



SHAREHOLDER INFORMATION

1. Name of Company

Vadilal Enterprises Limited

2. Company CIN No. :

L51100GJ1985PLC007995 (Old Registration No. 04-7995)

3. Fixed Deposit Department & Forex Advisory Services :

Fixed Deposit Department and Forex Advisory Services of the Company are operated at the following address :

Vadilal House, Shrimali Society,
Near Navrangpura Railway Crossing,
Navrangpura, Ahmedabad - 380 009.
(Phone: 079-26564019 to 24) (Fax: 079-26564027)

4. Book-Closure

Book-Closure from 15th September, 2008 to 26th September, 2008 (both days inclusive) for the purpose of 23rd Annual General Meeting of the Company.

5. Stock Exchanges where the Shares are listed :

BOMBAY STOCK EXCHANGE LTD.

(Security Code No. 519152)
Department of Corporate Services,
1st Floor, Rotunda Building,
Dalal Street, Fort, B. S. Marg
Mumbai - 400 001.
(Phone: 91-22-2272 1234 / 1233)
(Fax : 91-22-2272 2082 / 3132)

AHMEDABAD STOCK EXCHANGE LTD.

(Security Code No. 64510)
Kamdhenu Complex, Nr. Polytechnic,
Panjrapole, Ambawadi,
Ahmedabad - 380 015.
(Phone: 079-26307971-77)
(Fax: 079-26308877)

The Annual Listing Fees upto the Financial Year 2008-2009 have been duly paid to the above Stock Exchanges.

6. Security Code :

Bombay Stock Exchange Ltd.	-	519152
Ahmedabad Stock Exchange Ltd.	-	64510
ISIN Number	-	INE693D01018

7. Dematerialisation of Shares :

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

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

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

8. Registrar & Share Transfer Agent :

The Company has entrusted the work of Dematerialisation/Rematerialisation of shares to an outside Registrar, viz. MCS Ltd., Ahmedabad. As per SEBI Circular No. D&CC/FITTC/CIR-15/ 2002, dated 27-12-2002, the Company has assigned all the work related to Share Registry in terms of both physical and electronic to MCS Ltd., Ahmedabad. Hence, all Shareholders are requested to send/deliver the documents/correspondence including complaints relating to the Company's share transfer/demat/remat activity to MCS Ltd. at 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380 009. (Phone: 079-26582878, 26584027) (Fax: 079-26581296)

9. Share Transfer System :

Presently, share transfers which are received in physical form are processed and the share certificates are returned within a period of 30 days from the date of receipt, subject to the documents being valid and complete in all respects. Share Transfer Committee of the Board meets at regular intervals to approve transfers, issue of duplicate certificates, consolidation and splitting of shares etc.



As required under Clause 47(c) of Listing Agreement with Stock Exchanges, a certificate is obtained every six months from a Practicing Company Secretary, with regard to, inter alia, effecting transfer, transmission and consolidation within one month of their lodgment. The certificates are forwarded to BSE and ASE, where the equity shares are listed.

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

10. Distribution of Shareholding as on 31st March, 2008 :

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Total Shares
Up to 500	1794	93.34	302235	34.73
501 to 1000	63	3.28	49364	5.67
1001 to 2000	25	1.30	38342	4.41
2001 to 3000	5	0.26	12299	1.41
3001 to 4000	9	0.47	32235	3.70
4001 to 5000	7	0.36	32144	3.69
5001 to 10000	8	0.42	57519	6.61
10001 to 50000	10	0.52	219810	25.27
50001 to 100000	0	0.00	0	0.00
100001 & above	1	0.05	126200	14.51
Total	1922	100.00	870148	100.00

11. Categories of Shareholders as on 31st March, 2008 :

Sr. No.	Category of Shareholders	No. of Equity Shares held	% of Total Shares
1	Directors, Relatives, HUF & Group Companies	436982	50.22
2	Foreign Institutional Investors(FIIs)	2100	0.24
3	NRIs/OCBs	613	0.07
4	Bodies Corporate	40077	4.60
5	Foreign Mutual Funds	6	0.00
6	HUF	5361	0.62
7	Public	385009	44.25
Total		870148	100.00

12. Address of Registrar of Companies (ROC), Gujarat :

The Registrar of Companies, Gujarat, ROC Bhavan, Opp. Rupal Park, Behind Ankur Bus Stand, Naranpura, Ahmedabad - 380 013. (Phone: 079-27438531, 27437597)

13. Consolidation of Folios :

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

14. Nomination facility :

The Companies (Amendment) Act, 1999 has provided for a facility of nomination in the Shares of a Company. Your Company has already offered the facility of nomination to the members. Individual Shareholders can avail of the facility of nomination and may submit to the Company the prescribed Form 2B at the Share Dept. of the Company. It is advisable to avail of this facility especially by Shareholders who currently hold Shares in single name.

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

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

In case of any assistance, please contact at the Share Dept. of the Company at Vadilal House, Shrimali Society, Near Navrangpura Railway Crossing, Navrangpura, Ahmedabad - 380 009. Telephone Nos. 079-26564019 to 24 and Fax No. 079 - 26564027.



NOTICE

NOTICE is hereby given that the 23rd ANNUAL GENERAL MEETING of the members of VADILAL ENTERPRISES LIMITED will be held on Friday, the 26th September, 2008, at 10.30 a.m., at Sheth Shri Amrutlal Hargovandas Memorial Hall, Gujarat Chamber of Commerce & Industry (GCCCI), Ashram Road, Ahmedabad - 380 009, to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2008 and the Profit and Loss Account for the year ended on that date and reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Virendra R. Gandhi, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Jayantilal M. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s Kantilal Patel & Co., Chartered Accountants, Ahmedabad as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors of the Company to fix their remuneration.
5. To appoint Mr. Ashish C. Doshi, Company Secretary in Whole-time Practice, pursuant to Section 383A of the Companies Act, 1956 and the Rules made therein to obtain certificate regarding compliance by the Company of all provisions of the said Act during the Financial Year 2008-2009 and to authorise the Board of Directors to fix his remuneration.

By Order of the Board

For VADILAL ENTERPRISES LIMITED

RAMCHANDRA R. GANDHI
Chairman & Managing Director

Registered Office:

5th Floor, Aditya Building,
Nr. Sardar Patel Seva Samaj Hall,
Off C.G. Road, Nr. Mithakhali
Six Roads, Ahmedabad - 380 006

Dated: 27th June, 2008.

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE SHARE DEPARTMENT OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the Meeting, only

such joint holders who is higher in the order of names will be entitled to vote.

4. The Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of Item No. 5 mentioned in the above Notice is annexed hereto.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 15th September, 2008 to 26th September, 2008 (both days inclusive) for the purpose of 23rd Annual General Meeting of the Company.
6. Members are requested to send their all correspondence relating to Shares including transfer, transmission, change of address etc. to MCS Limited, Registrar & Share Transfer Agent of the Company at 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380 009 (Phone : 079-26582878, 26584027) (Fax: 079-26581296) or at the Share Department of the Company situated at Vadilal House, Shrimali Society, Near Navrangpura Railway Crossing, Navrangpura, Ahmedabad - 380 009.
7. Under the provisions of the Companies Act, 1956 as amended by Companies (Amendment) Act, 1999 w.e.f. 31st October, 1998, members holding shares in physical form may file Nomination Forms in respect of their shareholdings. Such members willing to avail of this facility may submit to the Company at the Share Department the prescribed Form 2B or write to or contact at Share Department of the Company for assistance.
8. Pursuant to Section 205A of the Companies Act, 1956, the Company has already transferred unclaimed dividend declared upto the Financial Year ended 31st March, 1994 to the General Revenue Account of the Central Government as per Rule 4A of the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Those Shareholders, who have so far not claimed or collected their dividend up to the aforesaid financial year may claim their dividend by an application in Form II of the aforesaid Rules to the Registrar of Companies, Gujarat at ROC Bhavan, Opp. Rupal Park, Behind Ankur Bus Stand, Naranpura, Ahmedabad - 380013. However, pursuant to Section 205A of the Act as amended by the Companies (Amendment) Act, 1999 (1st Amendment), which came into effect from 31-10-1998, the Company has already transferred unclaimed dividend declared for the financial year ended on 31st March, 1995, 31st March, 1996, 31st March, 1997, 31st March, 1998, 31st March, 1999 and 31st March, 2000 to the Investor Education and Protection Fund established by the Government of India under Section 205C(1) of the Act. However, the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of 7 years from the date of its transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection



Fund (the Fund) set up by the Government of India and no payments shall be made in respect of any such claims by the Fund. Members, who have not yet encashed their dividend warrant(s) for the Financial Year ended 31st March, 2001 onwards, are requested to make their claims to the Company accordingly, without any delay.

9. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
10. Members are requested to intimate immediately the change in their registered address, if any, to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company at its Share Department or to MCS Limited at the address mentioned above in respect of their physical share folios, if any. In case of mailing address mentioned on this Annual Report is without PINCODE, members are requested to kindly inform their PINCODE immediately.
11. All documents referred to in the accompanying Notice are open for inspection for the members, at the Share Department of the Company, during office hours on all working days between 2.00 p.m. to 4.00 p.m. upto the date of the Annual General Meeting.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

In conformity with the provisions of Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the Item No. 5 mentioned in the accompanying Notice and should be taken as forming part of the Notice.

ITEM NO. 5

Pursuant to the provisions of Section 383A of the Companies Act, 1956 read with the Companies

(Compliance Certificate) Rule, 2001, every Company, having paid-up share capital between Rs. 10 Lacs and Rs. 2 Crores, is required to file with the Registrar of Companies (ROC), a Certificate from a Company Secretary in Whole-time Practice, certifying that the Company has complied with all provisions of the Companies Act, 1956 and a copy of such certificate is required to be attached with the Directors' Report of the Company.

Your Company having paid-up share capital of Rs. 86.42 lacs has appointed Mr. Ashish C. Doshi, a Company Secretary in Whole-time Practice to obtain from him a Certificate regarding compliance, by the Company, of all provisions of the Act during the Financial Year ended on 31st March, 2008. The said Certificate has been attached with the Directors' Report for the year ended on 31st March, 2008.

The Company proposes to appoint Mr. Ashish C. Doshi to obtain from him a Certificate for the next Financial Year 2008-2009 regarding compliance by the Company of all provisions of the Act, during the said Financial Year 2008-2009.

Your Directors, therefore, recommend the resolution for your approval for appointment of Mr. Ashish C. Doshi for the above purpose as per Item No. 5 of the Notice.

None of the Directors of the Company, is in any way, concerned or interested in this resolution.

By Order of the Board
For VADILAL ENTERPRISES LIMITED

RAMCHANDRA R. GANDHI
Chairman & Managing Director

Registered Office:

5th Floor, Aditya Building,
Opp. Sardar Patel Seva Samaj Hall,
Off C.G. Road, Nr. Mithakhali
Six Roads, Ahmedabad - 380 006

Dated: 27th June, 2008.



DIRECTORS' REPORT

To,
The members,
VADILAL ENTERPRISES LIMITED,
AHMEDABAD

Your Directors have pleasure in presenting herewith the 23rd Annual Report together with the Audited Statement of Accounts for the year ended on 31st March, 2008.

FINANCIAL RESULTS

(Rs. in Lacs)

Sr. No.	Particulars	Year ended 31-3-2008	Year ended 31-3-2007
(a)	Profit for the year before Depreciation and Financial Expenses	546.08	438.94
(b)	Less: Depreciation 396.16 Financial Expenses 43.33	439.49	369.66 13.84
(c)	Profit before tax and Exceptional items	106.59	55.44
(d)	Prior period adjustments	57.02	0.00
(e)	Profit before tax	49.57	55.44
(f)	Provision for Tax		
	- Current	68.50	71.25
	- Deferred Tax [Net (Credit)/Charge]	(51.73)	(52.57)
	- Fringe Benefit Tax	15.00	13.00
	- Short / (Excess) Provision of Income Tax / Fringe Benefit Tax of earlier years written off (written back)	1.75	(5.54)
(g)	Net Profit after Tax	16.05	29.30
(h)	Balance brought forward	48.32	31.16
	Amount available for Appropriation	64.37	60.46
	APPROPRIATION:		
	- Proposed Dividend	0.00	8.64
	- Dividend Tax thereon	0.00	1.47
	- Transferred to General Reserves	0.00	2.03
	- Balance Profit carried to Balance Sheet	64.37	48.32
		64.37	60.46

TURNOVER & PROFITS

In spite of stiff competition in the market particularly in Ice-Cream business during the year under review, your Company has achieved sales turnover of Rs. 13,604.72 lacs as compared to sales turnover of Rs. 11,888.88 lacs achieved during the previous year ended on 31st March, 2007.

Your Company has earned Gross Profit of Rs. 546.08 lacs as compared to Rs. 438.94 lacs earned during the previous year ended on 31st March, 2007. Your Company has earned Net Profit of Rs. 16.05 lacs during the year under review as compared to Net Profit of Rs. 29.30 lacs earned during the previous year ended on 31st March, 2007.

DIVIDEND

Looking to the quantum of profit earned by the Company during the year under review and the funds requirement of the Company, the Directors regret their inability to recommend any dividend on Equity Shares of the Company for the year ended on 31st March, 2008.

OPERATIONS - MARKETING FOCUS

Ice-cream Division

The ice-cream industry has slowly picked up after opening of the sector in 1997. Per capita consumption of ice-cream in India is one of the lowest at around 180 ml per annum and the ice-cream penetration at national level was just 15%, thus had a huge scope.

The ice-cream market in India is estimated to be about US\$ 200 million per annum. The industry structure and ongoing transformation offers opportunities for organized players to invest and grow.

The Company is showing a sustainable growth year to year, which has

been triggered by increasing demand for newer varieties & change in consumer preferences, which has been catered by novel products & providing value addition to the consumers. There is a considerable increase in demand for impulses & novelties.

There is a completely new segment of market developing, which consist of catering & institutional customers from where a large chunk of revenue is generated. Also with service industry, growing at the rate of 13%, has created demand for ice-cream parlor concept, which is again a focus area for ice-cream industry.

The future strategy of the Company is to give innovative & value added products to the consumers, as far as the price factor is concerned. The Company primarily focuses on increasing the ice-cream consumption by offering novel impulses. The Company is committed in eliminating the barriers for availability of ice-cream with focused distribution & franchising new Happinezz parlors all over India.

The overall vision of the company to increase the consumption of ice-cream on a national level is fully supported by appropriate promotion and market communication. The basic focus of the Company has been in brand building coupled with quality products & services. The Company is among the frontiers and maximum spender on News paper advertisement all over India. This spending actually surpasses the annual advertising budget of some of the regional players.

For availability of ice-cream, the Company has got the largest fleet of Refrigerated Vehicles in India, backed by the strong Distribution Network of C&F Agents, distributors and retail dealers. Distribution network is continuously being improved by appointing new C&F Agents, Distributors and Dealers, together with making proper investment in respective territories for providing infrastructure. The Company clearly dominated the market in Gujarat, Rajasthan, Uttar Pradesh, Uttaranchal, Haryana and Delhi. Also the regional competitors often feel the presence of Vadilal in West Bengal, Orissa, Bihar, Jharkhand, Madhya Pradesh, Chhattisgarh, Tamilnadu, Chandigarh, Punjab, Himachal Pradesh, and Jammu.

Processed Food Division

The major processed food products on offer to domestic market are canned fruit pulps, frozen fruits and vegetables ready-to-eat and ready-to-serve. There is a tremendous growth potential in India for processed foods due to sizable consuming population, expanding list of metro cities, increased awareness and need to adopt usage of convenience foods.

Government of India has recognised the importance of Processed Food sector and decided to give boost to this industry through various policy measures. The excise duty on certain ready-to-eat packaged foods is reduced to 8% from 16%. The sector has also been accorded priority sector status for the purpose of lending by Banks. This will result in increased credit flow to this industry segment.

Many of the processed food products are made available in the local markets. The Company has already achieved significant volumes in frozen peas and corn. Apart from this, large quantities of mango pulp and mango ras (a pulp based proprietary product) are also being sold in the domestic market.

Forex Division

Forex Division of the Company is providing Forex Advisory services in Forex, Bullion and Metal (London Metal Exchange). The Division provides value added service to Exporters and Importers since April 1996. In its 12th year of service, the Division is the first in India [amongst same kind of service provider] to receive ISO 9001:2000 certification, which shows the credibility of the service provided to member subscribers. The member subscribers are spread across the country and few even amongst global, taking timely and effective service. There are three segments of service provided, viz., FOREX Advisory and complete Risk Management, Advisory service in relation to LME Metal and Precious Metal, viz., Bullion [Gold and Silver]. The Division has its own website, www.vadilalmarkets.com which has since been described by many as complete FOREX KIOSKS. The Division is providing complete FOREX guidance reading with RBI guidelines, FEMA regulations and FEDAI rules. Also organizing workshops / seminars in relation to FOREX topics.

FINANCE

The Company is enjoying the working capital facilities aggregating to Rs. 405 lacs and term loan of Rs. 400 lacs from Bank of India, Ahmedabad Corporate Banking Branch. Subsequently working capital facilities has been reduced by Rs. 50 lacs to Rs. 355 Lacs during the year under review. The Company has also availed term loans from IDBI Bank Ltd.



In terms of the provisions of Investor Education and Protection Fund Rules, 2001, the Company has transferred the unclaimed dividend amount of Rs. 9816/- declared for the financial year ended on 31st March, 2000, to the Investor Education and Protection Fund established by the Government of India under Section 205C(1) of the Companies Act, 1956.

FIXED DEPOSITS

The Company has no overdue deposits outstanding other than those unclaimed of Rs. 1.72 lacs as on 31st March, 2008. As on date of this report, the deposits aggregating Rs. 0.50 lacs thereof have been claimed and either paid or renewed. The Company has accepted fixed deposits of Rs. 46.97 lacs from the Public during the year 2007-2008, after complying with the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975, as amended. After repaying the maturities during the year, the total fixed deposits as on 31st March, 2008 stood at Rs. 66.04 lacs.

RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the confirmation and explanations obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956 and confirm :

1. that in the preparation of Annual Accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
2. that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company, at the end of the financial year 31st March, 2008 and of the profit or loss of the Company for that year;
3. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that they have prepared the Annual Accounts on a going concern basis.

ADDITIONAL DISCLOSURES

In line with the requirements of Listing Agreement with the Stock Exchanges and the Accounting Standards of the Institute of Chartered Accountants of India, your Company has made additional disclosures in the Notes on Accounts for the year under review, in respect of Employees Benefits, Foreign Currency Transactions, Related Party Transactions, Calculation of EPS etc.

COMPLIANCE CERTIFICATE

Pursuant to Section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001, the Compliance Certificate received by the Company from Mr. Ashish C. Doshi, a Company Secretary in Whole-time Practice, certifying that the Company has complied with all the provisions of the Companies Act, 1956 during the financial year ended on 31st March, 2008 (2007-2008) has been annexed hereto and forming part of the Directors' Report.

POSTAL BALLOT

The Company has passed three Special Resolutions under Section 17, 149(2A) and 372A of the Companies Act, 1956 through Postal Ballot pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, the result of which, was announced on 10th July, 2007, at 2.00 p.m., at the Corporate Office & Share Dept. of the Company at Vadilal House, Shrimali Society, Nr. Navrangpura Railway Crossing, Navrangpura, Ahmedabad - 380 009. The result of Postal Ballot was announced on the basis of the Scrutinizer's Report dated 10th July, 2007 given by Mr. Mahesh C. Gupta of M/s. M.C. Gupta & Co., Company Secretaries, Ahmedabad, who was appointed as the Scrutinizer for the said Postal Ballot process.

DEPOSITORY SYSTEM

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

The ISIN number allotted to the Company is INE693D01018.

INSURANCE

All insurable interests of the Company including inventories, plant and machinery, vehicles and other insurable interest are adequately insured.

LISTING AGREEMENT WITH STOCK EXCHANGES

Pursuant to the provisions of Listing Agreement with the Stock Exchanges, the Company declares that the Equity Shares of the Company are listed on the Bombay Stock Exchange Limited and Ahmedabad Stock Exchange Limited.

The Company confirms that it has paid Annual Listing Fees due to the above Stock Exchanges upto the Financial Year 2008-2009.

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

Particulars relating to Conservation of Energy and Technology Absorption are not given, as it appears that the Companies (Disclosure of particulars in report of Board of Directors) Rules, 1988 is not applicable to the Company, due to the nature of the Company's business operations, being Marketing Company.

There is no any Foreign Exchange Earnings and Outgo during the year under review.

DIRECTORS

Pursuant to the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Virendra R. Gandhi and Mr. Jayantilal M. Shah, Directors of the Company, shall retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment. Members are requested to consider their re-appointment as Directors of the Company, for which necessary resolutions have been incorporated in the Notice of the meeting.

PARTICULARS OF EMPLOYEES

Provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, are not applicable to the Company, since none of the employees of the Company, including Managing Director, was in receipt of total remuneration of Rs. 24,00,000/- p.a. or Rs. 2,00,000/- p.m. during the year under review.

AUDITORS

M/s. Kantilal Patel & Co., Chartered Accountants, Ahmedabad, hold office as Statutory Auditors of the Company until the conclusion of this Annual General Meeting and the Board recommends their re-appointment till the conclusion of the next Annual General Meeting. The Company has received a certificate from Auditors under Section 224(1) of the Companies Act, 1956 to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Act. Members are requested to consider their re-appointment as Statutory Auditors of the Company for the current year at a remuneration to be decided by the Board of Directors.

TRADE RELATIONS

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

ACKNOWLEDGMENTS

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

The Board of Directors is overwhelmed with dedicated and sincere services of the employees of the Company at all levels.

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

By order of the Board of Directors

RAMCHANDRA R. GANDHI
Chairman & Managing Director

Date : 27th June, 2008

Place : Ahmedabad



CIN :L51100GJ1985PLC007995

FORM
[SEE RULE 3]
COMPLIANCE CERTIFICATE

To
The Members
Vadilal Enterprises Limited
Ahmedabad.

I have examined the registers, records, books, and papers of **Vadilal Enterprises Limited** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on **31st March, 2008**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year :

1. the company has kept and maintained all registers as stated in the Annexure "A" to this certificate, as per the provisions and rules made there under and all entries therein have been duly recorded.
2. the company has duly filed forms and returns as stated in Annexure "B" to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. the company being a public limited company, restrictive provisions applicable to private limited company are not applicable and therefore comments are not required.
4. the Board of Directors duly met 5 (five) times on 21/04/2007, 30/06/2007, 28/07/2007, 29/10/2007 and 28/01/2008 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed, in the Minutes Book maintained for the purpose. No circular resolutions were passed during the year under review.
5. the company closed its Register of Members and Share Transfer Books from 24/09/2007 to 29/09/2007 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. the Annual General Meeting for the financial year ended on 31/03/2007 was held on 29/09/2007 after giving due notice to the members of the company and the resolutions thereat were duly recorded in the Minutes Book maintained for the purpose.
7. no Extra Ordinary General Meeting was held during the financial year. However, the Company has passed three Special Resolutions under Section 17, 149(2A) and 372A of the Companies Act, 1956 through Postal Ballot pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001 and the Resolutions passed through postal ballot process were duly recorded in the Minutes Book maintained for the purpose.
8. the company has not advanced any loan to its directors and/or persons or firms or companies referred in section 295 of the Act.
9. the company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. the company has made necessary entries in the register maintained under section 301 of the Act.
11. there were no instances requiring approval under section 314 of the Act.
12. duly constituted committee of directors called Share Transfer Committee has approved the issue of duplicate share certificates.
13. the company has :
 - (i) delivered all the certificates on lodgement thereof for transfer, transmission or any other purpose in accordance with the provisions of the Act;
 - (ii) deposited the amount of dividend within 5 days from the date of declaration of the same, for the year ended as on 31/03/2007.
 - (iii) paid/posted the warrants for dividends to the members within 30 days from the date of declaration of the same, for the year ended as on 31/03/2007;
 - (iv) transferred the amount of Rs.9816/- on 27/12/2007 being unpaid/unclaimed dividend for the year 1999-2000, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund vide Challan No. A28743912 dated 27/12/2007 and has also filed Form No. 1 along with list in Form No. 1A duly certified by a Practising Company Secretary, with the office of the Registrar of Companies, Gujarat.
 - (v) duly complied with the requirements of section 217 of the Act.
14. the Board of Directors of the company is duly constituted. No appointment of any director has been made during the year under review.
15. the Company has not appointed any Managing Director during the year under review.
16. the Company has not appointed any sole selling agents during the year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.



18. the Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. the company has not issued any securities during the financial year.
20. the company has not bought back any shares during the year ended on 31/03/2008.
21. the company was not required to redeem any preference shares or debentures during the financial year.
22. the company, wherever necessary, has kept in abeyance rights to dividend, pending registration of transfer of shares in compliance with the provisions of the Act.
23. the company has complied with the provisions of Section 58A and 58AA read with the Companies (Acceptance of Deposits) Rules, 1975, applicable directions issued by the Reserve Bank of India/any other authority in respect of deposits accepted including unsecured loans taken, amounting to Rs. NIL from shareholders and Rs.46.97 lacs from public aggregating to Rs. 46.97 lacs. However, after deducting amount of deposits repaid during the year, balance of outstanding deposits from Shareholders was Rs. 0.10 lacs and from Public was Rs. 65.94 lacs aggregating to Rs. 66.04 lacs as per the Return of Deposits for the year ended on 31-03-2008 duly certified by the Company and the Auditors. The Company has filed Text of Advertisement with the Registrar of Companies, Gujarat on 30-09-2007 and has also filed Return of Deposit as on 31-03-2007 with the Registrar of Companies on 30-06-2007 as required under the Act.
24. the amount borrowed by the Company from its Directors, Members, Public Financial Institutions, Banks and others during the financial year ended on 31/03/2008 are within the borrowing limits of the company and that necessary resolution as per section 293 (1)(d) of the Act had been passed on 30/09/1995 in duly convened Annual General Meeting.
25. the Company has given guarantee to the extent of Rs. 8.00 Crores to IDBI Bank Ltd. on behalf of Vadilal Industries Limited, which had availed term loan of Rs. 8.00 Crores, pursuant to special resolution passed under section 372A of the Act through the process of postal ballot on 10th July, 2007. Except this, the Company has not made any loans and investments, or provided securities to other bodies corporate during the year under review.
26. the Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's Registered office from one state to another during the year under scrutiny.
27. the company has altered the provisions of the Memorandum of Association with respect to the objects of the company during the year under scrutiny, by passing a Special Resolution on 10/07/2007, through Postal Ballot Process.
28. the Company has not altered the provisions of Memorandum of Association with respect to the name of the company during the year under scrutiny.
29. the Company has not altered provisions of Memorandum of Association with respect to the Share Capital of the company during the year under scrutiny.
30. the Company has not altered Articles of Association during the year under scrutiny.
31. no prosecutions were initiated against the company and no show cause notices were received by the company for alleged offences under the Act and no fines, penalties and punishments were imposed on the company in any cases.
32. the balance of the amount of security deposit from its employees as per the audited accounts of the Company shows net balance of Rs. 1,01,384.70 which has been kept in separate bank account as required under Section 417 of the Companies Act, 1956.
33. the Company had normally deposited both employees and employers contributions to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

Place : Ahmedabad
Date : 27th June, 2008

Signature : Sd/-
Name of Company Secretary : Ashish C. Doshi
C. O. P. No. : 2356

Annexure A

Registers maintained by the company :

Sr No.	Section	Name of the Register
1.	108	Share Transfer Register (in electronic form)
2.	143	Register of Charges
3.	150	Register of Members (in electronic form)
4.	151	Index of Members (in electronic form)
5.	193	Minutes of Meeting of Board of Directors
6.	193 (1)	Minutes of General Meetings
7.	209(1)	Books of Accounts
8.	301	Register of Contracts (Companies and Firms in which Directors are interested)
9.	303	Register of Directors
10.	307	Register of Director's Shareholding
11.	372 A	Register of Loans made to other companies, Investments in securities of other bodies Corporate and guarantees given.
12.	Table A	Attendance Register of Directors



Annexure B

Forms and returns as filed by the company with the Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ended on 31st March, 2008.

Sr. No.	Particulars of Form/Return	Section	Description of the Document	Date of filing and ROC Receipt No./SRN
01	Form - 23AC & Form - 23ACA	220	Balance Sheet as at 31/3/2007 and Profit & Loss A/c. in Schedule VI	P10956365& dtd. 22/10/2007
02	Form - 20B	159	Annual Return as on 29/09/2007 in Schedule V	P14441885 dtd. 30/11/2007.
03	Form - 66	383A	Compliance Certificate for the year ended on 31/03/2007	P10695799& dtd. 17/10/2007
04	Form - 62	58A read with Companies (Acceptance of Deposit) Rules,1975	Text of Advt. Inviting Deposits dtd. 30/06/2007	A18763615 & dtd. 24-07-2007
05	Form - 62	58A read with Companies (Acceptance of Deposit) Rules,1975	Return of Deposits as on 31/03/2007	A17377748 & dtd. 30/06/2007
06	Form - 23	Section - 192	Copy of Special Resolutions passed through Postal Ballot Process on 10-07-2007.	SRN : A18338699 dated 17-07-2007.
07	Form - 20A	Section - 149(2A)	Commencement of New business by the Company.	SRN : A18403097 dated 18-07-2007.
08	Form - 8 dated 26-12-2007	Section 125	Particulars of modification of charge	SRN A28688620 dated 26-12-2007
09	Form - 8 dated 26-12-2007	Section 125	Particulars of modification of charge	SRN A28688901 dated 26-12-2007
10	Form - 8 dated 26-12-2007	Section 125	Particulars of modification of charge	SRN A28695500 dated 26-12-2007
11	Form - 8 dated 26-12-2007	Section 125	Particulars of modification of charge	SRN A28689123 dated 26-12-2007
12	Form - 8 dated 26-12-2007	Section 125	Particulars of modification of charge	SRN A28695658 dated 26-12-2007
13	Form - 8 dated 26-12-2007	Section 125	Particulars of modification of charge	SRN A28695336 dated 26-12-2007
14	Form - 1 of IEPF Rules.	Section 205C read with IEPF Rules	Transfer of unpaid/ unclaimed dividend for the year 1999-2000 deposited with bank on 27/12/2007 to Central Govt.'s IEPF A/c	Submitted on 25/01/2008 vide SRN A30603799

Signature : Sd/-

Place : Ahmedabad
Date : 27th June, 2008

Name of Company Secretary : Ashish C. Doshi
C. O. P. No. : 2356



AUDITORS' REPORT

To,
The Members of
Vadilal Enterprises Limited
Ahmedabad.

1. We have audited the attached balance sheet of **Vadilal Enterprises Limited** as at **March 31, 2008**, the profit & loss account and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies [Auditor's Report] Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure here to a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - (iii) The, balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the balance sheet, profit & loss account and cash flow statement dealt with by this report comply with the mandatory accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of the written representations received from directors, as on 31st March 2008, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2008 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956, on the said date.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the balance sheet, of the state of affairs of the company as at 31st March, 2008;
 - (b) in the case of the profit & loss account, of the 'profit' of the company for the year ended on that date; and
 - (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

For **KANTILAL PATEL & CO.,**
Chartered Accountants

Mayank S. Shah
Partner

Membership No.: 44922

Place : Ahmedabad
Date : June 27, 2008

ANNEXURE TO THE AUDITORS' REPORT TO THE MEMBERS OF VADILAL ENTERPRISES LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2008.

- (i) In respect of its fixed assets :
 - [a] The company has maintained proper records showing full particulars including quantitative details and situation only in respect of building, vehicles and deep freeze machines capitalized on wards 1997-98. In respect of deep freeze machines capitalized prior to 1997-98 and other assets, individual details as to cost and accumulated depreciation, remains to be reconciled with ledger balances appearing in the financial statements.
 - [b] In respect of deep freeze machines, acrylic boards, push carts and freezer on wheels lying with third parties, we are informed that the company has formulated a programme of physical verification of these assets over a period of three years. In majority cases deep freeze machines, push carts and freezer on wheels were verified during the financial year 2003-04. Physical verification of deep freeze machines, push carts and freezer on wheels was due during the year 2006-07. Physical verification of acrylic boards was overdue since 1998-99. Deep freeze machines, push carts, freezer on wheels and Acrylic boards are not verified during the year hence the question of reconciliation between physical verification and book records does not arise.

Except vehicles and building we are informed by the management that other assets viz. furniture & office equipments are not verified.

No material discrepancies were noticed in case of vehicles and building on such physical verification.
 - [c] The company has not disposed off substantial part of fixed assets during the year.
- (ii) In respect of its Inventories :
 - [a] As explained to us, inventories have been physically verified by the management at reasonable intervals during the year except stock of stores and spares and Deep Freez Machines other than of Ahmedabad center have not been physically verified during the year.
 - [b] In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
 - [c] The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on such physical verification of inventory as compared to the book records. In absence of physical verification of stock of stores and spares and Deep Freez Machines other than of Ahmedabad center, the discrepancy if any, could not be ascertained.
- (iii) In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 :

The company has not granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Act. And hence, paragraph 4 (iii)(a), (b), (c), (d), (e), (f) and (g) are not considered applicable to the company.



- (iv) In respect of main trading item viz. ice-cream, mango pulp, mango ras, frozen vegetables the purchases are made at agreed terms and conditions. In our opinion and according to the explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (v) In respect of transactions covered under Section 301 of the Companies Act, 1956:
- [a] In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act, have been entered in the register required to be maintained under that section.
- [b] The transactions for purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 5 Lakhs or more in respect of each party, according to the information and explanations given to us, purchase of specialized items such as ice-cream, mango pulp, mango ras alternative sources are limited and others are made with reference to prevailing market prices at the relevant time for such goods, materials or services or the prices at which transactions for similar goods or services have been made with other parties.
- (vi) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 58 A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under with regard to the deposits accepted from the public.
- We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
- (viii) As the company is a trading company, Paragraph 4(viii) is not applicable.
- (ix) In respect of statutory dues:
- [a] According to the records of the company, undisputed statutory dues including provident fund, investor education & protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues wherever applicable to the company except advance income tax, have generally been regularly deposited by the company with the appropriate authorities.
- [b] According to the information and explanations given to us, no undisputed amount payable in respect of aforesaid statutory dues were outstanding as at 31st March, 2008 for the period of more than six months from the date they become payable except payment of advance tax of Rs.22.39 lakhs which remains outstanding for a period of more than six months from the date it became payable..
- [c] According to the information and explanations given to us, there are no dues of Sales Tax / Income Tax / Custom Duty / Wealth Tax / Excise Duty / Service Tax / Cess which have not been deposited on account of any dispute.
- (x) The company has no accumulated losses as at March 31, 2008 The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks. The company has not obtained any borrowings from financial institution or by way of debentures.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company has given guarantee for loans taken by others from banks or financial institutions. In our opinion and based on the information and explanations given to us, the terms and conditions are considered not prejudicial to the interest of the company.
- (xiv) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, the term loans raised during the year were prima facie been used for the purpose for which they were raised. The term loans outstanding at the beginning of the year were applied for the purpose for which they were obtained.
- (xv) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that, funds of Rs.169.82 Lacs raised on short-term basis have been used for long term investments.
- (xvi) During the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xvii) According to information and explanations given to us, the company has not issued any debentures during the year.
- (xviii) The company has not raised any money by way of public issue during the year.
- (xix) To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year that causes the financial statements to be materially misstated.
- (xx) In our opinion and according to the information and explanations given to us, the nature of the company's business/activities during the year are such that paragraphs 4(xiii) provisions of any special statute applicable to chit fund; 4(xiv) dealing or trading in shares, securities, debentures and other investments of Company (Auditor's Reports) Order, 2003 are not applicable to the company.

For **KANTILAL PATEL & CO.,**
Chartered Accountants

Mayank S. Shah
Partner

Place : Ahmedabad
Date : June 27, 2008

Membership No.: 44922



BALANCE SHEET AS AT 31ST MARCH, 2008

	SCHEDULE	(Rs. in Lacs)	AS AT 31.03.2008 (Rs. in Lacs)		AS AT 31.03.2007 (Rs. in Lacs)
I SOURCES OF FUNDS :					
1) SHAREHOLDERS' FUNDS:					
Share Capital	1	86.42			86.40
Reserves & Surplus	2	230.60			212.18
			317.02		298.58
2) LOAN FUNDS:					
Secured Loans	3	578.62			607.54
Unsecured Loans	4	1,282.16			1,206.83
			1,860.78		1,814.37
3) DEFERRED TAXATION (NET)					
	5		73.71		122.34
TOTAL ->			2,251.51		2,235.29
II APPLICATION OF FUNDS :					
1) FIXED ASSETS :					
Gross Block	6	3,826.56			3,526.08
Less : Depreciation		2,102.68			1,811.04
Net Block			1,723.88		1,715.04
2) INVESTMENTS					
	7		73.88		73.88
3) CURRENT ASSETS, LOANS & ADVANCES					
(a) Inventories	8	243.63			156.04
(b) Sundry Debtors	9	1,247.11			973.61
(c) Cash & Bank Balances	10	97.80			62.89
(d) Loans & Advances	11	2,351.61			2,225.30
Sub Total (i)		3,940.15			3,417.84
Less:					
CURRENT LIABILITIES & PROVISIONS					
(a) Current Liabilities	12	3,356.37			2,828.34
(b) Provisions	13	130.86			145.18
Sub Total (ii)		3,487.23			2,973.52
Net Current Assets : (i-ii)			452.92		444.32
4) MISCELLANEOUS EXPENDITURE					
	14		0.83		2.05
TOTAL ->			2,251.51		2,235.29
Significant Accounting Policies	20				
Notes to the Accounts	21				

This is the Balance Sheet referred to in our report of even date

For and on behalf of the Board

For **KANTILAL PATEL & CO.**
Chartered Accountants

Ramchandra R. Gandhi - Chairman & Managing Director
Jayantilal M. Shah - Director
Ruchita Gor - Company Secretary

Mayank S. Shah
Partner

Place: Ahmedabad
Date : June 27, 2008.

Place: Ahmedabad
Date : June 27, 2008.



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	SCHEDULE	YEAR ENDED 31.03.2008 (Rs. in Lacs)	YEAR ENDED 31.03.2007 (Rs. in Lacs)
I. INCOME :			
Sales & Service Charges	15	13,604.72	11,888.88
Other Income	16	109.60	69.72
TOTAL ->		<u>13,714.32</u>	<u>11,958.60</u>
II. EXPENDITURE :			
Cost of Goods Sold	17	10,821.11	9,350.36
Selling ,Distribution & Other Expenses	18	2,347.13	2,169.30
Financial Expenses	19	43.33	13.84
Depreciation		396.16	369.66
TOTAL ->		<u>13,607.73</u>	<u>11,903.16</u>
III. Profit Before Tax and Exceptional Items		106.59	55.44
IV. Prior Period Adjustment		57.02	0.00
V. Profit Before Tax		49.57	55.44
VI. Provision For Tax			
- Current		68.50	71.25
- Deferred Tax [Net (Credit)/ Charge]		(51.73)	(52.57)
- Fringe Benefit Tax		15.00	13.00
- Short/(Excess) Provision of Income Tax /Fringe Benefit Tax of earlier years written off (written back)		1.75	(5.54)
VII. Net Profit After Tax		16.05	29.30
VIII. Balance Brought Forward		48.32	31.16
IX. Amount available for Appropriation		64.37	60.46
APPROPRIATIONS			
Proposed Dividend		0.00	8.64
Dividend Tax thereon		0.00	1.47
Transfer to General Reserve		0.00	2.03
Balance Profit Carried to Balance Sheet		64.37	48.32
		<u>64.37</u>	<u>60.46</u>
Significant Accounting Policies	20		
Notes to the Accounts	21		
Basic and Diluted Earnings per Equity Share (Rupees) (Nominal value of Rs.10/- per Equity Share) (Refer Sch.-21 Note No.8)		1.84	3.37

This is the Profit & Loss Account referred to in our report of even date

For and on behalf of the Board

For **KANTILAL PATEL & CO.**
Chartered Accountants

Ramchandra R. Gandhi - Chairman & Managing Director
Jayantilal M. Shah - Director
Ruchita Gor - Company Secretary

Mayank S. Shah
Partner

Place: Ahmedabad
Date : June 27, 2008.

Place: Ahmedabad
Date : June 27, 2008.



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008

	Ended on 31.03.2008 (Rs. in Lacs)	Ended on 31.03.2007 (Rs. in Lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax after Exceptional items as Profit & Loss Accounts	106.59	55.44
Adjusted for :		
Depreciation	396.16	369.66
(Profit) / Loss on Sale of Fixed Assets	(0.91)	0.84
Provisions for doubtful debts	0.00	1.99
Provisions for doubtful debts adjusted by written off	(7.21)	0.00
Provisions for doubtful advance	7.12	7.78
Dividend Income	(0.07)	(0.08)
Interest Income	(57.21)	(68.20)
Interest Expenses	100.54	82.04
	545.01	449.47
Operating profit before working capital changes		
Adjusted for :		
Trade and other receivables	(407.58)	(421.70)
Inventories	(87.59)	67.84
Trade payables	528.79	7.71
Deferred Expenses	1.22	1.95
	579.85	105.27
Cash Generated from operations		
Direct taxes paid / Adjustment	(81.13)	(29.84)
Prior Period Expenses	(57.02)	0.00
Operating Cashflow	441.70	75.43
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(407.34)	(376.39)
Sale / Discard of fixed assets	3.25	1.64
Interest received	60.53	63.21
Dividend received	0.36	0.08
Net Cash used in investing activities	(343.20)	(311.46)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from borrowings	194.86	354.03
Repayment of borrowings	(147.12)	(59.82)
Proceeds from the issue of Share Capital	0.05	0.00
Interest paid	(101.49)	(80.12)
Dividend Paid	(9.89)	(0.28)
Net cash used in financing activities	(63.59)	213.81
Net Increase / (Decrease) in cash equivalents(A+B+C)	34.91	(22.22)
Net Cash equivalents as at 01.4.2007(Opening Balance)	62.89	85.11
	97.80	62.89
Major Components of Cash and Cash Equivalents as at	31.03.2008	31.03.2007
Cash on hand	4.89	4.77
Balance With Banks - On Current Accounts	79.61	44.65
- On Fixed Deposit Accounts (Rs. 1.30 Lacs P.Y.Rs. 1.47 Lacs Pledged with banks)	13.30	13.47
	97.80	62.89

Notes :1) The above cash flow has been prepared under Indirect Method set out in AS 3, issued by The Institute of Chartered Accountants of India.
2) Previous years figures have been restated wherever necessary to make them comparable with current year figures.

This is the Cash Flow Statement referred to in our report of even date

For **KANTILAL PATEL & CO.**
Chartered Accountants

Mayank S. Shah
Partner

Place: Ahmedabad
Date : June 27, 2008.

For and on behalf of the Board

Ramchandra R. Gandhi - Chairman & Managing Director
Jayantilal M. Shah - Director
Ruchita Gor - Company Secretary

Place: Ahmedabad
Date : June 27, 2008.



SCHEDULES TO BALANCE SHEET

	AS AT 31.03.2008 (Rs. in Lacs)	AS AT 31.03.2007 (Rs. in Lacs)
SCHEDULE: 1 SHARE CAPITAL :		
AUTHORISED :		
20,00,000 (P.Y. 20,00,000) Equity Shares of Rs.10/- each	200.00	200.00
ISSUED, SUBSCRIBED & PAID UP :		
8,70,148 (P.Y.8,70,148) Equity Shares of Rs. 10/- each fully paid up	87.01	87.01
Less : Calls in Arrears (Due from other than Directors)	0.59	0.61
TOTAL ->	86.42	86.40
SCHEDULE: 2 RESERVES & SURPLUS :		
SECURITIES PREMIUM ACCOUNT :		
Balance as per Last Balance Sheet	93.77	93.77
Less: Calls in Arrears	0.88	0.91
	92.89	92.86
GENERAL RESERVE :		
Balance as per Last Balance Sheet	71.00	68.98
Add: Transferred from Profit & Loss Account	0.00	2.02
Add: Reduction in transitional Provisions under Accounting Standard 15 (Gross) Rs. 5.44 Lacs, Deferred Tax Liability (Net) Rs.3.10 Lacs	2.34	0.00
	73.34	71.00
PROFIT & LOSS ACCOUNT BALANCE		
	64.37	48.32
TOTAL ->	230.60	212.18
SCHEDULE: 3 SECURED LOANS		
[A] TERM LOANS :		
(a) FROM BANKS :		
(i) IDBI Bank Ltd. (Secured against hypothecation of Delivery Vehicles and specific Deep Freeze Machines and guaranteed by some of the Directors and a company.)	94.11	138.53
(ii) Bank of India (Secured against hypothecation of Delivery Vehicles, Deep Freeze Machines, Spare Parts and other movable Properties and guaranteed by some of the Directors of the company and a company) (Also secured against creation of Equitable mortgage by simple deposit of title deeds of 1st floor of Vadilal House situated at Shrimali Soc., Navrangpura, Ahmedabad.) Interest Accrued & Due	269.52	200.00
	0.00	2.29
	269.52	202.29
(iii) Car Loan Secured against hypothecation of specified vehicles of the company		
(a) I.C.I.C.I Car Loan (Refer Sch.- 21 Note No. 5(b))	4.08	5.42
(b) H.D.F.C Car Loan (Refer Sch.- 21 Note No. 5(b))	42.14	7.98
(c) Kotak Mahindra Car Loan (Refer Sch.- 21 Note No. 5(b))	0.00	7.79
(d) Kotak Mahindra Prime Car Loan (Refer Sch.- 21 Note No. 5(b))	10.44	0.00
	420.29	362.01
[A] (Secured Loans of Rs.140.68 Lacs repayable within one year) (P. Y. Rs.79.48 Lacs)		
[B] CASH CREDITS :-		
From Scheduled Bank :	157.74	245.53
(Secured by hypothecation of stocks, book debts and personal guarantee of some of the Directors & further secured by creation of Equitable mortgage by simple deposit of title deeds of 1st floor of Vadilal House situated at Shrimali Soc., Navrangpura, Ahmedabad and also secured by gurantee of a company) Interest Accrued & but not Due	0.59	0.00
	158.33	245.53
[B]	158.33	245.53
TOTAL [A+B]	578.62	607.54



(Rs. in Lacs)	AS AT 31.03.2008 (Rs. in Lacs)	AS AT 31.03.2007 (Rs. in Lacs)								
SCHEDULE : 4 UNSECURED LOANS:										
Security Deposits from Dealers/Distributors.(Interest Free)	1,216.84	1,143.62								
Fixed Deposits from Public	64.32	62.58								
Add :-Interest Accrued & due	1.00	0.63								
(Repayable within one year Rs.37.65 Lacs P.Y Rs. 43.41Lacs)	<u>65.32</u>	<u>63.21</u>								
TOTAL	<u><u>1,282.16</u></u>	<u><u>1,206.83</u></u>								
SCHEDULE : 5 DEFERRED TAX LIABILITY (NET) :										
(Refer Sch.-20 Note No.L)										
Deferred Tax Liability										
Deference between Book and Income Tax Depreciation	85.33	132.36								
Deferred Revenue Exp.	0.28	0.70								
Other Deferred Tax Liability	<u>2.31</u>	<u>0.00</u>								
	87.92	133.06								
Deferred Tax Assets										
Expenditure disallowable under Section 43B	14.21	8.29								
Provision for doubtful debts / advances	<u>0.00</u>	<u>2.43</u>								
	<u>14.21</u>	<u>10.72</u>								
TOTAL	<u><u>73.71</u></u>	<u><u>122.34</u></u>								
SCHEDULE : 6 FIXED ASSETS (Refer Schedule 20 Note No. C) :										
(Rs. in Lacs)										
	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 01.04.07	Addition	Deduction	As on 31.03.08	Upto 01.04.07	For the year	Deduction	Upto 31.03.08	As on 31.03.08	As on 31.03.07
Building	37.52	0.00	0.00	37.52	7.38	0.67	0.00	8.05	29.47	30.14
Plant & Machinery	3,215.68	366.07	80.44	3,501.31	1,595.55	384.99	78.10	1,902.44	1,598.87	1,620.13
Office Equipments	17.82	1.19	0.00	19.01	9.54	0.96	0.00	10.50	8.51	8.28
Furniture& Fixtures	15.23	0.04	0.00	15.27	12.25	0.97	0.00	13.22	2.05	2.98
Vehicles	213.41	40.04	0.00	253.45	159.90	8.57	0.00	168.47	84.98	53.51
Leased Assets.	26.42	0.00	26.42	0.00	26.42	0.00	26.42	0.00	0.00	0.00
Total.....	3,526.08	407.34	106.86	3,826.56	1,811.04	396.16	104.52	2,102.68	1,723.88	1,715.04
Previous Year	3,221.96	376.58	72.46	3,526.08	1,511.36	369.66	69.98	1,811.04	1,715.04	
NOTE :										
[1] Gross Block of Vehicles as on 31/03/08 includes assets taken on Hire Purchase at cost of Rs.90.49 Lacs (P.Y. Rs.43.14 lacs), accumulated depreciation thereon is Rs.23.10 lacs (P.Y. Rs. 8.92 Lacs) and net carrying amount is Rs.67.39 Lacs (P.Y.Rs.34.22 lacs)										
[2] Vehicles includes Vehicles amounting to Rs.43.14 Lacs (P.Y.Rs.43.14 lacs) which are held in the Name of Directors of the company.										
[3] Gross Block of Rs.3826.56 lacs (P.Y. Rs. 3526.08 lacs) and Depreciation upto 31-03-08 of Rs.2102.68 lacs (P.Y. Rs. 1811.04 lacs) include amount of Rs.260.52 lacs (P.Y. Rs. 144.04 lacs) which represents Fixed Assets fully depreciated and Net Block value of respective fixed assets is Rs NIL..										
(Rs. in Lacs)										
SCHEDULE: 7 INVESTMENTS :										
(Refer Sch.-20 Note No. D)										
Long Term Investments:-										
(A) Quoted :										
In Equity shares of Rs.10/- each fully paid up :										
2000 (P.Y.2000)Gujarat Narmada Knitwear Ltd.				0.20				0.20		
400 (P.Y.400) Aminex Chemicals Ltd.				0.04				0.04		
535000(P.Y.535000)Vadilal Chemicals Ltd.				<u>81.60</u>				<u>81.60</u>		
				81.84				81.84		
3864.40(P.Y.3864.40)6.75% Tax Free Bonds of Rs. 100/- each of Unit Trust of India				<u>3.86</u>				<u>3.86</u>		
				85.70				85.70		
Less :-Diminution in Value of Investments				<u>22.97</u>				<u>22.97</u>		
				62.73				62.73		



(Rs. in Lacs)	AS AT 31.03.2008 (Rs. in Lacs)	AS AT 31.03.2007 (Rs. in Lacs)
(B) Unquoted :		
(i) In Equity shares of Rs.10/- each fully paid up :-		
700000(P.Y.700000)Kalpit Realty & Services Ltd.	0.37	0.37
70000(P.Y.70000) Vadilal Happinezz Parlour Limited	7.00	7.00
115200(P.Y.115200) Majestic Farm House Ltd	11.52	11.52
(ii) In Equity shares of Rs.25/- each fully paid up :-		
2450(P.Y. 2450) Textile Traders Co-op.Bank Ltd	0.61	0.61
40(P.Y.40) Siddhi Co-op Bank Ltd	0.01	0.01
	<u>19.51</u>	<u>19.51</u>
Less :-Diminution in Value of Investments	<u>8.36</u>	<u>8.36</u>
	<u>11.15</u>	<u>11.15</u>
TOTAL	<u><u>73.88</u></u>	<u><u>73.88</u></u>
Aggregate Value of -		
a. Quoted Investments		
Book Value	85.70	85.70
Market Value	67.95	62.71
b. Unquoted Investments		
Book Value	19.51	19.51
SCHEDULE: 8 INVENTORIES :		
(Refer Sch.-20 Note No. E)		
Machinery Parts	48.95	43.72
Finished Goods	194.68	112.32
TOTAL	<u><u>243.63</u></u>	<u><u>156.04</u></u>
SCHEDULE: 9 SUNDRY DEBTORS :		
(Refer Sch.-21 Note No. 2)		
Debts outstanding for a period exceeding Six months	179.62	144.29
Less: Provision for doubtful debts	<u>0.00</u>	<u>7.21</u>
	179.62	137.08
Other debts [a]		
[b]	<u>1,067.49</u>	<u>836.53</u>
T o t a l [a+b]	<u><u>1,247.11</u></u>	<u><u>973.61</u></u>
Of the above debts		
a) Fully Secured	381.10	370.15
b) Unsecured Considered Good	866.01	603.46
c) Considered doubtful	0.00	7.21
TOTAL	<u><u>1,247.11</u></u>	<u><u>980.82</u></u>
SCHEDULE: 10 CASH & BANK BALANCES :		
Cash on hand	4.89	4.77
Bank Balances:		
A) With Scheduled Banks:		
(i) In Current Accounts	79.57	44.61
(ii) In Fixed Deposit Accounts	13.30	13.47
[Fixed Deposits of Rs.1.30 Lacs (P.Y.Rs.1.47 Lacs) are pledged with Scheduled Banks]		
B) With Non-Scheduled Banks (In Current Accounts) :-		
(i) Development Credit Bank	0.04	0.04
[Max. Balance during the year Rs.0.04 Lacs P.Y.Rs.0.04Lacs]		
TOTAL	<u><u>97.80</u></u>	<u><u>62.89</u></u>
SCHEDULE: 11 LOANS & ADVANCES :		
Advances recoverable in Cash or in kind or for value to be received.	163.03	156.94
Staff Loan	9.00	11.19
Deposits with Government Authority	0.25	2.16
Other Trade/Security Deposits	911.18	1,024.47
Advance Payment Of Tax Less Provisions (Current Tax)	25.55	30.10
Loan to others	47.12	46.00



	AS AT 31.03.2008 (Rs. in Lacs)	AS AT 31.03.2007 (Rs. in Lacs)
Loan in current Account	1226.94	980.04
Less: Provision for irrecoverable Advances	2,383.07	2,250.90
TOTAL	<u>31.46</u>	<u>25.60</u>
Of the above Loans and Advances -		
a) Fully Secured	0.00	0.00
b) Unsecured Considered Good	2,351.61	2,225.30
c) Considered Irrecoverable	31.46	25.60
TOTAL	<u>2,383.07</u>	<u>2,250.90</u>
SCHEDULE: 12 CURRENT LIABILITIES		
Sundry Creditors (Refer Sch.21 Note No. 3)	2,697.85	2,124.22
Other Liabilities	495.28	593.00
Advance received from customers	81.62	67.70
Temporary overdraft in current a/c with Banks	75.70	38.17
Unclaimed Dividend *	1.14	0.92
Unclaimed matured fixed deposits *	2.07	2.00
Interest Accrued But not Due on deposits*	2.71	2.33
TOTAL	<u>3,356.37</u>	<u>2,828.34</u>
* These figures do not include any amounts, due & outstanding, to be credited to Investors Education & Protection Fund.		
SCHEDULE: 13 PROVISIONS :		
Employee Benefit (Refer Sch.-20 Note No. F)	41.82	45.90
Proposed Dividend	0.00	8.64
Provision for Dividend Tax	0.00	1.47
Provision for Income Tax Less Advance Tax (Current Tax)	79.04	84.17
Provision for Fringe Benefit Tax Less Advance Tax	10.00	5.00
TOTAL	<u>130.86</u>	<u>145.18</u>
SCHEDULE: 14 MISCELLANEOUS EXPENDITURE :		
(Refer Sch.-20 Note No. M)		
Upfront Interest on restructuring of Loan	0.83	2.05
TOTAL	<u>0.83</u>	<u>2.05</u>
SCHEDULES TO PROFIT & LOSS ACCOUNT		
	YEAR ENDED 31.03.2008 (Rs. in Lacs)	YEAR ENDED 31.03.2007 (Rs. in Lacs)
SCHEDULE: 15 SALES & SERVICE CHARGES :		
(Refer Sch.-20 Note No. G)		
Sales	14,319.88	12,550.43
Less: Sales Comm., Trade Discount, Scheme Discount, Damages etc.	<u>815.41</u>	<u>732.87</u>
	13,504.47	11,817.56
Service Charges Income	30.88	14.45
Forex Advisory Fees	69.37	56.87
TOTAL	<u>13,604.72</u>	<u>11,888.88</u>
SCHEDULE: 16 OTHER INCOME :		
Dividend Income on Long Term Investments(Gross)	0.07	0.08
Promotional Charges Recovered	0.03	2.46
Excess Provision / Credit Balance Written back	55.10	25.77
Net Profit on Sale of Assets	0.91	0.00
Miscellaneous Income	53.49	39.45
Foreign exchange difference (Refer Sch.-20 Note No.H)	0.00	1.96
TOTAL	<u>109.60</u>	<u>69.72</u>



	YEAR ENDED 31.03.2008 (Rs. in Lacs)	YEAR ENDED 31.03.2007 (Rs. in Lacs)
SCHEDULE: 17		
COST OF GOODS SOLD : (Refer Sch.- 21 Note No. 11)		
Opening Stock	112.32	190.52
Less : VAT Credit availed on opening stock	0.00	0.97
	<u>112.32</u>	<u>189.55</u>
Add: Purchases	11,086.86	9,475.62
	<u>11,199.18</u>	<u>9,665.17</u>
Less: Capitalised during the year	183.39	202.49
	<u>11,015.79</u>	<u>9,462.68</u>
Less: Closing Stock	194.68	112.32
	<u>10,821.11</u>	<u>9,350.36</u>
TOTAL		
SCHEDULE: 18		
SELLING, DISTRIBUTION & OTHER EXPENSES:		
Advertisement,Sales Promotion & Publicity Expenses	590.05	614.44
Freight & Forwarding Charges	591.09	497.07
Employees Expenses (Refer Sch.- 18.1)	479.51	414.47
Repairs & Maintenance - Machinery	77.57	56.91
- Others	10.88	9.27
Rent	28.53	20.72
Rates & Taxes	24.66	15.80
Insurance	4.80	5.55
Royalty	100.97	169.31
Vehicle Repairs & Petrol Expenses	53.78	54.92
Travelling	79.73	68.09
Provision for doubtful debts	0.00	1.99
Provision for doubtful Advances	7.12	7.78
Loss on the sale of Assets	0.00	0.84
Bad Debts/Loans/Advances/Other Current Assets irrecoverable written-off	36.33	21.78
Less : Provided in earlier years	7.21	0.00
	<u>29.12</u>	<u>21.78</u>
Miscellaneous Expenses (Refer Sch.-18.2)	269.32	210.36
	<u>2,347.13</u>	<u>2,169.30</u>
TOTAL		
EMPLOYEES EXPENSES : 18.1		
Salaries, Wages, Allowances & Bonus ,etc.	444.79	384.59
Contribution to P.F.,F.P.F., etc.	30.05	27.22
Staff Welfare Expenses	4.67	2.66
	<u>479.51</u>	<u>414.47</u>
TOTAL		
MISCELLANEOUS EXPENSES : 18.2		
Sales Tax	1.86	1.14
C & F Commission	82.60	71.54
Directors' Travelling Expenses	1.41	0.71
Directors' sitting fees	0.48	0.48
Auditor's Remuneration - Audit Fees	2.75	2.50
- Tax Audit Fees	1.10	1.00
- Certificate Fees	0.54	0.44
- Taxation Matters	2.75	1.51
- Out of Pocket expenses	0.23	0.18
Other Expenses (Including Legal & Professional Charges, Conveyance, Electricity,Printing & Stationery, Telephone, Telerate Fees Expenses,etc.)	175.60	130.86
	<u>269.32</u>	<u>210.36</u>
TOTAL		
SCHEDULE: 19		
FINANCIAL EXPENSES :		
On Fixed Loans	42.81	33.72
On Bank Overdraft	26.94	17.48
On Fixed deposits	5.43	6.99
Brokerage & other financial Charges	25.36	23.85
	<u>100.54</u>	<u>82.04</u>
Less : Interest Income	57.21	68.20
(Tax Deducted at Source Rs.12.03 Lacs P.Y. Rs.13.61 Lacs)		
	<u>43.33</u>	<u>13.84</u>
TOTAL		



SCHEDULE 20-SIGNIFICANT ACCOUNTING POLICIES

(A) ACCOUNTING CONVENTION :

The financial statements have been prepared in accordance with the accounting principles generally accepted in India (Indian GAAP) and comply with the Companies (Accounting Standards) Rules, 2006, issued by the Central Government and relevant provisions of Companies Act, 1956 and are based on the historical cost convention as modified to include the revaluation of certain fixed assets.

(B) USE OF ESTIMATES:

Preparation of financial statements in conformity with the generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of the financial statements and accompanying notes. Difference between the actual results and estimates, are recognised in the period in which the results are known/ materialised.

(C) FIXED ASSETS AND DEPRECIATION & IMPAIRMENT:

- (i) Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss. Other attributable cost incurred for bringing the fixed assets to its intended use are added to the cost of Fixed Assets. Adjustments arising from exchange rate variations relating to transaction in foreign currencies attributable to Fixed Assets are capitalised.
- (ii) Depreciation on fixed assets is provided on "Straight Line Method" at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956 (as amended) except in case of;
 - (a) On electrical installation (Acrylic Glow Sign Board & Translite), Push Carts, Tricycles, Insulated Iron / Plastic Boxes and Freezer on wheels in respect of which depreciation is charged at 20% based on the estimated useful life of five years.
 - (b) On Plastic Crates and on specific assets of Happinezz Parlour on which depreciation is charged at 33.33% based on the estimated useful life of three years.
 - (c) In respect of Deep Freeze Machines for addition from the year 2001-02, depreciation is charged at 10% based on estimated useful life of Ten years.
 - (d) Cost of electrical installation more than five years old and their corresponding depreciation are adjusted from gross block of fixed assets and depreciation fund respectively.

(iii) IMPAIRMENT OF ASSETS:

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

(D) INVESTMENTS:

Investments are classified as long term investments and are stated at cost. A Provision for diminution in the value of long term investments is made for each investment individually, only if such decline is other than temporary.

(E) INVENTORIES:

Inventories are valued as under:

<u>INVENTORY</u>	<u>VALUATION METHOD</u>
(i) Finished Goods.	At cost or net realisable value whichever is lower. Due provision for obsolescence and wear & tear is made.
(ii) Machinery Parts.	At Lower of cost or Net realisable Value. Cost is determined on "Weighted Average" basis. Due Provision for obsolescence and wear & tear is made.

(F) EMPLOYEES BENEFITS :

(a) Short Term Employee Benefits :

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

(b) Post-Employment Benefits :

(i) Defined Contribution Plans :

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

(ii) Defined Benefit Plans :

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

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

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

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

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

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

(c) Long term employee benefits :

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

(G) REVENUE RECOGNITION:

(i) SALES ACCOUNTING:

Sales are shown net of Damages, Trade Discount and Special Scheme Discount. Sales do not include Value Added Tax.

(ii) Service charges income are accounted when there is reasonable certainty of recovery.

(iii) Income of Forex Advisory Fees accounted on accrual basis.

(iv) Dividend income from Investment is accounted for when the right to receive is established

(H) FOREIGN CURRENCY TRANSACTIONS:

(i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

(ii) Assets and Liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at the year-end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognised over the life of the contract. The difference in translation of current assets and current liabilities is recognized in the Profit & Loss Account.

(iii) Exchange difference related to acquisition of fixed assets is adjusted to the cost of those assets up to 31.03.2007.

(iv) Premium or discount arising at the inception of the forward exchange contract is amortised as income or expense over the period of the contract. Any profit or loss arising in renewal or cancellation of forward exchange contracts is recognised as income or expense during the year.

(I) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

Contingent Liabilities are disclosed by way of notes to Accounts.

Contingent Assets are neither recognised nor disclosed in the financial statements.

(J) CONTINGENCIES AND EVENTS OCCURRING AFTER BALANCE SHEET DATE:

All contingencies and events occurring after Balance Sheet date which have a material effect on the financial position of the company are considered for preparing the financial statement.

(K) BORROWING COST:

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

(L) TAXES ON INCOME AND EXPENSES:

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

(ii) Fringe Benefit tax has been determined at current applicable rate on taxes falling within the ambit of "Fringe Benefit" as defined under the Income Tax Act, 1961.

(M) Miscellaneous Expenditure:

Upfront interest paid on restructuring of term loans is amortised over the tenure of such loans.



SCHEDULE 21 - NOTES TO THE ACCOUNTS.

1. CONTINGENT LIABILITIES NOT PROVIDED FOR :

	As on 31-03-2008 (Rs. in Lacs)	As on 31-03-2007 (Rs. in Lacs)
(a) Estimated amount of Contracts remaining to be executed on Capital account and not provided For (net of advances).	215.35	156.57
(b) Claims against the Company not acknowledged as debt / against which appeal has been filed.		
(i) Sales Tax	0.00	2.61
(ii) Others	13.02	13.72
(iii) Income Tax*	28.50	80.03
(c) Outstanding amount of bills accepted by the company	649.09	441.35
(d) Guarantees given by the company against Term Loan given to company in which Directors are interested	800.00	0.00
Outstanding against this as at 31.03.2008	750.00	0.00

*(Disputed Statutory dues pending at Office of Deputy Commissioner of Tax)

Note : Future Cash outflows in respect of 1 (b) above depends on ultimate settlement / conclusions with the relevant authorities.

2. Certain balances of debtors, creditors, loans and advances and deposits from dealers/distributors are subject to confirmation. Any adjustments, if required, would be made at the time of reconciliation/settlement of the Accounts.
3. Based on the information available with the company, there are no suppliers who are registered under the Micro, Small & Medium Enterprises Development Act, 2006 as at 31st March 2008. Hence, the information as required under the Micro, Small & Medium Enterprises Development Act, 2006 is not disclosed.

4. REMUNERATION TO CHAIRMAN & MANAGING DIRECTOR:

Salaries, Wages, Allowances, Bonus etc. includes Rs.10.00 Lacs towards managerial remuneration as under :-

	Year ended 31-03-2008 (Rs. in Lacs)	Year ended 31-03-2007 (Rs. in Lacs)
(a) Salary.	6.00	6.00
(b) Contribution to P.F. & other Funds.	0.78	0.72
(c) Perquisites (HRA, Allowances etc.)	3.22	2.75
	10.00	9.47

The Computation of net profit U/s 349 of the Companies Act, 1956 is not given as no commission is paid to the Managing Director in view of inadequate profit as per such computation.

5. a) The Company has taken buildings on operating lease that are renewed on a periodic basis and are cancelable at its option. Rental expenses for operating lease recognised in statement of profit and loss for the year is Rs.22.20 Lacs. (P.Y. Rs.19.85 Lacs)
- b) In respect of assets taken on finance after 1st April, 2001

	(Rs. in Lacs)			
	Balance as at 31.03.08	Not later than one year	Later than one year and not later than five years	Later than five years
i) Total of minimum lease payments	67.14	24.39	42.75	—
ii) Present value of minimum lease payment	56.66	19.59	37.07	—

iii) A general description of the significant finance leasing arrangements:

The Company has taken vehicles on hire purchase for a period of 24 to 60 months.

6. Loans & Advances :

- a) Includes Rs.10,00,000/- given to a party as a loan and Rs. 5,50,200/- interest thereon for the period of 2002-03 to 2006-07, which is due for recovery. Pending the recovery of principal & interest thereon, the Company on prudence has not accounted for interest income for the year 2007-08. The Company has initiated steps for recovery and is hopeful to recover the amount.
- b) Includes interest receivable amounting to Rs. 4,80,880/- for the period 2002-03 to 2006-07 is due for recovery. The Company has initiated steps for recovery and is hopeful to recover the amount.
7. Segment Reporting as defined in Accounting Standard 17 is not applicable since revenue of segment other than trading operations in food products does not exceed 10% of total revenue. Similarly as company sells its products in India there are no reportable geographical segments.



8. EARNINGS PER SHARE:

- a) The amount used as the numerator in calculating basic and diluted earnings per share is the net profit for the year disclosed in the profit & loss account.
- b) The weighted average number of equity shares used as the denominator in calculating both basic & diluted earnings per share is 8,70,148.

9. RELATED PARTY DISCLOSURES:

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

- | | |
|--|---|
| 1) Key Management Personnel | a) Shri Ramchandra R. Gandhi |
| 2) Relative of Key Management Personnel | a) Shri Virendra R. Gandhi
b) Shri Rajesh R. Gandhi |
| 3) Group of Individuals having significant influence over the company & relatives of such individuals. | a) Shri Devanshu L. Gandhi |
| 4) Enterprises owned or significantly influenced by group of individuals or their relatives who have significant influence over the company. | a) Vadilal Industries Ltd.
b) Kalpit Realty and Services Ltd.
c) Vadilal Soda Fountain.
d) Vadilal International Pvt Ltd.
e) Ambica Dairy Products.
f) Vadilal Hapinezz Parlour Ltd. |

b) Related Party Disclosures :

(Rs. in Lacs)

Sr. No.	Particulars of Transaction & Name of related party which transactions, more than 10 %	Enterprises owned or significantly influenced by key management personnel or their relatives
1	Sales : i) Vadilal Soda Fountain	72.82 (139.86)
	ii) Vadilal Happiness Parlour Ltd.	96.17 (0.00)
2	Purchase : i) Vadilal Industries Ltd.	10,783.56 (9,339.12)
3	Hire Charges/Rent paid : i) Kalpit Realty & Services Ltd.	124.11 (27.81)
	ii) Other	0.00 (2.64)
4	Rent paid : i) V.R. Gandhi & Others	2.56 (2.56)
	ii) Vadilal Industries Ltd.	0.90 (0.90)
5	Service Charges Income : i) Kalpit Realty & Services Ltd.	1.32 (1.20)
6	Replacement Income : i) Kalpit Realty & Services Ltd.	3.29 (7.92)
7	Trade Discount Given : i) Vadilal Soda Fountain	10.92 (13.98)
	ii) Vadilal Happiness Parlour Ltd.	14.43 (0.00)
8	Interest Income : i) Vadilal International Pvt.Ltd.	7.67 (7.75)
9	Royalty Paid : i) Vadilal International Pvt.Ltd.	100.97 (169.31)
10	Corporate guarantee given : i) Vadilal Industries Ltd.	800.00 (0.00)



C) Transaction with related parties : (Rs. in Lacs)

Sr. No.	Particulars of Transaction & Name of related party which transactions, more than 10 %	Enterprises owned or significantly influenced by key management personnel or their relatives
11	Balance outstanding at year end :	
	a) Receivable :	
	i) Vadilal International Pvt.Ltd. *	884.16 (1,007.76)
	ii) Others	18.53 (27.95)
	b) Payable :	
	i) Vadilal Industries Ltd.	2,304.65 (1,848.45)
	ii) Others	2.86 (3.88)
	c) Against corporate guarantee taken :	
	i) Vadilal Industries Ltd.	523.03 (582.94)
	d) Against corporate guarantee given :	
	i) Vadilal Industries Ltd.	800.00 (0.00)

Note : a) Payment to key management personnel in form of Managing Director's remuneration is shown in Note No.4.

*b) Amount includes Rs. 884.16 Lacs (P.Y. Rs. 1,000 Lacs) towards Deposit.

c) Sitting fees paid to relatives of Key management personnel and to the other Director's is disclosed elsewhere in accounts.

d) Figures in bracket relates to previous year.

10. (i) Pursuant to the transitional provision of Accounting Standard (AS) 15 (Revised) on "Employees Benefits", an amount of Rs. 2.34 Lacs (Net of Tax) has been credited to the General Reserve. The said amount represent the difference between the liability in respect of various employees benefits determined under As 15 (Revised) as on April 1, 2007 and the liability that existed as on that date as per AS 15 prior to the revision.

(ii) Defined Contribution Plans:

Amount of Rs. 14.98 Lacs is recognised as expenses and included in "Employee's Expenses" (Schedule 18.1) in the Profit and Loss Account.

(iii) Defined Benefit Plans:

(a) The changes in present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

Particulars	Current Year (Rs. In Lacs)	
	Gratuity Plan	Leave Encashment
Opening defined benefit obligation		
As at 01.04.2007	34.98	15.54
Service Cost	4.00	1.51
Interest Cost	2.78	1.23
Actuarial Losses (Gains)	(1.49)	1.66
Losses (Gains) on curtailments	—	—
Liabilities extinguished on settlements	—	—
Benefits Paid	(2.55)	(1.88)
Closing defined benefit obligation as at 31.03.2008	37.72	18.05

- (b) Changes in the fair value of plan assets representing reconciliation of the opening and closing balance thereof are as follows:

Particulars	Gratuity Plan	Current Year (Rs. In Lacs)	
		Gratuity Plan	Leave Encashment
Opening fair value of plan assets as at 01.04.2007	16.95		—
Expected Return	1.71		—
Actuarial gains and (Losses)	(0.13)		—
Assets distributed on settlements	—		—
Contributions by employer	5.10		—
Benefits Paid	(2.55)		—
Closing balance of fair value of plan assets as at 31.03.2008	21.08		—

- (c) The amounts recognised in Balance Sheet are as follows:

Particulars	Gratuity Plan	Current Year (Rs. In Lacs)	
		Gratuity Plan	Leave Encashment
Amount to be recognised in Balance Sheet			
A) Present value of Defined Benefit Obligations			
- Funded	21.08		—
- Unfunded	16.64		—
Total	37.72		—
Less: Fair value of Plan Assets	21.08		18.05
- Unrecognised Past Service Costs	—		—
Amount to be recognised as liability	16.64		18.05
B) Amount Reflected in the Balance Sheet			
Liabilities	16.64		18.05
Assets	—		—
Net Liability/(Asset)	16.64		18.05

- (d) The amounts recognised in Profit and Loss Account are as follows:

Particulars	Gratuity Plan	Current Year (Rs. In Lacs)	
		Gratuity Plan	Leave Encashment
1. Current Service Cost	4.00		1.51
2. Interest Cost	2.78		1.23
3. Expected return on plan assets	(1.71)		—
4. Net Actuarial Losses (Gains) recognised in year	(1.36)		1.66
5. Past service cost	—		—
6. Losses (Gains) on curtailments and settlement	—		—
Total included in 'Employee's expense' [Ref. Sch. 18.1]	3.71		4.64
Actual return on plan assets	1.58		—



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

Particulars	Gratuity Plan		Leave Encashment
	Current Year (Rs. In Lacs)		
Government of India Securities	0%		0%
High quality corporate bonds	0%		0%
Equity shares of listed companies	0%		0%
Property	0%		0%
Insurance company	100%		0%

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

Particulars	Gratuity Plan		Leave Encashment
	Current Year (Rs. In Lacs)		
Discount rate	7.93%		7.93%
Expected return on plan assets	9.00%		0.00%
Annual increase in salary costs	6.00%		6.00%

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

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

Particulars	Gratuity Plan		Leave Encashment
	Current Year (Rs. In Lacs)		
Defined benefit obligation	37.72		18.05
Plan Assets	21.08		—
Surplus / (deficit)	(16.64)		(18.05)
Experience adjustments on plan Liabilities	—		—
Experience adjustments on plan Assets	—		—

Note:

The current year ended 31.03.2008, being the first year of adoption of AS-15 (Revised), the figures for the previous year are not applicable.

(h) The Company expects to fund Rs. 6.00 Lacs towards gratuity plan and Rs. 15.00 Lacs towards Provident Fund plan during the year 2008-09.

Notes:

i) No corresponding figures for the previous year are presented as the company has adopted AS-15 (Revised), effective from 01.04.2007.

ii) The company provides retirement benefits in the form of Provident Fund, Gratuity and Leave Encashment. Provident Fund contributions made to "Government Administrated Provident Fund" are treated as defined contribution plan since the company has no further obligations beyond its monthly contributions. Gratuity is treated as defined benefit plan, and is administrated by making contributions to Group Gratuity Scheme of Life Insurance Corporation of India. Leave encashment and sick leave is considered as defined benefit plan and remain unfunded.

11. PURCHASES, TURNOVER & STOCK

Particulars (Unit)	Qty In	Opening Stock		Purchases		Turn Over		Closing Stock	
		(Qty.)	(Value) (Rs.in Lacs)	(Qty.)	(Value) (Rs.in Lacs)	(Qty.)	(Value) (Rs.in Lacs)	(Qty.)	(Value) (Rs.in Lacs)
Ice cream/Frozen Dessert	K.L.	6 (15)	2.91 (6.49)	23,539 (21,233)	10,270.40 (8,960.37)	23,539 (21,242)	12,901.07 (11,339.00)	6 (6)	3.19 (2.91)
D.F.M's	Nos.	787 (1,190)	109.41 (183.06)	1,613 (764)	271.59 (136.50)	0.00 (0.00)	0.00 (0.00)	1,301 (787)	191.49 (109.41)
Others			0.00 (0.00)		544.87 (378.75)		603.40 (478.56)		0.00 (0.00)
			112.32 (189.55)		11,086.86 (9,475.62)		13,504.47 (11,817.56)		194.68 (112.32)



- Notes :- 1. Ice Cream and Frozen Dessert Turnover in value is after deduction of damages at dealers places of Rs. 26.61 Lacs (P.Y.Rs.23.69 Lacs)for which quantity adjustments are not made as it is not readily ascertainable.
2. 1,099 Nos. (P.Y. 1,167 Nos.) of Deep Freeze Machine amounting to Rs.183.39 Lacs (P.Y.Rs.202.49 Lacs) have been capitalised during the year.

	2007-2008 (Rs. in Lacs)	2006-2007 (Rs. in Lacs)
12. (a) Value of Imports on C.I.F value	Nil	Nil
(b) Expenditure in Foreign Currency	Nil	Nil
(c) Earnings in Foreign Currency	Nil	Nil

13. Previous year figures have been regrouped/rearranged wherever necessary to make them comparable with current year figures.

14. Information pursuant to Part IV to the Companies Act, 1956.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.

I. REGISTRATION DETAIL :

Registration No. : 7995 State Code : 04
Balance Sheet Date : 31.03.2008

II CAPITAL RAISED DURING THE YEAR (AMOUNT IN Rs. LACS)

Public Issue : NIL Right Issue : NIL
Bonus Issue : NIL Private Placement : NIL

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. LACS)

Total Liabilities : 2,251.51 Total Assets : 2,251.51

Sources of Funds

Paid - up Capital : 86.42 Reserve & Surplus : 230.60
Secured Loans : 578.62 Unsecured Loans : 1,282.16
Deferred Taxation (Net) : 73.71

Application of Funds

Net Fixed Assets : 1,723.88 Investments : 73.88
Net Current Assets : 452.92 Misc. Expenditure : 0.83
Accumulated Losses : Nil

IV PERFORMANCE OF COMPANY (AMOUNT IN RS. LACS)

Turnover : 13,714.32 Total Expenditure : 13,607.73
Profit/Loss before Tax : 106.59 Profit after Tax : 16.05
Earnings per Share(Rs.) : 1.84 Dividend Rate : Nil
Annualised

V GENERIC NAME OF PRINCIPAL PRODUCTS OF THE COMPANY

Item Code No. (ITC Code) : 040210.09
Product Description : Marketing of Ice-cream and Frozen Desert.
Item Code No. (ITC Code) : 081290.02
Product Description : Marketing of Mango Pulp.

For **KANTILAL PATEL & CO.**
Chartered Accountants

Mayank S. Shah
Partner

Place: Ahmedabad
Date : June 27, 2008

For and on behalf of the Board

Ramchandra R. Gandhi - Chairman & Managing Director
Jayantilal M. Shah - Director
Ruchita Gor - Company Secretary

Place: Ahmedabad
Date : June 27, 2008

BOARD OF DIRECTORS**Chairman & Managing Director**

Ramchandra R. Gandhi

Directors

Virendra R. Gandhi
Rajesh R. Gandhi
Devanshu L. Gandhi
Laxmiprasad C. Amin
Jayantilal M. Shah

COMPANY SECRETARY

Ruchita Gor

AUDITORS

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

BANKER

Bank of India

REGISTERED OFFICE

Aditya Bldg., 5th Floor,
Opp. Sardar Patel Seva Samaj Hall,
Off C.G. Road, Nr. Mithakhali Six Roads,
Ahmedabad – 380 006.

REGISTRAR & SHARE TRANSFER AGENT

(For physical & demat)

MCS Limited, 101, Shatdal Complex,
1st Floor, Opp. Bata Show Room,
Ashram Road, Ahmedabad – 380 009.
(Phone: 079-26582878, 26584027)
(Fax: 079-26581296)

SHARE DEPARTMENT

Vadilal House, Shrimali Society,
Nr. Navrangpura Rly. Crossing,
Navrangpura, Ahmedabad – 380 009.
(Phone: 079-26564019 to 24)
(Fax : 079-26564027)

FOREX ADVISORY SERVICES

Vadilal House, Shrimali Society,
Nr. Navrangpura Rly. Crossing,
Navrangpura, Ahmedabad – 380 009.
(Phone: 079-26564019 to 24)
(Fax : 079-26564026)

Notes :

1. The Company has appointed MCS Limited, having its office at 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009 (Phone: 079-26582878, 26584027) (Fax: 079-26581296), as its Registrar & Share Transfer Agent and assigned all the work related to share registry in terms of both physical and electronic to MCS Limited.
Members are requested to send their all correspondence relating to Shares including transfer, transmission, demat, remat, change of address, lost certificate, dividend, etc. to MCS Limited (mention as Unit: Vadilal Enterprises Ltd.) at the above mentioned address or to the Company at its Share Department.
2. Members are requested to bring their copy of Annual Report to the meeting, as copies of Annual Report will not be distributed at the meeting.
3. Members seeking any further information about the Accounts and/or Operations of the Company are requested to send their queries to the Company at its Share Department, at least TEN days before the date of the meeting.
4. Members who hold Shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

23rd ANNUAL GENERAL MEETING

Day - Friday

Date - 26th September, 2008

Time - 10.30 a.m.

Venue - Sheth Shri Amrutlal Hargovandas Memorial Hall,
Gujarat Chamber of Commerce & Industry (GCCCI),
Ashram Road, Ahmedabad - 380 009.

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E-mail for Investor Grievances : shareslogs@vadilalgroup.comWeb : www.vadilalgroup.com • www.vadilalmarkets.com



**FORM OF PROXY
VADILAL ENTERPRISES LIMITED**

Share Dept.: Vadilal House, Shrimali Society,
Nr. Navrangpura Railway Crossing,
Navrangpura, Ahmedabad - 380 009.

I/We _____ of _____
being a member/members of VADILAL ENTERPRISES LIMITED, hereby appoint _____
_____ of _____
or failing him/her _____ of _____

as my/our Proxy to vote for me/us on my/our behalf at the 23rd Annual General Meeting of the members of the Company to be held on Friday, the 26th September, 2008, at 10.30 a.m., at Sheth Shri Amrutlal Hargovandas Memorial Hall, Gujarat Chamber of Commerce & Industry (GCCI), Ashram Road, Ahmedabad - 380 009 and at any adjournment thereof.

Ledger Folio No. _____

*DP ID No. : _____

*Client ID No. _____

No. of Shares _____

Signature _____

Affix
15 paise
Revenue
Stamp

Signed this _____ day of _____ 2008

* Applicable for investors holding shares in electronic form.

IMPORTANT :

- [1] This form duly completed and signed across the stamp as per specimen signature registered with the Company should be deposited at the Share Department of the Company not less than 48 hours before the time fixed for the commencement of the Meeting.
- [2] Revenue Stamp of 15 paise is to be affixed on this form.
- [3] A Proxy need not be a member.



**ATTENDANCE SLIP
VADILAL ENTERPRISES LIMITED**

Share Dept.: Vadilal House, Shrimali Society,
Nr. Navrangpura Railway Crossing,
Navrangpura, Ahmedabad - 380 009.

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

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

I hereby record my presence at the 23rd Annual General Meeting of the members of the Company on Friday, the 26th September, 2008, at 10.30 a.m., at Sheth Shri Amrutlal Hargovandas Memorial Hall, Gujarat Chamber of Commerce & Industry (GCCI), Ashram Road, Ahmedabad - 380 009.

* Applicable for investors holding shares in electronic form.

Signature of Shareholder(s)/Proxy

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