruments

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

Offsetting of financial instruments

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

(11) INVENTORIES:

Inventory of Raw Material and Stores & Spares are valued at cost on First in First out (FIFO) basis or net realizable value which ever is lower. Cost of finished goods and work in progress includes cost of material consumed, labour and systematic allocation of variable and fixed Production overhead.

(12) EMPLOYEE BENEFITS:**(a) Short Term**

Short term employee benefits are recognized as an expense as the undiscounted amount expected to be paid over the period of services rendered by the employee to the company.

(b) Long Term

The Company has both defined contribution and defined benefit Plans, of which some have assets in approved funds. These plans are financed by the Company in the case of defined contribution plans.

(c) Defined Contribution Plans:

These are plan in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to Employees Provident Fund. The Company's payments to the defined contribution plans are reported as expenses during the period in which the employee perform the services that the payment covers.

(d) Defined Benefit Plans:

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

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

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

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

(e) Other Employee Benefit**Short-term employee benefits:**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the balance sheet date.

(13) FOREIGN CURRENCY TRANSACTIONS:

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

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

(14) BORROWING COST:

Borrowing cost incurred in relation to acquisition, construction or production of qualifying assets are capitalized 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.

(15) EARNING PER SHARE:

A basic earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

(16) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

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

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

Contingent liabilities and Contingent assets are not recognized in the financial statements.

(17) TAXES ON INCOME :

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

Current Tax

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

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

Deferred tax assets include Minimum Alternate Tax (MAT) credit paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT credit is recognized as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Current and deferred tax for the year

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

(18) LEASES:

As a lessee:

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: i) the contract involves the use of an identified asset ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At commencement date, lease liability is measured at the present value of the lease payments to be paid during non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

As a lessor:

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

Income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature. Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income

is recognised in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

Under combined lease agreements, land and building are assessed individually.

(19) OPERATING CYCLE

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

The company has identified twelve months as its operating cycle.

(20) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

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

Key sources of estimation uncertainty

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

i. Income taxes

As described in Note 1(17), the Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

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

As described in Note 39, in determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

iii. Useful lives of property, plant and equipment

As described in Note 1(5), the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

iv. Allowances for doubtful debts

As described in Note 9, the Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

v. Allowances for inventories

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

vi. Fair value measurement of Financial Instruments

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

(21) Recent accounting pronouncements for Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Note : 2 PROPERTY, PLANT & EQUIPMENTS AND INTANGIBLE ASSETS:

Following are the changes in the carrying value of Property, Plant & Equipments and Intangible assets for the year ended 31-03-2025:

(₹ in Lacs)

ASSETS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION GROSS CARRYING AMOUNT AND AMORTIZATION				NET CARRYING AMOUNT	
	As At April 1, 2024	Additions	Disposals	As At March 31, 2025	As At April 1, 2024	Provided For The Year	Disposals	As At March 31, 2025	As At March 31, 2024
(i) TANGIBLE ASSETS									
Property, Plant & Equipments:									
Land	22.45	-	-	22.45	-	-	-	22.45	22.45
Leasehold Land	69.98	-	-	69.98	8.06	1.01	-	60.91	61.92
Factory Building	133.13	-	-	133.13	54.41	5.03	-	73.69	78.72
Office Building	46.83	-	-	46.83	9.21	1.16	-	36.46	37.62
Carpeted Road (Rcc)	95.51	-	-	95.51	90.74	4.77	-	-	4.77
Plant & Equipments	183.92	17.52	-	201.44	64.98	14.93	-	121.53	118.94
Furniture	19.22	-	-	19.22	13.40	0.79	-	5.03	5.82
Office Equipments	14.40	0.15	-	14.55	11.77	0.93	-	1.85	2.63
Computer	43.93	3.50	-	47.43	27.32	8.40	-	11.71	16.61
Gas Cylinders & Tanks	1,621.84	494.02	36.70	2,079.16	326.87	127.77	2.81	1,627.33	1,294.97
Transport Vehicle	307.64	61.44	-	369.08	218.09	15.79	-	135.20	89.55
Total	2,558.85	576.63	36.70	3,098.78	824.85	180.58	2.81	2,096.16	1,734.00
(ii) Intangible Assets	44.08	21.09	-	65.17	24.57	11.02	-	29.58	19.51
GRAND TOTAL (24-25)	2,602.93	597.72	36.70	3,163.95	849.42	191.60	2.81	2,125.74	1,753.51
Capital Work-in-Progress	-	-	-	-	-	-	-	-	-
Right of Use of Assets	63.27	30.03	-	93.30	5.71	14.70	-	72.89	57.56

Note : 2 PROPERTY, PLANT & EQUIPMENTS AND INTANGIBLE ASSETS: (Contd.)

Following are the changes in the carrying value of Property, Plant & Equipments and Intangible assets for the year ended 31-03-2024:

(₹ in Lacs)

ASSETS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION GROSS CARRYING AMOUNT AND AMORTIZATION				NET CARRYING AMOUNT	
	As At April 1, 2023	Additions	Disposals	As At March 31, 2024	As At April 1, 2023	Provided For The Year	Disposals	As At March 31, 2024	As At March 31, 2023
Property, Plant & Equipments:									
Land	22.45	-	-	22.45	-	-	-	-	22.45
Leasehold Land	69.98	-	-	69.98	7.05	1.01	-	8.06	62.93
Factory Building	133.13	-	-	133.13	48.76	5.65	-	54.41	84.37
Office Building	46.83	-	-	46.83	8.05	1.16	-	9.21	38.78
Carpeted Road (Rcc)	95.51	-	-	95.51	79.40	11.34	-	90.74	16.11
Plant & Equipments	163.00	20.92	-	183.92	51.38	13.60	-	64.98	118.94
Furniture	17.31	1.91	-	19.22	12.70	0.70	-	13.40	4.61
Office Equipments	13.36	1.04	-	14.40	10.48	1.29	-	11.77	2.88
Computer	36.25	7.68	-	43.93	18.44	8.88	-	27.32	16.61
Gas Cylinders & Tanks	971.45	674.70	24.31	1,621.84	241.96	85.89	0.98	326.87	1,294.97
Transport Vehicle	282.53	25.11	-	307.64	206.70	11.39	-	218.09	89.55
Total	1,851.80	731.36	24.31	2,558.85	684.92	140.91	0.98	824.85	1,734.00
Intangible Assets	23.68	20.40	-	44.08	20.15	4.42	-	24.57	3.53
GRAND TOTAL (23-24)	1,875.48	751.76	24.31	2,602.93	705.07	145.33	0.98	849.42	1,170.41
Right of Use of Assets	75.70	63.27	75.70	63.27	35.15	11.54	40.98	5.71	40.55

Note : 3 INVESTMENTS

(₹ in Lacs)

Particulars	No. of Shares	As At March 31, 2025	As At March 31, 2024
Non Current			
Investment in Equity Instruments (Investment carried at Fair Value through Profit and loss)			
Quoted, fully paid up			
Vadilal Enterprise Limited of ₹ 10/- each	100 (100)	10.08	3.81
Maharashtra Polybotens Ltd of ₹ 1/- each	150 (150)	0.00	0.00
Unimers India Ltd of ₹ 10/- each	200 (200)	0.01	0.01
Total (a)		10.09	3.82
Unquoted, fully paid-up (Investment carried at Fair Value through Profit and loss)			
Vadilal Forex and Consultancy Services Ltd of ₹ 10/- each	48000 (48000)	32.03	32.48
(Investment carried at Cost)			
Kalpiti Realty & Services Ltd of ₹ 10/- each	30000 (30000)	0.03	0.03
The Kalupur Commercial Co-Op. Bank Ltd. of ₹ 25/- each	8000 (8000)	2.00	2.00
Total (b)		34.06	34.51
Total (a + b)		44.15	38.33
Investment in Partnership Firm at deemed cost			
M/s. Ambica Ice & Cold Storage Co. (Previously Known as Vadilal Cold Storage)		29.40	29.40
Total (c)		29.40	29.40
Grand Total (a+b+c)		73.55	67.73
*Details of Investment in Partnership Firm -			
The company continues to be a partner in the following partnership firm. The details Regarding investment in the total capital of the Partnership firm as well as Profit/Loss Sharing ratio of the company along with other Partners is stated hereunder.			
Investment in Ambica Ice & Cold Storage Co. (Previously Known as Vadilal Cold Storage)			
Total Capital of the Firm		169.40	169.40
Investment in :-			
Capital Account		29.40	29.40
Current Account (Refer Note 7 : other current assets)		2.32	2.06
		31.72	31.46
Name of the partners and share in profit (%)			
M/s. Vadilal Chemicals Limited		2%	2%
M/s. Vadilal Industries Limited		98%	98%

Note : 4 LOANS

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Current		
(Unsecured, considered good)		
- Loans given *	500.71	-
Total	500.71	-

Notes:

* Loan amount given carries interest rate of @ 13% p.a. and same is repayable within a year.

**Note : 5 OTHER FINANCIAL ASSETS**

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Non-Current		
Unsecured, Considered good		
Security Deposit	45.35	44.59
Trade Deposit (Related Party)	551.93	500.17
Margin Money Deposits with banks (refer note no: 11)	105.05	-
Total	702.33	544.76
Current		
Unsecured, Considered good		
Security Deposit	0.56	3.83
Unsecured, Considered doubtful		
Success Vyapar Limited	475.00	475.00
Less: Provision for doubtful advance (refer note no.:36.2)	(475.00)	(475.00)
Total	0.56	3.83

Note : 6 TAX ASSETS

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Non-Current		
Taxes Receivables	14.69	14.26
Total	14.69	14.26
Current		
Taxes Receivables	39.55	27.84
Total	39.55	27.84

Note : 7 OTHER ASSETS

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Non-Current		
Prepaid Expenses	6.37	2.43
Loans and Advances to Employees	1.05	0.78
Unamortised borrowing cost	19.69	5.45
Total	27.11	8.66
Current		
Advance to Suppliers	759.65	743.94
Less: Provision for doubtful Advance to suppliers	(15.00)	(15.00)
	744.65	728.94
Prepaid Expenses	50.20	50.35
Loans and Advances to Employees	2.77	2.58
Unamortised borrowing cost	8.26	5.22
Balances with Government Authorities	4.85	57.68
Other Loans and advances		
- Advance to Ambica Ice & Cold Storage Co. (Previously Known as Vadilal Cold Storage) (Balance in current account with Firm in which company is a partner)	2.32	2.06
Total	813.05	846.83

Note : 7 INVENTORIES

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
(At Lower of Cost or Net Realisable Value)		
Raw Material	31.65	39.58
Finished Goods	16.71	14.58
Stock-in-Trade	68.02	384.65
Stores & Spares	20.74	39.90
Shares In Trade	0.05	0.03
Total	137.17	478.74

Note : 9 TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Current		
Unsecured, Considered Good :	979.31	1,196.63
Unsecured, Considered doubtful	8.75	9.49
Less : Allowance for doubtful debts (expected credit loss allowance)	(8.75)	(9.49)
Total	979.31	1,196.63

Note : Refer Note 32 for information about credit risk and market risk of Trade receivables.

Break-up of trade receivables

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Trade receivables from other than related parties	976.70	1,195.87
Receivables from related parties (Refer Note 31)	2.61	0.00
Total	979.31	1,195.87

Notes :

- The credit period ranges from 30 days to 180 days.
- Before accepting any new customer, the Company assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed annually. ₹ 80.67 lacs due from one customers who represent more than 5% of the total balance of trade receivable as at March 31, 2025 (as at March 31, 2024 : ₹ 75.61 lacs is due from one customer who represents more than 5% of trade receivables.). The credit risk in respect of these customers is mitigated by monitoring them constantly.
- In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on company policy and ageing of the receivables that are due.
- Movement in Expected Credit Loss Allowance

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Balance at the beginning of the year	9.49	10.14
Add : Allowance for the year	-	0.56
Less : Actual Write off during the year (Net of recovery)	(0.73)	(1.22)
Balance at the end of the year	8.75	9.49



Trade receivables ageing schedule for the year ended as on March 31, 2025

(₹ In Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	960.03	9.00	-	-	-	969.03
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	13.05	-	-	13.05
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	5.98	5.98
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	960.03	9.00	13.05	-	5.98	988.07
Less: Allowance for credit loss	-	-	-	-	-	8.75
Total Trade Receivables						979.32

Trade receivables ageing schedule for the year ended as on March 31, 2024

(₹ In Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,179.58	17.05	-	-	-	1,196.63
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	2.49	1.01	-	3.51
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	1.00	4.97	5.97
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	1,179.58	17.05	2.49	2.01	4.97	1,206.11
Less: Allowance for credit loss	-	-	-	-	-	9.49
Total Trade Receivables						1,196.62

Note : 10 CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Cash and Cash equivalents		
Cash on hand	2.56	2.87
Balance with Bank		
- In current account	14.10	396.02
Total	16.66	398.89

Note : 11 OTHER BALANCES WITH BANKS

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Other Bank Balance		
- Margin Money Deposit (towards facilities from Bank)	232.41	119.38
Less: Margin Money Deposit with maturity of more than 12 months	(105.05)	-
Amount disclosed under Non-Current Financial Assets (Note-5)		
(A)	127.36	119.38
Unclaimed dividend accounts*		
(B)	9.95	8.10
Total [A + B]	137.31	127.48

Note: *Unclaimed dividend account balance can only be used for payment of unclaimed dividend.

Note : 12 EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
AUTHORIZED SHARES		
1,00,00,000 Equity Shares of ₹ 10/- each.	1,000.00	1,000.00
	1,000.00	1,000.00
ISSUED , SUBSCRIBED & FULLY PAID UP SHARES		
ISSUED :		
50,09,500 Equity Shares of ₹ 10/- each (as at March 31, 2024: 50,09,500 Equity Shares of ₹ 10/- each)	500.95	500.95
SUBSCRIBED & FULLY PAID-UP :		
48,74,000 Equity Share of ₹ 10/- Each Fully Paid-up (as at March 31, 2024: 48,74,000 Equity Share of ₹ 10/- Each Fully Paid-up)	487.40	487.40
Total	487.40	487.40

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As At March 31, 2025		As At March 31, 2024	
	Nos.	₹ in Lacs	Nos.	₹ in Lacs
Equity Shares				
At the beginning of the period	48,74,000	487.40	48,74,000	487.40
Add :- Shares issued during the year	-	-	-	-
Less :- Shares Bought back during the year	-	-	-	-
Outstanding at the end of the period	48,74,000	487.40	48,74,000	487.40

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share.

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

The Board of Directors of the company has recommended dividend of ₹ 5 per equity share (50%) on face value of ₹ 10 each for the year ended March 31, 2025 on 48,74,000 equity shares amounting to ₹ 243.7 lacs subject to approval of the shareholders.

c. Details of shareholders holding more than 5% shares in the company

Particulars	31st March 2025		31st March 2024	
	No. of Share	% Holding	No. of Share	% Holding
Equity shares of ₹10/- each fully paid				
Vadilal International Private Limited	20,13,204	41.31	20,13,204	41.31
Devanshu L. Gandhi	5,32,250	10.92	5,32,250	10.92
Vadilal Marketing Private Limited	4,23,650	8.69	4,23,650	8.69
Axilrod Private Limited (Erstwhile known as Vortex Ice-cream Private Limited)	3,83,650	7.87	3,83,650	7.87



d. Shareholding of promoter

Shares held by promoters at March 31, 2025 and March 31, 2024:

Promoters / Promoter Group Name	No. of Equity Shares Held (31-03-2025)	% of Total Shares (31-03-2025)	% change during the year (31-03-2025)	No. of Equity Shares Held (31-03-2024)	% of Total Shares (31-03-2024)
Individual Promoters:					
Nayana Surendra Chokshi	43,050	0.88	-	43,050	0.88
Dharini V. Gandhi	36,540	0.75	-	36,540	0.75
Devanshu Laxmanbhai Gandhi	5,32,250	10.92	-	5,32,250	10.92
Rajeshbhai R. Gandhi	1,57,037	3.22	-	1,57,037	3.22
Virendrabhai R Gandhi	1,35,002	2.78	-	1,35,002	2.78
Janmajay V Gandhi	37,177	0.76	-	37,177	0.76
Mamta Rajesh Gandhi	76,416	1.57	-	76,416	1.57
Khevna Raj Shah	33,740	0.69	-	33,740	0.69
Shri Ramchandra R. Gandhi	56,271	1.15	-	56,271	1.15
Deval Devanshu Gandhi	1,19,250	2.45	-	1,19,250	2.45
Ilaben Virendrabhai Gandhi	49,482	1.01	-	49,482	1.01
Kalpiti R. Gandhi	17,290	0.36	-	17,290	0.36
Promoter Group:					
Byad Packaging Industries Private Limited	86,300	1.77	-	86,300	1.77
Kalpiti Realty And Services Limited	1,73,650	3.56	-	1,73,650	3.56
Vadilal International Private Limited	20,13,204	41.31	-	20,13,204	41.31
Vadilal Marketing Private Limited	4,23,650	8.69	-	4,23,650	8.69
Veronica Construction Private Limited	22,400	0.46	-	22,400	0.46
Axilrod Private Limited	3,83,650	7.87	-	3,83,650	7.87
TOTAL	43,96,359	90.20	-	43,96,359	90.20

Note : 13 OTHER EQUITY

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Capital Reserve		
Balance at the beginning of the year	14.94	14.94
Balance at the end of the year (A)	14.94	14.94
Securities Premium Reserve		
Balance at the beginning of the year	152.90	152.90
Balance at the end of the year (B)	152.90	152.90
General Reserve		
Balance at the beginning of the year	69.60	69.60
Balance at the end of the year (C)	69.60	69.60
Retained earnings		
Balance at the beginning of the year	1,269.74	992.11
Add : Profit for the year	259.37	320.34
Add : Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(6.83)	(3.73)
Less: Payment of dividend on equity shares	(38.99)	(38.98)
Balance at the end of the year (D)	1,483.29	1,269.74
Total (A+B+C+D)	1,720.73	1,507.18

Notes :**Nature and Purpose of reserve****Capital reserve**

The company has created capital reserve out of capital subsidies received from state Governments.

Securities premium reserve

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This reserve is available for utilization in accordance with the provisions of the Companies Act, 2013. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

General reserve

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

Retained earnings

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

Note : 14 BORROWINGS

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Non-Current		
Secured-at amortised cost		
Term Loan from bank (a)	1,154.76	1,025.15
Less :- Current Maturities of Long term borrowings	(414.14)	(356.87)
	(A) 740.62	668.28
Unsecured-at amortised cost		
Loan From:		
- Inter Corporate Loan (b)	127.60	116.58
	(B) 127.60	116.58
	Total (a+b) 868.22	784.86
Current		
Secured Loans		
- From Banks (Working Capital Limits) (c)	(C) 289.86	646.29
Current Maturities of Long term borrowings		
- From Banks (Secured) (d)	(d) 414.14	356.87
Unsecured-at amortised cost		
Loan From:		
- Inter Corporate Loan (e)	(e) 981.58	762.93
	Total (c+d+e) 1,685.58	1,766.09

(a) **Term Loan From banks :**

Repayment Schedule of term Loan from Bank

(₹ in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024	Effective Interest Rate	Terms of Repayment
Term Loan from Bank:				
The Kalupur Commercial Co-operative Bank Limited (Secured by way of below mentioned common securities**)	100.00	300.00	9.15%	60 Monthly Installments of ₹ 16.67 Lacs + Interest starting from September, 2020
The Kalupur Commercial Co-operative Bank Limited (Secured by way of hypothecation on Cylinders (movable properties))	60.00	80.00	9.15%	60 Monthly Installments of ₹ 1.66 Lacs after completion of moratorium period [Installment started from April 4, 2023 and Interest starting from March 5, 2022].
The Kalupur Commercial Co-operative Bank Limited	225.00	270.00	9.15%	60 Monthly Installments of ₹ 7.50 Lacs after completion of moratorium period [Installment will start from October 1, 2024 and Interest starting from September, 2022].
The Kalupur Commercial Co-operative Bank Limited (Secured by way of hypothecation of all current assets including stock, Bookdebts etc. and plant & Machineries and below mentioned Personal guarantee)	123.33	163.33	9.15%	60 Monthly Installments of ₹ 3.33 Lacs after completion of moratorium period [Installment started from May 1, 2023 and Interest starting from March, 2023].
The Kalupur Commercial Co-operative Bank Limited (Secured by way of hypothecation on Cylinders (movable properties))	159.94	211.82	9.15 %	60 Monthly Installments of ₹ 4.32 Lacs [Installment and Interest started from April 2023 onwards].
The Kalupur Commercial Co-operative Bank Limited (Secured by way of hypothecation on Cylinders (movable properties))	486.48	-	9.15%	60 Monthly Installments of ₹ 9.35 Lacs [Installment and Interest started from August 2024 onwards].

Term Loan From - The Kalupur Commercial Co-Op. Bank Limited. are secured by way of Mortgage on immovable properties and Hypothecation on movable properties of the company situated at the following places:

****Common Securities:**

- (i) Registered Mortgage of Office Nos. 505, 506, 507 & 508, Aditya Complex, Ellisbridge, Ahmedabad. Aemeasuring 3410 Sq Fts, Owned by Vadilal Chemicals Limited.
- (ii) Registered Mortgage of Industrial Unit "Vadilal Chemicals Limited", Unit No. 2504, Vatva GIDC, Phase-4, 4E Road, Vatva, Ahmedabad admeasuring 2000 Sq Mtrs alongwith present and future construction Owned by Vadilal Chemicals Limited.
- (iii) Registered Mortgage of Industrial Land at Plot No. 50/3, Nandesari, Baroda admeasuring 4793.21 Sq Mtrs alongwith present and future construction Owned by Vadilal Chemicals Limited.
- (iv) Registered Mortgage of Industrial Unit at Plot No. 799, Vapi, Valsad admeasuring 2037 Sq Mtrs alongwith present and future construction Owned by Vadilal Chemicals Limited.
- (v) Registered Mortgage of Industrial Unit No. 615, GIDC Estate, Panoli, Ankleshwar, Bharuch admeasuring 6000 Sq Mtrs alongwith present and future construction owned by Vadilal Chemicals Limited.
- (vi) Registered Mortgage of Industrial Unit No. D-397, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai, Maharashtra admeasuring land area 5376 Sq Mtrs alongwith present and future construction owned by Vadilal Chemicals Limited.
- (vii) Hypothecation of All Current Assets including Stock, Bookdebts etc. and Plant & Machineries.

- (viii) The facilities were further secured by way of Duly Discharged FDR amounting to ₹ 200 Lakhs Given to Kalupur Commercial Co Op Bank under lien.
- (ix) Personal Guarantee of following:
1. Rajesh Ramchandra Gandhi
 2. Devanshubhai Laxmanbhai Gandhi
- (b) The Company has taken Inter Corporate loan at serial number (b) above at Fixed interest rate @ 10.50%. The Repayment schedule for the same is not fixed and the amount is paid depending on the liquidity & financial requirement of the company. Accordingly, management is of the view that this loan is repayable after period of 12 months.
- (c) The company has taken working capital facilities from The Kalupur Commercial Co-Op. Bank Limited and the same are secured by way of Stock and Book Debts.
- (d) The Company has taken Inter Corporate loan at serial number (e) above at interest rate ranging between 11.50% to 13%.
- (e) Refer Note 32 for information about liquidity risk.

Note : 15 LEASE LIABILITIES

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Non-Current		
Lease Liabilities	62.20	53.52
Total	62.20	53.52
Current		
Lease Liabilities	20.01	9.51
Total	20.01	9.51

Note : 16 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Current		
Trade Deposits (Against Company Cylinders with Customers)	294.90	312.89
Unclaimed dividends	9.95	8.11
Total	304.85	321.00

Note : 17 PROVISIONS

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Non-Current		
Provision from Employee Benefits :		
Compensated absences	19.55	17.46
Gratuity (Refer Note 39)	12.77	1.88
Total	32.32	19.34
Current		
Provision for Employee Benefits :		
Compensated absences	18.44	16.93
Gratuity (Refer Note 39)	13.73	12.30
Total	32.17	29.23

Note : 18 DEFERRED TAX LIABILITY (NET)

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Deferred Tax Liabilities	243.40	164.05
Deferred Tax Assets	(30.19)	(19.37)
Total	213.21	144.68

The movement in deferred income tax assets and liabilities (before set off) for the year ended March 31, 2025 is as follows:

(₹ in Lacs)

Particulars	As at April 1, 2024	Recognized in profit & Loss	Other adjustments	As at March 31, 2025
Impact of difference between Tax depreciation & Depreciation Charged for Financial Reporting	162.98	79.76	-	242.74
Increase in fair value of investments	1.07	(0.41)	-	0.66
Gratuity	(3.57)	(3.10)	-	(6.67)
Leave Encashment	(8.65)	(0.91)	-	(9.56)
Bonus	(0.98)	(0.01)	-	(0.99)
Provision for Doubtful Trade Receivables	(6.16)	0.18	-	(5.98)
Lease deposit	(0.00)	(0.01)	-	(0.01)
Carried forward Losses	-	(6.98)	-	(6.98)
Total	144.68	68.53	-	213.21

The movement in deferred income tax assets and liabilities (before set off) for the year ended March 31, 2024 is as follows:

(₹ in Lacs)

Particulars	As at April 1, 2023	Recognized in profit & Loss	Other adjustments	As at March 31, 2024
Impact of difference between Tax depreciation & Depreciation Charged for Financial Reporting	105.96	57.02	-	162.98
Increase in fair value of investments	1.03	0.04	-	1.07
Gratuity	(1.28)	(2.29)	-	(3.57)
Leave Encashment	(8.14)	(0.51)	-	(8.65)
Bonus	(1.02)	0.04	-	(0.98)
Provision for Doubtful Trade Receivables	(6.33)	0.17	-	(6.16)
Lease deposit	(0.01)	0.01	-	(0.00)
Carried forward Losses	-	-	-	-
Total	90.21	54.47	-	144.68

Note : 19 TRADE PAYABLES

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Due to Micro, Small and Medium Enterprises	9.89	99.62
Due to Others	47.48	255.31
Total	57.37	354.93

Notes :

- 1) The Amount outstanding to micro, small and medium enterprise is based on the information received and available with the company.
- 2) Refer Note 32 for information about credit risk, market risk and liquidity risk of Trade payables.

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

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
A) (i) Principal amount remaining unpaid at the end of the accounting year	9.89	99.62
(ii) Interest due on above	-	-
B) The amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006 along with amount of payment made to the supplier beyond the appointed date during the accounting year	Nil	Nil
C) The amount of interest accrued and remaining unpaid at the end of the financial year	Nil	Nil
D) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under MSMED Act, 2006	Nil	Nil
E) The amount of further interest remaining due and payable in succeeding years, until such interest is actually paid	Nil	Nil

Trade Payables ageing schedule for the year ended as on March 31, 2025

(₹ In Lacs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	9.89	-	-	-	9.89
(ii) Others	46.34	0.20	0.16	0.78	47.48
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total Trade Payable	56.23	0.20	0.16	0.78	57.37

Trade Payables ageing schedule for the year ended as on March 31, 2024

(₹ In Lacs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	99.62	-	-	-	99.62
(ii) Others	254.05	0.36	0.19	0.70	255.31
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total Trade Payable	353.67	0.36	0.19	0.70	354.93

Note : 20 OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Statutory remittances*	30.76	18.68
Advance From Customers	13.77	20.66
Advance Received for Sale of Property	100.00	-
Other Payables	12.04	9.64
Total	156.57	48.98

* It includes TDS, P.F., P.T., ESIC & GST.

Note : 21 REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Sale of Products	7,539.65	8,207.63
Other Operating Revenues :		
Cylinder Rent	23.71	10.13
Cylinder Repairs	9.34	27.77
Packing & Forwarding & Other Charges Received	0.02	0.62
Income From Hydrotesting & Purging & Other Charges Received	11.19	19.56
Transport Charged Recovered	18.46	18.19
Total	7,602.37	8,283.90

Note : 22 OTHER INCOME

(₹ in Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest Income	76.96	18.80
Dividend Income	0.30	0.30
Profit on sale of Property, Plants & Equipments	30.29	23.09



Profit From Partnership Firm	0.26	0.44
Increase/Decrease in fair value of investments	5.83	9.36
Other Non-operating income		
Office Rent Income	8.41	5.09
Other Income	2.70	3.05
Sundry Balance Written-back	10.92	0.80
Bad Debt Recovery	45.00	11.25
Interest on Income Tax Refund	1.03	0.53
Total	181.70	72.71

Note : 23 COST OF MATERIAL CONSUMED

(₹ in Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Inventories at the beginning of the year	39.58	54.96
Add: Purchases	2,151.84	2,215.12
	2,191.42	2,270.08
Less: Inventories at the end of the year	31.65	39.58
Total	2,159.77	2,230.50

Note : 24 PURCHASE OF STOCK-IN-TRADE

(₹ in Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Ammonia Tanker	84.30	587.91
Gases & Gas Mixtures	2,761.68	3,126.80
Gas Cylinder	75.88	224.29
Total	2,921.86	3,939.00

Note : 25 CHANGES IN INVENTORIES

(₹ in Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Inventories at the beginning of the year		
Finished Goods	14.58	29.07
Stock in Trade	384.65	143.61
	(A) 399.23	172.68
Inventories at the end of the year		
Finished Goods	16.71	14.58
Stock in Trade	68.02	384.65
	(B) 84.73	399.23
Changes in inventories (A-B)	314.50	(226.55)

Note : 26 EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Salaries and wages	401.01	376.77
Contributions to Provident and other fund	39.18	35.65
Staff welfare expenses	1.99	2.49
Total	442.18	414.91

Note : 27 FINANCE COST

(₹ in Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest Expenses		
Interest - Bank	185.38	130.97
Interest - Others	52.05	107.73
Total	237.43	238.70
Other borrowing costs	12.50	17.84
Total	249.93	256.54

Note : 28 DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Depreciation on Property, Plant and Equipment	180.58	140.91
Amortization of Right of Use - Lease assets	14.70	11.54
Amortization on Intangible assets	11.02	4.42
Total	206.30	156.87

Note : 29 OTHER EXPENSES

(₹ in Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Plant Operation Charges		
Cylinder Filling Labor	20.69	23.13
Consumption of Stores and Spares	52.25	74.19
Water charges	8.62	9.18
Factory Electricity Expenses	12.75	12.67
Factory Expenses	2.82	3.71
Hydrotesting & Purging & Other Charges	19.33	18.68
Repairs on		
Cylinders	6.32	5.53
Plant and machinery	3.41	6.84
Building	0.16	-
(A)	126.35	153.93
Administrative Expenses		
Rent, Rates & Taxes	37.44	35.68
Insurance Expenses	34.13	30.16
Postage & Telephone Expenses	4.88	5.09
Legal & Professional Charges	71.70	56.47
Listing & Roc Filling Fees	0.60	1.31
Travelling Expenses	18.29	32.85
Security Service Charges	31.20	29.45
Office Expenses	11.59	11.94
Office Electricity Expenses	2.57	1.74
Repairs & Maintenance Computer & Others	12.39	15.47
Other Administrative Expenses	0.98	5.41

(₹ in Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Software Support and Maintenance Charges	5.91	8.53
Sundry Balances & Bad-debts written off	0.28	0.03
Indirect Tax Expenses	1.77	6.39
Provision for Doubtful Debts & Advances	-	0.56
Payment to Auditor		
As auditor :		
Audit Fees	4.25	4.25
Tax Audit Fees	1.00	1.00
Total	5.25	5.25
Conveyance Expenses	12.20	8.12
Printing & Stationery Expenses	5.22	4.67
Director Sitting Fees	2.00	1.80
Membership Fees	0.27	0.18
(B)	258.67	261.13
Selling and Distribution Expenses		
Transportation Including Toll & RTO Expenses	685.25	627.10
Transport Vehicle Repairs	49.92	58.31
Advertisement & Sales Promotion Expenses	41.54	33.99
(C)	776.71	719.40
Total (A+B+C)	1,161.73	1,134.46

Note : 30 TAX EXPENSE

(₹ in Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Current Tax		
In respect of the current year	-	58.17
In respect of prior years	(0.10)	17.90
(A)	(0.10)	76.07
Deferred tax		
In respect of the current year	68.53	54.47
(B)	68.53	54.47
Total (A+B)	68.43	130.54

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

(₹ in Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Profit before tax	327.80	450.88
Income tax expense at prevailing rates	25.17%	25.17%
Income tax expense	82.50	113.48
Tax effect of the amounts which are not deductible / (taxable) in calculating taxable income :		
Effect of expenses that are not deductible in determining taxable profit	59.16	46.82
Effect of expenses that are deductible in determining taxable profit	(141.66)	(103.38)

Adjustments in respect of current income tax of previous year		(0.10)	17.90
Current Tax Provision	(A)	(0.10)	74.82
Incremental / (Reversal) of Deferred Tax Liability on account of Tangible and Intangible Assets		79.35	57.07
(Incremental) / Reversal Deferred Tax Asset on account of Financial Assets and Other Items		(10.82)	(2.60)
Deferred tax Provision	(B)	68.53	54.47
Tax effect on Items in Other Comprehensive Income		-	1.26
Tax effect on Items in Other Comprehensive Income	(C)	-	1.26
Tax Expenses recognized in Statement of Profit and Loss	Total (A+B+C)	68.43	130.55
The Company's weighted average tax rates		20.91%	24.71%

Note : 31 RELATED PARTY TRANSACTIONS AS PER INDIAN ACCOUNTING STANDARD 24:

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

(a) Name of Related Parties & Relationship

Sr. No.	Name	Description of Relationship
1	Vadilal Gases Limited	Enterprise over which Promoter Directors are able to exercise significant influence
2	Vadilal Industries Limited	
3	Vadilal Forex & Consultancy Services Limited	
4	Vadilal Enterprises Limited	
5	Veronica Construction Private Limited	
6	Ambica Ice & Cold Storage Co. (Previously Known as Vadilal Cold Storage)	
7	Mr. Rajesh R. Gandhi	Chairman & Director
8	Mr. Devanshu L. Gandhi	Director
9	Mrs. Deval D. Gandhi	Director
10	Mr. Kalpit R. Gandhi	Director
11	Mr. Kamal N. Verma	Director
12	Mr. Dipal J. Soni	Key Managerial Person
13	Mr. Soham B. Raval	Key Managerial Person

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

Transaction	Total	Enterprise significantly influenced by Key Managerial Person	Key Managerial Person	Director	
				(₹ In Lacs)	
(a) Sales of Goods*					
Vadilal Gases Limited	473.44	473.44	-	-	-
	(551.68)	(551.68)	-	-	-
Vadilal Enterprises Limited	-	-	-	-	-
	(4.69)	(4.69)	-	-	-
Vadilal Industries Limited	23.75	23.75	-	-	-
	(21.77)	(21.77)	-	-	-
Ambica Ice & Cold Storage Co. (Previously Known as Vadilal Cold Storage)	1.42	1.42	-	-	-
	(0.63)	(0.63)	-	-	-
(b) Purchase of Goods*					
Vadilal Gases Limited	2,834.90	2,834.90	-	-	-
	(3,066.47)	(3,066.47)	-	-	-

Transaction	Total	Enterprise significantly influenced by Key Managerial Person	Key Managerial Person	Director
(c) Investment In Property, Plant & Equipments*				
Vadilal Gases Limited	325.40	325.40	-	-
	(503.54)	(503.54)	-	-
(d) Rent Expense*				
Vadilal Gases Limited	4.25	4.25	-	-
	(4.25)	(4.25)	-	-
Vadilal Industries Limited	31.86	31.86	-	-
	(38.94)	(38.94)	-	-
(e) Rent Income*				
Vadilal Forex & Conusltancy Services Limited	9.92	9.92	-	-
	(6.01)	(6.01)	-	-
(f) Interest Income (Gross)				
Vadilal Gases Limited	57.52	57.52	-	-
	(5.74)	(5.74)	-	-
(g) Interest Expenses (Gross)				
Veronica Construction Private Limited	12.44	12.44	-	-
	(11.18)	(11.18)	-	-
(h) Salary Paid				
Mr. Kamal N. Verma	8.48	-	-	8.48
	-	-	-	-
Mr. Dipal J. Soni	17.90	-	17.90	-
	(15.43)	-	(15.43)	-
Mr. Soham B. Raval	10.46	-	10.46	-
	(9.09)	-	(9.09)	-
(i) Share of Profit in partnership Firm				
Ambica Ice & Cold Storage Co. (Previously Known as Vadilal Cold Storage)	0.26	0.26	-	-
	(0.44)	(0.44)	-	-
(j) Trade Deposit Given				
Vadilal Gases Limited	-	-	-	-
	(495.00)	(495.00)	-	-
(k) Sitting Fees Paid				
Mrs. Deval D. Gandhi	0.24	-	-	0.24
	(0.24)	-	-	(0.24)
Mr. Kalpit R. Gandhi	0.12	-	-	0.12
	(0.40)	-	-	(0.40)
(l) Balance outstanding at year end :				
(a) Investments				
Ambica Ice & Cold Storage Co. (Previously Known as Vadilal Cold Storage)	29.40	29.40	-	-
	(29.40)	(29.40)	-	-
Vadilal Forex & Consultancy Services Limited	32.03	32.03	-	-
	(32.48)	(32.48)	-	-
Vadilal Enterprises Limited	10.08	10.08	-	-
	(3.81)	(3.81)	-	-

(₹ In Lacs)

Transaction	Total	Enterprise significantly influenced by Key Managerial Person	Key Managerial Person	Director
(b) Trade Receivable				
Vadilal Industries Limited	2.61	2.61	-	-
	-	-	-	-
Vadilal Enterprises Limited	-	-	-	-
	(0.76)	(0.76)	-	-
Ambica Ice & Cold Storage Co. (Previously Known as Vadilal Cold Storage)	-	-	-	-
	-	-	-	-
Vadilal Forex & Consultancy Services Limited	6.24	6.24	-	-
	-	-	-	-
(c) Trade Payable				
Vadilal Industries Limited	-	-	-	-
	(1.18)	(1.18)	-	-
(d) Loan Taken				
Veronica Construction Private Limited	127.60	127.60	-	-
	(116.58)	(116.58)	-	-
(e) Trade Deposit Given				
Vadilal Gases Limited	551.93	551.93	-	-
	(500.17)	(500.17)	-	-
(f) Advance To Suppliers				
Vadilal Gases Limited	696.22	696.22	-	-
	(644.81)	(644.81)	-	-

Note: In Previous year Figures in brackets relate to previous year.

* Figures are Including GST.

Note : 32 FINANCIAL INSTRUMENTS**Category-wise classification of financial instruments:**

The carrying value and fair value of financial instruments by categories as of March 31, 2025 were as follows:

(₹ in Lacs)

Particulars	Fair Value Through Profit or Loss	Amortized Cost	Total
Financial assets			
Investments			
In Equity Instruments (Quoted)	6.28	3.82	10.10
In Equity Instruments (Unquoted)	(0.45)	32.48	32.03
Others (Unquoted)	-	31.43	31.43
Loans	-	500.71	500.71
Trade receivables	-	979.31	979.31
Cash and cash equivalents	-	16.66	16.66
Other Balances with Banks	-	137.31	137.31
Other Financial Assets	-	702.89	702.89
Total	5.83	2,404.61	2,410.44
Financial liabilities			
Borrowings	-	2,553.80	2,553.80
Trade payables	-	57.37	57.37
Lease Liabilities	-	82.21	82.21
Other Financial Liabilities	-	304.85	304.85
Total	-	2,998.23	2,998.23



The carrying value and fair value of financial instruments by categories as of March 31, 2024 were as follows:

(₹ in Lacs)

Particulars	Fair Value Through Profit or Loss	Amortized Cost	Total
Financial assets			
Investments			
In Equity Instruments (Quoted)	0.21	3.61	3.82
In Equity Instruments (Unquoted)	9.16	23.32	32.48
Others (Unquoted)	-	31.43	31.43
Loans	-	-	-
Trade receivables	-	1,196.63	1,196.63
Cash and cash equivalents	-	398.89	398.89
Other Balances with Banks	-	127.48	127.48
Other Financial Assets	-	548.59	548.59
Total	9.36	2,329.96	2,339.32
Financial liabilities			
Borrowings	-	2,550.95	2,550.95
Trade payables	-	354.93	354.93
Lease Liabilities	-	63.03	63.03
Other Financial Liabilities	-	321.00	321.00
Total	-	3,289.91	3,289.91

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

Financial assets measured at fair value through Profit & Loss (FVTPL)

- Financial assets measured at fair value - recurring fair value measurements

(₹ in Lacs)

31 March 2025	Level 1	Level 2	Level 3	Total
Investment in Equity Instruments	10.10	-	32.03	42.13
Total	10.10	-	32.03	42.13

(₹ in Lacs)

31 March 2024	Level 1	Level 2	Level 3	Total
Investment in Equity Instruments	3.82	-	32.48	36.29
Total	3.82	-	32.48	36.29

Capital Management

Equity Share capital and other equity are considered for the purpose of company's capital management.

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

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

Gearing Ratio

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Debt (Note 1)	2,553.80	2,550.95
Less : Cash & Cash Equivalents	16.66	398.89
Net Debt	2,537.14	2,152.06
Total Equity (Excluding Revaluation Reserve)	2,208.13	1,994.58
Net Debt to Equity Ratio	1.15	1.08

Note-1: Debt is defined as long term borrowings, Short Term Borrowings & Current Maturities of long term Borrowings (Excluding Financial guarantee Contracts & Contingent Consideration)

Financial risk management

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risks. The company's senior management has the overall responsibility for establishing and governing the company's risk management framework. The company has constituted a Risk management committee, which is responsible for developing and monitoring the company's risk management policies. The company's risk management policies Consider market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the company.

A. Management of Liquidity Risk

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

Due to dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability of under committed credit lines. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

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

Exposure as at 31st March 2025

(₹ in Lacs)

Particulars	< 1 year	1-5 years	Beyond 5 years	Total
Financial Liabilities				
Borrowings	1,685.58	868.22	-	2,553.80
Trade Payable	57.37	-	-	57.37
Lease Liabilities	20.01	62.20	-	82.21
Other Financial Liabilities	304.85	-	-	304.85
Total Financial Liabilities	2,067.81	930.42	-	2,998.23

Exposure as at 31st March 2024

(₹ in Lacs)

Particulars	< 1 year	1-5 years	Beyond 5 years	Total
Financial Liabilities				
Borrowings	1,766.09	784.86	-	2,550.95
Trade Payable	354.93	-	-	354.93
Lease Liabilities	9.51	53.52	-	63.03
Other Financial Liabilities	321.00	-	-	321.00
Total Financial Liabilities	2,451.53	838.38	-	3,289.91

Financial Arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period.

(₹ in Lacs)

Particulars	As At March 31, 2025	As At March 31, 2024
Expiring within one year (Bank overdraft and other facilities)	297.01	304.14

Management of Credit Risk

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

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

Actual or expected significant adverse changes in business,

Actual or expected significant changes in the operating results of the counterparty,

Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation,

Significant increase in credit risk on other financial instruments of the same counterparty,

Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Note : 33 SEGMENT REPORTING

Based on the guiding principle given in Indian Accounting Standard Ind AS-108 on Segment Reporting issued by The Institute of Chartered Accountants of India, the company's primary business is industrial gases. The business of the company includes gases and mixtures which have similar risks and returns, accordingly there are no separate reportable segment as far as primary segment is concerned. As sales outside India is Rs. Nil, secondary reportable geographical segment-wise reporting is not required to be shown.

Note : 34 EARNING PER SHARE (EPS) AS PER IND AS - 33

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Profit for the year attributable to owners of the company (₹ In Lacs)	259.37	320.34
Basic/ Weighted average number of Equity Shares (In Nos.)	48,74,000	48,74,000
Nominal value of Equity Shares (In ₹)	10	10
Basic/ Diluted Earning per Share (In ₹)	5.32	6.57

Note : 35

Certain balances of Trade Receivable, Trade Payables, loans and advances and Cylinder deposits, advances from customers / dealers and balances of cylinder accounts are subject to confirmation.

Note : 36 OTHER INFORMATION:

36.1) CONTINGENT LIABILITIES (To the extent not provided for)

(₹ in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
1. Contingent Liabilities		
a. Claims against the company not acknowledge as debts		
i) Priya Shanghi	14.52	14.52
ii) Ragini Shanghi	13.96	13.96
iii) Vapi Green Enviro Limited (Refer Note: 36.3)	139.35	131.65
Total	167.83	160.13

36.2) In the Financial Year 2015-16, as per the Internal Auditor's report, an amount of ₹ 475.00 Lacs has been paid to M/s. Success Vyapar Limited, Kolkata, on the various dates during the financial year 2013-14 by the then Chairman and Managing Director, without Board Resolution and without Authority.

The company has filed a Special Civil suit No. 299 of 2016 dated 28/06/2016 against the then Chairman & Managing Director and M/s Success Vyapar Limited, Kolkata for the recovery of payment of ₹ 475.00 lacs.

The company has made provision to reflect a true and fair view of the affairs of the company and provided in books of accounts an amount of ₹ 475.00 lacs as a "Provision for doubtful advance". In Connection to the said, as on balance sheet date, the matter has been withdrawn and accordingly it is disposed off.

36.3) Company has received various communications from VAPI GREEN ENVIRO LTD (VGEL) towards payment of water effluent treatment charges from 1998 on wards for its Vapi unit. VGEL has demanded ₹ 139.35 Lacs (In P.Y. ₹ 131.65 lacs) towards effluent treatment charges including compounded interest from the beginning. Company is replying to VGEL regularly since receipt of letters from VGEL that we are not generating any effluent and our manufacturing process is not generating any pollution. Time and again, GPCB officers have visited our site and reported that company is not generating any pollution. Under the circumstances, company has not made any provision in the books of account. Also against this matter, the company has filled civil suit in Vapi Local Court.

36.4) During financial year 2022-23, the company has written off the amount of Trade Receivable in its books of account from one of the party amounting to Rs. 73.81 lacs. The Company has filed the Civil Suit against the said party during the financial year 2023-24 to recover its dues amounting to Rs. 73.81 lacs. The court has admitted the claim amount of Rs. 75.00 lacs receivable in sixteen instalments. Out of above, the Company has received Rs. 45.00 lacs in current financial year up to March, 31, 2025. Amount recovered in previous financial year was Rs 11.25 lacs from the party. The balance amount of Rs. 18.75 lacs was received in April

2025. As on date of signing of balance sheet, the company has received all the dues as per Court Order and there is no outstanding amount from the said party.

36.5) During the previous financial year 2023-24, there was cyber fraud case happened with the company involving fraudulent transaction of Rs 1.42 cr. It involves three consignments of commercial gas. Company has prevented delivery of the all three containers with the help and support of cyber police, Consulate office and shipping companies to the fraudster party. During the current financial year 2024-25, the company has received back all the material in same good condition at its plant location.

Note : 37 DISCLOSURE AS PER IND AS 116:

The changes in the carrying value of ROU assets for the year ended March 31, 2025 are as follows:

(₹ in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances at the beginning of the Period	57.56	40.55
Additions	30.03	63.27
Changes on account of lease modification	-	(34.72)
Depreciation	(14.70)	(11.54)
Balances at the end of the period	72.89	57.56

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of profit and loss.

The break-up of current and non-current lease liabilities as at March 31, 2025 is as follows:

(₹ in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Current Lease Liabilities	20.01	9.51
Non-Current Lease Liabilities	62.20	53.52
Total	82.21	63.03

The movement in lease liabilities during the year ended March 31, 2025 is as follows:

(₹ in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances at the beginning of the Period	63.03	44.20
Finance cost accrued during the period	6.45	8.33
Additions	30.03	63.27
Changes on account of lease modification	-	(39.59)
Payment of Lease Liabilities	(17.30)	(13.18)
Balances at the end of the period	82.21	63.03

The details of the contractual maturities of lease liabilities as at March 31, 2025 on an undiscounted basis are as follows:

(₹ in Lacs)

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	20.01	9.51
One to five years	62.20	53.52
More than five years	-	-
Total	82.21	63.03

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

Rental expenses recorded for short term lease was ₹ 30.60 lacs for the year ended March 31, 2025 and ₹ 36.60 lacs for year ended March 31, 2024.

Note : 38 ADDITIONAL REGULATORY INFORMATION:

38.1) Ratios:

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024:

Performance Ratio	Numerator	Denominator	As at 31.03.2025	As at 31.03.2024	% Variance	Reason
(a) Current Ratio	Current assets	Current liabilities	1.16	1.22	-4.5%	
(b) Debt-Equity Ratio	Total debt	Shareholder's Equity	1.16	1.28	-9.6%	
(c) Debt Service Coverage Ratio	Earnings available for debt services (1)	Debt Service (2)	1.0	1.1	-10.9%	
(d) Return on Equity Ratio	Net Profit after taxes	Average shareholder's Equity	12.34%	17.26%	-28.5%	Decrease in profit due to decrease in turnover
(e) Inventory turnover Ratio	Revenue	Average inventory	24.69	22.28	10.8%	
(f) Trade Receivables turnover Ratio	Revenue	Average Trade receivable	6.99	7.00	-0.2%	
(g) Trade payables turnover Ratio	Purchases of goods and services	Average Trade payable	30.25	34.85	-13.2%	
(h) Net capital turnover Ratio	Revenue	Working Capital	20.67	15.05	37.4%	Increase in Current Liabilities
(i) Net profit Ratio	Net profit	Revenue	3.41%	3.87%	-11.8%	
(j) Return on Capital employed	Earning before interest and taxes	Capital employed(3)	11.68%	15.15%	-22.9%	
(k) Return on investment	Net Income from Investment	Opening Value of Investment	15.99%	33.38%	-52.1%	Due to variations in Market

- (1) Net profit after taxes + Non cash operating Expense + Interest + Other adjustments like loss on sale of fixed assets etc
- (2) Debts (long term and short term) and lease payments
- (3) Tangible net worth + deferred tax liabilities + Debts (long term and short term)

38.2) CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provision of section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are not applicable to the company during the year and in the immediately preceding year.

38.3) There are no transactions with Companies Struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

38.4) The Company does not hold any benami property as defined under benami transaction (prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceedings have been initiated during the year or are pending against the company as at 31st March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.

38.5) The title deeds of immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the company as at the balance sheet date.

38.6) The Company has not done revaluation of PPE / Intangible assets.

38.7) Borrowing based on security of inventory and book debts:

The Company has obtained secured short term loan from banks on basis of security of inventories and book debts (Refer Note 14) wherein the quarterly returns as filed with bank is in agreement with the books except below:

(₹ In Lacs)

Financial Year Ended March 31, 2025	Name of Bank	Particulars of securities provided	Amount as per the books of account	Amount as reported in the quarterly return statement	Amount of Difference	Reason for material discrepancies
Quarter ended June 30, 2024	The K.C.C.Bank Limited	Inventories	293.80	293.13	1.00	Refer Note 1
Quarter ended June 30, 2024	The K.C.C.Bank Limited	Trade Receivables	1,476.00	1,475.80	0.20	Refer Note 2
Quarter ended September 30, 2024	The K.C.C.Bank Limited	Inventories	365.64	366.00	(0.36)	Refer Note 1
Quarter ended September 30, 2024	The K.C.C.Bank Limited	Trade Receivables	1,211.42	1,209.74	1.67	Refer Note 2
Quarter ended December 31, 2024	The K.C.C.Bank Limited	Inventories	328.01	331.56	(3.55)	Refer Note 1
Quarter ended December 31, 2024	The K.C.C.Bank Limited	Trade Receivables	1,200.84	1,196.60	4.24	Refer Note 2

Note:

- There is no material discrepancies. The difference in inventory valuation is due to inventory value reported in stock statements is derived on Cost only. However at the quarter end, the company identify the value of inventory based on accounting policy adopted by the company.
- Difference in Party balances arises due to payment/ adjustment entries which is accounted in books as per cut off procedure adopted by the company at quarter end, which is generally subsequent to submission of stock statements to the banks as per their due dates.

38.8) The company has not prepared any Scheme of Arrangements in terms of section 230 to 237 of the Companies Act, 2013.

38.9) The company has not been declare wilful defaulter by any bank or financial institution or government or any government authority.

38.10) There were no transaction relating to previously unrecorded income that have been surrender or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

38.11) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM:

- During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- During the year, no funds have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38.12) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

38.13) The Company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

Note : 39 : "EMPLOYEE BENEFITS"**Post-employment Benefit Plans as per Indian Accounting Standard 19:****Defined Contribution Plan:**

Amount towards Defined Contribution Plan have been recognized under "Contribution to Provident and Other funds ₹ 17.95 lacs (Previous Year: ₹ 16.04 lacs).

Defined Benefit Plan:

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

General Description of the Plan:

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

Gratuity plan

The following table sets out the status of the gratuity plan as required under Ind AS 19 and the reconciliation of opening and closing balances of the present Value of the defined benefit obligation:

(a) Movement in present value of defined benefit obligation are as follows :

(₹ In Lacs)

Particulars	Gratuity	
	As At March 31, 2025	As At March 31, 2024
Obligations at beginning of the year	64.85	59.65
Current Service cost	4.82	4.08
Past Service Cost	-	-
Interest cost	4.66	4.44
Actuarial (gain) / loss – due to change in Demographic assumptions	-	-
Actuarial (gain) / loss – due to change in financial assumptions	2.20	0.99
Actuarial (gain) / loss- due to experience adjustments	4.05	2.96
Benefits paid	(2.96)	(7.28)
Present value of benefit obligation at the end of the year	77.62	64.85

(b) Movement in the fair value of plan assets are as follows :

(₹ In Lacs)

Particulars	Gratuity	
	As At March 31, 2025	As At March 31, 2024
Plan assets at the beginning of the year, at fair value	50.66	54.57
Interest Income	3.64	4.06
Return on plant assets excluding interest income	(0.58)	(1.04)
Contributions by the employer	0.37	0.35
Benefits paid	(2.96)	(7.28)
Fair value of plan assets at the end of the year	51.13	50.66

(c) The amount included in the balance sheet arising from the entities obligation in respect of defined benefit plan is as follows :

(₹ In Lacs)

Particulars	Gratuity	
	As At March 31, 2025	As At March 31, 2024
Present value of benefit obligation at the end of the year	77.62	64.85
Fair value of plan assets at the end of the year	(51.13)	(50.66)
Net liability arising from defined benefit obligation	26.48	14.19

(d) Amount recognized in the Statement of Profit and Loss in respect of the defined benefits plans are as follows :

(₹ In Lacs)

Particulars	Gratuity	
	Year Ended March 31, 2025	Year Ended March 31, 2024
Current service cost	4.82	4.08
Net Interest expense	1.02	0.38
Past service cost	-	-
Components of defined benefit costs recognised in the Statement of Profit and Loss	5.84	4.46

Particulars	Gratuity	
	Year Ended March 31, 2025	Year Ended March 31, 2024
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses on obligation for the period	6.25	3.95
Return on plant assets, excluding interest income	0.58	1.04
Components of defined benefit costs recognised in Other Comprehensive Income	6.83	4.99
Total	12.67	9.45

The current service cost and the net interest expenses for the year are included in the Employee benefits expense line item in the Statement of Profit and Loss. The remeasurement of the net defined benefit liability / asset is included in Other Comprehensive Income.

(e) Investment details of plan assets:

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

(f) The defined benefit obligations shall mature after year ended March 31, 2025 as follows:

(₹ In Lacs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
1st Following Year	17.62	13.63
2nd Following Year	10.70	6.46
3rd Following Year	3.71	9.00
4th Following Year	3.75	3.15
5th Following Year	3.77	3.16
Sum of Years 6 To 10	27.46	22.42
Sum of Years 11 and above	65.71	58.55

(g) Sensitivity analysis:

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

Particulars	Gratuity	
	Year Ended March 31, 2025	Year Ended March 31, 2024
Projected Benefit Obligation on Current Assumptions	77.62	64.85
Delta effect of +1% change in the rate of Discounting	(4.53)	(3.77)
Delta effect of -1% change in the rate of Discounting	5.18	4.31
Delta effect of +1% change in the rate of salary Increase	5.17	4.32
Delta effect of -1% change in the rate of salary increase	(4.60)	(3.84)
Delta effect of +1% change in the rate of employee turnover	0.20	0.35
Delta effect of -1% change in the rate of employee turnover	(0.22)	(0.39)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using "Projected Unit Credit" method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognized in Balance Sheet.

There were no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(h) The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	Gratuity	
	As At March 31, 2025	As At March 31, 2024
Discount Rate	6.72%	7.19%
Expected return on plan assets	6.72%	7.19%
Annual Increase in Salary Costs	6.00%	6.00%
Rate of Employee turnover	6.00%	6.00%
Mortality Tables	Indian Assured Lives Mortality (2012-14) (Urban)	Indian Assured Lives Mortality (2012-14) (Urban)

Future Salary increases are based on long term average salary rise expected taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation & mortality rates are obtained from relevant data of Life Insurance Corporation of India.

Leave Encashment Plan

The following table sets out the status of the pension plan under Ind AS 19 and the reconciliation of opening and closing balances of the present Value of the defined benefit obligation.

(i) Movement in present value of defined benefit obligation are as follows :

(₹ In Lacs)

Particulars	Leave (Non Funded)	
	As At March 31, 2025	As At March 31, 2024
Obligations at the beginning of the year	34.39	32.33
Current service cost	1.07	0.90
Interest cost	2.47	2.41
Actuarial (Gains)/Losses - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses - Due to Change in Financial Assumptions	0.78	0.37
Actuarial (Gains)/Losses - Due to Experience adjustments	0.89	1.35
Benefits paid directly by the Employer	(1.62)	(2.97)
Present value of benefit obligation at the end of the year	37.98	34.39

(j) Amount recognized in the Statement of Profit and Loss in respect of the defined benefits plans are as follows :

(₹ In Lacs)

Particulars	Leave (Non Funded)	
	As At March 31, 2025	As At March 31, 2024
Actuarial (Gains)/Losses - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains) / Losses - Due to Change in Financial Assumptions	0.78	0.37
Actuarial (Gains) / Losses - Due to Experience adjustments	0.89	1.35
Total Actuarial (Gains) / Loss to be Recognized	1.67	1.72

k) Reconciliation of present value of the obligation and fair value of plan assets

(₹ In Lacs)

Particulars	Leave (Non Funded)	
	As At March 31, 2025	As At March 31, 2024
Present value of the defined benefit obligation at the end of the year	(37.98)	(34.39)
Fair value of plan assets at the end of the year	-	-
UnFunded status amount of Assets recognized in the balance sheet	(37.98)	(34.39)

l) Leave Encashment cost for the year

(₹ In Lacs)

Particulars	Leave (Non Funded)	
	As At March 31, 2025	As At March 31, 2024
Current service cost	1.07	0.90
Net Interest expense	2.47	2.41
Expected return of plan asset	-	-
Actuarial gain/ (loss) on plan Assets	1.67	1.72
Net leave encashment cost	5.21	5.03

(m) The principal assumptions used for the purpose of actuarial valuation were as follows :

(₹ In Lacs)

Particulars	Leave (Non Funded)	
	As At March 31, 2025	As At March 31, 2024
Discount Rate	6.73%	7.19%
Expected return on plan assets	N.A.	N.A.
Annual Increase in Salary Costs	6.00%	6.00%
Rate of Employee turnover	6.00%	6.00%
Mortality Tables	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

Note : 40

Previous periods figures have been regrouped/ reclassified, wherever necessary, to confirm to current year presentation.

Note : 41 : EVENTS AFTER THE REPORTING PERIOD:

The board of directors at its Meeting held on May 27, 2025 has recommended a dividend of ₹ 5 per equity share and if approved by the shareholders in the annual general meeting would result in a cash outflow of approximately ₹ 243.7 lacs.

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

For Parth R Shah And Co
Chartered Accountants
(Firm Reg. No.: 153846W)

Parth R. Shah
Proprietor
Membership No. : 129767

Place : USA
DATE : 27-05-2025

**For and on behalf of the Board of Directors of
Vadilal Chemicals Limited**
CIN: L24231GJ1991PLC015390

Rajesh R. Gandhi
Chairman & Director
DIN: 00009879

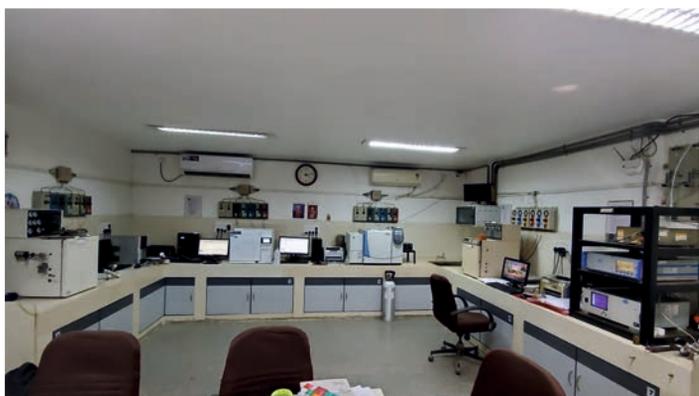
Kamal N. Varma
Director & CEO
DIN: 10235230

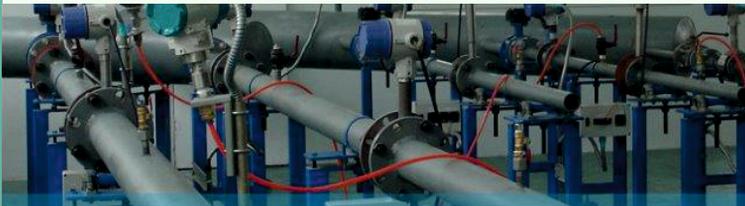
Dipal J. Soni
Chief Financial Officer

Place : Ahmedabad
DATE : 27-05-2025

Devanshu L. Gandhi
Director
DIN: 00010146

Soham B. Raval
Company Secretary





VADILAL CHEMICALS LIMITED

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