

SECOND ANNUAL REPORT

FINANCIAL YEAR 2022-2023

V-GUARD CONSUMER PRODUCTS LIMITED
A Wholly Owned subsidiary of V-Guard Industries Ltd

**1st FLOOR, 42/962, VENNALA HIGH SCHOOL
ROAD
VENNALA, ERNAKULAM
KERALA – 682028**

CORPORATE INFORMATION

➤ **BOARD OF DIRECTORS**

Mr. Mithun K Chittilappilly
Chairman and Managing Director
Mr. Ramachandran Venkatraman
Director
Mr. Narender Singh Negi
Director
Mr. Bijoy Panakkat
Director
Ms. Anjana Narwal
Additional Director

➤ **REGISTERED OFFICE**

1st Floor, 42/ 962, Vennala High School Road,
Vennala, Kochi, Kerala -682 028

➤ **AUDITORS**

M/s. Price Waterhouse Chartered Accountants, Bangaluru

➤ **BANKERS**

ICICI Bank

➤ **PLANT LOCATION**

Plot No. 1, 2, 27 and 28, Sector - 05,
IIE, SIDCUL, Pantnagar,
Udham Singh Nagar,
Uttarakhand, 263153

➤ **CHIEF FINANCIAL OFFICER**

Mr. Saleesh Sekhar

➤ **COMPANY SECRETARY**

Ms. Harsha Mullamangalam Vasudevan

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V-GUARD CONSUMER PRODUCTS LTD.

Regd. office: 1st Floor, 42/962, Vennala High School Road,
Vennala, Ernakulam - 682 028
CIN: U31904KL2021PLC069893

P +91 484 200 5000
E mail@vguardcpl.in

NOTICE

Notice is hereby given that the 2nd Annual General Meeting of the Members of the V-Guard Consumer Products Ltd will be held at the Registered Office of the Company at 1st floor, 42/962, Vennala High School Road, Vennala, Ernakulam – 682028 on Friday, September 08 , 2023 at 10 a.m, to transact the following business.

ORDINARY BUSINESS

1. To consider, approve and adopt the Audited Financial Statements of the Company comprising the Balance Sheet as on March 31, 2023, Statement of Profit & Loss and Cash Flow Statement and Notes thereto for the period ended on March 31, 2023 together with the Reports of the Board of Directors' and the Auditors' thereon.
2. To appoint a director in place of Mr. Ramachandran V (DIN: 0657300) of who retires by rotation.

SPECIAL BUSINESS

3. To consider appointment of Ms. Anjana Narwal as Non-Executive Director

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT, Ms. Anjana Narwal (DIN: 10061613) who was appointed as an Additional Director of the Company by the Board of Directors with effect from May 09, 2023, in terms of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at the first Annual General Meeting and in respect of whom the Company has received a notice in writing from a member, as per the provisions of Section 160 of the Companies Act, 2013, proposing Ms. Anjana Narwal, as a candidate for the office of Director, be and is hereby appointed as Non-Executive Director of the Company and whose office shall be liable to retire by rotation.

**By order of the Board
For V-Guard Consumer Products Limited**

Sd/-

**Harsha Mullamangalam Vasudevan
Company Secretary
(Membership No. ACS 52887)**

**Place : Ernakulam
Date : 09.05.2023**

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Act, in respect of the Special Business at item no.3 to be transacted at the Annual General Meeting ("AGM") is annexed hereto.

2. Members who wish to seek/ desire any further information/clarification on the annual accounts at the meeting are requested to send their queries at least 48 hours in advance of the date of the meeting to the registered office.
3. Corporate Members are required to submit certified true copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representatives to attend and vote on their behalf at the Meeting.
4. The requisite Registers, as required under the Act, will be kept open for inspection by the member.
5. A member entitled to attend and vote at the AGM is permitted to appoint a proxy to attend and vote at the meeting instead of himself/herself and a proxy need not be a member of the company. A blank form of proxy is enclosed and if intended to be used, should be lodged with the company at the registered office atleast 48 hours before the commencement of the meeting.
6. Route map of the venue of AGM is enclosed with the notice of AGM.

STATEMENT SETTING OUT MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS AT ITEM NO.3 PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (THE ACT), SECRETARIAL STANDARD-2 ON GENERAL MEETINGS

Item No.3: To consider appointment of Ms. Anjana Narwal as Non-Executive Director

The Board of Directors, pursuant to the provisions of Section 161 of the Act and Articles of Association of the Company, appointed Ms. Anjana Narwal to hold office effective from May 09, 2023. As per the provisions of Section 161 of the Act, Ms. Narwal, shall hold office up to the date of the ensuing Annual General Meeting.

In terms of Section 160 of the Act, the Company has received a notice in writing from a member proposing the candidature of Ms. Anjana Narwal as Non-Executive Director of the Company liable to retire by rotation under Section 152 of the Act. The Companies Amendment Act, 2017 exempted the requirement of deposit amount of ₹1,00,000/- if the appointment of a Director is recommended by Board of Directors. The Company has received consent in writing from Ms. Anjana Narwal to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification) Rules, 2014, amended from time to time to the effect that he is not disqualified under Section 164(2) of the Act.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the Special business set out at item no. 3 of the accompanying Notice.

**By order of the Board
For V-Guard Consumer Products Limited**

Sd/-

**Place : Ernakulam
Date : 09.05.2023**

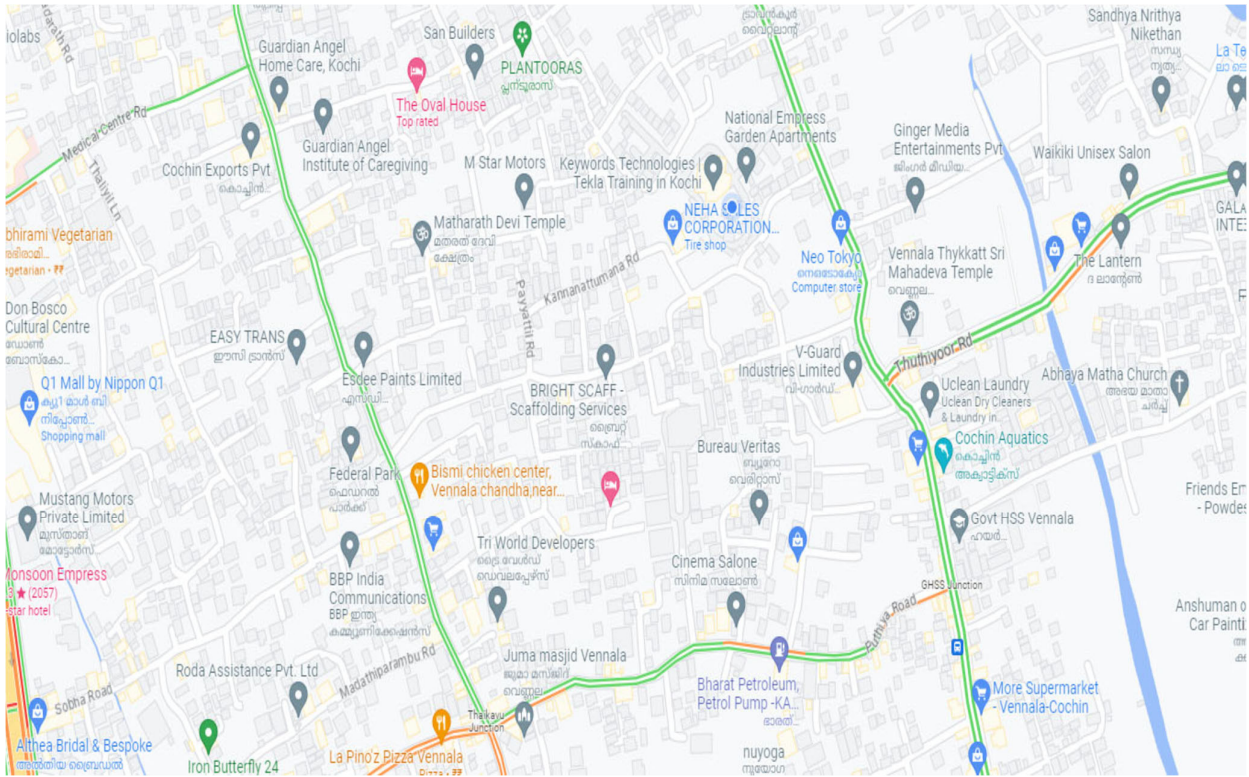
**Harsha Mullamangalam Vasudevan
Company Secretary
(Membership No. ACS 52887)**

BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT AT THE 2nd ANNUAL GENERAL MEETING

[Pursuant to Secretarial Standard-2 on General Meetings]

Particulars	Ramachandran V	Anjana Narwal
Date of Birth & Age	27.10.1963 60 years	09.07.1976 47 years
DIN & Nationality	06576300 Indian	10061613
Date of first appointment to the Board	19.07.2021	09.05.2023
Qualification	Bachelor of Science and master's in management studies (Marketing)	Bachelor of engineering
Experience in specific functional areas	Mr. Ramachandran V is one of the subscribers to the Memorandum of Association and is a Executive Director of holding Company, V-Guard Industries Limited. He has led many corporate strategic initiatives and developing new growth platforms and business development and his expertise entails in developing long-term business plans with supporting infrastructure development roadmap.	Ms. Anjana Narwal is a leading management professional who is serving as Associate Vice President – Quality division of V-Guard Industries Limited, the holding Company.
Relationship with any Director(s) or Manager or Key Managerial Personnel of the Company	Not related to any Director or Key Managerial Personnel of the Company	Not related to any Director or Key Managerial Personnel of the Company
No. of shares held in the Company	Holding as on March 31, 2023 is one equity share and he is holding the same as registered owner on behalf of the Company.	Nil
Number of meetings of the Board attended during the Financial Year 22-23	4	0
Terms and conditions of appointment/ re- appointment along with details of remuneration sought to be paid	As per the provisions of Section 161 of the Act, he holds office upto this Annual General Meeting and seeks approval for his appointment as Director, liable to retire by rotation pursuant to Section 152 of the Act.	As per the provisions of Section 161 of the Act, he holds office upto this Annual General Meeting and seeks approval for his appointment as Director, liable to retire by rotation pursuant to Section 152 of the Act.
Details of last drawn remuneration	NA	NA

Route Map to the venue of AGM



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DIRECTORS' REPORT

To

The Members,
V-Guard Consumer Products Limited

Your Directors have great pleasure in presenting 2nd Directors Report on the business and operations of the V-Guard Consumer Products Limited ('the Company') for the year ended March 31, 2023.

1. FINANCIAL SUMMARY

The summarized Financial results of your Company for the period ended March 31, 2023 are given in the table below:

Particulars	In Lakhs	
	2022-23	2021-22
Net Revenue from Operations	10,402.97	40.48
Other Income	116.13	0.68
Total Income	10,519.10	41.16
Total expenses	9,541.03	263.12
Profit Before Tax	978.09	(221.96)
Tax Expense:	189.48	(21.82)
Current Tax	92.18	-
Deferred tax liability / asset	97.31	(21.82)
Profit After Tax	788.60	(200.14)
Earnings Per Equity Share		
1. Basic	0.78	(0.60)
2. Diluted	0.78	(0.60)

2. STATE OF AFFAIRS AND COMPANY PERFORMANCE

Your Company is a Wholly Owned Subsidiary of V-Guard Industries Limited (VGIL), a public limited Company listed in BSE Ltd and National Stock Exchange of India Limited (NSE) with an objective of focusing more on in house manufacturing and achieve manufacturing excellence. The Company is engaged in the business of manufacturing and selling of various electronics, electricals and consumer durables. All manufacturing units planned by VGIL in respect of various product categories will be set up under the Company.

The Company set up its first manufacturing facility for production of Stabilizer and Digital UPS in Pantnagar, Uttarakhand, and commercialized the unit in March 2022. The Company is in the process of setting up further manufacturing facilities to make Inverter batteries, Fans & Kitchen appliances. During the period ended 2022-23, the revenue from operations was registered ₹ 10,519.10 including other income and Profit before taxes was ₹ 978.09. Tax expenses was incurred at ₹189.49 and Profit After Tax was ₹788.60.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the period ended 2022-23.

4. DETAILS OF THE SHARE CAPITAL

The Authorised capital of the Company at the beginning of the Financial Year was ₹ 1,00,00,00,000/- (Rupees One Hundred Crores only) divided into 10,00,00,000 (Ten Crores) equity shares of ₹10 each (Rupees Ten only). To finance the existing projects of the Company as envisaged by the holding Company, it was required to infuse funds by way of issue of equity shares. Subsequently, the members of the Company in their Annual General Meeting held on August 10, 2022 increased the Authorised Capital of the Company from ₹ 1,00,00,00,000/- (Rupees One Hundred Crores only) divided into 10,00,00,000 (Ten Crores) equity shares of ₹10 each (Rupees Ten only) to ₹ 2,00,00,00,000/- (Rupees Two Hundred Crores only) divided into 20,00,00,000 (Twenty Crore only) Equity Shares of ₹10 each (Rupee One only).

During the Year under review, the Company has raised capital to infuse additional funds for implementation of various projects to be set up by the Company. The Board of Directors offered additional shares on rights basis to the existing shareholders and shares were offered on the basis of the present holding of shares by the existing shareholders as per the provisions of Section 62 of Companies Act, 2013 (the Act). All shareholders except V-Guard Industries Limited, the holding Company renounced the offered shares in favor of the holding Company. The paid up share capital was increased 2 times in the year by allotting additional equity shares to V-Guard Industries Limited.

Date of allotment	No. of shares allotted to holding Company (Face value per share : ₹ 10/-)
May 05, 2022	2,98,98,757
October 21, 2022	3,13,93,697

The paid-up share capital of the Company as on March 31, 2023 stood at ₹ 121,08,99,610/-.

5. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the Report.

6. TRANSFER TO RESERVES

The Board of Directors of your company has decided not to transfer any amount to the Reserves for the year under review.

7. DIVIDEND

The Board of Directors of your company, after considering holistically the relevant circumstances has decided that it would be prudent, not to recommend any Dividend for the year under review.

8. PUBLIC DEPOSITS

The Company has not accepted any deposit within the meaning of Chapter V of the Act and the Rules framed thereunder during the year under review.

9. SUBSIDIARIES, JOINT VENTURES & ASSOCIATES

The Company doesn't have any subsidiaries, Joint ventures & Associates. The Company is a Wholly owned subsidiary of V-Guard Industries Limited.

10. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the requirements of Section 134(3)(c) read with Section 134(5) of the act, the Board of Directors of the Company, hereby state and confirm that:

- I. That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- II. That they had selected such accounting policies and applied them consistently, and made judgements 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 2022-23 and of the profit and loss of the Company for that period;
- III. That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. That they had prepared the annual accounts on a going concern basis;

- V. That they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. BOARD OF DIRECTORS

I. Composition of the Board of Directors and Key Managerial Personnel (KMP)

As on March 31, 2023, your Company's Board comprised of *four* Directors with *One* Executive and *three* Non- Executive Director

Sl. No.	Name	Designation
1	Mr. Mithun K Chittilappilly	Managing Director
2	Mr. Ramachandran V	Non-Executive Director
3	Mr. Bijoy Panakkat	Non-Executive Director
4	Mr. Narender Singh Negi	Non-Executive Director

As on March 31, 2023, Mr. Mithun K Chittilappilly, Managing Director, Mr. Saleesh Sekhar, Chief Financial Officer and Ms. Harsha M V, Company Secretary are the Key Managerial Personnel of the Company.

The members of the Company in their Annual General Meeting held on August 10, 2022, re-appointed Mr. Narender Singh Negi as a Director, liable to retire by rotation.

II. Change in office of Directors and details of Directors seeking appointment at the Annual General Meeting to be held on August 31, 2023

The Board of Directors, pursuant to the provisions of Section 161 of the Act and Articles of Association of the Company, appointed Ms. Anjana Narwal (DIN: 1006163) , as an Additional Director to hold office effective from May 09, 2023. As per the provisions of Section 161 of the Act, Ms. Anjana Narwal , will hold office up to the date of the ensuing Annual General Meeting and offers herself for re-appointment. As per the provisions of Section 152 of Companies Act, 2013, she is liable to retire at the ensuing Annual General Meeting and offers himself for re-appointment.

As per the provisions of Section 152 of the Act, Mr. Ramachandran V (DIN: 0657300), Director, being longest to hold office of Director, will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

As per the declarations received from the Directors dated April 01, 2023 none of the Directors is disqualified under Section 164 of the Companies Act, 2013 read with the Companies (Appointment and Disqualification of Directors) Rules, 2014.

12. MEETINGS

I. MEETING OF BOARD AND GENERAL MEETINGS IF ANY

The Board meets at regular intervals to adopt financial results and to consider and decide other items of business. During the Financial Year 2022-23, the Board of Directors of the Company, met 4 times. The intervening gap between the meetings was within the period prescribed under the Act. The Company provides the facility to its Directors to attend the meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM).

The names, position and categories of Directors, their attendance at the Board Meetings and Annual General Meeting held during the year are given below:

	Attendance of Directors at Board Meetings and Extra Ordinary General Meeting held during the Financial Year 2022-23			
Date of Meeting	Mithun K Chittilappilly (Managing Director)	Ramachandran V (Director)	Bijoy Panakkat (Director)	Narender Singh Negi (Director)
May 03, 2022	Yes	Yes	Yes	Yes
July 18, 2022	Yes	Yes	Yes	Yes
October 18, 2022	Yes	Yes	Yes	Yes
January 19, 2023	Yes	Yes	Yes	Yes
Total	4	4	4	4
Attendance of AGM held on 10.08.2022	0	1	1	1

13. STATUTORY AUDITORS

The shareholders in their Annual General Meeting held on August 10, 2022 has appointed M/s. Price Waterhouse Chartered Accountants LLP (Registration No. 012754N/N500016) as the Statutory Auditors of the Company to hold office from the conclusion of 1st Annual General Meeting of the Company till the conclusion of the 6^h Annual General Meeting of the Company to be held in the calendar year 2027.

14. ADEQUACY OF INTERNAL CONTROL SYSTEMS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has put in place appropriate internal financial control system which ensures that all assets are safeguarded and that the transactions are authorized, recorded and reported correctly.

15. SHARE TRANSFER DURING THE YEAR

The Company's equity shares are held in physical form and there was no share transfer occurred during the year under review.

16. RELATED PARTY TRANSACTION

During the year under review, all transactions entered with Related Parties as defined under the Act read with Rules framed thereunder were in the Ordinary course of business

and at arms-length basis. There were no materially significant related party transactions made by the Company with promoters or Key Managerial Personnel etc., which may have potential conflict of the Company at large. All the related party transactions entered during the Financial Year were on an arm's length basis and in the ordinary course of business, details are provided in Form AOC-2 as prescribed under Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 in **Annexure-I**.

17.DISCLOSURE ABOUT RECEIPT OF COMMISSION BY MANAGING DIRECTOR AND WHOLE TIME DIRECTOR

During the year under review, the Company has not paid any Commission to Managing Director as per the provisions of Section 197(14) of the Act.

18.PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company has not given any loans, guarantees or made investments covered under the provisions of Section 186 of the Act.

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

The Company has always been conscious of the need to conserve energy. The Company is continuously identifying areas where energy could be saved and appropriate measures have been taken for optimizing energy conservation. The Company adheres to good practices especially in terms of safety, health, environment, etc. Detailed report is annexure in **Annexure-II**.

20. ANNUAL RETURN IN FORM MGT-7

The draft Form MGT-7, Annual Return of the Company containing the particulars prescribed under section 92 of the Act, as on March 31, 2023 can be obtained for inspection by writing to the Company at its email ID, mail@vguardcpl.in.

21. PERFORMANCE EVALUATION

Pursuant to the provisions of the Act annual evaluation of the performance of the Board, the Directors of the Board was evaluated.

Evaluation criteria of the Board was made based on the role played by the Board in Governance, overall functioning, evaluating strategic proposals, financial reporting process, internal controls and its effectiveness and review of risk management process. The evaluation of individual Director was carried out based on various parameters such as participation in the Board and its meetings, contribution towards strategic proposals, suggesting risk mitigation measures, putting in place internal controls, governance, leadership and talent development and managing external stakeholder.

22. SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

23. SECRETARIAL AUDIT

The Board of Directors in their meeting held on January 19, 2022, appointed M/s SVJS & Associates, Practicing Company Secretaries, Kochi as the Secretarial Auditors of the Company. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as **Annexure- III** to this report.

There are no qualifications or adverse remarks, or disclaimer of the Secretarial Auditors in the Report issued by them for the financial year 2022-23 which call for any explanation from the Board of Directors

24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment as per the guidelines provided in the policy. All women employees (permanent, temporary, contractual and trainees) are covered under this policy and it has been circulated amongst the employees of the Company and the same is exhibited on the notice board of all the business locations/divisions of the Company. During the year under review, the Company has not received any complaint.

25. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

26. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE 2016

During the year under review, the Company has neither made any application nor any proceeding pending under the Insolvency and Bankruptcy Code 2016. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

27. REPORTING OF FRAUDS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors has reported to the Board of Directors, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees.

28. ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation for the co-operation and support received from stakeholders such as customers, suppliers, shareholders, bankers, regulatory

authorities and the society at large. Deep appreciation is also recorded for the dedicated efforts and contribution of the employees at all levels, as without their focus, commitment and hard work, the Company's consistent growth would not have been possible, despite the challenging environment.

By Order of Board of Directors

For V-Guard Consumer Products Limited

Sd/-
Mithun K Chittillappilly
Chairman
(DIN: 00027610)

Sd/-
Ramachandran V
Director
(DIN : 06576300)

Date: 09.05.2023
Place : Ernakulam

Annexure-I
FORM NO. AOC -2

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

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

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

Sl. No.	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl. No.	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value if any	Date of approval by the Board	Amount paid as advances if any
1	V-Guard Industries Limited Holding Company	Sale of Goods	NA	-	18.07.2022	Nil
2	V-Guard Industries Limited Holding Company	Purchase of Goods	NA	-	18.07.2022	Nil
3	V-Guard Industries Limited Holding Company	As per Service Agreement for Management and Administrative Services	NA	-	27.07.2021	Nil

By Order of Board of Directors

Date: 09.05.2023
Place: Ernakulam

For V-Guard Consumer Products Limited

Sd/-
Mithun K Chittillappilly
Chairman
(DIN: 00027610)

Sd/-
Ramachandran V
Director
(DIN : 06576300)

Annexure II
Disclosure pursuant to Section 134(m) of the Companies Act, 2013 read with Rule 8(3)
of the Companies (Accounts) Rules, 2014

A) Conservation of energy:

i. Steps taken or impact on conservation of Energy; i.e, Energy Conservation Measures Taken	Smart Water Monitoring System - Use of smart water meters to monitor and control the water consumptions inside the plant.
ii. the steps taken by the company for utilising alternate sources of energy;	The Company's Stabilizer & DUPS plant is in the process of introducing renewable energy in the form of Solar to reduce its carbon footprint and environmental impact due to usage of conventional fuel-based electricity
iii.the capital investment on energy conservation equipments;	Nil

B) Technology absorption, adaption and innovations:

i. Efforts made in technology absorption	Nil
ii. the benefits derived like product improvement, cost reduction, product development or import substitution;	Nil
iii. in case of imported technology; a. the details of technology imported; b. the year of import; c. whether the technology been fully absorbed; d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and e. the expenditure incurred on Research and Development.	Nil

C) Foreign Exchange earnings and outgo:

Foreign Exchange earned during the year 22-23	Nil
Foreign Exchange outgo during the year 22-23	Nil

For and on behalf of the Board of Directors

Sd/-
Ramachandran V
Director
(DIN:06576300)

Sd/-
Mr. Mithun K Chittilappilly
Managing Director
(DIN:00027610)

Date: May 09, 2023
Place: Ernakulam

Annexure-III
Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2023

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

To
The Members
V-GUARD CONSUMER PRODUCTS LIMITED
1st Floor, 42/962 Vennala High School Road,
Vennala, Ernakulam,
Kerala - 682028

We, SVJS & Associates, Company Secretaries, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **V-GUARD CONSUMER PRODUCTS LIMITED [CIN: U31904KL2021PLC069893]** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) As informed to us, the following other laws are specifically applicable to the Company:

1. The Factories Act, 1948 and the Regulations and Bye-laws framed there under;
2. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
3. Batteries (Management and Handling) Rules, 2001;

4. The industries (Development and Regulation) Act, 1951 and the Regulations and Bye-laws framed there under;
5. The Water (Prevention and Control of Pollution) Act 1974 and the Regulations and Bye-laws framed there under;
6. The Air (Prevention and Control of Pollution) Act, 1981 and the Regulations and Bye-laws framed there under;
7. The Environment (Protection) Act, 1986 and the Regulations and Bye-laws framed there under;

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

- (i) Secretarial Standards relating to Meetings of the Board of Directors (SS 1) and General Meetings (SS 2) issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, etc. mentioned above.

We report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-executive Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions of the Board were unanimous and the same was captured and recorded as part of the minutes.

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

We further report that

1. The Board of Directors had at their meeting held on 03rd May 2022 passed resolution pursuant to Section 62 (1) (a) of the Companies Act, 2013 to offer and issue 2,98,98,757 equity shares of face value of ₹10/- each on rights basis. The Board of directors allotted 2,98,98,757 equity shares on 05th May 2022.
2. The Company in the Extra-ordinary General Meeting held on 10th August 2022 increased the Authorised Share Capital of the Company from ₹1,00,00,00,000 (Rupees One hundred Crore only) divided into 10,00,00,000 (Ten Crore) Equity Shares of ₹10 each (Rupees Ten only) to ₹2,00,00,00,000 (Rupees Two hundred

Crore only) divided into 10,00,00,000 (Twenty Crore) Equity Shares of ₹10 each (Rupees Ten only).

3. The Board of Directors had at their meeting held on 18th October 2022 passed resolution pursuant to Section 62 (1) (a) of the Companies Act, 2013 to offer and issue 3,13,93,697 equity shares of face value of ₹10/- each on rights basis. The Board of directors allotted 3,13,93,697 equity shares on 21st October 2022.

We further report that during the audit period there were no instances of:

- (i) Public / Preferential issue of shares / debentures / sweat equity
- (ii) Redemption / buy-back of securities
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) Foreign technical collaborations

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

For SVJS & Associates
Company Secretaries

Sd/-

Jayan K.
Partner
FCS. 8154
CP. No. 7363
PR 648/2019

Kochi
09.05.2023
UDIN: F008154E000277665

‘Annexure A’

To
The Members
V-GUARD CONSUMER PRODUCTS LIMITED
1st Floor, 42/962 Vennala High School Road,
Vennala, Ernakulam,
Kerala - 682028

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

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2023 but before issue of the Report.
7. We have considered actions carried out by the Company based on independent legal / professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

For SVJS & Associates
Company Secretaries
Sd/-
Jayan K.
Partner
FCS. 8154
CP. No. 7363
PR 648/2019

Kochi
09.05.2023
UDIN: F008154E000277665

V-GUARD CONSUMER PRODUCTS LTD.

Regd. office: 1st Floor, 42/962, Vennala High School Road,
Vennala, Ernakulam - 682 028
CIN: U31904KL2021PLC069893

P +91 484 200 5000
E mail@vguardcpl.in

ATTENDANCE SLIP**SECOND ANNUAL GENERAL MEETING – September 08, 2023****Folio No:****Name & Address of the Member:**

I hereby certify that I am a registered member/proxy for the registered member of the Company and record my presence at the Fifth Annual General Meeting of the Company on Friday, September 08, 2023, at the registered office of the Company at 1st Floor, 42/962, Vennala High School Road, Vennala, Ernakulam, Kerala - 682028 at 04.00 PM.

Member's Folio No.-----
**Member's / Proxy's Name in
Block Letters**-----
Member's / Proxy's Signature

V-GUARD CONSUMER PRODUCTS LTD.

Regd. office: 1st Floor, 42/962, Vennala High School Road,
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PROXY FORM Form MGT-11

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

Name of the member(s):

Registered Address:

Email ID:

Folio No:

I/we being the member(s) of V-Guard Industries Limited, a Company limited by guarantee, hereby appoint:

1. Name:
Address:
Email ID:
Signature: (or failing him/her)
2. Name:
Address:
Email ID:
Signature: (or failing him/her)
3. Name:
Address:
Email ID:
Signature: (or failing him/her)

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 2nd Annual General Meeting of the Company, to be held on Friday, September 08, 2023 at 10.00 am, at the registered office of the Company at 1st Floor, 42/962, Vennala High School Road, Vennala, Ernakulam Kerala 682028 and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated herein:

Res No.	ORDINARY BUSINESS (Ordinary Resolution)
1.	To consider, approve and adopt the Audited Financial Statements of the Company comprising the Balance Sheet as on March 31, 2023, Statement of Profit & Loss and Cash Flow Statement and Notes thereto for the period ended on March 31, 2023 together with the Reports of the Board of Directors' and the Auditors' thereon
2.	To appoint a director in place of Mr. Ramachandran V (DIN: 0657300) of who retires by rotation
	<u>SPECIAL BUSINESS (Ordinary Resolution)</u>
3.	To consider appointment of Ms. Anjana Narwal as Non-Executive Director

Signed this day of 2023

Signature of Member:

Signature of Proxy holder(s):



Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the for or against column blank against any or all resolutions, your proxy will be entitled to vote in the manner he/she may deem applicable.

V-Guard Consumer Products Limited
Balance Sheet

(Rs. in lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
A. ASSETS			
1. Non-current assets			
Property, plant & equipment	3	4,608.82	3,033.00
Capital work-in-progress	3	1,124.86	50.72
Right of use assets	3	1,700.20	1,726.32
Financial assets			
(a) Loans	4	2.70	-
(b) Other financial assets	5	72.19	20.74
Deferred tax assets (net)	6	-	21.82
Other non-current assets	7	1,956.25	251.83
Total non-current assets		9,465.02	5,104.43
2. Current assets			
Inventories	8	3,619.53	201.20
Financial assets			
(a) Investments	9	12.23	-
(b) Trade receivables	10	1,345.82	23.66
(c) Cash and cash equivalents	11.1	394.20	732.60
(d) Bank balances other than (c) above	11.2	-	4.00
(e) Other financial assets	12	25.06	0.13
Current tax assets (net)	13	-	0.06
Other current assets	14	956.69	378.35
Total current assets		6,353.53	1,340.00
TOTAL ASSETS		15,818.55	6,444.43
B. EQUITY AND LIABILITIES			
1. Equity			
Equity share capital	15	12,109.00	5,979.75
Other equity*		586.14	(200.14)
TOTAL EQUITY		12,695.14	5,779.61
2. Non-current liabilities			
Financial liabilities			
(a) Lease liabilities	16	27.81	30.41
Deferred tax liability (net)	6	75.01	-
Provisions	17	-	6.65
Total non-current liabilities		102.82	37.06
3. Current liabilities			
Financial liabilities			
(a) Lease liabilities	18	2.61	2.38
(b) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	19	713.60	68.63
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	19	2,010.97	130.93
(c) Other financial liabilities	20	201.68	415.86
Current tax liabilities (net)	21	38.56	-
Other current liabilities	22	15.30	5.44
Provisions	23	37.87	4.52
Total current liabilities		3,020.59	627.76
TOTAL EQUITY AND LIABILITIES		15,818.55	6,444.43
Summary of significant accounting policies	1-2		

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

* Refer Statement of changes in equity

As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

For and on behalf of the Board of Directors of
V-Guard Consumer Products Limited
CIN: U31904KL2021PLC069893

Arun Kumar Manickam
Partner
Membership No. : 218094

Mithun K. Chittilappilly
Managing Director
DIN: 00027610

Venkataraman Ramachandran
Director
DIN: 06576300

Place: Kochi
Date: May 9, 2023

Place: New Delhi
Date: May 9, 2023

Saleesh Sekhar
Chief Financial Officer

Harsha M. V.
Company Secretary
Membership No: 52887

Place: Bengaluru
Date: May 9, 2023

Place: Kochi
Date: May 9, 2023

Place: Kochi
Date: May 9, 2023

V-Guard Consumer Products Limited
Statement of Profit and Loss

(Rs. in lakhs)

Particulars	Notes	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
1. Income			
(a) Revenue from operations	24	10,402.97	40.48
(b) Other income	25	116.13	0.68
Total Income		10,519.10	41.16
2. Expenses			
(a) Cost of materials consumed		7,858.12	58.65
(b) Changes in inventories of finished goods and work-in-progress	26	(564.86)	(22.36)
(c) Employee benefit expenses	27	277.02	17.73
(d) Depreciation and amortisation expense	28	293.37	33.13
(e) Finance costs	29	5.80	1.65
(f) Other expenses	30	1,671.56	174.32
Total expenses		9,541.01	263.12
3. Profit before tax (1 - 2)		978.09	(221.96)
4. Income tax expense			
(a) Current tax expense	31	92.18	-
(b) Deferred tax expense/ (credit)	31	97.31	(21.82)
Total Income tax expense		189.49	(21.82)
5. Profit/(loss) for the year/ period (3 - 4)		788.60	(200.14)
6. Other Comprehensive income/ (loss)			
Other comprehensive income/(loss) not to be reclassified to profit or loss			
(a) Re-measurement gains/ (losses) on defined benefit plans	35	(2.80)	-
(b) Income tax effect	6	0.48	-
Other comprehensive income/(loss) for the year/ period, net of tax		(2.32)	-
7. Total comprehensive income for the year/period		786.28	(200.14)
Earnings per equity share (basic and diluted) (Rs.) :	32		
(Nominal value of equity share - Rs. 10 each)			
Basic earnings per share		0.78	(0.60)
Diluted earnings per share		0.78	(0.60)

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

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of the Board of Directors of
V-Guard Consumer Products Limited
CIN: U31904KL2021PLC069893

Arun Kumar Manickam
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Place: Kochi
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Place: Kochi
Date: May 9, 2023

V-Guard Consumer Products Limited
Statement of Cash flows

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
A. Cash flow from operating activities		
Profit/(Loss) before tax	978.09	(221.96)
Adjustments to reconcile profit/ (loss) before tax to net cash flows		
Depreciation and amortisation expense	293.37	33.13
Write off of capital work-in-progress	0.72	4.66
Unrealised loss on foreign currency translation for capital creditors	-	4.28
Finance costs	5.80	-
Changes in fair value of financial assets at fair value through profit or loss	(0.27)	-
Net gain on redemption of investments	(12.07)	-
Unwinding of discount on security deposits	(0.90)	-
Interest income from financial assets at amortised cost	(25.30)	(0.68)
	261.35	41.39
Operating profit/ (loss) before working capital changes	1,239.44	(180.57)
Movement in working capital		
(Increase)/ Decrease in inventories	(3,418.33)	(201.20)
(Increase)/ Decrease in trade receivables	(1,322.16)	(23.66)
(Increase)/ Decrease in other assets	(646.14)	(378.35)
(Increase)/ Decrease in other financial assets	(89.27)	(9.78)
Increase/ (Decrease) in trade payables	2,525.01	199.56
Increase/ (Decrease) in other financial liabilities	18.16	36.63
Increase/ (Decrease) in provisions	23.90	11.17
Increase/ (Decrease) in other liabilities	9.86	5.44
	(2,898.97)	(360.19)
Cash used in operations	(1,659.53)	(540.76)
Income tax paid (net of refunds)	(56.50)	(0.06)
Net cash used in operating activities (A)	(1,716.03)	(540.82)
B. Cash flow from investing activities		
Purchase of property, plant and equipment including capital work in progress and capital advances	(4,786.89)	(4,688.78)
Investments in Deposits with banks	-	(11.09)
Withdrawals of Deposits from banks	15.09	(4.00)
Interest received on financial assets	25.30	0.68
Investment in mutual funds	(2,199.89)	-
Redemption of mutual funds	2,200.00	-
Net cash flow used in investing activities (B)	(4,746.39)	(4,703.19)
C. Cash flow from financing activities		
Payment of lease liabilities	(5.23)	(3.14)
Proceeds from issue of equity shares	6,129.25	5,979.75
Net cash flow from financing activities (C)	6,124.02	5,976.61
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(338.40)	732.60
Cash and cash equivalents at the beginning of the period/ year	732.60	-
Cash and cash equivalents at the end of the year/ period	394.20	732.60
Components of cash and cash equivalents:		
(a) Cash on hand	-	0.16
(b) Balances with bank:		
In current accounts	394.20	732.44
	394.20	732.60

For non-cash additions in Right-of-use-assets and lease liabilities, refer note 34.

The accompanying notes form an integral part of these financial statements.
As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of the Board of Directors of
V-Guard Consumer Products Limited
CIN: U31904KL2021PLC069893

Arun Kumar Manickam
Partner
Membership No. : 218094

Mithun K. Chittilappilly
Managing Director
DIN: 00027610

Venkataraman Ramachandran
Director
DIN: 06576300

Place: Kochi
Date: May 9, 2023

Place: New Delhi
Date: May 9, 2023

Saleesh Sekhar
Chief Financial Officer

Harsha M. V.
Company Secretary
Membership No: 52887

Place: Bengaluru
Date: May 9, 2023

Place: Kochi
Date: May 9, 2023

Place: Kochi
Date: May 9, 2023

V-Guard Consumer Products Limited
Statement of Changes in Equity

A) Equity Share Capital

(Rs. in lakhs)

Particulars	No. of shares	Rs. In Lakhs
As at July 19, 2021	-	-
Add: Equity shares issued during the period	5,97,97,507	5,979.75
As at March 31, 2022	5,97,97,507	5,979.75
Add: Equity shares issued during the year	6,12,92,454	6,129.25
As at March 31, 2023	12,10,89,961	12,109.00

B) Other Equity

(Rs. in lakhs)

Particulars	Retained Earnings	Total
As at July 19, 2021	-	-
Net (loss) for the period	(200.14)	(200.14)
Other comprehensive income/(loss)	-	-
Total Comprehensive Income	(200.14)	(200.14)
As at March 31, 2022	(200.14)	(200.14)
Net profit for the year	788.60	788.60
Other comprehensive income/(loss)	(2.32)	(2.32)
Total Comprehensive Income	786.28	786.28
As at March 31, 2023	586.14	586.14

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

Nature and purpose of reserves:

Retained earnings: Represents the profits / losses of the Company earned till date, net of appropriations.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of the Board of Directors of
V-Guard Consumer Products Limited
CIN: U31904KL2021PLC069893

Arun Kumar Manickam
Partner
Membership No. : 218094

Mithun K. Chittilappilly
Managing Director
DIN: 00027610

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Director
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Place: Kochi
Date: May 9, 2023

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Saleesh Sekhar
Chief Financial Officer

Harsha M. V.
Company Secretary
Membership No: 52887

Place: Bengaluru
Date: May 9, 2023

Place: Kochi
Date: May 9, 2023

Place: Kochi
Date: May 9, 2023

V-Guard Consumer Products Limited
Notes forming part of the financial statements

Note 3 : Property, Plant and Equipment, Right of use assets and Capital work in progress

	Property, Plant and Equipment						Total	Right of Use Assets		Total	Capital work in progress
	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Computers		Leasehold Land	Leasehold Building		
Gross block											
As on July 19, 2021	-	-	-	-	-	-	-	-	-	-	-
Additions	990.82	1,970.43	-	-	39.93	53.17	3,054.35	1,724.67	13.43	1,738.10	2,900.05
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	(2,849.33)
As on March 31, 2022	990.82	1,970.43	-	-	39.93	53.17	3,054.35	1,724.67	13.43	1,738.10	50.72
Additions	1,004.40	570.02	53.31	7.71	130.06	77.57	1,843.07	-	-	-	2,086.15
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	(1,012.01)
As on March 31, 2023	1,995.22	2,540.45	53.31	7.71	169.99	130.74	4,897.42	1,724.67	13.43	1,738.10	1,124.86
Accumulated depreciation											
As on July 19, 2021	-	-	-	-	-	-	-	-	-	-	-
Charge for the period	(2.75)	(15.86)	-	-	(0.56)	(2.18)	(21.35)	(9.76)	(2.02)	(11.78)	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
As on March 31, 2022	(2.75)	(15.86)	-	-	(0.56)	(2.18)	(21.35)	(9.76)	(2.02)	(11.78)	-
Charge for the year	(59.57)	(164.26)	(1.27)	(0.57)	(19.31)	(22.27)	(267.25)	(23.44)	(2.68)	(26.12)	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-
As on March 31, 2023	(62.32)	(180.12)	(1.27)	(0.57)	(19.87)	(24.45)	(288.60)	(33.20)	(4.70)	(37.90)	-
Net Block											
As on March 31, 2022	988.07	1,954.57	-	-	39.37	50.99	3,033.00	1,714.91	11.41	1,726.32	50.72
As on March 31, 2023	1,932.90	2,360.33	52.04	7.14	150.12	106.29	4,608.82	1,691.47	8.73	1,700.20	1,124.86

- Notes:**
- Right of Use asset includes:-
 - Leasehold Land which represents land obtained on long term lease from government authorities.
 - Leasehold building which represents property taken on lease for its office, accounted for in accordance with principle of Ind AS 116 'Leases'.

2. Ageing schedule for Capital Work-in progress:

Particulars	Amount in Capital Work-in Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,124.86	-	-	-	1,124.86
Projects temporarily suspended	-	-	-	-	-
As on March 31, 2023	1,124.86	-	-	-	1,124.86
Projects in progress	50.72	-	-	-	50.72
Projects temporarily suspended	-	-	-	-	-
As on March 31, 2022	50.72	-	-	-	50.72

3. Capital Work-in Progress completion schedule whose expected completion date is overdue as at March 31, 2023:

Capital Work in Progress	Amount in Capital Work-in Progress to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Hyderabad Plant	1,083.52	-	-	-	1,083.52
Vapi Plant	16.80	-	-	-	16.80
Total	1,100.32	-	-	-	1,100.32

There are no Capital Work-in Progress whose expected completion was overdue as at March 31, 2022.

4. There are no Capital Work in Progress which has exceeded its cost as compared to its original plan.

5. During the year/period, the company capitalised the following expenses to Capital Work in Progress. Consequently, the expenses disclosed under the respective notes are net of these amounts.

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
Legal and Professional fees	50.31	65.22
Employee benefit expense	19.70	0.80
Others	4.61	17.85
Total	74.62	83.87

6. The Company has applied for capital subsidy under Industrial Development Scheme for Himachal Pradesh (HP) & Uttarakhand, 2017 scheme from the Ministry of Commerce and Industry as per Notification No.F.No.2(2)2018 SPS. Under the said scheme, the Company as on March 31, 2023, has filed application for capital subsidy aggregating to Rs. 500 lakhs (March 31, 2022 : Nil) which has not been adjusted to the cost of respective assets in the absence of reasonable assurance that the amount will be received.

V-Guard Consumer Products Limited
Notes forming part of the financial statements

Note 4 : Loans (Non - Current)

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good (carried at amortised cost)		
Loans to employees	2.70	-
Total	2.70	-

Notes:

- (a) There are no loans as at March 31, 2023 which have significant increase in credit risk or which are credit impaired.
(b) Company has granted loan to one employee during the year (March 31, 2022: Nil)

Note 5 : Other financial assets

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Security deposits (Unsecured, considered good) (carried at amortised cost)	72.19	9.65
(b) Fixed deposit having remaining maturity for more than 12 months (carried at amortised cost) (Refer note below)	-	11.09
Total	72.19	20.74

Notes :

- (a) There are no other financial assets as at March 31, 2023 or March 31, 2022 which have significant increase in credit risk or which are credit impaired.
(b) Fixed deposit having remaining maturity for more than 12 months as on March 31, 2022 represents amounts held as security against Bank Guarantees.

Note 6: Deferred tax liability/ (asset) (net)

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<u>(a) Tax effect of items constituting deferred tax liability</u>		
Property, plant and equipment	78.91	32.78
Right of use assets	5.01	0.26
Others	2.83	-
	86.75	33.04
<u>(b) Tax effect of items constituting deferred tax assets</u>		
Tax losses	-	(51.79)
Provisions	(6.50)	(1.92)
Lease liabilities	(5.24)	(0.37)
Others	-	(0.78)
	(11.74)	(54.86)
Net deferred tax liability/ (asset)	(75.01)	21.82

Notes:

- (i) Reconciliation of effective tax rate
The income tax expense for the year/period can be reconciled to the accounting profit as follows:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the period ended March 31, 2022
Profit/ (Loss) before tax	978.09	(221.96)
Income tax expense calculated at 17.16% (March 31, 2022: 17.16%)	167.84	(38.09)
Tax effect on non-deductible expense	17.34	14.62
Others	4.31	1.65
Total	189.49	(21.82)
Tax expense as per Statement of Profit and Loss	189.49	(21.82)

The tax impact for the above purpose has been arrived by applying tax rate of 17.16% (March 31, 2022 : 17.16%) being the substantively enacted prevailing tax rate under section 115BAB under Income Tax Act 1961.

V-Guard Consumer Products Limited
Notes forming part of the financial statements

Note 6: Deferred tax liability/ (asset) (net) (contd.)

(ii): Movement of deferred tax (assets)/liabilities during the year/period

(Rs. in lakhs)

	Property, Plant and Equipment	Right of Use Assets	Other items	Tax losses	Provisions	Lease liabilities	Total
As at July 19, 2021	-	-	-		-	-	-
Charged or credited							
- To profit or loss	32.78	0.26	(0.78)	(51.79)	(1.92)	(0.37)	(21.82)
- To Other comprehensive income	-	-	-		-	-	-
As at March 31, 2022	32.78	0.26	(0.78)	(51.79)	(1.92)	(0.37)	(21.82)
Charged or credited							
- To profit or loss	46.13	4.75	3.61	51.79	(4.10)	(4.87)	97.31
- To Other comprehensive income	-	-	-		(0.48)	-	(0.48)
As at March 31, 2023	78.91	5.01	2.83	-	(6.50)	(5.24)	75.01

Note 7: Other Non-Current assets

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered good		
(a) Capital advances	1,888.45	251.83
(b) Prepaid expenses	67.80	-
Total	1,956.25	251.83

Note 8: Inventories (valued at lower of cost and net realisable value)

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Raw materials	2,868.04	169.70
(b) Work in progress	278.34	-
(c) Finished goods	308.88	22.36
(d) Stores and Spares	-	-
(d) Packing materials and Consumables	164.27	9.14
Total	3,619.53	201.20

Notes:

(i) Inventories are hypothecated with the banks against working capital limits and non fund facilities availed by the Company.

(ii) The above includes goods in transit as under:

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials	-	12.79
(b) Packing materials and consumables	-	-
Total	-	12.79

(iii) There are no write-downs of inventories to net realisable value for the year ended March 31, 2023 (March 31, 2022 : Nil)

Note 9: Investments

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<u>Unsecured, considered good (Fair through Profit and Loss account)</u>		
Investment in mutual funds at fair value through profit and loss:		
Quoted investments		
347 (March 31, 2022: Nil) units in SBI Liquid Fund Direct Growth Mutual Fund	12.23	-
Total	12.23	-

Aggregate amount of quoted investment and market value thereof

12.23

-

Aggregate amount of unquoted investment

-

-

Aggregate amount of impairment in the value of investments

-

-

Note 10: Trade receivables

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables from contract with customers - Others	362.20	-
Trade receivables from contract with costumers -Related parties (Refer note: 37)	984.31	23.66
	1,346.51	23.66
Less: Loss allowance	(0.69)	-
Total	1,345.82	23.66

Note:

(i) Trade receivables are hypothecated with the banks against working capital limits and non fund facilities availed by the company.

(ii) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(iii) Break-up of security details of trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables considered good – secured	-	-
Trade receivables considered good – unsecured	1,346.51	23.66
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	1,346.51	23.66
Less: Loss allowance	(0.69)	-
Total trade receivables	1,345.82	23.66

(iv) Trade receivables ageing schedule as at March 31, 2023 and March 31, 2022

As at March 31, 2023

(Rs.in Lakhs)

Particulars	Unbilled	Amount not due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered good	73.01	654.59	618.91	-	-	-	-	1,346.51
(ii) Considered doubtful	-	-	-	-	-	-	-	-
Disputed Trade receivables - Considered good	-	-	-	-	-	-	-	-
(i) Considered good	-	-	-	-	-	-	-	-
(ii) Considered doubtful	-	-	-	-	-	-	-	-
Total	73.01	654.59	618.91	-	-	-	-	1,346.51

As at March 31, 2022

(Rs.in Lakhs)

Particulars	Unbilled	Amount not due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered good	-	23.66	-	-	-	-	-	23.66
Disputed Trade receivables - Considered good	-	-	-	-	-	-	-	-
Total	-	23.66	-	-	-	-	-	23.66

Note 11.1 : Cash and cash equivalents

(Rs.in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Cash on hand	-	0.16
(b) Balances with Banks: In current accounts	394.20	732.44
Total	394.20	732.60

Note 11.2 : Bank balances other than cash and cash equivalents

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposits having maturity more than 3 months but less than 12 months	-	4.00
Total	-	4.00

Note 12: Other financial assets

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good (carried at amortised cost)		
(a) Security deposits	-	0.13
(b) Other receivables (Refer note 37)	25.06	-
Total	25.06	0.13

Note 13: Current tax assets (net)

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Advance income tax (net of provision: Nil)	-	0.06
Total	-	0.06

Note 14: Other current assets

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<u>Unsecured, considered good</u> <u>unless other wise stated</u>		
(a) Balance with Government authorities	871.08	371.54
(b) Prepaid expenses	33.27	2.45
(c) Advance to suppliers	52.34	4.36
Total	956.69	378.35

Note 16: Lease liabilities - non current

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(carried at amortised cost)		
Lease liabilities (Refer note 34)	27.81	30.41
Total	27.81	30.41

Note 17: Provisions

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Gratuity (Refer note 35)	-	6.65
Total	-	6.65

Note 18: Lease liabilities - current

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(carried at amortised cost)		
Lease liabilities (Refer note 34)	2.61	2.38
Total	2.61	2.38

Note 19: Trade payables

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(carried at amortised cost)		
(a) Trade payables: micro enterprises and small enterprises [Refer note: 19(a) and 19(b) below]	713.60	68.63
(b) Trade payables: outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Trade payables: others	1,695.04	110.16
(ii) Trade payables: Related party (Refer note 37)	315.93	20.77
Total	2,724.57	199.56

V-Guard Consumer Products Limited
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Note 19: Trade payables (contd.)

(a) Trade payables ageing schedule as on March 31, 2023 and March 31, 2022

As at March 31, 2023

(Rs.in Lakhs)

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues							
(i) micro enterprises and small enterprises	-	713.60	-	-	-	-	713.60
(ii) other than micro enterprises and small	161.51	1,013.04	836.42	-	-	-	2,010.97
Disputed dues							
(i) micro enterprises and small enterprises	-	-	-	-	-	-	-
(ii) other than micro enterprises and small	-	-	-	-	-	-	-
Total	161.51	1,726.64	836.42	-	-	-	2,724.57

As at March 31, 2022

(Rs.in Lakhs)

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed outstanding dues							
(i) micro enterprises and small enterprises	-	-	68.63	-	-	-	68.63
(ii) other than micro enterprises and small	1.97	-	128.96	-	-	-	130.93
Disputed dues							
(i) micro enterprises and small enterprises	-	-	-	-	-	-	-
(ii) other than micro enterprises and small	-	-	-	-	-	-	-
Total	1.97	-	197.59	-	-	-	199.56

(b) Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year		
Principal amount due to micro and small enterprises	798.92	112.29
Interest due on above	-	-
	798.92	112.29
b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
d) The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note 15 : Equity share capital

Particulars	Number of shares	Amount
(a) Authorised: Equity shares of Rs 10/- As at July 19, 2021	-	-
Increase during the period	10,00,00,000	10,000.00
As at March 31, 2022	10,00,00,000	10,000.00
Increase during the year	10,00,00,000	10,000.00
As at March 31, 2023	20,00,00,000	20,000.00
(b) Issued, subscribed and fully paid-up: Equity shares of Rs 10/- As at July 19, 2021	-	-
Increase during the period	5,97,97,507	5,979.75
As at March 31, 2022	5,97,97,507	5,979.75
Increase during the year	6,12,92,454	6,129.25
As at March 31, 2023	12,10,89,961	12,109.00

Notes

- i) Consequent to the approval of the shareholders of the Company in their meeting held on August 10, 2022, the Company has increased its authorised share capital of equity shares from 100,000,000 shares of Rs.10 each to 200,000,000 shares of Rs.10 each during the year ended March 31, 2023.
- ii) The Company was incorporated on July 19, 2021 by issuing 100,000 equity shares of Rs. 10 each to the respective subscribers to the Memorandum aggregating to Rs. 10 lakhs with payment being received in cash.
- iii) During the year ended March 31, 2023, in the month of May 2022 and October 2022, the Company invited its shareholders to subscribe to a rights issue of 29,898,757 equity shares and 31,393,697 equity shares respectively at an issue price of Rs. 10 per share. The issue was fully subscribed.
- iv) During the period ended March 31, 2022, in the month of September 2021, December 2021 and February 2022 the Company invited its shareholders to subscribe to a rights issue of 25,400,000 equity shares and 19,125,002 equity shares and 15,172,505 equity shares respectively) at an issue price of Rs. 10 per share. The issue was fully subscribed.

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year/ period	5,97,97,507	5,979.75	-	-
Issued during the year/ period	6,12,92,454	6,129.25	5,97,97,507	5,979.75
Outstanding at the end of the year/ period	12,10,89,961	12,109.00	5,97,97,507	5,979.75

(b) Terms/rights attached to equity shares:

The Company has issued only one class of equity shares having a face value of Re.10 per share (March 31, 2022: Re 10 per share) . Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the equity share holders will be entitled to receive remaining assets of the Company, after settling the dues of preferential and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares of the company held by holding/ultimate holding company

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
V-Guard Industries Limited (immediate and ultimate holding company)	12,10,89,961	100%	5,97,97,507	100%

(d) Details of shareholders holding more than 5% shares in the Company:

Class of shares / name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights: V-Guard Industries Limited	12,10,89,961	100%	5,97,97,507	100%

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

(e) Details of shares held by promoters**As at March 31, 2023**

Promoter name	Class of shares	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% of change during the year
V-Guard Industries Limited	Equity shares with voting rights	5,97,97,507	6,12,92,454	12,10,89,961	100%	Nil

As at March 31, 2022

Promoter name	Class of shares	No. of shares at the beginning of the year	Change during the period	No. of shares at the end of the year	% of total shares	% of change during the year
V-Guard Industries Limited	Equity shares with voting rights	-	5,97,97,507	5,97,97,507	100%	NA

(f) The Company was incorporated on July 19, 2021 and no shares have been allotted pursuant to a contract without payment being received in cash, or by way of bonus shares or shares bought back from the date of incorporation till date. There are no shares reserved for issue under options and contracts/commitments.

Note 20: Other financial liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(carried at amortised cost)		
(a) Capital creditors		
(i) Total outstanding dues of micro enterprises and small enterprises [Refer note 19(b)]	85.32	43.66
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	97.50	371.50
	182.82	415.16
(b) Employee benefits payable	18.86	0.70
Total	201.68	415.86

Note 21: Current tax liabilities (net)

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax payable (Net of advance tax Rs.56.55 lakhs) (March 31, 2022: Nil)	38.56	-
Total	38.56	-

Note 22: Other current liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues*	15.30	5.44
Total	15.30	5.44

*Represents contributions to Provident Fund, Employee State Insurance, withholding taxes etc.

Note 23: Provisions

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Provision for Gratuity (Refer Note 35)	24.76	0.53
(b) Provision for Compensated absences	13.11	3.99
Total	37.87	4.52

Note 24: Revenue from operations

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
Revenue from contracts with customers		
Sale of products		
- Related party (Refer note 37)	10,084.46	40.48
- Others	318.51	-
Total	10,402.97	40.48

(i) Reconciling the amount of revenue recognised in the statement of profit and loss with the contract price

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
Revenue as per contract price	10,402.97	40.48
Adjustments to contract price	-	-
Total Revenue from contracts with customers	10,402.97	40.48

(ii) Performance obligation

The performance obligation for sale of products are satisfied upon delivery/despatch of goods depending upon terms with customers and payment is generally due within 15 to 90 days from delivery. The contracts do not have a significant financing component. There are no unsatisfied or partially satisfied performance obligations as at March 31, 2023 and March 31, 2022.

Note 25: Other income

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
(a) Interest income from financial assets at amortised cost	25.30	0.68
(b) Net fair value gains on financial assets mandatorily measured at fair value through profit or loss	0.27	-
(c) Net gain on redemption of investments	12.07	-
(d) Net gain on foreign currency transactions and translation	2.70	-
(e) Others	75.79	-
Total	116.13	0.68

Note 26: Changes in inventories of finished goods and work-in-progress

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
Opening Balance:		
Finished goods	22.36	-
Work in progress	-	-
Total (A)	22.36	-
Closing Balance:		
Finished Goods	308.88	22.36
Work in progress	278.34	-
Total (B)	587.22	22.36
Change in inventories:		
Finished goods	(286.52)	(22.36)
Work in progress	(278.34)	-
Total	(564.86)	(22.36)

Note 27: Employee benefit expenses

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
(a) Salaries, wages and bonus	245.91	9.68
(b) Contributions to provident and other funds	11.45	0.39
(c) Gratuity (Refer note 35)	2.24	7.18
(d) Staff welfare expenses	17.42	0.48
Total	277.02	17.73

Note: The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules / interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 28: Depreciation and amortisation expense

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
(a) Depreciation of property, plant and equipment	267.25	21.35
(b) Depreciation of right-of-use assets	26.12	11.78
Total	293.37	33.13

Note 29: Finance costs

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
(a) Interest on lease liability (Refer note 34)	2.86	1.65
(b) Interest on delayed payment of Income tax	2.94	-
Total	5.80	1.65

Note 30: Other expenses

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
Consumption of packing materials and consumables	534.98	-
Power and fuel	80.81	1.07
Rent	10.23	2.45
Repairs and maintenance		
Plant and machinery	8.09	0.20
Buildings	5.92	-
Others	22.83	-
Rates and taxes	84.48	88.72
Legal and professional fees	152.20	45.68
Outsourced manpower cost	575.24	3.62
Cleaning and security charges	55.54	11.46
Payment to auditors (Refer note 30.1)	10.50	1.50
Net loss on foreign currency transactions and translation	-	4.42
Bank charges	2.00	7.96
Insurance	15.98	1.03
Travel and conveyance	3.84	0.23
Loss allowance for trade receivables	0.69	-
Write off of capital work-in-progress	0.72	4.66
Miscellaneous expenses	107.51	1.32
Total	1,671.56	174.32

Note 30.1: Payment to auditors

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
(a) For statutory audit	8.00	1.50
(b) For tax audit	2.00	-
(c) For limited review	0.50	-
Total	10.50	1.50

Note 30.2

The Company does not fall under the purview of Section 135 [Corporate Social Responsibility (CSR)] of the Act in terms of net worth, turnover and net profit criteria during the immediately preceding financial period and accordingly, the provisions relating to CSR is not applicable to the Company.

Note 31: Income Tax Expense

The major components of income tax expense are:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
Current tax:		
Current tax charge	92.18	-
Total (A)	92.18	-
Deferred Tax:		
Relating to origination and reversal of temporary differences	97.31	(21.82)
Total (B)	97.31	(21.82)
Income tax expense recognised in the Statement of Profit & Loss (A+B)	189.49	(21.82)

Note: Refer note 6(i) for reconciliation of effective tax rate and note 6(ii) for movement of deferred tax during the year/period.

Note 32: Earnings per share

Particulars	For the year ended March 31, 2023	For the period from July 19, 2021 to March 31, 2022
Net Profit/ (Loss) for the year/ period (Rs. in lakhs)	788.60	(200.14)
Weighted average no. of equity shares	10,09,57,582	3,31,29,299
Basic earnings per share (Rs.)	0.78	(0.60)
Diluted earnings per share (Rs.)	0.78	(0.60)

Note 33: Commitments and Contingent Liabilities**(a) Capital commitments (net of advances)**

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Property, Plant and Equipment	1,173.29	129.40

(b) Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent liabilities	-	-

Note 34: Leases

(i) The Company's lease asset primarily consist of leases for land, buildings and other equipments having various lease terms.

(ii) Following is the carrying value of right of use assets recognised and movement thereof during the year/ period.

(Rs. in lakhs)

Particulars	Right to use assets		Total
	Leasehold Land	Leasehold Building	
Balance as at July 19, 2021	-	-	-
Additions during the period	1,724.67	13.43	1,738.10
Disposals during the period	-	-	-
Depreciation charge for the period	(9.76)	(2.02)	(11.78)
Balance as at March 31, 2022	1,714.91	11.41	1,726.32
Right of use asset as on April 1, 2022	1,714.91	11.41	1,726.32
Additions during the year	-	-	-
Disposals during the year	-	-	-
Depreciation charge for the year	(23.44)	(2.68)	(26.12)
Balance as at March 31, 2023	1,691.47	8.73	1,700.20

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(iii) Following is the carrying value of lease liability and movement thereof during the year/ period.

(Rs. in lakhs)		
Particulars	For the year ended March 31, 2023	For the period from July 19,2021 to March 31, 2022
Balance as at the beginning of the year/ period	32.79	-
Additions during the year/period	-	34.28
Interest cost (Refer note 29)	2.86	1.65
Payment of lease liabilities	5.23	3.14
Balance as at the year end	30.42	32.79
Disclosed as:		
Current portion of lease liability (Refer note 18)	2.61	2.38
Non-current lease liability (Refer note 16)	27.81	30.41
Total	30.42	32.79

(iv) Amounts recognised in statement of profit and loss during the year/period:

(Rs. in lakhs)		
Particulars	For the year ended March 31, 2023	For the period from July 19,2021 to March 31, 2022
Depreciation on right of use assets (Refer note 3)	26.12	11.78
Interest cost (included in finance costs) (Refer note 29)	2.86	1.65
Expense relating to short-term leases/ low value assets (included in other expenses) (Refer note 30)	10.23	2.45
	39.21	15.88

(v) The maturity analysis of lease liabilities are disclosed in Note 40A.

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

(vii) The Company had total cash outflows for leases of Rs. 15.46 lakhs for the year (March 31, 2022: Rs. 5.59 Lakhs).

(viii) The gross minimum commitments under non-cancellable leases that have not yet commenced amounts to Rs. 2,771.32 Lakhs (March 31, 2022 : Rs. 1,587.69 Lakhs)

Note 35: Employee benefit plans

(i) Defined Contribution Plans

During the year the following amounts have been recognised in the Statement of Profit and Loss on account of defined contribution plans:

(Rs. in lakhs)		
Particulars	For the year ended March 31, 2023	For the period from July 19,2021 to March 31, 2022
Provident fund	11.24	0.39
Employee's state insurance	0.21	0.00
Total	11.45	0.39

(ii) Defined benefit plans - Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (based on last drawn basic salary and dearness allowance) for each completed year of service. The gratuity plan is unfunded.

V-Guard Consumer Products Limited
Notes forming part of the financial statements

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet for gratuity benefit:

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2023	For the period from July 19,2021 to March 31, 2022
Components of employer expense:		
Current service cost	1.76	7.18
Net interest expense / (income) on net defined benefit obligation	0.48	-
Total expense recognised in the Statement of Profit and Loss	2.24	7.18
Net asset / (liability) recognised in the Balance Sheet:		
Present value of defined benefit obligation	(24.76)	(7.18)
Fair value of plan assets	-	-
Net asset / (liability) recognised in the Balance Sheet	(24.76)	(7.18)
Change in defined benefit obligations (DBO) during the year:		
Present value of DBO at beginning of the year/ period	7.18	-
Current service cost	1.76	7.18
Interest cost on DBO	0.48	-
Actuarial (gains) / losses	2.80	-
Acquisitions (credit)/ cost	12.54	-
Present value of DBO at the end of the year/ period	24.76	7.18
Remeasurement gains/(losses) in other comprehensive income		
Return on plan assets greater/ (lesser) than discount rate		-
Actuarial gain / (loss) on obligations arising from changes in experience adjustments	(3.77)	-
Actuarial gain / (loss) on obligations arising from changes in financial assumptions	0.97	-
Total amount recognised in OCI	(2.80)	-

Note 35: Employee benefit plans (contd.)

Actuarial assumptions:

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2023	For the period from July 19,2021 to March 31, 2022
Discount rate	7.20%	6.70%
Salary Escalation	9.00%	9.00%
Attrition	8.00%	8.00%
Mortality Table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Estimate of amount of contribution in the immediate next year (Rs. in lakhs)	24.76	-

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The below sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognised in the balance sheet.

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2023	For the period from July 19,2021 to March 31, 2022
Defined Benefit Obligation	24.76	7.18

Particulars	For the year ended March 31, 2023		For the period from July 19,2021 to March 31, 2022	
	1% Decrease	1% Increase	1% Decrease	1% Increase
Impact on defined benefit obligation (increase/(decrease)) due to change in Discount rate	2.02	(1.78)	0.76	(0.65)
Impact on defined benefit obligation (increase/(decrease)) due to change in Salary Escalation Rate	(1.77)	1.97	(0.65)	0.73

V-Guard Consumer Products Limited
Notes forming part of the financial statements

Maturity profile of Defined Benefit Obligation

(Rs. in lakhs)

Expected Cash Flows (value on undiscounted basis)	As at March 31, 2023	As at March 31, 2022
Less than a year	1.77	0.53
Between 1–2 years	1.89	0.59
Between 2–5 years	7.80	2.10
Over 5 years	36.41	8.00
Total	47.87	11.22

Notes:

i) The estimates of future salary increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

ii) The weighted average duration of the defined benefit obligation is 8 years (March 31, 2022 : 7 years).

ii) Plan characteristics and associated risks:

The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

a. Interest rate risk : The defined benefit obligation calculated uses a discount rate based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations. If bond yields fall, the defined benefit obligation will tend to increase.

b. Salary Inflation risk : The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors. Higher than expected increases in salary will increase the defined benefit obligation

c. Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Note 36 : Segment Reporting

The Company is primarily engaged in business of manufacturing and trading of electronic products namely Stabilizers and Digital UPS. The Chief Operating Decision Maker (CODM) is identified to be the Managing Director of the Company, who plans the allocation of resources and assess the performance of the Company as a single business segment and not at any other disaggregated level. Accordingly, disclosures for business segment as envisaged in Ind AS -108 (Segment Reporting) are not applicable to the Company.

The Company has one external customer (March 31, 2022: one external customer) individually contributing to more than ten percent or more of the Company's revenues amounting to Rs. 10,084.46 lakhs (March 31, 2022 : Rs.40.48 lakhs). Also refer note 37(b).

The following information discloses external revenues and non-current assets based on the physical location of the customers and assets respectively.

Particulars	March 31, 2023	March 31, 2022
(i) India		
Revenue from contracts with customers	10,402.97	40.48
Non-current assets	9,465.02	5,082.61
(ii) Outside India		
Revenue from contracts with customers	-	-
Non-current assets	-	-

Note 37: Related Party Transactions

(a) Details of Related Parties:

Description of Relationship	Names of Related Parties
Holding company	V-Guard Industries Limited
Key Management Personnel (KMP)	Mr. Mithun K. Chittilappilly - Managing Director Mr. Saleesh Sekhar - Chief Financial Officer Ms. Harsha M. V. - Company Secretary Mr. Bijoy Panakkat - Director Mr. Venkataraman Ramachandran - Director Mr. Narender Singh Negi - Director

V-Guard Consumer Products Limited
Notes forming part of the financial statements

(b) Transactions with related parties during the year/period

Name of the Related Party	Nature of Transactions	For the year ended March 31, 2023	For the year ended March 31, 2022
V- Guard Industries Limited	Sale of goods	10,084.46	40.48
	Lease payments / rent expenses	6.09	2.36
	Legal and professional fees	173.19	43.58
	Staff welfare	1.05	-
	Reimbursement of employee benefit expenses	21.58	-
	Purchase of components	511.06	-
	Issue of equity shares	6,129.25	5,979.75
Saleesh Sekhar	Short-term employee benefits	29.09	1.61
	Post-employment benefits	1.44	0.19
Harsha M.V.	Short-term employee benefits	10.05	0.66
	Post-employment benefits	0.48	0.08

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

(c) Related party balances

Name of the Related Party	Nature of Transactions	As at March 31, 2023	As at March 31, 2022
V-Guard Industries Limited	Trade payables	315.93	20.77
	Security deposit	0.84	0.84
	Other receivables	25.06	-
	Trade receivables	984.31	23.66
	Corporate guarantee received	5,000.00	-

Note 38: Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair Value	Carrying value	Fair Value
Financial assets at amortised cost				
Loans	2.70	2.70	-	-
Security deposits	72.19	72.19	9.78	9.78
Cash and cash equivalents	394.20	394.20	732.60	732.60
Other receivables	25.06	25.06	-	-
Other bank balances	-	-	15.09	15.09
Trade receivables	1,345.82	1,345.82	23.66	23.66
Total	1,839.97	1,839.97	781.13	781.13
Financial liabilities at amortised cost				
Other financial liabilities	201.68	201.68	415.86	415.86
Trade Payables	2,724.57	2,724.57	199.56	199.56
Total	2,926.25	2,926.25	615.42	615.42

The management has assessed that the fair value of cash and cash equivalents, other bank balances, trade receivables, other receivables, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of loans and security deposits is estimated by discounting future cash flows using the current lending rate, credit risk and remaining maturities. The same would be sensitive to a reasonably possible change in the forecast cash flows or the discount rate.

For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

V-Guard Consumer Products Limited
Notes forming part of the financial statements

Note 39: Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities, measured at fair value on the balance sheet date:

(Rs. in lakhs)

Particulars	Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Fair value of financial assets disclosed					
FVTPL - Investments in mutual funds	March 31, 2023	12.23	12.23	-	-
	March 31, 2022	-	-	-	-
Assets carried at amortised cost for which fair value are disclosed					
Loans	March 31, 2023	2.70	-	-	2.70
	March 31, 2022	-	-	-	-
Security deposits	March 31, 2023	72.19	-	-	72.19
	March 31, 2022	9.78	-	-	9.78
Other receivables	March 31, 2023	25.06	-	-	25.06
	March 31, 2022	-	-	-	-
Trade receivables	March 31, 2023	1,345.82	-	-	1,345.82
	March 31, 2022	23.66	-	-	23.66
Liabilities carried at amortised cost for which fair value are disclosed					
Trade payables	March 31, 2023	2,724.57	-	-	2,724.57
	March 31, 2022	199.56	-	-	199.56
Other financial liabilities	March 31, 2023	201.68	-	-	201.68
	March 31, 2022	415.86	-	-	415.86

(i) There have been no transfers between Level 1, Level 2 and Level 3 during the year.

(ii) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(iii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

Note 40: Financial risk management

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risk and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework.

A. Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2023. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet its operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents.

The Company also has a working capital credit arrangement with a bank for Rs. 2,500 Lakhs (March 31, 2022: Rs. 2,500 Lakhs) which includes fund based facility of Rs.2,400 lakhs (March 31, 2022: Rs. 2,400 lakhs) and non fund based facility of Rs.100 lakhs (March 31, 2022: Rs. 100 lakhs)

The table below summarises the maturity profile of Company's financial liabilities:

(Rs. in lakhs)

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
As at March 31, 2023				
a) Trade payables	2,724.57	-	-	2,724.57
b) Lease liabilities	5.24	17.13	124.39	146.76
c) Other financial liabilities	201.68	-	-	201.68
Total	2,931.49	17.13	124.39	3,073.01
Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
As at March 31, 2022				
a) Trade payables	199.56			199.56
b) Lease liabilities	5.24	20.48	126.27	151.99
c) Other financial liabilities	415.86	-	-	415.86
Total	620.66	20.48	126.27	767.41

B. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly comprises of foreign currency risk. Financial instruments affected by market risk include trade payables and other financial liabilities.

V-Guard Consumer Products Limited
Notes forming part of the financial statements

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risks arising from exposures to US Dollars, Chinese Yuan and Japanese Yen from the Company's import of raw materials and property, plant and equipment. The Company's exposure to foreign currency changes for all other currencies is not material.

The following table demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities net of amounts hedged is as follows:

(Rs. in lakhs)

Particulars	Effect on profit before tax	
	1% increase	1% decrease
As at March 31, 2022	(0.22)	0.22
As at March 31, 2023	-	-

C. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and other financial assets.

Trade receivables

Customer credit risk is managed based on the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its sale activities are primarily conducted with its parent company only.

The movement for change in allowance for expected credit loss is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year/ period	-	-
Change in allowance for expected credit loss	0.69	-
Balance as at the end of the year / period	0.69	-

C. Credit risk (contd.)

The Company follows the following provision matrix as on the reporting date:

Particulars	Default rate
Current	0%
1-30 days past due	2%
31-60 days past due	3%
61-90 days past due	5%
91-180 days past due	25%
181-270 days past due	30%
271-360 days past due	70%
More than 360 days past due	100%

Other financial assets

Credit risk from balances with banks and financial institutions and in respect of loans and security deposits are managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only in highly marketable liquid fund instruments with appropriate maturities to optimise the cash return on instruments while ensuring sufficient liquidity to meet its liabilities.

Note 41: Capital Management

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

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The Company monitors Capital using Gearing ratio, which is net debt divided by total capital plus net debt.

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	-	-
Less: Cash and cash equivalents and other bank balances	394.20	736.60
Net debt (A)	(394.20)	(736.60)
Equity	12,109.00	5,979.75
Capital and Net debt (B)	11,714.80	5,243.15
Gearing ratio (A/B)	-	-

No changes were made in the objectives, policies or processes for managing capital during the year/ period ended March 31, 2023 and March 31, 2022.

V-Guard Consumer Products Limited
Notes forming part of the financial statements

Note 42: Analytical ratios

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% Variance	Reasons for variance in excess of 25%
Current Ratio	Current Assets	Current Liabilities	2.10	2.13	-1%	Not applicable
Debt Equity Ratio	Total Debt [1]	Shareholders Equity	0.00	0.01	-58%	Decrease in ratio due to increase in equity share capital raised during the year and increase in reserves
Debt Service Coverage Ratio	Earnings available for Debt service [2]	Debt service [3]	207.99	(52.66)	495%	Increase in ratio due to increase in earnings from operations
Return on Equity	Net profit after taxes	Average Shareholder's Equity	0.09	(0.03)	347%	Increase in ratio due to increase in earnings from operations
Inventory Turnover Ratio	Revenue from operations	Average Inventory	5.45	0.20	2607%	Increase in ratio due to increase in sales during the year
Trade Receivables Turnover Ratio	Net credit sales	Average Accounts receivable	15.19	1.71	788%	Increase in ratio due to increase in sales during the year
Trade Payables Turnover Ratio	Net credit purchases	Average Trade receivables	7.22	1.14	531%	Increase in ratio due to increase in purchases during the year
Net Capital Turnover Ratio	Net Sales	Working capital (Current assets - Current liabilities)	3.12	0.06	5392%	Increase in ratio due to increase in sales during the year
Net Profit Ratio	Net Profit	Revenue from operations	0.08	(4.94)	102%	Increase in ratio due to increase in profit during the year
Return on Capital Employed	Earnings Before Interest and Tax (EBIT)	Capital Employed [4]	0.08	(0.04)	302%	Increase in ratio due to increase in earnings during the year
Return on investment	Earnings Before Interest and Tax (EBIT)	Average Total Assets	0.26	(0.04)	769%	Increase in ratio due to Increase in investment during the year and increase in reserves

Notes:

1. Total Debt represents only lease liabilities
2. Earnings available for Debt service = Net Profit/ (Loss) after taxes + Non-cash operating expenses + Interest
3. Debt service = Lease payments for the year/ period
4. Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

Note 43: Other statutory information**(i) Details of benami property held**

No proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts.

(iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current financial year or previous financial period.

(vi) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current year or previous period.

(viii) Valuation of PP&E, intangible asset and investment property

The Company did not have any intangible asset or investment property during the year. The Company has not revalued its Property, plant and equipment during the current year or previous period.

(ix) Core investment companies (CIC)

The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Group does not have any CICs, which are part of the Group.

(x) Compliance with number of layers of companies

The Company has not made any investments and hence compliance with respect to number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017 is not applicable.

(xi) Utilisation of borrowed funds and share premium

A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(xii) Registration of charges or satisfaction with RoC

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xiii) Utilisation of borrowings taken from banks and financial institutions for specific purpose

The Company has not availed any loans from financial institutions or banks during the year.

(xiv) Loans or advances to specified persons

The Company has not granted any loans or advances to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

Note 44: The figures of the comparative period are for the period from July 19, 2021 to March 31, 2022 and hence not comparable with the current year figures.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of the Board of Directors of
V-Guard Consumer Products Ltd
CIN: U31904KL2021PLC069893

Arun Kumar Manickam
Partner
Membership No. : 218094

Mithun K. Chittilappilly
Managing Director
DIN: 00027610

Place: Kochi
Date: May 9, 2023

Venkataraman Ramachandran
Director
DIN: 06576300

Place: New Delhi
Date: May 9, 2023

Saleesh Sekhar
Chief Financial Officer

Harsha M. V.
Company Secretary
Membership No: 52887

Place: Bangalore
Date: May 9, 2023

Place: Kochi
Date: May 9, 2023

Place: Kochi
Date: May 9, 2023

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of V-Guard Consumer Products Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of V-Guard Consumer Products Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.
5. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
6. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of V-Guard Consumer Products Limited
Report on Audit of the Financial Statements
Page 2 of 5

Responsibilities of management and those charged with governance for the financial statements

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of V-Guard Consumer Products Limited
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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

12. The financial statements of the Company for the period ended March 31, 2022, were audited by another firm of chartered accountants under the Act who, vide their report dated May 3, 2022, expressed an unmodified opinion on those financial statements.

Report on other legal and regulatory requirements

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



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- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Note 43(xi)(A) to the financial statements];



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- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries [Refer Note 43(xi)(B) to the financial statements]; and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
15. The Company has neither paid nor provided for managerial remuneration during the year. Therefore, approvals mandated by the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Arun Kumar Manickam
Partner
Membership Number: 218094
UDIN: 23218094BGZVYA4919

Place: Bengaluru
Date: May 9, 2023

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of V-Guard Consumer Products Limited on the financial statements as of and for the year ended March 31, 2023

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Report on the Internal Financial Controls with reference to Financial Statements under Section 143(3)(i) of the Act

1. We have audited the internal financial controls with reference to financial statements of V-Guard Consumer Products Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of V-Guard Consumer Products Limited on the financial statements as of and for the year ended March 31, 2023

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Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016



Arun Kumar Manickam

Partner

Membership Number: 218094

UDIN: 23218094BGZVYA4919

Place: Bengaluru

Date: May 9, 2023

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of V-Guard Consumer Products Limited on the financial statements as of and for the year ended March 31, 2023
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- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under this Clause is not applicable.

- (b) The Property, Plant and Equipment are physically verified by the Management according to a planned programme designed to cover all the items once in two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, all the Property, Plant and Equipment has been physically verified by the Management during the previous year and no material discrepancies have been noticed on such verification. Accordingly, no physical verification was carried out by the Management during the year.

- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 on property, plant and equipment and right of use assets, are held in the name of the Company.

- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets). Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) does not arise.

- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from bank on the basis of security of current assets. The Company has filed quarterly returns or statements with such bank, which are in agreement with the unaudited books of account [Also refer Note 43(ii) to the financial statements].



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Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of V-Guard Consumer Products Limited on the financial statements as of and for the year ended March 31, 2023
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- iii. (a) The Company has made investments in one mutual fund scheme, granted unsecured loan to one employee. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loan are as per the table given below:

Description	Amount (Rs. In Lakhs)
Aggregate amount of loan granted/ provided during the year	
- Loan to employee	3.20
Balance outstanding as at balance sheet date in respect of the above case	
- Loan to employee	2.70

(Also refer Note 4 on Loans to the financial statements)

- (b) In respect of the aforesaid investments and loan, the terms and conditions under which such investments were made and loan was granted are not prejudicial to the Company's interest.
- (c) In respect of the loan, the schedule of repayment of principal and payment of interest has been stipulated, and the party is repaying the principal amounts, as stipulated, and is also regular in payment of interest as applicable.
- (d) In respect of the loan, there is no amount which is overdue for more than ninety days.
- (e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.
- (f) The loan granted during the year, had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of professional tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues including goods and services tax, provident fund, income tax (including tax deducted at source), employees' state insurance, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.



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Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of V-Guard Consumer Products Limited on the financial statements as of and for the year ended March 31, 2023
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- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year and therefore reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order are not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.



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Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of V-Guard Consumer Products Limited on the financial statements as of and for the year ended March 31, 2023
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- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
(b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year and had incurred cash losses of Rs. 165.36 lakhs in the immediately preceding financial period.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) is not applicable.



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Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of V-Guard Consumer Products Limited on the financial statements as of and for the year ended March 31, 2023
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- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 42 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Arun Kumar Manickam
Partner
Membership Number: 218094
UDIN: 23218094BGZVYA4919

Place: Bengaluru
Date: May 9, 2023