

INDEPENDENT AUDITOR'S REPORT

To the Members of Vindhyawasini Sales Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Vindhyawasini Sales Private Limited ("the Company"), which comprise the Balance Sheet as of 31 March 2024, and the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Board Report, but does not include the financial statements and our auditor's report thereon.

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 in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also 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 the 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 scepticism throughout the audit. We also:

- a) 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.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- d) 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.
- e) 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 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the 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 the Ind AS specified under Section 133 of the Act.



- e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in 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.
 - v. The Company has not declared or paid any dividend during the year. Accordingly, the provisions of Section 123 of the Companies Act, 2013, are currently not applicable to Company.



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Chartered Accountant


- h) Based on our examination of application levels for MS Dynamics which is the accounting software being used by the Company used for maintaining its books of account during the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility, and the same has been enabled and operated throughout the year for all relevant transactions recorded in the accounting software. Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with.

Based on our examination of database level for MS Dynamics, the audit trail feature was enabled for specific modules only from January 13, 2024 and not operated throughout the year. Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with, post enablement of the audit trail facility.

- i) 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, no remuneration has been paid by the Company to its directors during the year.

For **Vishal Chaturvedi & Co**
Chartered Accountant
Firm Registration No.: 031179C


Vishal Chaturvedi
Proprietor
Membership No.: 410058
UDIN: 24410058BKCMHB6161



Place: Greater Noida West
Date: 22 May 2024

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VINDHYAWASINI SALES PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2024

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

i.

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

The Company has no intangible assets.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii.

- (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. For inward goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under Clause 3(ii)(b) of the Order is not applicable.

- iii. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under



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Chartered Accountant

Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, provisions stated in Paragraphs 3 (iii) (a) to (f) of the Order are not applicable.

- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not either directly or indirectly, granted any loans, made any investment, provided any guarantee and given any security to which Section 185 or Section 186 would apply. Accordingly, provisions stated in Paragraph 3(iv) of the Order are not applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year. Accordingly, provisions stated in Paragraph 3(v) of the Order are not applicable.
- vi. The provisions of Sub-section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, provisions stated in Paragraph 3 (vi) of the Order are not applicable.
- vii.
- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, goods and services tax and other statutory dues as applicable to it.

The Company is generally regular in depositing with appropriate authorities undisputed statutory dues of tax deducted at source and tax collected at source.

Income-tax, duty of customs, cess are not applicable to the Company.

According to the information and explanations given to us and the records of the Company examined by us, no undisputed amounts are payable in respect of provident fund, Income-tax, duty of customs, cess, employees' state insurance, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and examination of records of the Company, there are no outstanding dues of income-tax, goods and service tax, customs duty, cess and any other statutory dues, payable on account of any dispute except below:

Name of the Statute	Nature of the dues	Amount (INR in thousands)*	Period to which amount relate (Financial year)	Forum where dispute is pending
Bihar Value Added Tax, 2005	Sales tax	270	2015-2016	Additional Commissioner of State Tax (Appeal)
Bihar Value Added Tax, 2005	Sales tax	2,301	2016-2017	Additional Commissioner of State Tax (Appeal)
Bihar Value Added Tax, 2005	Sales tax	1,160	2017-2018	Additional Commissioner of State Tax (Appeal)
Income Tax Act, 1961	Income tax	6,315	2017-2018	Assessing Officer (Rectification under Section



Name of the Statute	Nature of the dues	Amount (INR in thousands)*	Period to which amount relate (Financial year)	Forum where dispute is pending
				154)

- *1. Against Sales tax cases, the Company has paid INR 1,088 thousand as under protest in earlier year.
2. Against Income Tax cases INR 1,800 thousand has been paid in FY 23-24 and INR 110.80 thousand has been adjusted against refund of another year.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix.

- (a) According to the information and explanation given to us, in respect of inter-corporate deposits / loans amounting to INR 1,37,250 thousand which are repayable upto 5 years on option of the Company. Further, interest thereon is payable on mutual agreement else the same shall become due on repayment of principal amount. In respect of other loans, according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of inter-corporate deposits / loans and borrowing or in the payment of interest thereon to any lender. The Company has not defaulted on payment of interest on other loans repayable on demand.
- (b) According to the information and explanation given to us and examination of records of the Company, the Company has not been declared as a willful defaulter by any financial institution or other lender.
- (c) According to the information and explanation given to us and examination of records of the Company term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanation given to us and examination of records of the Company, short term loan obtained has not been utilized for long-term purpose.
- (e) According to the information and explanation given to us and examination of records of the Company, there are no subsidiary, associate or joint venture of the Company. Accordingly, the provisions stated in Paragraph 3 (ix)(e) of the Order are not applicable.
- (f) According to the information and explanation given to us and examination of records of the Company, there are no subsidiary, associate or joint venture of the Company. Accordingly, the provisions stated in Paragraph 3 (ix)(f) of the Order are not applicable.

x.

- (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise any money by way of an initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in Paragraph 3 (x)(a) of the Order are not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private



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Chartered Accountant

placement of shares or convertible debentures (fully or partly or optionally). Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable.

- xi.
- (a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there have been no whistle blower complaints received by the Company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Based on information and explanation provided to us by the Company, Section 177 of the Act is not applicable to it.
- xiv. In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Act. Accordingly, provisions stated in Paragraph 3(xiv)(a) and Paragraph 3(xiv)(b) of the Order are not applicable.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- xvi.
- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, Paragraph 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, Paragraph 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, Paragraph 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Paragraph 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses amounting to ₹ 10,568 thousand during the financial year covered by our audit and ₹ 32,304 thousand in the immediately preceding financial year.
- xviii. There has been no resignation by statutory auditor of the Company during the year. There were no issues, objections or concerns raised by the outgoing auditor.



- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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 an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has incurred losses during the three immediately preceding financial years and hence it is not required to spend any money under Sub-section (5) of Section 135 of the Act. Accordingly, reporting under Paragraph (xx) of the Order is not applicable to the Company for the year.

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Chartered Accountant

- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of the audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Vishal Chaturvedi & Co**
Chartered Accountant
Firm Registration No.: 031179C

Vishal Chaturvedi

Vishal Chaturvedi
Proprietor
Membership No.: 410058
UDIN: 24410058BKCMHB6161



Place: Greater Noida West

Date: 22 May 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VINDHYAWASINI SALES PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2024

[Referred to in Paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

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

We have audited the internal financial controls with reference to financial statements of Vindhyawasini Sales Private Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 with reference to financial statements.



Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as of 31 March 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Vishal Chaturvedi & Co**
Chartered Accountant
Firm Registration No.: 931179C


Vishal Chaturvedi
Proprietor
Membership No.: 410058
UDIN: 24410058BKCMHB6161



Place: Greater Noida West
Date: 22 May 2024

VINDHYAWASINI SALES PRIVATE LIMITED
Balance Sheet as at 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	176,832	187,773
Right-of-use assets	4	42,954	43,459
Financial assets			
Others	5	1,071	1,071
Other non-current assets	6	-	3,402
Deferred tax assets (net)	25	17,436	11,563
Non-current tax assets	25	77	117
		<u>238,370</u>	<u>247,385</u>
Current assets			
Inventories	7	15,901	18,881
Financial assets			
Trade receivables	8	11,408	9,155
Cash and cash equivalents	9	1,019	65
Others	5	5,725	-
Other current assets	6	44,619	23,856
		<u>78,672</u>	<u>51,957</u>
Total Assets		<u>317,042</u>	<u>299,342</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	7,669	7,669
Other equity	11		
Retained earnings		(52,069)	(34,890)
Other reserves		(46)	7
Total Equity		<u>(44,446)</u>	<u>(27,214)</u>
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	12	198,721	237,201
Provisions	15	607	355
		<u>199,328</u>	<u>237,556</u>
Current liabilities			
Financial Liabilities			
Borrowings	12	85,980	44,608
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	13	2,634	615
- total outstanding dues of creditors other than micro enterprises and small enterprises	13	64,858	35,221
Others	14	2,638	8,303
Provisions	15	5,903	89
Other current liabilities	16	147	164
		<u>162,160</u>	<u>89,000</u>
Total Liabilities		<u>361,488</u>	<u>326,556</u>
Total Equity and Liabilities		<u>317,042</u>	<u>299,342</u>
Summary of Material accounting policies	2		

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached
For **Vishal Chaturvedi & Co**
Chartered Accountant
ICAI Firm Registration No: 031179C


Vishal Chaturvedi
Proprietor
Membership No. 410058




Place: Greater Noida West
Date: 22 May 2024

For and on the behalf of Board of Directors of
Vindhyawasini Sales Private Limited
CIN: U51909BR2012PTC019183


Deepak Agarwal
Director
DIN: 00192890

Place: Bikaner
Date: 22 May 2024


Rajendra Kumar Samsukha
Director
DIN: 09210424

Place: Bikaner
Date: 22 May 2024

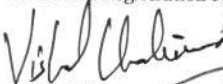



VINDHYAWASINI SALES PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

Particulars	Note No.	For the year 31 March 2024	For the year 31 March 2023
Revenue from operations	17	182,478	171,418
Other income	18	20,056	1
Total Income		202,534	171,419
Expenses			
Cost of material consumed	19	133,865	141,023
Purchases of stock-in-trade		17,916	8,252
Changes in inventories of traded goods and finished goods	20	(372)	(3,721)
Finance costs	21	22,226	17,753
Employee benefit expenses	22	15,978	13,800
Depreciation and amortisation expenses	23	12,300	12,043
Other expenses	24	23,654	26,877
Total expenses		225,567	216,027
(Loss) before tax		(23,033)	(44,608)
Tax expenses			
Current tax	25	-	-
Deferred tax benefit	25	(5,854)	(11,566)
(Loss) for the year		(17,179)	(33,042)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement loss/ (gains) of defined benefit plans	38	72	(10)
Income tax effect		(19)	3
Total other comprehensive (income)		53	(7)
Total comprehensive income		(17,232)	(33,035)
Basic and diluted (loss) per share (In Rs.)	26	(22.40)	(43.09)
Summary of Material accounting policies	2		

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached
For **Vishal Chaturvedi & Co**
Chartered Accountant
ICAI Firm Registration No: 031179C


Vishal Chaturvedi
Proprietor
Membership No. 410058




Place: Greater Noida West
Date: 22 May 2024

For and on the behalf of Board of Directors of
Vindhyawasini Sales Private Limited
CIN: U51909BR2012PTCo19183


Deepak Agarwal
Director
DIN: 00192890

Place: Bikaner
Date: 22 May 2024


Rajendra Kumar Samsukha
Director
DIN: 09210424

Place: Bikaner
Date: 22 May 2024



VINDHYAWASINI SALES PRIVATE LIMITED
Statement of Cash Flows for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

Particulars	For the year 31 March 2024	For the year 31 March 2023
A Cash flows from operating activities		
Net (loss) before tax	(23,033)	(44,608)
Adjustments for:		
Interest cost on borrowings	22,127	17,595
Interest cost on statutory dues	10	5
Interest cost on payable to micro and small enterprises	88	154
Expected credit loss towards trade receivables	164	66
Expected credit loss towards trade advances	1	196
Depreciation and amortisation expenses	12,300	12,043
Interest on income tax refund	(4)	(1)
Interest subsidy	(20,048)	-
Profit on sale of asset	(4)	-
Operating (loss) before working capital changes	(8,399)	(14,550)
Working capital adjustments:		
Movement in trade and other payables	37,609	35,571
Movement in inventories	2,980	(17,957)
Movement in trade receivables, other receivables and prepayments	(5,720)	(13,964)
Cash generated from/ (used in) operations	26,470	(10,900)
Taxes paid (net of refund received and interest on income tax refund)	44	(90)
Net cash generated from/ (used in) operating activities	26,514	(10,990)
B Cash flows from investing activities:		
Purchase of Property plant and equipment & other intangible assets (including movement for capital advances and payable for fixed assets)	(2,361)	(53,790)
Disposal of Property plant and equipment and Capital work in progress	580	587
Net cash (used in) investing activities	(1,781)	(53,203)
C Cash flows from financing activities:		
Proceeds from long term borrowings from banks	-	42,500
(Repayment of) / proceeds from short term borrowings from banks, net	(3,628)	3,628
Proceeds from: long term borrowings from related party	47,500	56,500
Repayment of long term borrowings from banks	(40,980)	(36,569)
Interest paid	(26,671)	(15,097)
Net cash (used in)/ generated from financing activities	(23,779)	50,962
Net increase/ (decrease) in cash and cash equivalents	954	(13,231)
Cash and cash equivalents at beginning of the year	65	13,296
Cash and cash equivalents at end of the year (Refer footnote i to note 9)	1,019	65
Cash and cash equivalents at end of the year (Refer note 9)	1,019	65

Notes :

1. The above Cash flow statement has been prepared under the indirect method set out in Ind AS-7, "Statement of Cash Flows".
2. Notes to the financial statements are an integral part of the Cash Flow Statement.
3. Refer note 36 for reconciliation of change in financial activities.

As per our report of even date attached
For **Vishal Chaturvedi & Co**
Chartered Accountant
ICAI Firm Registration No: 081179C

Vishal Chaturvedi
Vishal Chaturvedi
Proprietor
Membership No. 410058



Place: Greater Noida West
Date: 22 May 2024

For and on the behalf of Board of Directors of
Vindhyawasini Sales Private Limited
CIN: U15549KA2017PTC106402

Deepak Agarwal
Deepak Agarwal
Director
DIN: 00192890

Place: Bikaner
Date: 22 May 2024

R.K. Samsukha
Rajendra Kumar Samsukha
Director
DIN: 09210424

Place: Bikaner
Date: 22 May 2024



VINDHYAWASINI SALES PRIVATE LIMITED
Statement of Changes in Equity for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid

	No of shares (Absolute)	Share capital (Amount)
Opening	766,860	7,669
Issue of share capital	-	-
Closing	766,860	7,669

B. Other Equity

For the year 31 March 2023


	Reserves and surplus		Total
	Retained earnings	Others	
As at 1 April 2022	(1,848)	-	(1,848)
(Loss) for the year	(33,042)	-	(33,042)
	(34,890)	-	(34,890)
Others			
Re-measurement gains of defined benefit plans, net of tax	-	7	7
Total	(34,890)	7	(34,883)
As at 31 March 2023	(34,890)	7	(34,883)

For the year 31 March 2024

	Reserves and surplus		Total
	Retained earnings	Others	
As at 1 April 2023	(34,890)	7	(34,883)
(Loss) for the year	(17,179)	-	(17,179)
	(52,069)	7	(52,062)
Others			
Re-measurement (loss) of defined benefit plans, net of tax	-	(53)	(53)
Total	(52,069)	(46)	(52,115)
As at 31 March 2024	(52,069)	(46)	(52,115)

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached
For **Vishal Chaturvedi & Co**
Chartered Accountant
ICAI Firm Registration No: 031179C


Vishal Chaturvedi
Proprietor
Membership No. 410058

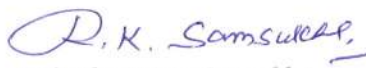


Place: Greater Noida West
Date: 22 May 2024

For and on the behalf of Board of Directors of
Vindhyawasini Sales Private Limited
CIN: U51909BR2012PTC019183


Deepak Agarwal
Director
DIN: 00192890

Place: Bikaner
Date: 22 May 2024


Rajendra Kumar Samsukha
Director
DIN: 09210424

Place: Bikaner
Date: 22 May 2024



VINDHYAWASINI SALES PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31 March 2024

(All amounts in INR thousand, unless stated otherwise)

1. Corporate information

Vindhyawasini Sales Private Limited Private Limited (the 'Company') is a Company domiciled in India, with its registered office situated at A-36P, Industrial Area, Bela, Phase-II Muzaffarpur Muzaffarpur Bihar - 842002. The Company was incorporated on 5 September 2012 under the provisions of the Companies Act, 1956 (now called "Companies Act 2013"). With effect from 1 April 2022, the Company has become wholly owned subsidiary of Bikaji Foods International Limited. Accordingly, on or after 1 April 2022 the Company was deemed to be a public company as per proviso to Section 2(71) of the Companies Act, 2013.

The Company is primarily involved in manufacturing, processing, purchase and sale of snacks food.

The Ind AS financial statements were authorised for issue in accordance with a resolution of the Directors on 22 May 2024.

2.1 Basis of preparation of financial statements and statement of compliance of Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments as issued/ notified thereafter (hereinafter referred as 'Ind AS').

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Basis of measurement

The financial statements have been prepared on a historical cost basis, except for any other basis explained elsewhere in these financial statements.

The financial statements are presented in INR, which is also the functional currency of the Company, and all values are rounded to the nearest thousand (INR '000) except, when indicated otherwise. Value presented as 'o' are having value less than INR 500 and are not 'Nil'.

2.2 Recent accounting pronouncements

Standards issued but not yet effective

The 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 31 March 2023, the Ministry of Corporate Affairs (MCA) did not issue any amendments to Ind AS which is effective from 1 April 2024.

2.3 Summary of Material accounting policies

Material changes to Accounting Policy

The Company adopted amendment to Ind AS 1, Presentation of Financial Statements during the year. The amendment requires companies to disclose material accounting policies rather than their significant accounting policies. Although the same has not resulted in change in accounting policies, it has impacted disclosure of accounting policies in the financial statement.

The Company adopted amendment to Ind AS 8, Accounting policies, Change in Accounting Estimates and Errors during the year. The amendment has replaced definition of 'change in account estimate' with definition of 'accounting estimate', with other related amendments to help entities distinguish changes in accounting policies from changes in accounting estimates. The amendment has no impact on its financial statements.

The Company adopted amendment to Ind AS12, Income Taxes during the year. The amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The amendment has no impact on its financial statements.

Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- 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:

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

The Company classifies all other liabilities as non-current.

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

Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

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Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:

- 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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revenue recognition

Sales of goods and services

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is recognised to the extent that it is highly probable a significant reversal will not occur.

In case customers have the contractual right to return goods, an estimate is made for goods that will be returned and a liability is recognised for this amount using the best estimate based on accumulated experience.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off tax assets against tax liabilities.

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VINDHYAWASINI SALES PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31 March 2024

(All amounts in INR thousand, unless stated otherwise)

Property, plant and equipment

Capital work in progress and property plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Depreciation methods, estimates useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual value, over their estimated useful lives. The Company has used the following rates to provide depreciation on its property, plant and equipment which are similar as compared to those prescribed under the Schedule II to the Act:

Plant and machinery: 15 Years

Computers and user devices: 3 years

Electrical installation and equipment: 10 years

Furniture and fittings: 10 years

Office equipment: 5 years

Laboratory Equipment: 10 years

Building improvement (on leased land): Over the lease period or 30 years, whichever is less.

Individual assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leases

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Company as a lessee

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases of building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments of short-term leases are recognised as expense on a straight-line basis over the lease term.

Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials and packing materials: cost includes cost of purchase (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in first-out basis (FIFO).

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on FIFO.

Stores and spare parts are valued at cost. Cost includes cost of purchase (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.



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Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The board of directors of the Company assesses the financial performance and position of the Company and makes strategic decisions. The board of directors, which has been identified as being the chief operating decision maker, consists of directors. Refer note 32 for segment information presented.

Finance costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

General and Specific borrowing costs that are attributable to the acquisition, construction or production of an asset that necessarily takes a substantial year of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All the other borrowing costs are expensed in the year they occur.

Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGU's to which the individual assets are allocated. Impairment losses are recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Provisions, contingent liabilities and contingent assets

Provision are recognised when there is a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is not either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets designated as FVTPL transactions costs are not added. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.



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VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset, nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortised cost, FVTPL and FVTOCI and for the measurement and recognition of credit risk exposure.

The Company follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises the impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

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For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent year, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 months ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward- looking estimate. At every reporting date, the historical observed default rates are updated and changes in the forward- looking estimates are analysed. On that basis, the Company estimates impairment loss allowance on portfolio of its trade receivables.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original effective interest rate (EIR). When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity uses the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/ expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortised cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives not designated as hedging instruments, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. Fair valuation gains/ losses, on initial recognition of financial liabilities are recognised in Statement of Profit and Loss except in cases of such gains/ losses being occurred on account of transactions with holding/ subsidiary company in which case such gains/ losses are accounted as capital contribution (securities premium) in equity.

The Company's financial liabilities include trade and other payables, optionally convertible debentures, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities classified as held for trading includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Statement of Profit or Loss.

Loans and borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in standalone statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

Offsetting of financial instruments

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

Derivative financial instruments, Initial recognition and subsequent measurement

The Company has issued Optionally Convertible Debentures. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, Cash and Cash Equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue, share split or consolidation of shares.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the after income tax effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

Government Grant

The Company recognises unconditional government grant related to a biological asset in profit or loss as other income when the grant becomes receivable. Other government grants related to assets, including non-monetary grants, are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received, and the Company will comply with the conditions associated with the grant. Grants related to the acquisition of assets are recognised in profit or loss as other income on a systematic basis over the useful life of assets.

Grants that compensates the Company for expenses incurred are recognised in profit or loss as Other Income on a systematic basis in the periods in which expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, grant is recognised when it becomes receivable.

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VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

3 Property, plant and equipment and capital work in progress
(Refer Footnote i)

	Building improvements	Computers	Electrical installation and equipment	Furniture and fittings	Office equipments	Lab equipment	Plant and machinery	Total	Capital work in progress
Cost or valuation									
As at 1 April 2022	55,751	139	3,967	93	246	432	118,490	179,118	-
Additions	3,281	462	828	390	145	59	15,051	20,216	20,802
Disposals/ adjustments	-	-	-	-	-	-	-	-	20,802
Closing as at 31 March 2023	59,032	601	4,795	483	391	491	133,541	199,334	-
Additions	-	39	-	-	-	-	1,390	1,429	-
Disposals/ adjustments	-	-	-	-	-	-	630	630	-
Closing as at 31 March 2024	59,032	640	4,795	483	391	491	134,301	200,133	-
Accumulated depreciation									
As at 1 April 2022	5	0	1	0	0	0	22	28	-
For the year	1,968	177	473	37	73	48	8,756	11,532	-
Disposals/ adjustments	-	-	-	-	-	-	-	-	-
As at 31 March 2023	1,973	177	474	37	73	48	8,778	11,560	-
For the year	1,974	185	480	48	78	49	8,980	11,794	-
Disposals/ adjustments	-	-	-	-	-	-	53	53	-
As at 31 March 2024	3,947	362	954	85	151	97	17,705	23,301	-

Net block

As at 31 March 2024	55,085	278	3,841	398	241	395	116,596	176,832	-
As at 31 March 2023	57,060	424	4,322	446	319	444	124,764	187,774	-

Footnote i: Above mentioned assets are pledged with bank against borrowings. Refer note 12 containing details of borrowings and corresponding securities with bank.



VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
 (All amounts in INR thousand, unless stated otherwise)

4 Right-of-use assets

	<u>Amount</u>
Land (Refer Footnote i)	
<u>Cost or valuation</u>	
As at 1 April 2022	44,470
Additions	-
Disposals/ adjustments	-
As at 31 March 2023	44,470
Additions	-
Disposals/ adjustments	-
As at 31 March 2024	44,470
 <u>Accumulated amortisation</u>	
As at 1 April 2022	500
For the year	511
Disposals/ adjustments	-
As at 31 March 2023	1,011
For the year	505
Disposals/ adjustments	-
As at 31 March 2024	1,516
 Net block	
As at 31 March 2024	42,954
As at 31 March 2023	43,459

Footnote i: Above mentioned assets are pledged with bank against borrowings. Refer note 12 containing details of borrowings and corresponding securities with bank.

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VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

5 Financial Assets- Others

	Current		Non-Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Security deposits*	-	-	1,071	1,071
Claims receivables	5,725	-	-	-
	<u>5,725</u>	<u>-</u>	<u>1,071</u>	<u>1,071</u>

* Perpetual in nature.

6 Other Assets

	Non-Current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Balances with Government Authorities	-	3,138	21,540	22,510
Government grant receivable [^]	-	-	20,048	-
Balances with Government Authorities under protest	-	-	3,014	1,103
Advance to suppliers	-	-	200	350
Less: Provision for doubtful advances	-	-	(197)	(196)
Advance to employees	-	-	-	50
Prepaid expenses	-	-	14	39
Advance to supplier towards capital goods	444	708	-	-
(Unsecured, considered good)	-	-	-	-
Less: Provision for doubtful capital advances	(444)	(444)	-	-
	<u>-</u>	<u>3,402</u>	<u>44,619</u>	<u>23,856</u>

[^] There are no unfulfilled conditions or contingencies attached to these grants.

7 Inventories*

	As at 31 March 2024	As at 31 March 2023
Raw material in stock [Including in transit inventory of Rs. NIL (31 March 2023: Rs. 128)]	7,031	7,007
Finished goods in stock	3,998	3,033
Stock in trade	95	688
Store, spares and consumables in stock	334	225
Packing materials in stock [Including in transit inventory of Rs. 316 (31 March 2023: Rs. nil)]	4,443	7,928
	<u>15,901</u>	<u>18,881</u>
Less: Provision for obsolete inventory	-	-
	<u>15,901</u>	<u>18,881</u>

*Valued at lower of cost and net realisable value except for Store, spares and consumables and Packing materials which are valued at cost.

During the year ended 31 March 2024: Rs. Nil (31 March 2023: Rs. Nil) was recognised as expense for inventories recognised at net realisable value.

8 Financial Asset - Trade receivable

	As at 31 March 2024	As at 31 March 2023
Secured, considered good	-	-
Trade receivables considered good - Secured - considered good	-	-
Trade receivables considered good - Unsecured	11,475	9,221
Less: Allowance for expected credit losses	(67)	(66)
	<u>11,408</u>	<u>9,155</u>
Trade receivables which have significant increase in credit risk	163	-
Less: Provision for Doubtful Debts	(163)	-
	<u>-</u>	<u>-</u>
Trade receivables - credit impaired	-	-
Less: Provision for Doubtful Debts	-	-
	<u>-</u>	<u>-</u>
	<u>11,408</u>	<u>9,155</u>
Further classified as:		
Receivable from related parties	-	-
Receivable from others	11,638	9,221
Less: Allowance for expected credit losses	(230)	(66)
	<u>11,408</u>	<u>9,155</u>



VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

Trade receivables ageing schedule:

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Not due	Less than 6 months	6 months - 1 year	More than 1 years	
(i)Undisputed trade receivables - considered good	8,551	2,924	-	-	11,475
(ii)Undisputed trade receivables - significant increase in credit risk	-	-	-	163	163
	8,551	2,924	-	163	11,638

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Not due	Less than 6 months	6 months - 1 year	More than 1 years	
(i)Undisputed trade receivables - considered good	8,919	302	-	-	9,221
	8,919	302	-	-	9,221

9 Financial Asset - Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Balances with banks		
- in current accounts	958	-
Cash on hand	61	65
	1,019	65

Footnote i: For the purpose of statement of cash flows, cash and cash equivalents comprise same as above.

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VINDHYAWASINI SALES PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31 March 2024

(All amounts in INR thousand, unless stated otherwise)

10 Share capital

The Company has only one class of share capital having a par value of Rs. 10 per share, referred to herein as equity shares.

	As at 31 March 2024		As at 31 March 2023	
	Number (absolute figure)	Amount	Number (absolute figure)	Amount
Authorised				
Equity shares of Rs. 10 each (31 March 2023: Rs. 10)	1,000,000	10,000	1,000,000	10,000
Issued, subscribed and fully paid-up				
Equity shares of Rs. 10 each (31 March 2023: Rs. 10)	766,860	7,669	766,860	7,669
	766,860	7,669	766,860	7,669

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

	For the year 31 March 2024		For the year 31 March 2023	
	Number (absolute figure)	Amount	Number (absolute figure)	Amount
Shares outstanding at the beginning of the year	766,860	7,669	766,860	7,669
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	766,860	7,669	766,860	7,669

b. Terms/rights attached to shares

Voting: Each holder of equity shares is entitled to one vote per share held.

Dividends: The Company declares and pays dividends in Indian rupees. Interim dividend declared in Board of Directors' meeting is distributed within stipulated time mandated by the law. Distribution of final dividend as proposed by the Board of Directors is paid after approval of the shareholders in general meeting.

Liquidation: In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

c. Detail of shareholders holding more than 5% of equity share of the Company

Equity shares of Rs. 10 each, fully paid	As at 31 March 2024		As at 31 March 2023	
	Number (absolute figure)	% of total equity shares	Number (absolute figure)	% of total equity shares
Bikaji Foods International Limited*	766,860.00	100%	766,860.00	100%
*Along with its nominee.				

d. Shareholding of Promoters

As at 31 March 2024

Name	As at 31 March 2024		As at 31 March 2023		% Change during the year
	Number (absolute figure)	% of total equity shares	Number (absolute figure)	% of total equity shares	
Bikaji Foods International Limited*	766,860	100%	766,860	100%	0.00%
*Along with its nominee.					

As at 31 March 2023

Name	As at 31 March 2023		As at 31 March 2022		% Change during the year
	Number (absolute figure)	% of total equity shares	Number (absolute figure)	% of total equity shares	
Bikaji Foods International Limited*	766,860	100%	-	-	100.00%
Priti Punam Modi	-	-	315,250	41.11%	-41.11%
Vijay Kumar Modi	-	-	451,610	58.89%	-58.89%
*Along with its nominee.					

e. No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the reporting date.



VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

f. No class of shares have been bought back by the Company during the period of five years immediately preceding the reporting date.

g. Shares reserved for Optionally Convertible Debentures:

For Optionally Convertible Debentures : The OCDs may be converted into equity shares being allotted at par at time of conversion and credited as fully paid up.

The Company issued OCD during the earlier year. Such amounts received were classified as financial liability with reference to the terms and conditions attached with such debentures. Financial liability is recognised at fair value which represents the present value of all future cash receipts discounted using the prevailing market rate of interest for a similar instrument with a similar credit rating.

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VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

11 Other Equity

	As at 31 March 2024	As at 31 March 2023
Retained earnings and others (Refer footnote i)	(52,115)	(34,883)
	(52,115)	(34,883)

Footnote i: Retained earnings and others*

	For the year 31 March 2024	For the year 31 March 2023
As at beginning of the year	(34,883)	(1,848)
Add: (loss) for the year	(17,179)	(33,042)
Add: Re-measurement (loss)/ gain of defined benefit plans	(53)	7
	(52,115)	(34,883)

*Represent deficit reserves due to accumulated losses since incorporation and accumulated re-measurement (losses)/ gains of defined benefit plans.

12 Financial Liabilities - Borrowings

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Secured, from bank (Refer footnotes i)				
-term loan	61,471	102,451	40,980	40,980
-cash credit loan	-	-	-	3,628
Unsecured, from related parties				
-Unsecured Loan from Bikaji Foods International Limited (Refer footnote ii)	137,250	89,750	-	-
-Unsecured Optionally Convertible Debentures (Bikaji Foods International Limited) (Refer footnote v)	-	45,000	45,000	-
	198,721	237,201	85,980	44,608

Footnotes:

i Term loan has been taken from HDFC Bank for the specified purpose of capitalisation. Further, cash credit limit has also been obtained from HDFC Bank.

These loans are secured by way of:

1. Exclusive charge on Factory Land and Building.
2. Exclusive charge on all movable fixed assets and current assets of the Company.
3. Corporate Guarantee of Bikaji Foods International Limited.

Term loan bears interest rate of 8% (previous year 5.50%-7.75%) (linked with 3 months repo rate) payable with monthly rest and principal is repayable in 18 equal quarterly installment with 6 months moratorium from disbursement date.

ii The Company has obtained total sanctioned unsecured loan limit of INR 259,750 thousands (31 March 2023 : INR 209,750 thousands) from Bikaji Foods International Limited at interest rate of 8% p.a. The same is payable anytime before 60 months at option of borrower.

iii INR 25000 thousands was appearing on portal of the Registrar of Companies, Patna, as charge since 29 March 2014. The company believed this change to be non-existent. This change has been marked satisfied with the Registrar of Companies, Patna effective 21 March 2024.

iv Details of unused line of borrowing facilities:

	As at 31 March 2024	As at 31 March 2023
Term loan	-	-
Cash credit	6,372	6,372
Inter-corporate deposits	122,500	120,000

v 45,00,000 Optionally convertible debentures each under OCD Series I, Series II, Series III have been issued by the Company at face value of Rs. 10 each and carry a 8% coupon rate effective from 1 October 2021, payable at the end of every financial year or till the last date of conversion/redemption, whichever is earlier and will get converted into Equity Shares at the higher of Fair market value determined as on the date of the Conversion Event {(a) commencement of commercial production by the Company; or (b) prior to any issuance of bonus shares/securities, splits, sub-divisions, combinations, recapitalisations, consolidations (reverse stock splits) or similar events}; or INR 10/- per Equity Share (being the face value of the Equity Share). If the Debenture Holder does not exercise the conversion option on Conversion Event, the Debentures will be redeemed at the end of 36 (thirty-six) months from the date of allotment.

vi There is no default in the repayment of loan continuing as on the reporting date.

vii The company has not submitted any statement of the current assets to banks during the year.



VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

13 Financial Liabilities - Trade payable

	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises#	2,634	615
Total outstanding dues of trade payables other than micro enterprises and small enterprises	64,858	35,221
	67,492	35,836

#Refer footnote i of note 14.

As at 31 March 2024						
Particulars	Outstanding for following periods from due date of payment					Total
	Not due*	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	250	1,166	-	-	-	1,416
(ii) Others	24,353	39,950	499	56	-	64,858
(iii) Disputed dues – MSME	-	1,218	-	-	-	1,218
(iv) Disputed dues - Others	-	-	-	-	-	-

* Not due (Others) include unbilled dues amounting INR 24353 and Not due (MSME) include unbilled dues amounting to INR 250.

As at 31 March 2023						
Particulars	Outstanding for following periods from due date of payment					Total
	Not due*	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	615	-	-	-	615
(ii) Others	8,993	26,172	56	-	-	35,221
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

* Not due (Others) include unbilled dues amounting INR 150.

14 Financial Liabilities - Others

	Current	
	As at 31 March 2024	As at 31 March 2023
Liabilities designated at amortised cost		
Payables for acquisition of Property Plant and Equipment (Refer footnote i)	1,014	2,209
Employee related payables	620	646
Interest payable to micro and small enterprises	243	154
Interest accrued but not due on borrowings		
-Related party	-	4,285
-Other than related party	761	1,009
	2,638	8,303

Footnote i: Total outstanding dues of micro enterprises and small enterprises:

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) ("MSMED Act, 2006"):

	As at 31 March 2024	As at 31 March 2023
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
-the principal amount		
Included in trade payables	2,634	615
Included in payables for acquisition of Property Plant and Equipment	1	784
-the interest due thereon	-	-
(b) the amounts paid by the buyer during the year		
-interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
-Principle repaid to suppliers beyond the appointed day during each accounting year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-



VINDHYAWASINI SALES PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31 March 2024

(All amounts in INR thousand, unless stated otherwise)

	As at 31 March 2024	As at 31 March 2023
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	88	154
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	242	154

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number (now Udyam Registration Number) as allocated after filing of the Memorandum. Based on the information available with the management, there are no other over dues outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act.

Breakup of financial liabilities carried at amortised cost:

	As at 31 March 2024	As at 31 March 2023
Borrowings (including current maturities of long term borrowings) (Refer note 12)	284,701	281,809
Trade payable (Refer note 13)	67,492	35,836
Other payables (includes interest on borrowings) (Refer note 14)	2,638	8,303
	354,831	325,948

Terms and conditions of the above financial liabilities:

Borrowings: Refer note 12 for detailed terms and conditions.

Trade payable: These are non interest bearing and are normally settled in 0-60 days depending upon terms with respective vendors.

Other payable: These are non interest bearing and are normally settled in 0-60 days depending upon terms with respective vendors.

15 Provisions

	Non - Current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Provision towards employee benefits				
-Gratuity (Refer note 38)	607	355	123	61
-Leave encashment	-	-	56	28
Other provisions				
-Towards goods and services tax liability [^]	-	-	5,725	-
	607	355	5,903	89

^Movements during the year:

	For the year 31 March 2024	For the year 31 March 2023
Opening balance	-	-
Provision created during the year	5,725	-
Amounts reversed during the year	-	-
Amounts utilised during the year	-	-
	5,725	-

The Company estimated these liabilities shall be settled by FY 2024-25. Such amounts shall be reimbursed to the Company by erstwhile shareholder in accordance with agreement between current and erstwhile shareholders of the Company accordingly the same has been recorded as claim receivable in the Balance Sheet.

16 Other Liabilities

	Current	
	As at 31 March 2024	As at 31 March 2023
Employees' state insurance payable	4	9
Goods and services tax payable	-	3
Provident fund payable	68	63
TDS and TCS payable	75	89
	147	164



VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

17 Revenue from operations

	For the year 31 March 2024	For the year 31 March 2023
Sale of goods*		
Sale of products	134,476	142,892
Sale of raw material	20,540	6,763
Sale of stock in trade	19,809	8,612
Sale of packing material	7,078	12,764
Sale of consumable and spares	79	67
Other operating revenue		
Scrap sales	496	320
	182,478	171,418

*Above revenue has been earned in respect of single business of the Company i.e. Foods and Snacks.

18 Other income

	For the year 31 March 2024	For the year 31 March 2023
Profit on sale of assets	4	-
Interest on income tax refund	4	1
Government grant		
Interest subsidy^	20,048	-
	20,056	1

^ Represent amount of interest paid/ payable by government as subsidy towards bank loans. There are no unfulfilled conditions or contingencies attached to these grants.

19 Cost of material consumed

	For the year 31 March 2024	For the year 31 March 2023
Raw materials consumed		
Raw material at the beginning of the year	7,007	513
Add: Purchases	95,454	94,676
Less: Raw material at the end of the year	7,031	7,007
Total cost of Raw material consumed (A)	95,430	88,182
Packing material consumed		
Packing material at the beginning of the year	7,928	257
Add: Purchases	34,950	60,512
Less: Packing material at the end of the year	4,443	7,928
Total cost of packing material consumed (B)	38,435	52,841
Total cost of material consumed (A+B)	133,865	141,023

20 Changes in inventories of finished goods and stock-in-trade

	For the year 31 March 2024	For the year 31 March 2023
Inventories at the beginning of the year		
-Finished goods	3,033	-
-Traded goods	688	-
	3,721	-
Less: Inventories at the end of the year		
-Finished goods	(3,998)	(3,033)
-Traded goods	(95)	(688)
	(4,093)	(3,721)
	(372)	(3,721)

21 Finance costs

	For the year 31 March 2024	For the year 31 March 2023
Interest expenses on		
Borrowings measured at amortised cost		
-on Term loan	10,260	9,510
-on Cash credit	80	198
-on Optionally convertible debentures	3,600	3,600
-on Unsecured loan	8,188	4,286
Others		
-on Statutory dues	10	5
-on dues to Micro and Small enterprises	88	154
	22,226	17,753



VINDHYAWASINI SALES PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31 March 2024

(All amounts in INR thousand, unless stated otherwise)

22 Employee benefit expenses

Salary, wages, bonus and other benefits (including on-contract employee)
Contribution to provident and other funds
Employee stock options expenses (Refer note 39)
Staff welfare expenses

For the year 31 March 2024	For the year 31 March 2023
14,754	13,083
499	124
211	-
514	593
15,978	13,800

23 Depreciation and amortisation expenses

Depreciation on Property plant and equipment (Refer note 3)
Amortisation of Right of use assets (Refer note 4)

For the year 31 March 2024	For the year 31 March 2023
11,794	11,532
505	511
12,300	12,043

24 Other expenses

Power and fuel expense
Stores and spares consumed
Rates, taxes and fees
Legal and professional expense (Refer footnote i)
Travel, lodging and boarding expenses
Repair and maintenance
Plant and machineries
Building
Computer
Others
Watch and ward expenses
Freight and forwarding expenses
Insurance expenses
Bank charges
Expected credit loss towards trade advances
Expected credit loss towards trade receivables
Business promotion expenses
Miscellaneous expenses

For the year 31 March 2024	For the year 31 March 2023
6,914	7,530
592	10
29	525
1,228	1,233
209	1,376
1,677	2,318
158	43
8	30
949	844
615	545
10,088	10,135
167	249
6	11
1	196
164	66
-	9
849	1,757
23,654	26,877

Footnote i: Details of payments to auditors (exclude GST):

As auditors for:

Statutory audit fees
Tax audit fees
Quarterly reviews
Certifications required to done by statutory auditor
Group audit fees
Out of pocket expenses

For the year 31 March 2024	For the year 31 March 2023
230	230
20	20
50	100
-	10
20	-
7	23
327	383

25 Income tax

Major components of Income tax expense for the year ended 31 March 2024 and 31 March 2023 are:

Profit and loss section

Current income tax:
Current income tax charge
Adjustment in respect of current income tax of previous year
Deferred tax:
Relating to origination and reversal of temporary differences
Adjustment in respect of previous year

Income tax expense reported in profit and loss section

OCI section

Deferred tax related to items recognised in OCI during the year:
--

For the year 31 March 2024	For the year 31 March 2023
-	-
-	-
(5,854)	(11,566)
-	-
(5,854)	(11,566)
(19)	3
(5,873)	(11,563)

Neither deferred tax nor current tax relating to any component has been charged or credited directly to equity.



VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

Reconciliation of tax expense with the accounting tax based on India's domestic tax rate for 31 March 2024 and 31 March 2023:

	For the year 31 March 2024	For the year 31 March 2023
Accounting (loss) before income tax	(23,033)	(44,608)
Accounting profit taxable at India's domestic tax rates	(23,033)	(44,608)
Tax calculated at India's standard statutory tax rates 26.00% (31 March 2023: 26.00%)	(5,989)	(11,598)
Difference in tax as per books and tax as per table above	116	35
Reason for differences:		
Recognition of previously not recognised deferred taxes due to reasonable certainty	-	(5)
Permanent differences (Interest on Micro and small enterprise)	23	40
Others	93	-
	116	35

Deferred tax

Deferred tax assets comprise of following:

	As at 31 March 2024	As at 31 March 2023
Book value of property, plant and equipments	(19,125)	(13,427)
Carry forward of business losses	21,033	18,523
Carry forward of unabsorbed depreciation	15,081	6,318
Retirement benefits	204	115
Provision for doubtful balances	227	-
Bonus	16	34
	17,436	11,563

In the previous year, the Company did not recognise Deferred Tax assets in absence of reasonable certainty of its reversal in future.

Reconciliation of Net deferred tax assets

	As at 31 March 2024	As at 31 March 2023
Opening balance	11,563	-
Tax income during the year recognized in profit and loss	5,854	11,566
Tax income/ (expense) during the year recognized in OCI	19	(3)
Closing balance	17,436	11,563

Non-current tax assets

	As at 31 March 2024	As at 31 March 2023
Tax deducted as source	77	117
	77	117

26 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting effect of dilutive shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares. Due to losses, OCDs have been considered as anti dilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year 31 March 2024	For the year 31 March 2023
Loss after tax attributable to the Equity shareholders (in Rs. thousands)	(17,179)	(33,042)
Basic and diluted average equity shares (in numbers)	766,860	766,860
Nominal value of equity shares (in Rs.)	10	10
Basic and diluted (loss) per shares (in Rs.)	(22.40)	(43.09)

27 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

There are no significant judgements involved in preparation of these financial statement.



VINDHYAWASINI SALES PRIVATE LIMITED**Notes to the Financial Statements for the year ended 31 March 2024**

(All amounts in INR thousand, unless stated otherwise)

Estimates and assumptions**Useful life, method and residual value of property plant and equipment**

Plant and machineries and factory buildings contribute significant portion of the Company's Property, plant and equipment. The Company capitalises its plant and machineries and factory buildings in accordance with the accounting policy disclosed under note 2.3 above. The Company estimates the useful life and residual value of assets as mentioned in note 2. However the actual useful life and residual value may be shorter/ less or longer/ more depending on technical innovations and competitive actions. Further, Company is depreciating its plant and machineries and factory buildings by using straight line method based on the management estimate that repairs/ wear and tear to plant and machineries and factory buildings are consistent over useful life of assets.

Income taxes

In assessing the realizability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax-planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company shall not be able realize the benefits of those deductible differences.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan, the present value of the gratuity obligation is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. 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.

The mortality rate is based on publicly available mortality tables (IALM) notified by Insurance Regulatory and Development Authority in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 38.

28 Commitments and contingencies**a. Commitments**

Estimated amount of contracts remaining to be executed on capital account (net of advances INR Nil (31 March 2023 : 264)

	As at 31 March 2024	As at 31 March 2023
	-	1,058
	-	1,058

**b. Contingencies- contingent liabilities
Particular**

Indirect tax matter (Refer footnote a)
Income tax matter (Refer footnote b)

	As at 31 March 2024	As at 31 March 2023
	3,731	3,731
	6,315	6,315
	10,046	10,046

The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable. Below is a description of claims and assertions where a potential loss is possible, but not probable.

a. Indirect tax matter

The total sales tax demands that are being contested by the Company amount to INR 3,731 thousands as at March 31, 2024 (INR 3,731 thousands as at March 31, 2023). These demands are related to interest payable for financial year 2015-16, 2016-17 and 2017-18. The Company has filed appeal to Additional Commission of State Tax (Appeal) dated 25 March 2021 for waiver of interest demand and paid INR 1,088 thousands as under protest. As per the legal opinion received, the Company believes that these demands will settle in favour of the Company and hence no liability has been accounted for.

b. Income tax matter

The Company has ongoing disputes with income tax authorities for assessment year 2018-19 relating to tax treatment of certain transaction incorrectly reported under tax audit report and has been added as income in assessment order under section 143(3) dated 17 February 2021. Against this order the Company has filed appeal. Hearing for the said Appeal has not started till reporting date. As at March 31, 2024, there are contingent liabilities towards stated matters and/or disputes pending in appeal amounting to 6,315 thousands (6,315 thousands as at March 31, 2023). Considering the fact of the matter, the Company believes that these demands will be reversed and hence no liability has been accounted for. Further, the Company has deposited amount of INR 1,926 thousands under protest.

c. Contingencies- contingent assets

There is no contingent assets as at 31 March 2024: Nil (31 March 2023: Nil).



VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

29 In accordance with the requirement of Ind AS- 24 on "Related Party Disclosures" the names of the related parties where control exists along with the aggregate transactions/ year end balances with them as identified and certified by the management are given below:

A) Name of related parties and description of relationship

i. Key Management Personnel and their relatives:

Relationship	Name
Holding company	Bikaji Foods International Limited (Note : Hanuman Agrofood Private limited has been merged in Bikaji foods International Limited w.e.f 14 February 2024 with appointed date being 1 April 2022. Accordingly, all transactions and balances relateing to Hanuman Agrofoods Private Limited have been clubbed with Bikaji Foods International Limited).
Director and Individual exercising control	Vijay Kumar Modi (till 1 April 2022)
Director	Rajendra Kumar Samsukha
Director	Deepak Agarwal
Director	Akash Deep Srivastava (w.e.f 14 August 2023)

B) Transactions with related parties (excluding GST, as applicable):

	For the year 31 March 2024	For the year 31 March 2023
<u>Purchases</u>		
Bikaji Foods International Limited	60,255	50,482
<u>Sales</u>		
Bikaji Foods International Limited	35,455	15,210
<u>Sale of capital goods</u>		
Bikaji Foods International Limited	-	587
<u>Purchase of capital goods</u>		
Bikaji Foods International Limited	-	4,108
<u>Cross charge expenses paid</u>		
Bikaji Foods International Limited	-	4,706
<u>Gratuity liability transfer</u>		
Bikaji Foods International Limited	-	426
<u>Expenditure incurred on behalf of company</u>		
Bikaji Foods International Limited	19,451	-
<u>Reimbursements of expenses from</u>		
Bikaji Foods International Limited	-	47
<u>Reimbursement of expenses paid to</u>		
Bikaji Foods International Limited	-	1,665
<u>Borrowings taken</u>		
Bikaji Foods International Limited	47,500	56,500
<u>Interest expenditure (including OCD)</u>		
Bikaji Foods International Limited	11,788	7,886
<u>ESOP's Reimbursement</u>		
Bikaji Foods International Limited	211	-

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VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
 (All amounts in INR thousand, unless stated otherwise)

C) Balance outstanding as at year end

	As at 31 March 2024	As at 31 March 2023
Trade payable		
Bikaji Foods International Limited	62,044	32,936
Unsecured loan		
Bikaji Foods International Limited	137,250	89,750
Optionally convertible debentures		
Bikaji Foods International Limited	45,000	45,000
Interest accrued but not due		
Bikaji Foods International Limited	-	4,285

In addition to above mentioned outstanding balances as at year end, Bikaji Foods International Limited has also given guarantee for borrowings obtained by the Company (refer footnote i to Note 12).

30 Fair values

The management assessed that carrying value of cash and cash equivalents, trade receivables, borrowings, trade payable, other current financial liabilities and other current financial assets approximates their fair value amounts largely due to short term maturities of these instruments except for long term borrowings. In case of long term borrowing, there has been no significant movement in interest rates applicable on those borrowings and interest rates prevailing as at reporting dates and accordingly carrying value and fair value of these long term values as at balance sheet dates are similar. Security deposits classified as non current financial assets are for perpetuity and shall be refundable on surrendering of electricity connection only, which is highly unlikely and hence fair value of the same cannot be determined in absence of definite period of such deposits. Comparison of the carrying value and fair value of the Company's financial instruments are as follows:

	Carrying values		Fair values	
	As at	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Financial assets at amortised cost (Level 2)				
Cash and cash equivalents	1,019	65	1,019	65
Trade receivables	11,408	9,155	11,408	9,155
	12,427	9,220	12,427	9,220

	Carrying values		Fair values	
	As at	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Financial Liabilities at amortised cost (Level 2)				
Borrowings	284,701	281,809	284,701	280,799
Trade payables	67,492	35,836	67,492	35,836
Others	2,638	8,303	2,638	8,303
	354,831	325,948	354,831	324,938

The fair value of the financial assets above is included in the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in distress sale or liquidation sale. The following methods and assumptions were used to estimate the fair value:

-Bank deposits, borrowing, loans and other financial liabilities and assets are evaluated by the Company based on Interest rates prevailing with scheduled banks for similar denomination and remaining duration of deposits/ borrowings (as applicable to assets and liabilities, respectively). As there has been no significant movement in interest rates, fair valued amount is also likely to be similar to carrying value. Hence, carrying amounts of these deposits have been determined as fair valued amounts.

31 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, operating lease liabilities, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and term deposits that derive directly from its operations and contributions.

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings, OCDs and term deposits.



VINDHYAWASINI SALES PRIVATE LIMITED

Notes to the Financial Statements for the year ended 31 March 2024

(All amounts in INR thousand, unless stated otherwise)

a. Foreign currency risk

The Company is not exposed to foreign exchanges and related risks.

b. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company in accordance with its policy, takes borrowing and invests in deposits for periods lesser than 5 year to avoid any significant interest rate movements due to very longer maturity duration of instruments.

The Company has a mix of variable and fixed rate borrowings.

Interest rate sensitivity analysis

	Increase by %	Impact (Amount) loss	Decrease by %	Impact (Amount) Gain
For the year 31 March 2024	0.50%	432	0.50%	432
For the year 31 March 2023	0.50%	638	0.50%	638

There has been no change in methods and assumptions used in preparation of above sensitivity analysis. Impact represents annualised considering next 1 year repayments.

ii. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Trade receivables

Customer credit risk is managed by the Company subject to the Company's established receivable management policy. The policy details how credit will be managed, past due balances collected, allowances and reserves recorded and bad debt written off. Credit terms are the established timeframe in which customers pay for purchased product. Outstanding customer receivables are regularly monitored by the Management.

An impairment analysis is performed at each reporting date on an individual basis for customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The Company evaluates the concentration of risk with respect to trade receivables as high, as its customers are located in common jurisdictions and operate in common markets.

At 31 March 2024, the Company had 2 customer (31 March 2023: 1) those owed the Company more than INR. 1,000 (in thousands) each and accounted for approximately 91.96% (31 March 2023: 96.73%) of all the receivables outstanding.

Movement in expected credit loss on trade receivables during the year:

	For the year 31 March 2024	For the year 31 March 2023
Opening balance	66	-
Add: Provision created during the year	164	66
Less: Provision reversed during the year	-	-
Closing balance	230	66

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Director of the Company. Investments of surplus funds are made only in bank deposits. The management continuously assess credit ratings in banks as risk assessment tool.

The Company's maximum exposure to credit risk for the components of the balance sheet is the carrying amounts.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

31 March 2024

	Less than 3 month	3 - 12 months	1 - 5 years	More than 5 years	Total
Borrowings	10,245	75,735	198,721	-	284,701
Trade payables	67,492	-	-	-	67,492
Interest accrued	1,004	-	-	-	1,004
Payables for acquisition of Property Plant and Equipment	1,014	-	-	-	1,014
Others	620	-	-	-	620
	80,375	75,735	198,721	-	354,831

31 March 2023

	Less than 3 month	3 - 12 months	1 - 5 years	More than 5 years	Total
Borrowings	13,873	30,735	237,201	-	281,809
Trade payables	35,836	-	-	-	35,836
Interest accrued	5,448	-	-	-	5,448
Payables for acquisition of Property Plant and Equipment	2,209	-	-	-	2,209
Others	646	-	-	-	646
	58,012	30,735	237,201	-	325,948



VINDHYAWASINI SALES PRIVATE LIMITED**Notes to the Financial Statements for the year ended 31 March 2024**

(All amounts in INR thousand, unless stated otherwise)

Collateral

The Company has pledged its Inventories, trade receivables and its property, plant and equipment in order to fulfil the collateral requirements for the borrowings. The counterparties have an obligation to return the securities to the Company. There are no other significant terms and conditions associated with the use of collateral.

32 Segment reporting

The Company primarily operates in the Foods and Snacks segment. The board of directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is no separate reportable segments for the Company as per the requirement of Ind AS 108 "Operating Segments".

Geographical locations (secondary segment): The Company's entire sales is in single location i.e. 'within India'.

Segment revenue with major customers

During the year 31 March 2024 : 67.65% (31 March 2023: 78.85%) of the Company's revenue was generated from one customer.

33 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 25% and 50%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	As at 31 March 2024	As at 31 March 2023
Borrowings	284,701	281,809
Trade payables	67,492	35,836
Others	2,638	8,303
Less: cash and cash equivalents	(1,019)	(65)
Net debt	353,812	325,883
Total equity	(44,446)	(27,214)
Total capital	(44,446)	(27,214)
Total capital and net debt	309,366	298,669
Gearing ratio	114%	109%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024.

34 Leases

The Company has taken land on operating leases for 99 years. There is no other lease other than land lease hence no further disclosure has been presented. There is no future liability other than already paid and recognised as ROU asset. Hence, other related disclosure are not relevant.

(i) Right-of-use asset

Details of movement in carrying amounts of right of use assets is as detailed in note 4.

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VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

35 Ratios* as per the Schedule III requirements

a) Current ratio = Current assets divided by Current liabilities

Particulars	As at	As at
	31 March 2024	31 March 2023
Current assets	78,672	51,957
Current liabilities	162,160	89,000
Ratio	0.49	0.58
% Change from previous year	-16.90%	

b) Debt equity ratio = Total debt divided by Total equity where total debt refers to sum of current and non current borrowings

Particulars	As at	As at
	31 March 2024	31 March 2023
Total debt	284,701	281,809
Total equity	(44,446)	(27,214)
Ratio	Indeterminate	Indeterminate
% Change from previous year	Indeterminate	Indeterminate

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	As at	As at
	31 March 2024	31 March 2023
(Loss) after tax	(17,179)	(33,042)
Add: Non cash operating expenses and finance cost		
- Depreciation and amortizations	12,300	12,043
- Finance cost	22,226	17,753
Earnings available for debt services	17,346	(3,246)
Interest paid on borrowings	26,671	15,097
Principal repayments of long term borrowings	40,980	36,569
Total Interest and principal repayments	67,651	51,666
Ratio	0.26	Indeterminate
% Change from previous year	Indeterminate	Indeterminate

Reason for change more than 25%:

This ratio has improved mainly on account of subsidy income recognised during the year.

d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity

Particulars	As at	As at
	31 March 2024	31 March 2023
Net (loss) after tax	(17,179)	(33,042)
Total equity (Deficit)	(44,446)	(27,214)
Ratio	Indeterminate	Indeterminate
% Change from previous year	Indeterminate	Indeterminate

e) Inventory Turnover Ratio = Cost of materials consumed divided by closing inventory

Particulars	As at	As at
	31 March 2024	31 March 2023
Cost of materials consumed	133,865	141,023
Closing inventory	15,901	18,881
Inventory Turnover Ratio	8.42	7.47
% Change from previous year	12.71%	

f) Trade Receivables turnover ratio = Total Sales divided by Closing trade receivables

Particulars	As at	As at
	31 March 2024	31 March 2023
Total sales	182,478	171,418
Closing trade receivables	11,408	9,155
Ratio	16.00	18.72
% Change from previous year	-14.57%	

g) Trade payables turnover ratio = Credit purchases divided by closing trade payables

Particulars	As at	As at
	31 March 2024	31 March 2023
Total purchases	130,404	155,187
Closing trade payables	67,492	35,836
Ratio	1.93	4.33
% Change from previous year	-55.38%	

Reason for change more than 25%:

This ratio has changed from 4.33 in March 2023 to 1.93 in March 2024 mainly due to increase in trade payables during the year due to continuing cash losses.



VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

h) Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital= current assets - current liabilities

Particulars	As at	As at
	31 March 2024	31 March 2023
Total sales	182,478	171,418
Net working capital	(83,488)	(37,043)
Ratio	Indeterminate	Indeterminate
% Change from previous year	Indeterminate	

i) Net profit ratio = Net profit after tax divided by Sales

Particulars	As at	As at
	31 March 2024	31 March 2023
Net profit after tax	(17,179)	(33,042)
Total Sales	182,478	171,418
Ratio	(0.09)	(0.19)
% Change from previous year	Indeterminate	

j) Return on Capital employed (pre cash)=Earnings before interest and taxes(EBIT) divided by Capital Employed (pre cash)

Particulars	As at	As at
	31 March 2024	31 March 2023
Profit before tax (A)	(23,033)	(44,608)
Finance costs (B)	22,226	17,753
Other income (C)	20,056	1
EBIT (D) = (A)+(B)-(C)	(20,863)	(26,856)
Net worth	(44,446)	(27,214)
Long term debt (including current maturities)	198,721	237,201
Less: Cash and cash equivalents	(1,019)	(65)
Less: Bank balances other than cash and cash equivalents	-	-
Capital Employed	153,256	209,922
Ratio	(0.14)	(0.13)
% Change from previous year	Indeterminate	

36 Statement of reconciliation between opening and closing balances of balance sheet liabilities arising from financing activities due to cash flow and non-cash changes:

	Borrowings (Other than related parties)	Borrowing from related parties	Interest accrued (on borrowing)
Balance as at 1 April 2022	137,500	78,250	2,951
Cash movements	9,559	56,500	(15,097)
Non cash movements	-	-	-
Interest expense for the year	-	-	17,594
Closing as at 31 March 2023	147,059	134,750	5,448
Cash movements	(44,608)	47,500	(26,671)
Non cash movements	-	-	-
Interest expense for the year	-	-	22,227
Closing as at 31 March 2024	102,451	182,250	1,004

37 Defined contribution plan

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

	For the year 31 March 2024	For the year 31 March 2023
Employer's contribution to provident fund	419	102
Employer's contribution to employee state insurance fund	63	22
	482	124

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VINDHYAWASINI SALES PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024
(All amounts in INR thousand, unless stated otherwise)

38 Defined employment benefits (Gratuity)

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employee who are in continuous service for a period of more than 5 years are eligible for gratuity. The amount of gratuity on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

i. Changes in the present value of the defined benefit obligation are as follows:

	For the year 31 March 2024	For the year 31 March 2023
Present value of defined benefit obligation as at the beginning of the year	416	-
Interest cost	36	-
Liability transferred from group company	-	426
Current service cost	206	-
Benefits paid	-	-
Actuarial (gain)/ loss on obligations	72	(10)
Present value obligation as at the end of the year	<u>730</u>	<u>416</u>

ii. Reconciliation of present value of defined benefit obligation and fair value of assets

	For the year 31 March 2024	For the year 31 March 2023
Present value of defined benefit obligation as at the end of the year	730	416
Fair value of plan assets as at the end of the year	-	-
Net funded surplus	<u>730</u>	<u>416</u>

iii. Expenses recognized in the Statement of Profit and Loss

	For the year 31 March 2024	For the year 31 March 2023
Current service cost	206	-
Interest cost	36	-
Expected return on plan assets	-	-
Gain on transfer of liability from group company	-	-
Total recognised in profit and loss	<u>242</u>	<u>-</u>
Remeasurements		
-Return on plan assets excluding amounts included in interest income	-	-
-(Gain) from change in demographic assumptions	-	-
-(Gain)/ loss from change in financial assumptions	5	-
-Experience loss/ (gain) adjustments	67	(10)
Total recognised in other comprehensive income	<u>72</u>	<u>(10)</u>

iv. The Company's defined benefit plan is unfunded and hence disclosure relating to 'Employers best estimate of contribution to defined benefit plan (gratuity) for next reporting period' is not applicable.

v. The weighted average duration of defined benefit obligation is 5.86 years (31 March 2023: 7.09 years).

vi. The expected maturity analysis of defined benefit obligation (gratuity) is as follows:

	As at 31 March 2024	As at 31 March 2023
Less than 1 year	127	64
Between 1-2 years	118	61
Between 2-5 years	341	179
Over 5 years	276	180
Total	<u>861</u>	<u>484</u>

vii. Actuarial assumptions

	For the year 31 March 2024	For the year 31 March 2023
Discount rate (per annum)	7.10%	7.28%
Expected Rate of increase in compensation levels	10.00%	10.00%
Mortality Rate	IALM (2012-14)	IALM (2012-14)
Withdrawal Rate	Ultimate	Ultimate
	25.00%	25.00%

The discount rate assumed is 7.10% per annum (31 March 2023: 7.28% per annum) which is determined by reference to market yield at the Balance Sheet date on government bonds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



VINDHYAWASINI SALES PRIVATE LIMITED
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A quantitative sensitive analysis for significant assumptions are as follows:
For the year 31 March 2024

	Increase by %	Impact on PBO	Decrease by %	Impact on PBO
Discount rate	1%	(28)	1%	31
Future salary increase	1%	32	1%	30

For the year 31 March 2023

	Increase by %	Impact on PBO	Decrease by %	Impact on PBO
Discount rate	1%	(19)	1%	20
Future salary increase	1%	21	1%	(20)

The sensitivity analyses above have been determined on a method that extrapolates the impact of defined benefit obligation as result of reasonable changes in key assumptions occurring at the end of the reporting period. The Mortality and Attrition does not have a significant impact on the liability, hence, are not considered a significant actuarial assumption for the purpose of sensitivity analysis.

- 39** During the current year, the shareholder of Parent Company, approved Bikaji ESOP-I 2021 or Scheme II for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the Parent Company and its subsidiaries. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant. The option granted vest over a period of 3 years from the date of grant in proportions specified in the respective ESOP Plans. Options may be exercised by the employee after vesting period within 7 years from the date of Vest. The fair value as on the date of the grant of the options, representing Stock compensation charge, is expensed over the vesting period.

Movement in share option during the year
Particulars

Particulars	For the year 31 March 2024		For the year 31 March 2023	
	Number of options (absolute)	Weighted average exercise price (INR)	Number of options (absolute)	Weighted average exercise price (INR)
Options outstanding at the beginning of the year	-	-	-	-
Options granted during the year	4,500	450	-	-
Options forfeited / lapsed during the year	-	-	-	-
Options vested during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options outstanding at the end of the year	4,500	450	-	-
Options vested and exercisable	-	-	-	-

The fair value at grant date is determined using the Black- Scholes valuation method which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the average dividend yield and the risk free interest rate for the term of the option. The following tables list the inputs used for fair valuation of options for the ESOP plans:

	For the year 31 March 2024 13 December 2023
Grant date	
Weighted average fair value of the options at the grant dates (INR)	245.83
Dividend yield (%)	0.13
Risk free interest rate (%)	6.89-6.92
Expected life of share options (years)	3.70-4.71
Expected volatility (%)	35.00
Weighted average share price (INR)	533.25
Weighted average remaining contractual life (days)	1,517
Exercise price	450.00

For ESOPs granted on 13 December 2023, during the year, the Company recorded an employee stock compensation expense of 210.76 thousand (previous year: Nil) in the Statement of Profit and Loss with corresponding credit to amount payable to holding company.

As per our report of even date attached
For Vishal Chaturvedi & Co
 Chartered Accountant
 ICAI Firm Registration No: 031179C

Vishal Chaturvedi
Vishal Chaturvedi
 Proprietor
 Membership No. 410058
 Place: Greater Noida West
 Date: 22 May 2024



For and on the behalf of Board of Directors of
Vindhyawasini Sales Private Limited
 CIN: U51909BR2012PTC019183

Deepak Agarwal
Deepak Agarwal
 Director
 DIN: 00192890
 Place: Bikaner
 Date: 22 May 2024

R.K. Samsukha
Rajendra Kumar Samsukha
 Director
 DIN: 09210424
 Place: Bikaner
 Date: 22 May 2024

