



VADILAL ENTERPRISES LIMITED

CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT INVITING DEPOSITS

[Pursuant to section 73 (2)(a) and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014]

1. GENERAL INFORMATION :

a. Name, address, website and other contact details of the company :

Name : VADILAL ENTERPRISES LIMITED
Registered Address : 10th Floor Colonnade Building,
Opp. Iscon Temple BRTS Bus Stand,
Ambli-Bopal Road,
Ahmedabad-380015
Correspondence Address : Same as above.
CIN : L51100GJ1985PLC007995
Web-site : www.vadilalgroup.com
Contact details : 079-30921200
Email ID : vijaysshah@vadilalgroup.com

b. Date of incorporation of the company: 30th July, 1985.

c. Business carried on by the company and its subsidiaries with the details of branches or units, if any:

The Company is engaged in the business of marketing and distribution of Ice-cream and Processed Food products and other permitted activities provided in the Company's Memorandum and Articles of Association.

- i) Registered Office :
10th Floor Colonnade Building,
Opp. Iscon Temple BRTS Bus Stand,
Ambli-Bopal Road,
Ahmedabad-380015
Phone: 079-30921200
- ii) Factories (Manufacturing Units):
The Company does not have any factory or manufacturing unit.
- iii) Subsidiary Company:
The Company does not have any subsidiary company.

d. Brief particulars of the management of the Company :

The Company is managed under superintendence, direction and control of the Board of Directors.

e. Names, addresses, DIN and occupations of the directors;

Name of the Directors	Address	Occupation	DIN
Mr. Rajesh R. Gandhi (Chairman)	"KARM", 17 -A/2, Santosha Park, Behind Hira Rupa Hall, Ambli-Bopal Road, Bopal, Ahmedabad - 380 058.	Industrialist	00009879
Mr. Devanshu L. Gandhi (Director)	1577/33/F, Patel Block, Nr. Old Gujarat High Court Railway Crossing, P.O.Navjivan, Ahmedabad- 380014.	Industrialist	00010146
Mrs. Mamta R. Gandhi (Director)	"KARM", 17 -A/2, Santo sha Park, Behind Hira Rupa Hall, Ambli-Bopal Road, Bopal, Ahmedabad - 380 058.	Business	00674579
Mr. Jayantilal M. Shah (Director)	13, Milan Park, Near President Hotel, Off Cg Road, Navrangpura, Ahmedabad, 380009.	Business	00023673
Mr. Jignesh j. Shah (Director)	69 Manekbag Soceity, S.M. Road, Ambawadi, Ahmedabad- 380015.	Professional	01202435
Mr. Ashish H. Mody (Director)	Haridwar 49, Shangrila Village, Nr. Pleasure Club, Ghuma Taluka, Dascroi, Ahmedabad- 380 058.	Business	02506019
Mr. Preet P. Shah (Director)	8/B, Kamal Colony, Nr. Darshan Society, Opp. Punjab National Bank, Navrangpura, Ahmedabad- 380 009.	Business	05131516

f. Management's perception of risk factors :

The deposits accepted by the company are unsecured and rank pari passu with other unsecured liabilities of the company. The Company will take insurance of deposit and interest thereon for the full amount of deposit and interest if the amount does not exceeding rupees twenty thousand, and in the case of deposit and interest in excess of rupees twenty thousand, the deposit insurance shall cover for payment upto Rupees twenty thousand in respect of each depositor as per the requirement of the Companies Act, 2013 and Rule made thereunder.

g. Details of default, including the amount involved, duration of default and present status, in repayment:

The Company has not made any default in repayment of deposits including interest thereon.

2. PARTICULARS OF THE DEPOSIT SCHEME :

- a. Date of passing of board resolution** : 11th August, 2018
- b. Date of passing of resolution in the general meeting authorizing the invitation of such deposits** : 25th September, 2014
- c. Type of deposits** : Unsecured
- d. Amount which the company can raise by way of deposits as per the Act and the rules made thereunder, and the aggregate of deposits actually held on the last day of the immediately preceding financial year and on the date of issue of the Circular or advertisement and amount of deposit proposed to be raised and amount of deposit repayable within the next twelve months :**

- Deposits shall be accepted from the Members only upto 35% of aggregate of Paid Up share Capital and Free Reserves of the Company.
- The aggregate of deposits accepted by the Shareholders and held on the last date of immediately preceding Financial Year i.e. 31st March, 2018 as per Companies Act, 2013 & Rules made thereunder was Rs. 98.93 Lakhs.
- The deposits accepted upto 31st March, 2018 and interest thereon will be repaid to the depositors on the date of maturity.

e. Terms of raising of deposits :

- i. The Company will accept Unsecured Fixed Deposit from its Shareholder only, on the following terms and conditions **w.e.f. 01.10.2018:**

MONTHLY INCOME - SCHEME A

Deposit Amount	Period	Interest (p.a.)	Annualized Yield* p.a.
Minimum amount of Rs.2,00,000/- and in multiples of Rs.5,000/-	12 months	7.50%	7.50%
	24 months	8.00%	8.00%
	36 months	8.50%	8.50%

REGULAR INCOME - SCHEME B (INTEREST COMPOUNDED MONTHLY)

Deposit Amount	Period	Interest (p.a.)	Interest Option	Annualized Yield* p.a.
Minimum amount of Rs.1,50,000/- and in multiples of Rs.5,000/-	12 months	7.50%	Quarterly	7.54%
		7.50%	Half-Yearly	7.61%
	24 months	8.00%	Quarterly	8.05%
		8.00%	Half Yearly	8.13%
		8.00%	Yearly	8.30%
	36 months	8.50%	Quarterly	8.56%
8.50%		Half Yearly	8.65%	
8.50%		Yearly	8.83%	

GROWTH SCHEME - CUMULATIVE - SCHEME C (INTEREST COMPOUNDED MONTHLY)

Deposit Amount	Period	Interest (p.a.)	Maturity Value of Deposit of Rs. 25,000/- **	Annualized Yield* p.a.
Minimum amount of Rs.1,00,000/- and in multiples of Rs.5,000/-	12 months	7.50%	Rs. 107763/-	7.76%
	24 months	8.00%	Rs. 117308/-	8.65%
	36 months	8.50%	Rs. 128930/-	9.64%

* Yield is based on simple interest calculation.

** If tax is deductible at source, then maturity value will change.

- ii. Repayment of Deposit and Interest payment will be made by a crossed "A/C Payee" cheque payable at Ahmedabad.
- iii. No deposit shall be repaid before the expiry of six months from the date of deposit. On deposit withdrawn after a period of six months but before the date of maturity, the rate of interest payable shall be reduced by 1% from the rate which the Company would have ordinarily paid, had the deposit been accepted for the period for which such deposit has run.
- iv. Any brokerage paid on the deposit withdrawn prematurely and pertaining to the unexpired period will be recovered from the final proceeds
- v. Income Tax will be deducted at source on payment of interest in accordance with the provisions of the Income-tax Act, 1961, as are in force from time to time.
- vi. Acceptance/Renewals/Repayments of Fixed Deposit(s) and payment of interest will be subject to the Rules and Regulations framed from time to time by the Company.
- vii. Acceptance of Deposits is subject to Ahmedabad jurisdiction.
- viii. The Company reserves the right to alter or amend or modify or vary any or all the terms and conditions regarding the deposit scheme.

f. Proposed time schedule mentioning the date of opening of the Scheme and the time period for which the circular or advertisement is valid:

This Scheme is applicable on the date on which the shareholders of the Company will approve the same. The Circular issued under this scheme is valid until expiry of the six months from the date of closure of Financial Year in which it is issued or until the date on which the financial statement is laid before the company in annual general meeting or, where the annual general meeting for any year has not been held, the latest day on which that meeting should have been held in accordance with the provisions of the Act, whichever is earlier.

g. Reasons or objects of raising the deposits:

To meet the financial emergency and to meet the business requirements of the Company.

h. Credit rating obtained; Name of the Credit Rating Agencies, Rating obtained, Meaning of the rating obtained, Date on which rating was obtained.

N.A.

i. Extent of deposit insurance, ; Name of the Insurance Company, terms of the insurance coverage, duration of coverage, extent of coverage, procedure for claim in case of default etc.

Nil (Product not available)

j. Short particulars of the charge created or to be created for securing such deposits, if any:

N.A. as deposit are unsecured

k. Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons:

The Directors, Promoters and other Key Managerial Personnel of the Company does not have any financial or other material interest in the aforesaid deposits and the same terms and conditions of deposits including rate of interest will be applicable to the deposits accepted from the Directors, Promoters and Key Managerial Personnel of the Company.

3. DETAILS OF ANY OUTSTANDING DEPOSITS :

- a. Amount Outstanding : Rs. 98.93 lakhs
- b. Date of acceptance : On various dates
- c. Total amount accepted : Rs. 98.93 lakhs
- d. Rate of interest : As per the scheme
- e. Total number of depositors : 62
- f. Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved:
The Company has not defaulted in repayment of deposits and payment of interest thereon.
- g. Any waiver by the depositors, of interest accrued on deposits : No such waiver

4. FINANCIAL POSITION OF THE COMPANY :

a&b. Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement and Dividends declared by the company in respect of the said three

financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid or interest paid) :

Financial Year ended	Profit/(Loss) before Tax (Rs. in Lacs)	Profit/(Loss) after Tax (Rs. in Lacs)	DIVIDEND per Equity Share (Rs. in lacs)
31 st March, 2016	28.95	12.62	Rs. 0.80/- (8%)
31 st March, 2017	42.21	14.92	Rs. 0.80/- (8%)
31 st March, 2018	21.73	14.80	Rs. 0.80/- (8%)

c. A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement:

(Rs. in lakhs)

Particulars	For the year ended on 31.03.2018	For the year ended on 31.03.2017	For the year ended on 31.03.2016
I Assets			
(1) Non-current Assets			
(a) Property, Plant and Equipment	4,829.17	4,754.28	4,373.63
(b) Capital work-in-progress	857.06	165.74	514.77
(c) Other Intangible Assets	89.37	92.88	95.39
(d) Financial Assets			
(i) Investments	15.24	15.24	24.58
(ii) Loans	4.75	0.83	1.24
(iii) Other Financial Assets	1,477.01	1,387.01	1,297.34
(e) Non Current Tax Assets (Net)	184.69	194.35	196.97
(f) Other Non-Current Assets	895.47	990.40	1,099.37
Total Non-Current Assets	8,352.76	7,600.73	7,603.29
(2) Current Assets			
(a) Inventories	2,099.65	119.30	98.20
(b) Financial Assets			
(i) Trade Receivables	2,492.90	2,299.00	2,482.04
(ii) Cash & Cash Equivalents	609.08	286.63	570.30
(iii) Other Balances with Banks	5.63	-	0.77
(iv) Loans	11.01	7.12	9.08
(v) Other Financial Assets	21.60	21.68	21.68
(c) Current Tax Assets (Net)	21.36	-	-
(d) Other Current Assets	696.34	220.92	235.95
Total Current Asset	5,957.57	2,954.65	3,418.02
Total Assets	14,310.33	10,555.38	11,021.31
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	86.27	86.27	86.27
(b) Other Equity	312.77	305.91	303.99
Total Equity	399.04	392.18	390.26
(2) Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	981.38	551.80	132.63
(ii) Other Financial Liabilities	9.18	-	-
(b) Provisions	17.62	45.49	45.16
Total Non-current Liabilities	1,008.18	597.29	177.79
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	555.81	801.56	80.37

(ii) Trade Payables	4,707.67	2,686.90	4,553.13
(iii) Other Financial Liabilities	7,247.06	5,635.94	5,440.18
(b) Provisions	171.17	126.40	102.70
(c) Current Tax Liabilities (Net)	-	8.30	-
(d) Other Current Liabilities	221.40	306.81	276.88
Total Current Liabilities	<u>12,903.11</u>	<u>9,565.91</u>	<u>10,453.26</u>
Total Liabilities	<u>13,911.29</u>	<u>10,163.20</u>	<u>10,631.05</u>
Total Equity & Liabilities	<u>14,310.33</u>	<u>10,555.38</u>	<u>11,021.31</u>

d. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement :
(Rs. in lakhs)

Particulars	For the year ended on 31.03.2016
A CASH FLOW FROM OPERATING ACTIVITIES	
Profit before tax and Exceptional Items from continuing operations	29.95
Non-cash adjustments to reconcile profit before tax to net cash flows :	
Depreciation and amortisation expense	783.25
Depreciation fund written back	(36.27)
Loss / (Profit) on sale of Assets	(0.44)
Bad debts written off	3.45
Provision for Doubtful Advances	87.46
Fixed Assets written off	60.45
Loss due to fire	0.00
Excess Provision written back	(61.02)
Dividend Income	(0.07)
Interest expenses	92.75
Interest Income	(28.35)
Scrap sale of assets	(27.17)
Loss on sale of Investment	
Operating Profit before working capital changes	902.97
Movements in working capital :	
Increase / (decrease) in trade payables	1141.85
Increase / (decrease) in long term provisions	13.59
Increase / (decrease) in short term provisions	26.29
Increase / (decrease) in other current liabilities	108.13
Decrease / (increase) in trade receivables	(103.38)
Decrease / (increase) in other receivables	(109.15)
Decrease / (increase) in inventories	10.47
Decrease / (increase) in long term loans and advances	725.75
Decrease / (increase) in short term loans and advances	44.01
Cash Generated from / (used in) Operations	2760.52
Direct taxes paid (net of refunds)	30.30
Net Cash from / (used in) Operating Activities	2790.81
B CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of fixed assets	(1794.81)
Proceeds from Sale of fixed assets	41.52
Investments in Bank Deposits (having maturity of more than three months)	(17.09)
Redemption / maturity of bank deposits (having maturity of more than three months)	0.00
Interest received	28.35
Dividend received	0.07
Proceeds from sale of investment	0
Decrease in Diminution of Investment	0
Net Cash flow from / (used in) Investing Activities	(1741.96)

C CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from Long Term borrowings	81.65
Repayment of Long Term Borrowings	0.00
Repayment/Receipt of Short Term Borrowings	(518.63)
Interest paid	(94.18)
Dividends paid on equity shares	(6.53)
Tax on equity dividend paid	(1.40)
Net Cash used in Financing Activities	(539.08)
Net Increase/(Decrease) in cash and Cash equivalents (A+B+C)	509.77
Op. Balance of Cash and Cash Equivalents (Includes unrealized exchange)	60.54
Cl. Balance of Cash and Cash Equivalents (Includes unrealized exchange difference)	570.31
Major Components of Cash and Cash Equivalents as at	31.03.2016
Cash and Cheques on hand	22.23
Balance With Banks :	
On Current Accounts	544.25
On Unpaid Dividend Accounts *	3.04
On Deposit Repayment Reserve Account	0.78
On Deposit Account	-
Cheques on hand	0.00
	570.31

(Rs. in lakhs)

Particulars	For the year ended on 31.03.2018	For the year ended on 31.03.2017
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	21.73	49.10
Adjustments for:		
Depreciation and Amortisation expense	1060.95	948.47
Depreciation Fund written Back	-	(0.96)
Loss/(Profit) on sale of Property, Plant & Equipment (net)	(137.03)	21.22
Dividend income	-	(0.07)
Interest Income	(134.71)	(136.05)
Finance Costs	250.00	158.09
Provision for Doubtful Debts	75.58	96.55
Bad Debts Written off	31.04	4.69
Excess Provision /Credit Balance/Deposits Written Back	(7.91)	(12.52)
Scrap Sale of Asset	(27.91)	(19.12)
	1110.01	1060.30
Operating Profit before Working Capital changes	1131.74	1109.40
Changes in Working Capital:		
(Increase)/Decrease in Inventories	(1980.35)	(21.10)
(Increase)/Decrease in Trade receivables, financial assets and other assets	(772.51)	131.39
Increase/(Decrease) in Trade Payables, financial liabilities, other liabilities and provisions	3364.71	(1587.64)
Cash generated from operations	611.85	(1477.35)
Income Tax paid	(26.78)	(24.98)
Net Cash generated from / (used in) from operating activities (A)	1716.81	(392.93)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditure on Property, Plant & Equipment	(1907.78)	(1087.53)
Proceeds from Sale of Property, Plant & Equipment	249.04	108.80
Proceeds from Sale of Non current Investments	-	9.34
Interest received	134.71	136.05

Dividend received	-	0.07
Net Cash generated from / (used in) from Investing Activities (B)	(1524.03)	(833.27)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Long Term borrowings	1010.82	634.81
Repayment of Long Term borrowings	(377.09)	(247.07)
Repayment of Short Term borrowings	(245.75)	721.19
Interest paid(250.00)	(158.09)	
Dividends paid (including tax on dividend)	(8.31)	(8.31)
Net Cash generated from / (used in) from Financing Activities (C)	129.67	942.53
Net Increase/(Decrease) In Cash and Cash Equivalents (A+B+C)	322.45	(283.67)
Cash and cash equivalents at the beginning of the year	286.63	570.30
Cash and cash equivalents at the end of the year	609.08	286.63

e. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.

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

Upto the year ended March 31, 2017, the Company prepared its financial statements in accordance with generally accepted accounting principles in India, including accounting standards read with Section 133 of the Companies Act, 2013 notified under Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016.

There is no material effect on the profits and reserves of the Company due to change in accounting policies.

5. A DECLARATION BY THE DIRECTORS THAT-

- the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest there on;
- the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;
- the company has complied with the provisions of the Act and the rules made thereunder;
- the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;
- the deposits accepted by the company before the commencement of the Act have been repaid or will be repaid along with interest on due dates and until they are repaid, they shall be treated as unsecured and ranking pari passu with other unsecured liabilities.
- In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
- the deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement;
- the deposits accepted by the company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari passu with other unsecured liabilities of the company.

Place : Ahmedabad

Dated : 11th August, 2018

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

RAJESH R. GANDHI _____

Devanshu L. Gandhi _____

Mamta R. Gandhi _____

Jayatilal M. Shah _____

Jignesh J. Shah _____

Ashish Modi _____

Preet Shah _____

VADILAL ENTERPRISES LTD.

w.e.f. : 1 October 2018

Monthly Income Plan (Scheme A)			Only for Shareholder Ctg.	
Deposit Amount	Period (Months)	Interest Option	R.O.I. (p.a.)	Ann.Yield (p.a.)
Minimum Amount of	12	Monthly	7.50%	7.50%
Rs.200000/- and in	24	Monthly	8.00%	8.00%
Multiple of Rs.5000/-	36	Monthly	8.50%	8.50%

Regular Income Plan (Scheme B)			Only for Shareholder Ctg.	
Deposit Amount	Period (Months)	Interest Option	R.O.I. (p.a.)	Ann.Yield (p.a.)
Minimum Amount of	12	Quarterly	7.50%	7.54%
Rs.150000/- and in	12	Half Yearly	7.50%	7.61%
Multiple of Rs.5000/-	24	Quarterly	8.00%	8.05%
	24	Half Yearly	8.00%	8.13%
	24	Yearly	8.00%	8.30%
	36	Quarterly	8.50%	8.56%
	36	Half Yearly	8.50%	8.65%
	36	Yearly	8.50%	8.83%

Growth Scheme–Cumulative (Scheme C)			Only for Shareholder Ctg.		
Deposit Amount	Period (Months)	Interest Option	R.O.I. (p.a.)	Ann.Yield (p.a.)	Maturity Value of Min amt.
Minimum Amount of	12	Cumulative	7.50%	7.76%	107763
Rs.100000/- and in	24	Cumulative	8.00%	8.65%	117308
Multiple of Rs.5000/-	36	Cumulative	8.50%	9.64%	128930

N.B.:- R.O.I. mentioned here above are subject to revision without prior intimation.

If tax is deductible at source then, maturity value would change. Yield is based on Simple Interest Calculation.

FINANCIAL POSITION OF THE COMPANY :-

Profits of the Company before and after making provision for Tax and Dividends declared by the Company in respects of the three financial years.

Financial Year ended	Profit/(Loss) before Tax (Rs. in Lacs)	Profit/(Loss) after Tax (Rs. in Lacs)	DIVIDEND per Equity Share (Rs.)	DIVIDEND %
31 st March, 2018	21.73	14.80	Rs. 0.80	8.00%
31 st March, 2017	49.10	15.61	Rs. 0.80	8.00%
31 st March, 2016	28.95	12.62	Rs. 0.80	8.00%

Rs. in Lacs.

Equity and Liabilities	As at			Assets	As at		
	31-03-2018	31-03-2017	31-03-2016		31-03-2018	31-03-2017	31-03-2016
Equity				Property, Plant & Equipment	4829.17	4754.28	4373.63
Equity Share Capital	86.27	86.27	86.27	Capital work-in-progress	857.06	165.74	514.77
Other Equity	312.77	305.91	303.99	Other Intangible Assets	89.37	92.88	95.39
Sub Total	399.04	392.18	390.26				
Liabilities				Financial Assets :-			
Non-current Liabilities				Investment	15.24	15.24	24.58
Financial Liabilities				Loans	4.75	0.83	1.24
Borrowings	981.38	551.80	132.63	Other Financial Assets	1477.01	1387.01	1297.34
other Financial Liabilities	9.18	0.00	0.00	Non-current Tax Assets(Net)	184.69	194.35	196.97
Provisions	17.62	45.49	45.16	Other non-current assets	895.47	990.40	1099.37
Sub Total	1008.18	597.29	177.79	Sub Total	8352.76	7600.73	7603.29
				Current Assets			
				Inventories	2099.65	119.30	98.20
Current Liabilities				Financial Assets :-			
Financial Liabilities				Trade receivables	2492.90	2299.00	2482.04
Borrowings	555.81	801.56	80.37	Cash and Cash Equivalents	609.08	286.63	570.30
Trade payables	4707.67	2686.90	4553.13	Other Balances with Banks	5.63	0.00	0.77
other Financial Liabilities	7247.06	5635.94	5440.18	Loans	11.01	7.12	9.08
Provisions	171.17	126.40	102.70	Other Financial Assets	21.60	21.68	21.68
Current Tax Liabilities	0.00	8.30	0.00	Current Tax Assets (Net)	21.36	0.00	0.00
Other Current Liabilities	221.40	306.81	276.88	Other Current Assets	696.34	220.92	235.95
Sub Total	12903.11	9565.91	10453.26	Sub Total	5957.57	2954.65	3418.02
Total	14310.33	10555.38	11021.31	Total	14310.33	10555.38	11021.31