

**41ST ANNUAL REPORT FOR THE
FINANCIAL YEAR 2023-2024**

OF

**WELGA FOODS LIMITED
(CIN: L15419UP1983PLC005918)**

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COMPANY INFORMATION

CIN:	L15419UP1983PLC005918
BOARD OF DIRECTORS Mr. Gyan Prakash Mr. Gaurav Prakash Ms. Arpana Agarwal Mr. Ajai Vikram Singh Rawat Mr. Vikramjit Singh Mr. Ashish Khetan	DESIGNATION Chairman and Managing Director Director Non-Executive Director Non-Executive & Independent Director Non-Executive & Independent Director Non-Executive & Independent Director
CHIEF FINANCIAL OFFICER Mr. Gaurav Prakash	COMPANY SECRETARY Ms. Shweta Rawat (w.e.f. 1 st September, 2023)
BANKERS	Central Bank of India, ICICI Bank
SHARE TRANSFER AGENTS	Skyline Financial Services Private Limited Address: D-153A, I Floor, Okhla Industrial Area Phase-I, New Delhi – 110 020 Tel.: 011-26812682-83
STATUTORY AUDITOR	M/s. Amod Agrawal & Associates, Chartered Accountants FRN: 005780N Address: D-58, East of Kailash, New Delhi-110065
REGISTERED OFFICE ADDRESS	Shiamnagar, Budaun, Uttar Pradesh-243601
REGISTRAR OF COMPANIES	ROC, Kanpur, Uttar Pradesh
STOCK EXCHANGE WHERE COMPANY IS LISTED (w.e.f. 3rd April, 2023)	Metropolitan Stock Exchange of India Limited (MSEI) Address: 205(A), 2nd floor, Piramal Agastya Corporate Park, Kamani Junction, LBS Road, Kurla (West), Mumbai-400070
ISIN	INE106W01011
EMAIL	ho@welgafoods.com , marketing@welgafoods.com welgacs@gmail.com
WEBSITE	https://www.welgafoods.com

Welga's

CIN:L15419UP1983PLC005918

Welga Foods Ltd.**Regd. Office:** Shyam Nagar, Budaun – 243 601, U.P. M: + 91 70801 72555**Corporate Office:** 205 AltF Success Tower B, Suncity Success Tower, Golf Course, Ext Rd, Sector 65, Gurugram, Haryana 122005E: ho@welgafoods.com, marketing@welgafoods.com, W: www.welgafoods.com

NOTICE

NOTICE is hereby given that the 41st (Forty First) Annual General Meeting of the members of Welga Foods Limited (hereinafter the “Company”) will be held on Monday, the 30th day of September, 2024 at 09:00 A.M. at the registered office of the Company situated at Shiamnagar, Budaun, Uttar Pradesh 243601, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Gaurav Prakash (DIN: 00159435), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. Approval of Borrowing Limits of the Company

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or amendments thereto or re-

enactments thereof for the time being in force) and in terms of Articles of Association of the Company, the Consent of the members be and is hereby accorded to the Board of Director(hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board) to make borrowings from time to time on behalf of the Company, upon such terms and conditions and with/without security, as the Board may, in its absolute discretion, think fit and proper, notwithstanding the fact that such sum or sums of the monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business), may exceed, at any time, the aggregate of it's paid-up share capital, free reserves & security premium, provided that the total amount of such borrowings shall not exceed, at any time, a sum of INR.500,000,000/- (INR Fifty Crore Only).

RESOLVED FURTHER THAT Mr. Gaurav Prakash, the Director of the Company be and is hereby authorized to create mortgages and/or charges on such properties of the Company as it may think fit to secure the repayment of aforesaid borrowings and for that purpose to execute such documents, papers, deeds and writings containing such conditions and covenants as the Board may think fit and to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”

**By the order of the Board of Directors
For Welga Foods Limited**

Sd/-

Gyan Prakash

Chairman & Managing Director

DIN: 00184539

**Address: Mohalla Shyam Nagar,
Budaun-243601, Uttar Pradesh**

Date: 5thSeptember, 2024

Place: Gurugram

NOTES:

- (i) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50(FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.**
- (ii) The Instrument of Proxy, duly executed and properly stamped, should reach the Company at its registered office not less than 48 hours before the time of the meeting. **The Proxy Form (Form MGT-11) is enclosed herewith.**
- (iii) Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), relating to the Special Business to be transacted at this Annual General Meeting ('AGM') is annexed.
- (iv) Corporate Members are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote at this AGM, pursuant to Section 113 of the Act.
- (v) In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (i.e. facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company ('the Board') have engaged the services of National Securities Depository Limited ('NSDL'). The Board has also appointed M/s. JVP & Associates Company Secretaries LLP, Consultants of the Company, as the Scrutinizer to scrutinize the process of e-voting. Detailed instructions for e-voting and also for attending the AGM are annexed.
- (vi) The Scrutinizer will make a consolidated Scrutinizers Report of the total votes cast in favor or against and invalid votes if any, to the Chairman or in

- his absence to any other Director authorized by the Board, who shall countersign the same. Based on the Scrutinizer's Report, the result will be declared by the Chairman or in his absence by the Company Secretary within 48 hours from the conclusion of the AGM at the Registered Office of the Company. The same shall be submitted to the stock exchange within two working days of conclusion of its Annual General Meeting.
- (vii) The result declared along with the Scrutinizer's Report will be displayed on the notice board of the Company at its Registered Office and Company's website i.e., <https://www.welgafoods.com>. The result shall also be submitted with the Stock Exchanges, where the Company's shares are listed
- (viii) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e. 30th September, 2024.
- (ix) The facility for voting, via ballot or polling paper shall also be made available at the meeting and members attending the meeting shall be able to exercise their right at the meeting;
- (x) **Remote e-voting will commence at 9.00 a.m. on Friday, 27th September, 2024 and will end at 5.00 p.m. on Friday, 29th Sunday, 2024, when remote e-voting will be blocked by NSDL.**
- (xi) Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on Monday, **23rd September, 2024** (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting. Those who are not Members on the cut-off date should accordingly treat this Notice as for information purposes only.
- (xii) In conformity with the regulatory requirements, the Notice of this AGM and the Report and Accounts 2024 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories. Members desirous of obtaining physical

copies of the said Notice and the Report and Accounts 2024 are required to send a request to the Company, mentioning their name and DP ID & Client ID / folio number, through e-mail at **welgacs@gmail.com** or by post to Welga Foods Limited, C/o Shiamnagar, Budaun, Uttar Pradesh 243601.

- (xiii) Members who hold shares in the certificate form or who have not registered their e-mail addresses with the Company or with the Depositories and wish to receive the AGM Notice and the Report and Accounts 2024, or attend the AGM, or cast their votes through remote e-voting, are required to register their e-mail addresses with the Company at **welgacs@gmail.com**. Alternatively, Members may send a letter requesting for registration of their e-mail addresses, mentioning their name and DP ID & Client ID / folio number, by post to Welga Foods Limited, C/o Shiamnagar, Budaun, Uttar Pradesh 243601.
- (xiv) Members who would like to express their views or ask questions with respect to the agenda items of the meeting will be required to register themselves as speaker by sending e-mail to the Chairman/Company Secretary at **welgacs@gmail.com** from their registered e-mail address, mentioning their name, DP ID & Client ID / folio number and mobile number. Only those Members who have registered themselves as speaker by 10.30 a.m. on Thursday, 26th September, 2024 will be able to speak at the meeting. The Company reserves the right to restrict the number of questions and / or number of speakers, depending upon availability of time, for smooth conduct of the AGM.

Further, Members who would like to have their questions / queries responded to during the AGM are requested to send such questions/queries in advance within the aforesaid time period.

- (xv) The Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act, the Register of contracts with related party, and contracts and bodies etc. in which Directors are interested under Section 189 of the Act will remain available for inspection through electronic mode during the AGM, for which purpose Members are

required to send an e-mail to the Chairman/Company Secretary at welgacs@gmail.com

- (xvi) In case of joint holders attending the meeting, the members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- (xvii) Members/Proxies should bring the duly filled Attendance Slip at the Annual General Meeting. **Attendance Slip is enclosed herewith.**
- (xviii) Members including corporate members are requested to intimate immediately any change in their address including e-mail address to the Company, if any at welgacs@gmail.com
- (xix) Profile of the Directors seeking appointment/re-appointment, as required in terms of Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is annexed to this notice.
- (xx) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 24th September, 2024 to Monday, 30th September, 2024 (both days inclusive) in connection with AGM.
- (xxi) Route map of the venue of meeting is enclosed to this notice.

VOTING THROUGH ELECTRONIC MEANS

In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) and the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with MCA Circulars and SEBI Circulars, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 41st AGM and facility for those Members participating in the 41stAGM to cast vote through e-Voting system.

The remote e-Voting period will commence at 9:00 **a.m. on Friday, 27th September, 2024 and will end at 5.00 p.m. on Sunday, 29th September, 2024.** During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2024, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

Any person, who are other than individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the Cut-off date may obtain the login ID and password by sending a request at evoting@nsdl.com However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you could reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com. In case of Individual shareholders holding securities in Demat mode, who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as of the Cut-off date, are requested to follow the login method mentioned below in point (A) under e-Voting instructions.

How do I vote electronically using NSDL E-Voting system?

The way to vote electronically on NSDL E-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL E-Voting system

A) Login method for E-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on E-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access E-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see E-Voting services under Value added services. Click on “Access to E-Voting” under E-Voting services and you will be able to see E-Voting page. Click on company name or E-Voting service provider i.e. NSDL and you will be re-directed to E-Voting website of NSDL for casting your vote during the remote E-Voting period If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online”

for **IDEAS Portal**” or click at <https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>

2. Visit the E-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a Personal Computer or on a mobile. Once the home page of E-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see E-Voting page. Click on company name or **E-Voting service provider i.e. NSDL** and you will be redirected to E-Voting website of NSDL for casting your vote during the remote E-Voting period.

3. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach E-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2) After successful login the Easi / Easiest user will be able to see the E-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see E-Voting page of the E-Voting service provider for casting your vote during the remote E-Voting period. Additionally, there is also links provided to access the system of all E-Voting Service Providers, so that the user can visit the E-Voting service providers’ website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access E-Voting page by providing Demat Account Number and PAN No. from a E-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the E-Voting option where the evoting is in progress and also able to directly access
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	the system of all E-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for E-Voting facility. upon logging in, you will be able to see E-Voting option. Click on E-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see E-Voting feature. Click on company name or E-Voting service provider i.e. NSDL and you will be redirected to E-Voting website of NSDL for casting your vote during the remote E-Voting period.

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

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

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

B) Login Method for E-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL E-Voting website?

1. Visit the E-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of E-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on E-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares	16 Digit Beneficiary ID

<p>in demat account with CDSL.</p>	<p>For example if your Beneficiary ID is 12***** then your user ID is 12*****</p>
<p>c) For Members holding shares in Physical Form.</p>	<p>EVEN Number followed by Folio Number registered with the company</p> <p>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p>

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for E-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL E-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the E-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of E-Voting will open.

Step 2: Cast your vote electronically on NSDL E-Voting system.

How to cast your vote electronically on NSDL E-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote E-Voting period.
3. Now you are ready for E-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jvpcorporateconsultant@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**E-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the E-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and E-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 or send a request to Pallavi Mhatre, Senior Manager at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for E-Voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **welgacs@gmail.com**
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **welgacs@gmail.com**. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for E-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for E-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on E-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access E-Voting facility.

EXPLANATORY STATEMENT**(PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)****ITEM NO. 3**

In order to finance the operation of the Company towards achievement of potential growth and anticipating the need of additional funds that may be required in the near future, it is considered essential to borrow monies from diverse sources for the business activities/initiatives undertaken by the Company, consequent to which the amount borrowed and outstanding could exceed aggregate of its paid up share capital, free reserves & security premium of the company.

The Board accordingly recommends the limit to be extended up to INR 50,00,00,000/- (INR Fifty Crore Only) under section 180(1)(c) of the Companies Act, 2013 as set out in the resolution for approval of the Members.

The Board of Directors recommends the resolution set out at Item No. 3 of the accompanying Notice for the approval of the members as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the Resolution.

**By the order of the Board of Directors
For Welga Foods Limited
Sd/-**

**Gyan Prakash
Chairman & Managing Director
DIN: 00184539**

**Address: Mohalla Shyam Nagar,
Budaun-243601, Uttar Pradesh**

**Date: 5th September, 2024
Place: Gurugram**

Welga's

CIN:L15419UP1983PLC005918

Welga Foods Ltd.

Regd. Office: Shyam Nagar, Budaun – 243 601, U.P. M: + 91 70801 72555

Corporate Office: 205 AltF Success Tower B, Suncity Success Tower, Golf Course, Ext Rd, Sector 65, Gurugram, Haryana 122005

E: ho@welgafoods.com, marketing@welgafoods.com, W: www.welgafoods.com

**Form No. MGT-11
Proxy Form**

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

Name of the member(s):
 Registered address:
 E-mail ID:
 Folio No/ Client ID:
 DP ID:

I/We, being the member(s) of Welga Foods Limited holding equity shares of the above named company, hereby appoint

1. **Name:** _____
 Address: _____
 E-mail ID: _____
 Signature: _____, **or failing him**

2. **Name:** _____
 Address: _____
 E-mail ID: _____
 Signature: _____, **or failing him**

3. Name: _____
Address: _____
E-mail ID: _____
Signature: _____, **or failing him**

as my/our proxy to attend and vote (on a poll) forme/us and on my/our behalf at 41stAnnual General Meeting of the Company, to be held on Monday, the 30th day of September, 2024 at 09:00 A.M. at the registered office of the Company situated at Shiamnagar, Budaun, Uttar Pradesh 243601 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Particulars
Ordinary Business	
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024 together with the Reports of the Board of Directors and the Auditors thereon.
2.	To appoint a Director in place of Mr. Gaurav Prakash (DIN: 00159435), who retires by rotation and being eligible, offers himself for re-appointment.
Special Business	
3.	Approval of Borrowing Limits of the Company.

Affix Re 1/- Revenue Stamp

Signature of Shareholder

Signature of Proxy holder(s)

Note: 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.

Welga's

CIN:L15419UP1983PLC005918

Welga Foods Ltd.**Regd. Office:** Shyam Nagar, Budaun – 243 601, U.P. M: + 91 70801 72555**Corporate Office:** 205 AltF Success Tower B, Suncity Success Tower, Golf Course, Ext Rd, Sector 65, Gurugram, Haryana 122005E: ho@welgafoods.com, marketing@welgafoods.com, W: www.welgafoods.com

**ANNUAL GENERAL MEETING
PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE
ENTRANCE OF THE HALL**

ATTENDANCE SLIP

Name:	
Address:	
DP ID*	
Client ID*	
Folio No.	
No. of Shares held	

*Applicable for investors holding shares in Electronic form.

I/We hereby record my/our presence at the 41st ANNUAL GENERAL MEETING of the Company being held on Monday, the 30th day of September, 2024 at 09:00 A.M. at the registered office of the Company situated at Shiamnagar, Budaun, Uttar Pradesh 243601.

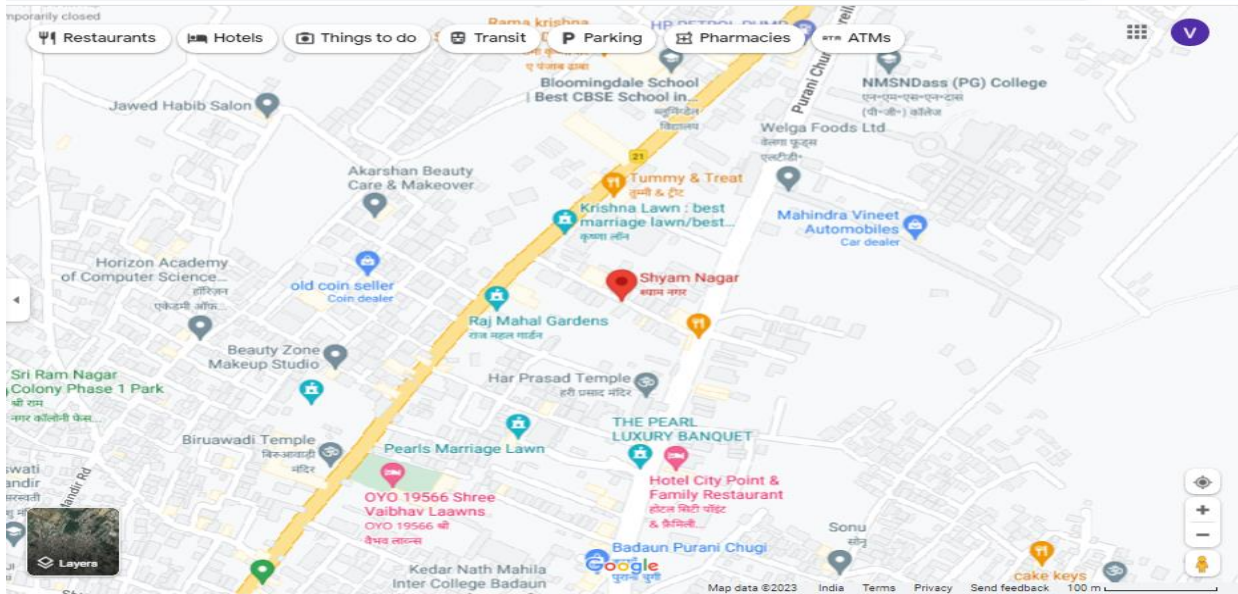
Name(s) of the Shareholder(s) or Proxy (in Block Letters)	No. of Shares held	Registered Folio/Client ID No./DP ID No.

I certify that I am a member/proxy/ authorized representative for the member of the Company.

NO GIFTS/SNACKS WILL BE PROVIDED AT THE MEETING

**Signature/s of the Shareholder/s or Proxy
(To be signed at the time of handing over the slip)**

ROUTE MAP OF 41st ANNUAL GENERAL MEETING



If undelivered please return to:

Welga Foods Limited
Reg Office: Shiamnagar, Budaun, Uttar Pradesh 243601

Welga's

CIN:L15419UP1983PLC005918

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[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

POLLING PAPER

FOR FORTY FIRST (41st) ANNUAL GENERAL MEETING SCHEDULED ON MONDAY, THE 30TH DAY OF SEPTEMBER, 2024 AT SHIAMNAGAR, BUDAUN, UTTAR PRADESH 243601 AT 09:00 A.M.

S. No.	Particulars	Details
1.	Name of the first named shareholder (in block letters)	
2.	Postal Address	
3.	Registered Folio No. /*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share Equity	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolutions in the following manner:

S. No.	Resolution	No. of Shares Held	For	Against
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended			

	March 31, 2024 together with the Reports of the Board of Directors and the Auditors thereon.			
2.	To appoint a Director in place of Mr. Gaurav Prakash (DIN: 00159435), who retires by rotation and being eligible, offers himself for re-appointment.			
3.	Approval of Borrowing Limits of the Company.			

(Signature of the Shareholder)

(Name & Signature of the Proxy)

**Place: Gurugram
Date: 30.09.2024**

Note: Proxy who are attending and voting in this Forty First Annual General Meeting on behalf of members are requested to first write their name before signing it.

Welga's

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Dear Shareholders,

We would like to inform you that Securities and Exchange Board of India (SEBI) vide their Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023, has mandated all holders of physical securities in listed companies to furnish the PAN, Nomination forms, Contact details, Bank account details, specimen signatures etc. to the RTA.

We observe from our records that the above said details of holders of physical securities have not been updated in your Folios. Hence, we request you to send the details of your PAN, KYC and Nomination form (format is uploaded on website of the Company i.e., <https://www.welgafoods.com>) to the Registrar and Share Transfer Agent (RTA) (i.e., Skyline Financial Services Private Limited) of the Company else Folios shall be frozen by the RTA.

The RTA shall revert the frozen folios to normal status upon

- a) Receipt of all the aforesaid documents / details or
- b) Dematerialization of all the securities in such folios

Please also provide your Email Id, Phone / Mobile No. for record as well as for us to send to you communication by electronic means in accordance with various circulars issued by the Ministry of Corporate Affairs from time to time.

Further, we would also like to inform you that SEBI vide amendment in the Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated June 8, 2018, has mandated that the transfer of securities would be carried out in dematerialized form only w.e.f., April 01, 2019.

You are accordingly advised to dematerialize your physical shareholding at earliest. After April 01, 2019, no request for transfer of shares in physical form can be processed by the Company/RTA.

In order to dematerialize your shares, please open a Demat Account with any of the Depository Participant and submit your physical share certificate(s) with them for dematerialization to avoid inconvenience at later stage. An early action in the matter will save you from unnecessary hassle at a later date

The Company has taken steps and sent the e-mail to its shareholders containing the annexure as annexed below for updation of PAN, KYC, Nomination and Bank Details etc.

**Thanking you,
Yours faithfully,
For Welga Foods Limited**

**Sd/-
Gyan Prakash
Chairman & Managing Director
DIN: 00184539
Address: Mohalla Shyam Nagar,
Budaun-243601, Uttar Pradesh**

Welga's

CIN:L15419UP1983PLC005918

Welga Foods Ltd.**Regd. Office:** Shyam Nagar, Budaun – 243 601, U.P. M: + 91 70801 72555**Corporate Office:** 205 AltF Success Tower B, Suncity Success Tower, Golf Course, Ext Rd, Sector 65, Gurugram, Haryana 122005E: ho@welgafoods.com, marketing@welgafoods.com, W: www.welgafoods.com**BOARD'S REPORT**

To The Shareholders,
Welga Foods Limited

The Directors of your company take pleasure in presenting the 41st Annual Report on the business and operations of the Company for the Financial Year ended 31st March, 2024.

BACKGROUND

The Company was incorporated on 10th January, 1983, as a Public Limited Company with the object to give a fillip to development by converting surplus agricultural produce into processed food products.

FINANCIAL RESULTS

The Company's financial performance for the year ended 31st March, 2024 is summarized below:

(in Lakhs)

Particulars	For the Year Ended	
	31 st March, 2024	31 st March, 2023
Total Revenue	2603.80	2967.78
Total Expenses	2683.17	2940.30
Depreciation/Provisions	23.85	27.06
Profit/(Loss) Before Tax	(79.37)	27.48

Exceptional and extraordinary items	(52.20)	43.84
Provision for Taxation	0	5.20
Profit/(Loss) After Tax	(131.57)	66.12
Paid up Equity Capital	326.56	326.56

PERFORMANCE OF THE COMPANY

During the year under review, Company has earned revenue from operations of Rs. 2586.28 lakh in comparison to last year's revenue of Rs. 2950.13 lakh. This year Company has incurred loss of Rs. 131.57 lakh in comparison to last year's profit of Rs. 66.12 lakh, showing a downward trend.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of the business of the Company during the Financial Year ended 31st March, 2024.

DIVIDEND

Due to losses incurred by the Company, the Board of Directors did not recommend any dividend for the Financial Year ended 31st March, 2024.

TRANSFER TO RESERVE

Due to losses incurred by the Company, no amount has been transferred to the General Reserve for the Financial Year ended 31st March, 2024.

DEPOSITS

During the year under review, your Company has not invited or accepted any deposits. There are no unpaid or unclaimed deposits as on the date with the Company.

CAPITAL STRUCTURE & CHANGES THEREIN

There is no change in the Authorized and Paid-up Share Capital of the Company during the Financial Year ended 31st March, 2024.

The present Authorized Share Capital of the Company is INR. 3,50,00,000/- (Indian Rupees Three Crore Fifty Lakh Only) divided into 3500000 (Thirty-Five Lakh) equity shares of INR. 10/- (Indian Rupees Ten Only) each.

The present Paid up Capital and Subscribed Capital of the Company is INR. 3,26,56,000/- (Indian Rupees Three Crore Twenty-Six Lakh Fifty-Six Thousand Only) divided into 3265600 (Thirty-Two Lakh Sixty-Five Thousand and Six Hundred) equity shares of INR. 10/- (Indian Rupees Ten Only) each.

During the year under review the Company has neither issued shares with differential voting rights, sweat equity shares nor granted stock options or otherwise. There is no change in the Authorized and Paid-up Share Capital of the company during the Financial Year ended 31st March, 2024.

MATERIAL CHANGES AND COMMITMENTS – IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

HOLDING COMPANIES, SUBSIDIARY COMPANIES, JOINT VENTURES OR ASSOCIATE COMPANIES

1. Names of Companies which have become its Subsidiaries, joint ventures or associate companies during the year: N.A.
2. Names of Companies which have ceased to be its Subsidiaries, joint ventures or associate companies during the year: N.A.

Since the Company does not have any Subsidiaries, Associates or Joint Venture Companies, the disclosure of particulars with respect to information related to performance and financial position of the Subsidiaries, Joint Ventures or Associate Companies subject to Rule 8(1) of Companies (Accounts) Rules, 2014 is not applicable on the Company.

EXTRACT OF ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013, the Annual Return of the Company as per MCA Notification dated 28th August, 2020 is available on the website of the Company i.e. www.welgafoods.com

COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance of all the secretarial standards that have been notified and made effective till the date of this report, till the extent applicable on this Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Board of Directors

None of the Directors of the Company are disqualified under the provision of Section 164 and 165 of the Companies Act, 2013 as applicable on the date of this Board Report.

During the period under review, following KMP's got appointed & resigned:

- a) Mr. Vikramjit Singh was appointed as an Additional Director-Non-Executive and Independent on the Board of Company w.e.f. 12th April, 2023. His appointment was further regularized in the Annual General Meeting held on 30th September, 2023, for 3 consecutive years i.e. 12th April, 2023 to 11th April, 2026.

- b) Mr. Ashish Khetan was appointed as an Additional Director-Non-Executive and Independent on the Board of Company w.e.f. 12th April, 2023. His appointment was further regularized in the Annual General Meeting held on 30th September, 2023, for 3 consecutive years i.e. 12th April, 2023 to 11th April, 2026.
- c) Mr. Ajai Vikram Singh Rawat was appointed as an Additional Director-Non-Executive and Independent on the Board of Company for the second and last consecutive term of five years w.e.f. 15th June, 2023. His appointment was further regularized in the Annual General Meeting held on 30th September, 2023, for 5 consecutive years i.e. 15th June, 2023 to 14th June, 2028.
- d) Ms. Priti Gupta resigned from the position of the Company Secretary of the Company vide resignation letter dated 1st June, 2023, resignation being effective from 4th July, 2023.
- e) Ms. Shweta Rawat was appointed as the Company Secretary of the Company w.e.f. 1st September, 2023.

As on 31st March, 2024 & the date of this report, the Board consists of the following Directors/KMP:

S. No.	Name of the Director	DIN/PAN	Designation	Date of Appointment
1.	Mr. Gyan Prakash	00184539	Managing Director	31/03/2001
2.	Mr. Gaurav Prakash	00159435	Executive Director	10/08/2017
3.	Ms. Arpana Agarwal	08735324	Non-Executive Director	28/04/2020
4.	Mr. Ajai Vikram Singh Rawat	02874607	Non-Executive Independent Director	15/06/2023
5.	Mr. Vikramjit Singh	07496085	Non-Executive Independent Director	12/04/2023
6.	Mr. Ashish Khetan	08893231	Non-Executive	12/04/2023

			Independent Director	
7.	Mr. Gaurav Prakash	AIEPP1246R	Chief Financial Officer	10/08/2017
8.	Ms. Shweta Rawat	BOKPR8025R	Company Secretary	01/09/2023

B. Re-appointment of Directors liable to Retire by Rotation-

In accordance with the provisions of Section 152 of the Act and Articles of Association of the Company and relevant provisions of the Companies Act, 2013, Mr. Gaurav Prakash (DIN: 00159435) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment. The Board recommends his re-appointment as Director.

DECLARATION BY INDEPENDENT DIRECTORS

As on the date of signing of this report, the Company has 03 (Three) Independent Directors namely **Mr. Ajai Vikram Singh Rawat (DIN: 02874607)**, **Mr. Vikramjit Singh (DIN: 07496085)** & **Mr. Ashish Khetan (DIN: 08893231)**. They are professionally qualified and possess appropriate balance of skills, expertise and knowledge and are qualified for appointment as an Independent Director.

The Company has received declaration from the Independent Directors, as stipulated under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

BOARD AND COMMITTEE MEETINGS

NUMBER OF BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2023-24

Proper Notices along with agenda and notes to agenda of the Board Meetings were circulated well in advance to the respective Directors and the proceedings of the said meetings were also properly recorded. During the year under review, 8 (**Eight**) Board Meetings were convened and held.

The intervening gap between the said meetings was within the time period prescribed under the Companies Act, 2013 i.e., the maximum interval between the two Board Meetings did not exceed 120 days.

Regular meetings of the Board are held at least once in a quarter, inter-alia, to review the quarterly results of the Company. Additional Board Meetings are convened, as and when required, to discuss and decide on various business policies, strategies and other businesses.

COMMITTEE MEETINGS

A) Audit Committee

The Company has formed audit committee in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. Audit Committee Meeting is generally held once in a quarter for the purpose of recommending the quarterly/half yearly/yearly financial results and the gap between two meetings did not exceed 120 days. Audit Committee met **4(Four) times, viz, 14th August, 2023, 1st September, 2023, 10th November, 2023 & 14th February, 2024.**

The composition of the Committee and the details of meetings attended by its members are given below:-

S. No.	Name of the Director	Designation	Number of Meetings held during the Financial Year 2023-24	
			Held	Attended
1.	Mr. Ajai Vikram Singh Rawat	Chairman	4	4
2.	Mr. Ashish Khetan	Member	4	2
3.	Mr. Gaurav Prakash	Member	4	4

B) Nomination and Remuneration Committee

The Company has formed Nomination and Remuneration Committee in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations. Nomination and Remuneration Committee Meetings are generally held for identifying the person qualified to become Director or to be appointed to the position of senior management and recommending their appointment and removal. During the year under review, committee met **Twice** i.e. **14th August, 2023 & 1st September, 2023.**

The composition of the Committee and the details of meetings attended by its members are given below:-

S. No.	Name of the Director	Designation	Number of Meetings held during the Financial Year 2023-24	
			Held	Attended
1.	Mr. Ashish Khetan	Chairman	2	2
2.	Mr. Vikramjit Singh	Member	2	2
3.	Ms. Arpana Agarwal	Member	2	2

C) Shareholder's/ Investor Grievance Committee

The Company has constituted Stakeholder's/Investor Grievance Committee mainly to focus on the Redressal of Shareholders'/Investors' Grievances, if any, like Transfer/ Transmission/ Demat of Shares, Loss of Share Certificates, Non-receipt of Annual Report, Dividend Warrants, etc. During the year under review, Stakeholder's Grievance & Relationship Committee met three times **14th August, 2023, 10th November, 2023 & 14th February 2024.**

The composition of the Committee and the details of meetings attended by its members are given below:-

S. No.	Name of the Director	Designation	Number of Meetings held during the Financial Year 2023-24
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			Held	Attended
1.	Mr. Ashish Khetan	Chairman	3	1
2.	Mr. Vikramjit Singh	Member	3	3
3.	Ms. Arpana Agarwal	Member	3	3

EXTRAORDINARY GENERAL MEETING (S)

No Extra Ordinary General Meeting was held during the year 2023-24.

COMPANY'S POLICY RELATING TO DIRECTORS' AND KMP'S APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company's policy relating to appointment of Directors and KMP, payment of Managerial Remuneration, Directors' qualification, positive attributes, independence of directors and other related matters has been devised as per the provisions given under Section 178(3) of Companies Act, 2013.

DECLARATION OF INDEPENDENT DIRECTORS AND FAMILIARIZATION PROGRAMME:

The Company has received necessary declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). The Independent Directors are in compliance with the Code of Conduct prescribed under Schedule IV of the Act.

The Company conducts a familiarization programme in which various amendments in the Companies Act, 2013 and amendments in SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 are discussed.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS

A formal evaluation of the performance of the Board, its Committees and the individual Directors was carried out for the year 2023-24. The evaluation was done using individual questionnaires covering amongst others vision, strategy & role clarity of the Board, Board dynamics & processes, contribution towards development of the strategy, risk management, receipt of regular inputs and information, functioning, performance & structure of Board Committees, ethics & values, skill set, knowledge & expertise of Directors, leadership etc. As part of the evaluation process the performance evaluation of all the Directors has been done by all the other Directors (except himself & herself) and the Directors have also evaluated the performance of the Board and its Committees as a whole. The Directors expressed satisfaction with the evaluation process.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS IN SECURITIES UNDER SECTION 186 OF THE COMPANIES ACT, 2013.

The Company has not granted any loan, given guarantees or made investments under the provisions of Section 186 of the Companies Act, 2013 during the financial year ended 31st March, 2024.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013.

All related party contracts / arrangements/ transactions that were entered during the year were in the ordinary course of business and on arm's length basis and your Company has also entered into contracts / arrangements/ transactions with related parties, which are considered as material. Disclosure of the same has been provided separately in Form AOC-2 (enclosed as **Annexure - 'D'**). Details of related parties and transactions with them as required by the Accounting Standards (AS-18) have been disclosed in the Notes forming part of the financial statements.

All Related Party Transactions are placed before the Audit and Risk Management Committee for approval as required under SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015. Prior omnibus approval of the Audit Committee is

obtained for the transactions which are of foreseen and repetitive nature. The transactions entered into pursuant to such omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit and Risk Management Committee on a quarterly basis.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company is under process of establishing internal financial controls in accordance with the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountant of India.

The report on the Internal Financial Control issued by M/s. Amod Agrawal & Associates, Chartered Accountants, Statutory Auditors of the Company in compliance with the provisions under the Companies Act, 2013 is forming part as **Annexure A** of the Auditor's Report for the F.Y.2023-24.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder.

AUDITORS

Statutory Auditors

M/s. Amod Agrawal & Associates (FRN: 005780N) Chartered Accountants, has consented to act as Statutory Auditors of the Company for a period of 5 (Five) years from the conclusion of 40th Annual General Meeting till the conclusion of 45th Annual General Meeting of the Company and given a certificate in accordance with Section 139, 141 and other applicable provisions of the Act to the effect that their appointment, if made, shall be in accordance with the conditions prescribed and that they are eligible to hold office as Statutory Auditors of the Company.

EXPLANATION/COMMENTS ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY STATUTORY AUDITOR

The details of the qualification made by the Statutory Auditors of the Company in their report together with the management's explanation against the same is as follows:

Qualification No. 1 – Note 53, the confirmation from the trade receivables and trade payable have not been obtained. However, the provisions for doubtful debts have been made following Expected Credit Loss (ECL) method. The impact on profit and loss account and the financial statements, if any, could not be presently ascertained in the absence of confirmations.

Reply to Qualification No. 1-

The majority of our buyers are unorganized and not highly computer-literate, so getting confirmations from them is difficult. In the same way, our suppliers, who are farmers and adhtis (middlemen traders), they do not provide written confirmations. Nevertheless, we have provided confirmations from a few of our larger organized buyers and suppliers.

Qualification No. 2 – Note no 39, the company has not provided interest of Rs 10.07 lakhs due as on 31-03-2024 to MSMED vendors pending confirmation from these vendors.

Reply to Qualification No. 2-

In light of the fact that our payment terms with our suppliers are mutually agreed upon and that we have a long-term relationship, they do not charge interest. For new standalone buyers, however, payments are never late.

Qualification No. 3 – In our opinion and to the best of our information and according to the explanations given to us, the remuneration Rs 52,30,228/- (including Rs.48,30,228/- for earlier years) paid by the Company to its managing directors, is subject to pending compliance of section 197 and other applicable provisions of the Act. The Company has filed a compounding application on 21st October, 2022 before Regional Director Northern, Delhi which is pending.

Reply to Qualification No. 3-

The Non Compliance has already been made good and the shareholders of the Company have also approved the reappointment of Mr. Gyan Prakash as Managing Director of the Company in the AGM held on 30th September, 2022. Further, the compounding application was filed by the Company with the office of Honorable Regional Director, Northern Region, who in turn during the hearing held on 12th October, 2023 directed the company to go for adjudication with concerned ROC as the said non-compliance is partially compoundable & partially to be adjudicated.

He further guided that:

- Period of default from 28.09.2018 to 01.11.2018 is compoundable in nature & same need to be compounded accordingly with the appropriate authority;

-Period from 2.11.2018 to 29.09.2022 for non-compliance of provisions of section 203 of the Companies Act, 2013 shall be taken up for adjudication

Therefore, in compliance with the directions of Honorable Regional Director, Northern Region, Adjudication application was filed with ROC, Kanpur on 14th May, 2024, and the same is pending before the ROC, Kanpur for disposal.

Qualification No. 4– According to the information and explanations given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2024.

Reply to Qualification No. 4.

The Management is under the process of maintaining Internal Financial Control Systems in accordance with the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountant of India.

Qualification No. 5–*The Company is maintaining records showing particulars, of Property, Plant and Equipment. However the same is required to be updated w.r.t quantitative details and its locations.*

Reply to Qualification No. 5-

The management is under the process of initiating necessary steps w.r.t. updation of Fixed Assets Register as aforesaid.

Qualification No. 6– *Quarterly returns or statements filed by the Company with such banks are not in agreement with the books of account of the Company. Details of the same are mentioned in point (ii) (b) of Annexure-B of the Audit Report.*

Reply to Qualification No. 6- The Auditors only consider the initial production costs in the valuation of stock, as per companies act. No Marketing, Distribution expenses are considered. But we add those expenses in the stock valuation when giving stock statements to the banks.

Qualification No. 7– *In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities except there have been slight delays in few cases in depositing Provident Fund & Income Tax dues.*

Reply to Qualification No. 7-

There was a slight delay in filing the TDS & PF because of Bank Website Issues. The amount had been deposited & the case had also been finalized.

Qualification No. 8– There were no undisputed amounts payable in respect of Goods & Service Tax, Provident Fund, Employees’s State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable **except Rs. 1.08 lacs- towards Income Tax demand outstanding as at 31st March, 2024 for a period of more than six months from the date of becoming payable.**

Reply to Qualification No. 8- *The Company has made the payment but same has not been update on the site by the department.*

Secretarial Auditor

The Board has appointed M/s. JVP & Associates Company Secretaries LLP, to conduct Secretarial Audit for the F.Y. 2023-24. The Secretarial Audit Report for the Financial Year ended 31st March, 2024 is annexed to this report as “**Annexure A**”.

EXPLANATION/COMMENTS ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY SECRETARIAL AUDITOR

The details of the qualification made by the Secretarial Auditor of the Company in their report together with the management’s explanation against the same is as follows:

- 1. There were few delayed submissions of LODR/SEBI compliance to the Metropolitan Stock Exchange of India during the period under review, resulting into penalties imposed by the exchange. However, the said penalties have been paid by the company.***

Reply: Our Company is regular in complying with the filings to be done with exchange pursuant to various applicable SEBI regulations. The delayed filings during the period under review were due to technical glitches faced by the company while uploading of compliances. Also same has been communicated to the exchange through emails.

- 2. Certificate for Maintenance of Structural Digital Database under Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 was not submitted for the quarter ended 30th June, 2024.***

Reply: The concept of Structural Digital Database was totally naïve to the company and it was the very first quarter since the company got listed. The company was in process of getting familiarised with the said compliance during that period and thereafter in consultation with the professionals, it started maintaining the Structural Digital Database under Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

3. *Independent Director's name not registered in the data bank of MCA.*

Reply: The Company is in process of getting them registered with the MCA.

4. *The company has not filed MGT-14 for C.S. (KMP) Appointment.*

Reply: The Company has inadvertently missed out filing of MGT-14 for the appointment of Company Secretary. Same will be filed with additional fee.

Internal Auditor

The Companies Act, 2013 has mandated the appointment of Internal Auditor in the Company. Accordingly, the Company has appointed M/s. Man Mohan Sharma & Associates having firm registration number 012291N as an Internal Auditor of the Company on 12th April, 2023 for the Financial Year 2023-24.

Cost Record and Cost Audit

The Company is not required to maintain cost records during the Financial Year 2023-24 as the business activities carried out by the Company are not covered under section 148 of the Companies Act, 2013.

Further, the provisions of Section 148 of the Companies Act, 2013 w.r.t cost audit is not applicable on the Company during the period ended 31st March, 2024.

HUMAN RESOURCE

The Company believes that its people are the key differentiators, especially in the current knowledge driven, competitive and global business environment. Adapting work culture to suit the dynamic balancing of people requirements is an ongoing process. The Board of Directors of your company would like to place on record their sincere appreciation for the efforts and contribution made by all the employees of the Company in realizing the targeted projects of the Company. Your Directors take this opportunity to thank all employees for rendering impeccable services to every constituent of Company, Customers and Shareholders.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE

The Company has in place an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The following is the summary of the complaints received and disposed of during the Financial Year 2023-24:

- (a) No. of complaints received: NIL
- (b) No. of complaints disposed of: NIL

RISK MANAGEMENT

Risk Management is an integral part of the Company's business strategy. The Board reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyses risk exposure related to specific issues and provides oversight of risk across the organization. The Board nurtures a healthy and independent risk management function to inculcate strong risk management culture in the Company.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

In order to ensure that the activities of the Company are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, the Company has adopted a vigil mechanism policy; there is direct access to approach the Chairperson of the Audit Committee. The said policy is available on the Company's website and can be viewed at the given link:

www.welgafoods.com

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The disclosure as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to the company as it is not covered under the criteria mentioned in Section 135(1) of the Companies Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, a Management Discussion and Analysis Report has been prepared and the same is forming part of this Report.

CORPORATE GOVERNANCE

Since the paid up capital of the Company is less than Rs.10 Crore and the net worth of the Company is less than Rs. 25 Crore, the provisions of Regulations 17,18,19,20,21,22,23,24,25,26,27, and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company, hence Corporate Governance report has not been enclosed to Directors Report.

ANNUAL SECRETARIAL COMPLIANCE REPORT

Your Company being eligible has claimed exemption under Regulation 15(2) of SEBI (LODR), Regulations, 2015 to MSEI for submitting Annual Secretarial Compliance Report for the Financial Year ended 31st March, 2024.

PARTICULARS OF EMPLOYEES AND REMUNERATION

None of the Employees of the Company was in receipt of remuneration, which was more than the limits as prescribed under the Section 197 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975 and hence no particulars are required to be disclosed in this Report.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 is as under:

A. Conservation of Energy

It is regular process of the company to conserve the energy and save the electricity consumption. Now days, your company is utilizing surplus steam to chill water for processing. Since, the company is not energy intensive, the scope of conservation of energy is low. There is no capital investment made specifically with the motive to conserve the energy.

B. Technology Absorption and Research & Development

The company is regularly improving its services/manufacturing capabilities with the help of new means of technology. Your Company is committed to provide the best services/quality of products to its clients with the help of latest technology, which is reasonable, according to the size of the Company. No expenditure has been incurred for research & Development or purchase of technology.

C. Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings or outgo of the company during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant or material orders which were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's Operations in future, during the period under review.

Moreover, after the closure of financial year and till the date of signing of this report, following orders were passed & applications were filed:

- The petition filed by Amrex Marketing Private Limited, one of the shareholder of the Company, under section 241 & 242 of the Companies Act, 2013 was dismissed by the Honorable N.C.L.T Allahabad Bench as same was withdrawn by the petitioner, vide order dated 25th April, 2024.

- In compliance with the directions of Honorable Regional Director, Northern Region, the Company has filed adjudication application under section 454 of the Companies Act, 2013, with the office of Honorable Registrar of Companies, Kanpur for adjudication of section 203 of the Companies Act, 2013 on 14th May, 2024 and same is pending for disposal thereof.

OTHER DISCLOSURES:

- The loan provided by the Promoter Directors is unsecured and interest-free. However, due to IND AS requirements, auditors had to account for this as interest under “Unwinding of discount resulting in an increase in Financial Liabilities” (Note 32 (ii)). This interest has been added to Financial Costs, negatively impacting the company's profitability. However, this expense is disallowed when calculating Income Tax. The amounts involved are Rs. 18.30 Lakh and Rs. 9.98 Lakh for FY 2023-24 and FY 2022-23, respectively.
- The GST Department visited our factory on August 26, 2023, and issued a summons on September 30, 2023, under Section 70 of the CGST Act. The company has provided appropriate responses. As this process takes time, the company, to avoid any penalties and interest, has deposited Rs. 52.20 Lakhs. No formal order/show cause notice, from the department has been issued yet. The auditors have treated this amount as an expense and have shown it as an Exceptional Item in the profit and loss statement. They have described it as a Goods & Service Tax demand, though no such demand has been raised.
- Mr. Gyan Prakash has given unsecured Loan to company amounting to Rs.152.75 lacs during the financial year 2023-24. This loan is interest free and for 5 years.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) AND THEIR STATUS

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year under

review along with their status as at the end of the Financial Year is not applicable to the Company.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOANS FROM THE BANKS OR FINANCIAL INSTITUTION ALONGWITH THE REASONS THEREOF

There are no such events occurred during the period from April 01, 2023 to March 31, 2024, thus no valuation is carried out for one-time settlement with the Banks or Financial Institutions.

LISTING OF SECURITIES

The Company's Securities are currently listed on Metropolitan Stock Exchange of India Limited (MSEI) with ISIN **INE106W01011** and scrip code **WELGA**. The Annual Listing fee for the Financial Year 2023-24 and 2024-25 has been paid by the Company to MSEI.

DIRECTORS' RESPONSIBILITY STATEMENT

The Financial Statements of the Company were prepared in accordance with Indian Accounting Standards (Ind AS). In terms of Section 134(5) of the Companies Act, 2013, the Directors would like to state/confirm:

- a) That in the preparation of the annual accounts for the Financial Year ended on 31st March, 2024, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- b) That appropriate accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2023-24 and of the profit and loss of the Company for that period;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the

Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) That the annual accounts for the Financial Year ended on 31st March, 2024 have been prepared on a going concern basis;
- e) That the Directors are under process of establishing internal financial controls in accordance with the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountant of India.
- f) That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors wish to take this opportunity to offer sincere appreciation and acknowledge with gratitude the support and co-operation extended by the clients, vendors, bankers, registrar and share transfer agent, business associates, financial institutions, media and their agencies and look forward to their continued support and assistance. We place on record our appreciation to the contribution made by our employees at all levels. We look forward for such continued hard work, solidarity, cooperation and support.

The Board of Directors also wishes to place on record its gratitude for the faith reposed in the Company by the Ministry of Corporate Affairs, Securities and Exchange Board of India and the Government of India.

**For and on Behalf of Board of Directors
For Welga Foods Limited**

Sd/-

**Gaurav Prakash
Director & CFO
DIN: 00159435
Address: C-2802, Pioneer Araya,
Sector-62, Chakarpur(74), Chakkarpur
Gurgaon, Haryana-122002**

Sd/-

**Gyan Prakash
Managing Director
DIN: 00184539
Address: Mohalla Shyam Nagar, -
Budaun, Uttar Pradesh – 243601**

Place: Gurugram

Date: 5th September, 2024

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion Analysis ("MDA") is a report containing a review and analysis of Industry Structure and Developments, Opportunities and Threats, Performance of the Company, Internal Control Systems and their Adequacy, Key financial aspects and the overall risks and concerns during the financial year and till date of this report.

COMPANY OVERVIEW

Welga Foods Limited came into being as a Public Limited Company in 1983, with an objective of giving a fillip to development by converting surplus agricultural produce into processed food products. After importing the IQF Frozen Vegetable Production Line from Germany it was decided to set up the plant in Budaun, one of the backward districts of Uttar Pradesh. Budaun was selected because of its location in the rich agricultural belt renowned for producing potatoes, green peas, tomatoes, cauliflowers and various other vegetables. Budaun's proximity to the Tarai belt, Nainital and Kathgodam was an added advantage for procuring a wide variety of fruits that grow in the hill like Apples, Apricots, Strawberries, etc.

INDUSTRY STRUCTURE

The frozen food market is highly competitive and comprises regional and international competitors. Companies compete on different factors, including product offerings, ingredients, quality, taste, flavors, price, functionality, size, packaging, and marketing activities, to gain a competitive advantage. The Indian frozen foods market size reached INR 167.3 Billion in 2023. Looking forward, IMARC Group expects the market to reach INR 561.6 Billion by 2032, exhibiting a growth rate (CAGR) of 14% during 2024-2032. Rapid urbanization, rising disposable incomes of individuals, changing lifestyle and dietary habits, advancements in cold chain infrastructure, increased awareness of global food trends, and improved product accessibility through online retail and supermarkets are among the key factors driving the market.

INDIAN FROZEN FOODS MARKET TRENDS/DRIVERS:

- ✓ Rapid urbanization and lifestyle shifts.
- ✓ Significant technological advancements in cold chain infrastructure.

OPPORTUNITIES AND THREATS

The Company has excellent growth opportunities as it is poised with the following strengths:

- ✓ Well Established and well differentiated brands.
- ✓ Experienced Management & dedicated team force.
- ✓ Strong Distribution Network.
- ✓ Consistent R&D & Innovation.

With the strong approach, the company can capture frozen food market to large extent as the industry is full of such opportunities:

Opportunities

- Convenience: Frozen foods are convenient and can be stored long-term, which reduces food waste and the need to consume food immediately.
- Variety: Frozen foods come in a wide range of products, including fruits, vegetables, ready-to-eat meals, snacks, and bakery items.
- Dietary preferences: Frozen foods can cater to different dietary preferences.
- Lifestyle shifts: Frozen foods are a popular choice because people have less time to cook traditional recipes.
- Western culture: The penetration of Western culture and food habits has led to greater demand for frozen pizza, pasta, and desserts.

Simultaneously, frozen food industry has its own challenges/threats to deal with such as:

Threats

- Complicated supply chain.
- There are challenges in ensuring efficient distribution channels.

- The frozen food sector requires large capital expenditures for distribution networks, storage facilities, and freezers.
- Increasing Cost of Raw Material.
- Labor intense operations.
- Exchange Rate fluctuations.

FUTURE OUTLOOK

Increasing the production and productivity of Processed Food Products to meet the demand of growing population is the prime goal. The Company is committed to adhere with ethical standards, applicable laws for the time being in force in all its activities.

INTERNAL CONTROL SYSTEM

Identification and monitoring the internal control systems play a crucial role in an organization. The Company has in place Internal Financial Controls but the Management is constantly working on improving the adequacy of existing process. The internal control system implemented by the Company strikes at achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with all applicable laws and regulations. Key controls have been tested during the year and corrective and preventive actions are taken for any weakness. Regular internal audits are conducted by outsourced audit teams. Risk based internal audit plan is approved by the Audit Committee which also reviews adequacy and effectiveness of the Company's internal financial controls.

RISK MANAGEMENT

Welga Foods Limited, the Company continuously works towards de-risking its business by adopting preventive measures. The Company has well established Business Risk Management System which enables detection and monitoring of the business risks on a continuous basis.

FINANCIAL PERFORMANCE

The financial performance of the company has been covered in the Director's Report.

HUMAN RESOURCES

The Company believes in the overall development and continuous growth of its employees. The Company continues to provide its employees the ideal workplace where they can give optimum results. This has resulted into team spirit and team work. The Company continues to equip its employees with the skill which would enable them to meet the growing organizational challenges.

The Industrial Relations were cordial throughout the year with no incidence of strike or lockouts.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and others may constitute "forward-looking statements" within the meaning of applicable Securities Laws and Regulations. Actual results may differ from those expressed or implied. Several factors that could significantly impact the Company's operations include economic conditions affecting demand, supply and price conditions in the domestic and overseas markets, changes in the Government regulations, tax laws and other statutes, climatic conditions and such incidental factors over which the Company does not have any direct control. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

For and on Behalf of Board of Directors**For Welga Foods Limited****Sd/-****Gaurav Prakash****Director & CFO****DIN: 00159435****Address: C-2802, Pioneer Araya,
Sector-62, Chakarpur(74),
Gurgaon, Haryana-122002****Sd/-****Gyan Prakash****Managing Director****DIN: 00184539****Address: Mohalla Shyam Nagar, -
Budaun, Uttar Pradesh – 243601****Place: Gurugram****Date: 5th September, 2024**

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
(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
Welga Foods Limited
Shiam Nagar, Budaun, Uttar Pradesh-243601**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WELGA FOODS LIMITED** (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.

LIMITATION OF THE AUDITORS

- I. Based on Company's books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on 31st March, 2024 complied with the statutory provisions listed hereunder; and
- II. Based on the management representations, confirmations and explanations wherever required by us, the Company has proper Board-Processes and compliance- mechanism in place to the extent, in manner and subject to the reporting made hereinafter.

AUDITORS RESPONSIBILITY

- I. Our responsibility is to express the opinion on the compliance with the applicable laws and maintenance of records based on audit. We conducted our audit in accordance with the Guidance Note on Secretarial Audit ("Guidance Note") and Auditing Standards issued by the Institute of Company Secretaries of India ("ICSI"). The Guidance Note and Auditing Standards require that we comply with statutory and regulatory requirements and also plan and perform the audit so as to obtain reasonable assurance about compliance with applicable laws and maintenance of records.
- II. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.
- III. Our audit involves performing procedures to obtain audit evidence about the adequacy of compliance mechanism exist in the Company to assess any material weakness and testing and evaluating the design and operating effectiveness of compliance mechanism based upon the assessed risk. The procedures selected depend upon the auditor's judgment, including assessment of the risk of material non-compliance whether due to error or fraud.
- IV. 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 Board processes and compliance-mechanism.

The Members are requested to read Secretarial Audit Report ("Report") along with our letter dated 4th September, 2024 as enclosed herewith to this Report as **Annexure - 1**.

1. 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, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made there under;
- ii. The Securities Contracts (Regulations) Act, 1956 (SCRA) and the rules made there under;
- iii. The Depository Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the company during the period under review)**
- v. Reserve Bank of India Act, 1934 **(Not applicable to the company during the period under review)**
- vi. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015;
 - b. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the company during the period under review)**
 - c. Securities and exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the company during the period under review)**
 - d. Securities and Exchange Board of India (issue and Listing of Non-Convertible and redeemable Preference Shares) Regulation, 2021; **(Not applicable to the company during the period under review)**
 - e. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the company during the period under review)**
 - g. Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulation, 2008 **(Not applicable to the company during the period under review)**
 - h. The Securities and Exchange Board of India (Employee Stock Option Scheme and employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the company during the period under review)**
 - i. Securities and Exchange Board of India (Buyback of Securities) Regulation, 2018 **(Not applicable to the company during the period under review)**
2. We have relied upon the representations made by the Company, its officers for systems and mechanisms framed by the Company and basis that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance of other Act, Laws and Regulations specifically applicable to the Company.
 3. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India, with respect to board and general meetings (hereinafter referred as 'Secretarial Standards'). We noted that the Company is generally regular in complying with the Secretarial Standards.
 4. During the period under review, to the best of our knowledge and belief and according to the information and explanations given to us, the Company has been regular in compliance with the provisions of the Acts, Rules, Regulations and Secretarial Standards, except as mentioned in Para (6) below.
 5. We further report that compliance of applicable financial laws including direct and indirect tax laws and maintenance of financial records and books of

accounts by the Company has not been reviewed in this audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

6. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except following observations:

- a) *There were delayed submissions of LODR/SEBI compliance to the Metropolitan Stock Exchange of India Limited, resulting into penalties imposed by the exchange. However, the said penalties have been paid by the company.*
- b) *Certificate for Maintenance of Structural Digital Database under Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 was not submitted for the quarter ended 30th June, 2023.*
- c) *Independent Director's name not registered in the data bank of MCA.*
- d) *The company has not filed MGT-14 for the appointment of Company Secretary.*

Further, from the closure of Financial Year 2023-24 and till the date of signing of this report, it has been observed that:

- e) *In compliance with the directions of Honorable Regional Director, Northern Region, the Company has filed adjudication application under section 454 of the Companies Act, 2013, with the office of Honorable Registrar of Companies, Kanpur for the adjudication of section 203 of the Companies Act, 2013 on 14th May, 2024 and same is pending for disposal thereof.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors during the period under review.

Adequate Notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exist for seeking further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and process 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, as per the representations made by the management, during the audit period the company has not carried on any specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

For JVP & Associates Company Secretaries LLP

Sd/-

Jayanti Sharma

Partner

COP. No. 12794

UDIN: F010821F001135241

Peer Review No.: 3560/2023

Date: 4th September, 2024

Place: Kanpur

Annexure- 1

To
The Members
Welga Foods Limited
Shiam Nagar, Budaun, Uttar Pradesh-243601

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. We have not checked the compliance of general laws applicable to the Company.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For JVP & Associates Company Secretaries LLP

Sd/-

Jayanti Sharma

Partner

COP. No. 12794

UDIN: F010821F001135241

Peer Review No.: 3560/2023

Date: 4th September, 2024

Place: Kanpur

Annexure B

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/transactions 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 transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions which are not at arm's length basis:

S. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	There were no transactions or contracts, or arrangements entered into during the year end 31 st March, 2024 which were not at arms' length basis.
2.	Nature of contracts/arrangements/transaction	
3.	Duration of the contracts/arrangements/transaction	
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	
5.	Justification for entering into such contracts or arrangements or transactions'	
6.	Date of approval by the Board	
7.	Amount paid as advances, if any	
8.	Date on which the special resolution was passed in General meeting as required under first proviso to	

	section 188	
--	-------------	--

2. Details of material contracts or arrangements or transactions at arm's length basis:

SL. No.	Particulars	Details
a)	<ul style="list-style-type: none"> Name (s) of the related party Nature of relationship 	Ms. Arpana Agarwal Director of Company
b)	Nature of contracts/arrangements/transaction	Rent paid
c)	Duration of the contracts / arrangements/transaction	As per Rent Agreement
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	As per Rent Agreement
e)	Date of approval by the Board	April, 2022
f)	Amount paid as advances, if any	N.A.

For and on Behalf of Board of Directors

For Welga Foods Limited

Sd/-

Gaurav Prakash
Director & CFO

DIN: 00159435

**Address: C-2802, Pioneer Araya,
Sector-62, Chakarpur(74),
Gurgaon, Haryana-122002**

Place: Delhi

Date: 5th September, 2024

Sd/-

Gyan Prakash

Managing Director

DIN: 00184539

**Address: Mohalla Shyam Nagar, -
Budaun, Uttar Pradesh – 243601**



Amod Agrawal & Associates
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
WELGA FOODS LIMITED**

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial Statements of Welga Foods Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and the Statement of Changes in Equity, Notes to the Financial Statements for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as the financial statements).

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the emphasis of matter section of our report* 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 Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Emphasis of Matter

Without qualifying our opinion, attention is invited to

- (a) *Note 53, the confirmation from the trade receivables and trade payable have not been obtained. However, the provisions for doubtful debts have been made following Expected Credit Loss (ECL) method. The impact on profit and loss account and the financial statements, if any, could not be presently ascertained in the absence of confirmations.*
- (b) *Note no 39, the company has not provided interest of Rs 10.07 lakhs due as on 31-03-2024 to MSMED vendors pending confirmation from these vendors.*

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matters	Auditor's Response
1	Inventories: The Company held inventories of Rs. 2193.99 lakhs as on 31st March, 2024. Cost is determined on the basis of cost of production or net realizable value whichever is lower. Given the value of the inventories, number of locations and the company being a seasonal industry, the valuation and existence of inventory management exercises significant judgement in assessing the recoverability of the amount stated. Accordingly we have identified this as a key matter.	Our audit procedures included the following: <ul style="list-style-type: none">• We tested the design and effectiveness of controls over the identification of obsolete inventories and obtained an understanding of the Company's process for measuring the amount of write down required.• We tested sample of inventories to sales subsequent to the year end and ascertained that they were sold at more than their carrying amounts.• Physical verification of inventory is carried out by the management.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements to a true and fair view of the financial position, financial performance (including other comprehensive



income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to



continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, except for keeping backup on daily basis and also the matter stated in paragraph h(vi) below, on reporting under rule 11(g) of the companies (Audit and Auditor's) Rule, 2014 and point (i)(A) of Companies (Auditor's Report) Order, 2020.*
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.



- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 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, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which expresses a disclaimer of opinion and the disclaimer does not affect our opinion on the financial statements of the Company.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration Rs 52,30,228/- (including Rs.48,30,228/- for earlier years) paid by the Company to its managing directors, is subject to pending compliance of section 197 and other applicable provisions of the Act. The Company has filed a compounding application on 23rd November, 2022 before Regional Director Northen, Delhi which is pending.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 37 to the financial statement.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company has no derivative contracts.
 - iii. There was no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or



Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Board of Directors of the Company has not proposed any dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility w.e.f 01.07.2023 and the same has operated accordingly during the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Amod Agrawal & Associates
Chartered Accountants
Firm Registration No. 005780N



Smita Gupta
Smita Gupta
Partner
Membership No.- 087061

UDIN: 24087061BKHJVE7393

Place: GURGAON
Dated: 30th May, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE Ind AS FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2024 OF WELGA FOODS LIMITED

The Annexure referred to in paragraph 1 (f) under the heading of "Report on Other Legal and Regulatory Requirement" of our report of even date.

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

We have audited the internal financial controls over financial reporting of **Welga Foods Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control 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 issued by the Institute of Chartered Accountants of India". 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that 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.

Disclaimer of Opinion

According to the information and explanations given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2024.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

For AMOD AGRAWAL & ASSOCIATES
Firm Registration No. 005780N
Chartered Accountants



Smita C.M.
Smita Gupta
Partner

Membership No.- 087061

Place: GURGAON
Dated: 30th May, 2024

UDIN: 24087061BKHTVE7393

Annexure-B To Independent Auditors' Report

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

- (i)
- (a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (A) The Company is maintaining records showing particulars, of Property, Plant and Equipment. However, the same is required to be updated w.r.t quantitative details and its locations.
- (B) The Company has no intangible assets.
- (b) The physical verification of Property, Plant and Equipment carried out during the year , in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. We have been informed no material discrepancies were noticed on such physical verification of the Property, Plant and Equipment carried out during the year by the management.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
- (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Quarterly returns or statements filed by the Company with such banks are not in agreement with the books of account of the Company. Details of the same are as below: -



(Rs. In lakhs)

Quarter	Name of Bank	Particulars of securities provided	Amount as per Books of Accounts	Amount as reported in the quarterly return/ statement	Amount of difference	Reasons for material discrepancies
June, 2023 (02.07.2023)	Central Bank of India	Trade Receivable and Inventories	1,354.41	1,988.57	(733.86)	Major difference is on account of basis of valuation of stock and underreporting of trade payable
September, 2023 (04.10.2023)	Central Bank of India	Trade Receivable and Inventories	1,077.87	1,678.98	(601.11)	Major difference is on account of basis of valuation of stock and underreporting of trade payable
December, 2023 (04.01.2024)	Central Bank of India	Trade Receivable and Inventories	815.72	1,561.62	(747.91)	Major difference is on account of basis of valuation of stock and underreporting of trade payable
March, 2024 (28.03.2024)	Central Bank of India	Trade Receivable and Inventories	1,749.23	2,353.08	(603.86)	Major difference is on account of basis of valuation of stock and underreporting of trade payable

- (iii) According to the information explanation provided to us, during the year the Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company
- (iv) In our opinion and according to the information and explanations given to us, no loans, guarantees and securities granted by the company during the year in respect of which provisions of section 185 & 186 of the Companies Act, 2013 are applicable.
- (v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- (vii a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities *except there have been slight delays in few cases in depositing Provident Fund & Income Tax dues.*



- b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable except Rs. 1.08 lacs- towards Income Tax demand outstanding as at 31st March, 2024 for a period of more than six months from the date of becoming payable.

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

(ix)

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks or financial institutions during the year.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- d) *On an overall examination of the financial statements of the Company during the year Rs. 24.22 Lakhs funds raised on short-term basis have been used for long-term purposes by the Company.*
- e) According to the information explanation given to us and on an overall examination of the financial statements of the Company, we report that the company has no subsidiaries, associates or joint ventures as defined in the Act. Therefore, clause i x (e) of the Order is not applicable.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has no subsidiaries, associates or joint ventures as defined in the Act. Therefore, clause i x (f) of the Order is not applicable

(x)

a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xi)

a. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.



b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c. As represented to us by the management, there are no whistle-blower complaints received by the Company during the course of audit. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.

- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- (xiii) According to the records of the Company examined by us and the information and explanation given to us, the Company has complied with applicable provisions of section 188 of the Companies Act 2013 in relation to transaction with related parties and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) In our opinion, the Company has not conducted any Non Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank Of India. Hence, reporting under clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulation made by Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.



(d) According to the information & explanations provided to us, the Company does not have any CIC as part of its group. Hence reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii)

The Company has incurred cash losses of Rs. 75.53 Lakhs during the financial year covered by our audit, however there is no cash loss in the immediately preceding financial year.

(xviii)

There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix)

On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not 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)

According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. Hence, the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.

(xxi)

According to the information and explanations given to us, the Company does not have any subsidiary / Associate/ Joint Venture. Accordingly, there is no preparation of consolidated financial statements. Accordingly, the provisions stated in paragraph clause 3 (xxi) of the Order are not applicable to the Company.

For AMOD AGRAWAL & ASSOCIATES

Firm Registration No. 003780N

Chartered Accountants



Smita Gupta

Smita Gupta

Partner

Membership No.- 087061

Place: GURGAON

Dated: 30th May, 2024

WELGA FOODS LTD

Balance Sheet as at 31st March, 2024

CIN- L15419UP1983PLC005918

Regd. Office- Shiam Nagar, Budaun, Uttar Pradesh

(Rs. in lakhs)

Particulars	Note No.	As At 31.03.2024	As At 31.03.2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	615.33	617.24
(b) Capital Work-in-progress	3	27.40	15.91
(c) Investment property	4	147.65	150.45
(d) Financial assets			
(i) Other Financial Asset	5	19.48	19.75
(e) Income tax assets (net)	6	1.99	-
(f) Other non-current assets	7	1.50	0.84
Total Non-Current Assets		813.36	804.19
Current assets			
(a) Inventories	8	2,193.99	1,774.05
(b) Financial assets			
(i) Trade receivables	9	77.35	90.35
(ii) Cash and cash equivalents	10	14.53	16.52
(iii) Bank balances other than cash & cash equivalents mentioned above	11	104.43	99.51
(iv) Loans	12	1.55	2.26
(v) Other financial assets	13	6.71	6.24
(c) Other current assets	14	15.11	18.99
Total Current Assets		2,413.66	2,007.94
Assets classified as held for Sale	15	-	-
TOTAL ASSETS		3,227.02	2,812.13
EQUITY AND LIABILITIES			
Equity:			
(a) Equity share capital	16	326.56	326.56
(b) Other Equity	17	(292.29)	(233.15)
Total Equity		34.27	93.41
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18(a)	471.09	416.59
(b) Provisions	19	18.25	28.68
Total Non-Current Liabilities		489.34	445.26
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18 (b)	1,855.27	1,629.73
(ii) Trade payables	20	-	-
-total outstanding dues of micro enterprises and small enterprises		22.45	16.01
-total outstanding dues of creditors other than micro enterprises and small enterprises		499.66	411.85
(iii) Other financial liabilities	22	14.38	11.88
(b) Other current liabilities	23	309.79	186.37
(c) Provisions	24	1.86	14.05
(d) Current Tax Liabilities (Net)	25	-	3.56
Total Current Liabilities		2,703.41	2,273.46
Liabilities directly associated with assets classified as held for sale	26	-	-
TOTAL EQUITY AND LIABILITIES		3,227.02	2,812.13

Summary of Significant Accounting Policies

2

The accompanying Notes form an integral part of the financial statements

As Per our Report of Even Date Attached

For AMOD AGRAWAL & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 0057809

Smita Gupta

(Smita Gupta)

Partner

Membership No. 087061

Place : Gurgaon

Date : 30th May, 2024



Shweta Rawat
(Shweta Rawat)
Company Secretary &
Compliance Officer
Membership No. A52132

For and on behalf of the board of directors of Welga Foods Ltd.

Gyan Prakash
(Gyan Prakash)

Chairman & Managing
Director

DIN: 00184539

Gaurav Prakash
(Gaurav Prakash)

Executive Director & Chief
Financial Officer

DIN: 00159435

WELGA FOODS LTD

Statement of Profit and Loss for the year ended 31st March, 2024

(Rs. in lakhs)

	Particulars	Note No.	Current Year	Previous Year
			Ended 31.03.2024	Ended 31.03.2023
I	Revenue from operations	27	2,586.28	2,950.13
II	Other income	28	17.52	17.65
III	Total Income (I+II)		2,603.80	2,967.78
IV	Expenses			
	Cost of materials consumed	29	2,115.84	1,744.32
	Purchase of Traded Good		55.54	193.34
	Changes in inventories of finished goods, work-in-progress and goods traded-in	30	(455.86)	13.07
	Employee benefits expenses	31	232.02	232.24
	Finance costs	32	188.67	156.41
	Depreciation and amortisation expense	33	23.85	27.06
	Other expenses	34	523.12	573.86
	Total Expenses (IV)		2,683.17	2,940.30
V	Profit/(Loss) before exceptional items and tax (III-IV)		(79.37)	27.48
VI	Exceptional items: income/(expense)			
	Profit on sale of Land		-	43.84
	Goods and Service Tax (GST) demand		(52.20)	-
VII	Profit/(Loss) before tax (V-VI)		(131.57)	71.32
VIII	Tax expense/(income)			
	Current tax		-	5.20
	Deferred tax	21	-	-
	Total tax expense(VIII)		-	5.20
IX	Profit/(loss) for the year (VII-VIII)		(131.57)	66.12
X	Other Comprehensive Income			
	(i) Items that will be reclassified to profit or loss:			
	Income Tax (expense) /credit relating to above item:		-	-
	Items that will not be reclassified to profit or loss:			
	- Remeasurement gains/ (losses) on the defined benefit plan		28.59	(2.48)
	Income Tax (expense) /credit relating to above items:		-	-
			28.59	(2.48)
XI	Total Comprehensive Income for the year		(102.98)	63.63
XII	Earning Per Equity Share [nominal value of share Rs. 10/- (31.3.2023 : Rs. 10)]	35		
	Basic		(3.15)	1.95
	Computed on the basis of total Profit/(loss) for the year			
	Diluted		(3.15)	1.95
	Computed on the basis of total Profit/(loss) for the year			

Summary of Significant Accounting Policies

2

The accompanying Notes form an integral part of the financial statements

As Per our Report of Even Date Attached

For AMOD AGRAWAL & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 005780N

Smita Gupta

(Smita Gupta)

Partner

Membership No. 087061

Place : Gurgaon

Date : 30th May, 2024

(Shweta Rawat)

Company Secretary &

Compliance Officer

Membership No. A52132

For and on behalf of the board of directors of Welga Foods Ltd

(Gyan Prakash)

Chairman & Managing

Director

DIN: 00184539

(Gaurav Prakash)

Executive Director & Chief

Financial Officer

DIN: 00159435

WELGA FOODS LTD

Cash Flow Statement for the year ended 31st March, 2024

(Rs. in Lakhs)

Particulars		Year Ended 31.03.2024	Year Ended 31.03.2023
I	Cash flow from operating activities		
	Profit/(loss) before Tax	(131.57)	71.32
	Non-cash/ adjustments to reconcile profit before tax to net cash flows :		
	Exceptional Items- Loss/(Gain)	52.20	(43.84)
	Interest Income	(7.22)	(6.21)
	Finance costs	188.67	156.41
	Depreciation	23.85	27.06
	Profit on sale of property, plant & equipments	-	(47.91)
	Loss on discard of property, plant & equipments	-	1.73
	Lease Rental equivalisation Income	(0.65)	(0.61)
	Allowances for Obsolete Stock	12.88	15.39
	Balances written back	(0.35)	(0.92)
	Loan & Advances written off	-	0.31
	Bad Debts Written off	-	6.54
	Operating Profit before working Capital Changes	137.80	179.26
	Changes in working capital:		
	<i>Adjustments for (increase) / decrease in operating assets:</i>		
	Inventories	(432.82)	(7.57)
	Trade receivables	13.00	(6.58)
	Other Financial Assets	0.26	(4.78)
	Other Assets	4.60	47.89
	<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
	Non-Current provisions	18.16	13.72
	Current provisions	(12.19)	10.42
	Trade payables	94.25	(8.20)
	Other current financial liabilities	1.00	2.03
	Other current liabilities	71.57	49.67
	Cash used in operations	(104.36)	275.87
	Income tax paid (Net of Income tax refunds)	(5.52)	3.36
	Net cash flow from/ (used in) operating activities (I)	(109.88)	279.23
II	Cash flow from investing activities		
	Purchase of Property, Plant and Equipment (Including Capital Work in Progress, capital advances and net of capital creditors)	(30.63)	(25.69)
	Proceeds from sale of Property, Plant and Equipment (including Advances received)	-	38.57
	Interest Received	6.72	5.95
	Movement in Fixed Deposit & Earmarked balances with bank (Increase)/Decrease in Bank Balance not considered as cash and cash equivalents	(4.91)	(4.46)
	Net cash flow from/ (used in) investing activities (II)	(28.82)	14.36
III	Cash flow from financing activities		
	Proceeds from Long Term Borrowings	171.05	-
	Repayment of Long Term Borrowings	(72.71)	(85.38)
	Proceeds from Short term borrowings Net of Repayment- From Bank	171.55	(82.73)
	Proceeds from Short term borrowings Net of Repayment- From related parties	53.99	-
	Finance Costs paid	(187.17)	(156.75)
	Net cash flow from/ (used in) financing activities (III)	136.71	(324.85)
	Net increase/(decrease) in cash and cash equivalents (I+II+III)	(1.99)	(31.25)
	Cash and cash equivalents at the beginning of the year	16.52	47.78
	Cash and cash equivalents at the end of the year	14.53	16.52

Components of cash and cash equivalents		
Cash on hand	12.98	9.81
Balances with banks- on current accounts	1.55	6.72
	14.53	16.52
Reconciliation of cash & cash equivalent with balance sheet:		
Cash & bank balances as per balance sheet :		
a) Cash & Cash equivalent disclosed under current assets (Refer Note no.10)	14.53	16.52
b) Other Bank balances disclosed under current assets (Refer note no.11)	104.43	99.51
c) Cash and bank balance disclosed under non-current assets	-	-
Total Cash & bank balance as per balance sheet	118.96	116.04
Less: Other Bank balances disclosed under current assets (Refer note no. 11)	104.43	99.51
Less: Cash and bank balance disclosed under non-current assets	-	-
Total Cash and cash equivalents as per Statement of Cash Flows	14.53	16.52
Supplementary information		
Restricted cash and cash equivalent balances	-	-

Notes:

- 1 The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 Cash Flow Statements specified under Section 133 of the Companies Act, 2013.
- 2 Figures in parenthesis indicate cash outgo.
- 3 Previous year figures, to the extent feasible, have been regrouped/ recast wherever necessary to conform to the current year's classification.

Summary of Significant Accounting Policies

2

The accompanying Notes form an integral part of the financial statements

For AMOD AGRAWAL & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 005780N

Smita Gupta

(Smita Gupta)

Partner

Membership No. 087061

Place : Gurgaon

Date : 30th May, 2024



Shweta Rawat

(Shweta Rawat)

Company Secretary &

Compliance Officer

Membership No. A52132

For and on behalf of the board of directors of
Welga Foods Ltd

Gyan Prakash *Gaurav Prakash*

(Gyan Prakash)
Chairman &
Managing Director

(Gaurav Prakash)
Executive Director &
Chief Financial
Officer

DIN: 00184539

DIN: 00159435

WEILGA FOODS LTD
Statement of Changes in Equity for the year ended 31 March 2024

A. Equity Share Capital	Equity shares of Rs. 10/- each issued, subscribed and fully paid	Number of shares	Rs. in lakhs	B. Other Equity			Total
				Reserve and Surplus	Items of Other Comprehensive Income		
				Capital Reserves (I)	Retained Earnings	Net (loss)/gain on fair value of FVTOCI equity instruments	
As at 1st April 2022		32,65,600.00	326.56				
Changes in Equity Share Capital due to prior period errors		-	-				
Restated balance as at 1 April 2022		32,65,600.00	326.56				
Increase/(decrease) during the year		-	-				
As at 31st March 2023		32,65,600.00	326.56				
Changes in Equity Share Capital due to prior period errors		-	-				
Restated balance as at 1 April 2023		32,65,600.00	326.56				
Increase/(decrease) during the year		-	-				
As at 31st March 2024		32,65,600.00	326.56				
B. Other Equity							
For the year ended 31st March, 2024							
							(Rs. in lakhs)
As at 1 April 2022							
Changes in Accounting policy							
Adjustment on correction of prior period errors							
Equity Component of Interest free loans from Promoter							
Restated balance as at 1 April 2022							
Profit for the year							
Other comprehensive income/(loss) (net of tax):							
Re-measurement of defined benefit plans							
Total Comprehensive Income for the year							
Equity Component of Interest free loans from Promoter							
Balance at the 31 March 2023							
Profit/(loss) for the year							
Other comprehensive income/(loss) (net of tax):							
Re-measurement of defined benefit plans							
Total Comprehensive Income for the year							
Equity Component of Interest free loans from Promoter							
Balance at the 31 March 2024							

L) Refer note 17 for nature and purpose of reserves

As Per our Report of Even Date Attached

For AMOD AGRAWAL & ASSOCIATES
Chartered Accountants

ICAI Firm Registration No. 0057860N

Smita Gupta

(Smita Gupta)

Partner

Membership No. 087061

Place : Gurgaon

Date : 30th May, 2024

(Signature)
(Shweta Rawat)
Company Secretary &
Compliance Officer
Membership No. A52132

(Signature)
For and on behalf of the board of directors of Weilga Foods Ltd
(Gaurav Prakash)
Chairman & Managing
Director
Executive Director & Chief Financial Officer
DIN: 00184539

DIN: 00159435

WELGA FOODS LTD
(Notes to financial statements for the year ended 31 March, 2024)

1. Corporate Information

Welga Foods Limited ("the Company") is a public company domiciled in India and incorporated on 11th day of January 1983 under the provisions of the Companies Act, 1956. The Company is engaged in processing & preserving vegetables/fruits through freezing process.

These separate financial statements were authorised for issue in accordance with a resolution of the directors on 30th May, 2024.

2. Summary of the Material Accounting Policies

2.1. Basis of preparation

a) Statement of compliance with Ind AS:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 and the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

For all periods upto and including the year ended 31st March, 2021, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS.

b) Basis of measurement

These financial statements are prepared under the historical cost convention except for the following material items those have been measured at fair value as required by relevant Ind AS :

- certain financial assets and liabilities that are measured at fair value;
- defined benefit plans - plan assets measured at fair value;

Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value measurement:

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



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

Where required/appropriate, external valuers are involved.

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy established by Ind As 113, that categorises into three levels, the inputs to valuation techniques used to measure fair value. These are based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 inputs are unobservable inputs for the asset or liability.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

The Company recognises transfers between levels of fair value hierarchy at the end of reporting period during which change has occurred.

c) Classification of Current/Non-current Assets and Liabilities and Operating Cycle

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

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



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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months. However, for the purpose of current/non-current classification of assets & liabilities period of 12 months has been considered as normal operating cycle.

d) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

e) Rounding of amounts:

All amounts disclosed in the financial statements and notes are in Indian Rupees in lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.

2.2 Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of the Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, expenses and the results of operations during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Such estimates & assumptions are based on management evaluation of relevant facts & circumstances as on date of financial statements. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

2.3 Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economics benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

a) Sale of goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates.

Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Our customers have the contractual right to return goods only when authorised by the Company. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

b) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of a financial liability or a financial asset to their gross carrying amount.



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c) Other items of income

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

2.4 Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Cost of an item of property, plant and equipment comprises –

- i. its purchase price, including import duties and non-refundable purchase taxes (net of duty/ tax credit availed), after deducting trade discounts and rebates.
- ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii. borrowing cost directly attributable to the qualifying asset in accordance with accounting policy on borrowing cost.
- iv. the costs of dismantling, removing the item and restoring the site on which it is located.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes direct costs, related pre-operational expenses and for qualifying assets applicable borrowing costs to be capitalised in accordance with the Company's accounting policy. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not directly related to the project nor are incidental thereto, are expensed.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other items of PPE, commences when the assets are ready for their intended use.

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

The Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful life that is materially different from that of the remaining plant and equipment.

Machinery spares which meets the criteria of PPE is capitalized and depreciated over the useful life of the respective asset.

Deemed cost on transition to Ind AS:

Under the Previous GAAP, all property, plant and equipment were carried at in the Balance Sheet on basis of historical cost. The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2020 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.



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Depreciation:

Depreciation on Building, Computers and furniture & fixture has been provided on the straight line method and on other assets (other than freehold land) has been provided on written down value method based on their respective estimate of useful lives, as given below. Estimated useful lives of assets are determined based on internal assessment estimated by the management of the Company and supported by technical advice wherever so required. The management believes that useful lives currently used, which is as prescribed under Schedule II to the Companies Act, 2013, fairly reflect its estimate of the useful lives and residual values of fixed assets (considered at 2% of the original cost), though these lives in certain cases are different from lives prescribed under Schedule II.

Type of assets

Straight Line method

Buildings

Factory Building

Office Building

Furniture and Fixtures

Computers

Useful life in years

30 years
60 years
10 years
3 years

Written down method

Plant and Equipment (on triple shift basis)

Plant and Equipment -Chamber

Office Equipment

Vehicles

Fire Fighting Equipment

Laboratory Equipment

Elevator ETOs

15 years*
25 years*
5 years
8 years
5 years
10 years
10 years*

Assets individually costing Rs. 5000 or less are fully depreciated in the year of acquisition.

*In respect of these assets, the management estimate of useful lives, based on technical assessment is different than the useful lives prescribed under Part C of Schedule II to the Companies Act, 2013. However, based on internal technical evaluation and advice received, the management believes that the useful lives as considered for arriving at the depreciation rates, best represent the period over which management expect to use these assets.

Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is retired from active use and is held for disposal and the date that the asset is derecognised.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Depreciation methods, useful lives and residual values are reviewed periodically including at the end of each financial year. Any changes in depreciation method, useful lives and residual values are treated as a change in accounting estimate and applied/adjusted prospectively, if appropriate.



2.5 Investment Property

Properties including those under construction (land or a building—or part of a building—or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for:

- (a) use in the production or supply of goods or services or for administrative purposes; or
 - (b) sale in the ordinary course of business;
- are classified as investment property. Investment property includes land held for a currently undetermined future use.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

For transition to Ind AS, the company has elected to adopt as deemed cost, the carrying value of investment property as per I-GAAP less accumulated depreciation and cumulative impairment as on the transition date of April 1, 2020

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their estimated useful lives.

The Company has purchased a office space (flat) No. DSM -730, DLF Tower, Shivaji Marg, Nazadigath Road, West Delhi having super area 98.935 sq.mtr. in a commercial multi-storied building from M/s DLF Developers Ltd on 24.01.2013. The expenditure including interior work incurred amounting to Rs.182.37 lakhs has been shown in Balance Sheet under the main head "Investment Property" and sub-head "Office Building". It was let out upto 31st March 2020. At present the said office space is vacated and held for capital appreciation and for rental income.

The Company depreciates building held as investment property over the period of 60 years having 5% residual value.

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2020 of its investment properties and used that carrying value as the deemed cost of the investment properties on the date of transition i.e. 1 April 2020.



2.6 Financial instruments

Financial Assets:

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, except for trade receivables which are initially measured at transaction price. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are added to or deducted from the fair value of the financial assets

The fair value of a financial instrument at initial recognition is normally the transaction price. If the Company determines that the fair value at initial recognition differs from the transaction price, difference between the fair value at initial recognition and the transaction price shall be recognized as gain or loss unless it qualifies for recognition as an asset or liability.

Financial assets are subsequently classified as measured at

- amortised cost (if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding)
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Debt Instruments:

- i. Investments in debt instruments that are designated as fair value through profit or loss (FVTPL) are measured at fair value.
- ii. Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost (unless the same designated as fair value through profit or loss):
 - The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
 - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding
- iii. Investment in debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income [FVTOCI] (unless the same are designated as fair value through profit or loss)
 - The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
 - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- iv. Debt instruments at FVTPL is a residual category for debt instruments, if any, and all changes are recognised in profit or loss.



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Equity Instruments:

Investment in subsidiaries are measured at cost less impairment losses, if any.

All investments in equity instruments in scope of Ind AS 109 classified under financial assets are initially measured at fair value.

If the equity investment is not held for trading, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Equity instruments which are held for trading are classified as measured at FVTPL.

Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. For financial assets that are measured at FVOCI, income by way of interest and dividend, provision for impairment, (on debt instrument) are recognised in profit or loss and changes in fair value (other than on account of above income or expense) are recognised in other comprehensive income and accumulated in other equity. On disposal of debt instruments at FVOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments at FVOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset.

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. This involves use of provision matrix constructed on the basis of historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

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

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

Financial Liabilities and equity instruments:

Classification as debt or equity.

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.



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Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The fair value of a financial instrument at initial recognition is normally the transaction price. If the Company determines that the fair value at initial recognition differs from the transaction price, difference between the fair value at initial recognition and the transaction price shall be recognized as gain or loss unless it qualifies for recognition as an asset or liability. This normally depends on the relationship between the lender and borrower or the reason for providing the loan. Accordingly in case of interest-free loan from promoters to the Company, the difference between the loan amount and its fair value is treated as an equity contribution to the Company.

In accordance with Ind AS 113, the fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The Company's financial liabilities include trade and other payables and loans and borrowings.

Subsequent measurement

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

Loans and borrowings

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

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

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



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2.7 Impairment of Non-financial assets

The carrying amounts of non-financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

2.8 Borrowing costs

Borrowing costs comprises interest expense on borrowings calculated using the effective interest method and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. EIR calculation does not include exchange differences.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are included in the cost of those assets. Such borrowing costs are capitalised as part of the cost of the asset when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset, if any, for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

2.9 Foreign currency translation

The financial statements are presented in Indian Rupees (INR), the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.



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2.10 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116.

i. As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Income and expenditure statement if the carrying amount of the right-of-use asset has been reduced to zero.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been disclosed separately in the statement of financial position under Non current financial liabilities and current financial liabilities.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.



ii. As a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Company applies Ind AS 115 to allocate the consideration in the contract.

The Company applies the derecognition and impairment requirements in Ind AS 109 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Company recognises lease payments received under operating leases as income on a straightline basis over the lease term as part of 'other revenue/income'.

Where the Company provides incentives for the lessee to enter into the agreement such as an up-front cash payment to the lessee or the reimbursement or assumption by the lessor of costs of the lessee (such as relocation costs, leasehold improvements and costs associated with a pre-existing lease commitment of the lessee), such incentives are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

Generally, the accounting policies applicable to the Company as a lessor in the comparative period were not different from Ind AS 116 except for the classification of the sub-lease entered into during current reporting period that resulted in a finance lease classification.

2.11 Inventories

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

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

Raw materials, stores and spares and other materials: Cost includes cost of purchase (viz. the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition and is net of trade discounts, rebates and other similar items) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.



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

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Waste / Scrap: Waste or Scrap inventory is valued at NRV.

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

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories, if any.

2.12 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, social security contributions, short term compensated absences (paid annual leaves) etc. are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled and are expensed in the period in which the employee renders the related service.

Post-employment benefits:

i) Defined contribution plan

The defined contribution plan is post employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund and Employee State Insurance Scheme. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which employee renders the related service.

ii) Defined benefit plan

The Company's obligation towards gratuity liability is funded to an approved gratuity fund, which fully covers the said liability under New Group Gratuity Cash Accumulation Plan/Policy of Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

The amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the current year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss).

The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss.

Re-measurement of net defined benefit liability/asset pertaining to gratuity comprise of actuarial gains/losses (i.e. changes in the present value of the defined benefit obligation resulting from experience adjustments and effects of changes in actuarial assumptions), the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) and is recognised immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss account in subsequent periods.



Other long-term employee benefit obligations:

As a matter of policy all employees are allowed to avail their leaves within the year and no carry forward leaves are allowed for subsequent years. There are no leaves which are outstanding or accumulated in the accounts of the employees at the year end and hence no provision is made.

2.13 Taxation

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

Current income tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

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

Current income tax relating to items recognised, either in other comprehensive income or directly in equity, is also recognized in other comprehensive income or in equity, as appropriate and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized



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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.14 Provisions and contingencies

Provisions:

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

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Contingencies:

Contingent liabilities

A contingent liability is:

- a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or
- a present obligation that arises from past events but is not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or
 - the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed unless the contingency is remote.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised but are disclosed when the inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

2.15 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.



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The Company operates in a single business segment i.e. processing & preserving vegetables/fruits through freezing process. The Company's Chief Operating Decision Maker (CODM) is the Managing Director. He evaluates the Company's performance and allocates resources based on analysis of various performance indicators. Accordingly, there is no operating segment or reportable segment as such.

2.16 Related party

A related party as a person or entity that is related to the reporting entity and it includes :

- (a) A person or a close member of that person's family if that person:
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity
- (b) An entity is related to the reporting entity if any of the following conditions apply:
 - (i) The entity and the reporting entity are members of the same Group.
 - (ii) One entity is an associate or joint venture of the other entity.
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a Group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- (a) that person's children, spouse or domestic partner, brother, sister, father and mother,
- (b) children of that person's spouse or domestic partner, and
- (c) dependents of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Related party transactions and outstanding balances disclosed in the financial statements are in accordance with the above definition as per Ind As 24.



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2.17 Government Grant:

Government grants are recognised in profit or loss on a systematic basis over the periods in which The Company recognises as expenses the related costs for which the grants are intended to compensate.

Accordingly, government grants :

- a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income in profit or loss on a systematic basis over the useful life of the assets.
- b) related to an expense item is recognised in the statement of profit and loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed and presented as deduction from the related/relevant expense.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

2.18 Non-current assets held for sale and discontinued operations

Non-current assets (or disposal group) are classified as "held for sale" if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The criteria for "held for sale" is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable, and it will genuinely be sold, not abandoned.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

If the criteria for held for sale is no longer met, the asset ceases to be classified as held for sale and the asset shall be measured at the lower of :

- (a) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale, and
- (b) its recoverable amount at the date of the subsequent decision not to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as "held for sale" are not depreciated or amortised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operations in the statement of profit and loss.



2.19 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short term deposits/investments with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value. These exclude bank balances (including deposits) held as margin money or security against borrowings, guarantees etc. being not readily available for use by the Company.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short term deposits and exclude items which are not available for general use as on the date of Balance Sheet, as defined above, net of bank overdrafts which are repayable on demand where they form an integral part of an entity's cash management.

2.20 Cash Flow Statement

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method as set out in Ind AS 7 'Statement of Cash Flows', adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and
- iii. all other items for which the cash effects are investing or financing cash flows.

2.21 Earnings per share

The Basic Earnings per equity share ('EPS') is computed by dividing the net profit or loss after tax before other comprehensive income for the year attributable to the equity shareholders of the Company by weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share are computed by dividing the net profit or loss before OCI attributable to equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares (including options and warrants). The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date.

2.22 Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

2.23 Exceptional Items

Exceptional items represent the nature of transactions which are not in recurring nature during the ordinary course of business but lead to increase/decrease in profit/loss for the year.

2.23 Amendments not yet effective :

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



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3. Property, Plant and Equipment

(Rs.in lakhs)

Cost or Deemed cost	Freehold Land	Factory Building	Office Building	Plant and Equipment	Furniture and Fixtures	Electrical Equipment	Vehicles	Fire Fighting Equipment	Laboratory Equipment	Office Equipment	Computer	Elevator	Total	Capital Work In Progress
Deemed cost as on 01.04.2022	308.09	40.27	57.17	220.79	4.56	9.07	27.76	0.05	0.02	8.84	4.36	0.58	681.54	5.16
Additions	-	-	-	11.01	-	-	-	-	-	1.75	2.18	-	14.94	10.75
Sales / Adjustments	-	-	-	-	0.63	0.01	2.55	-	0.01	0.29	0.33	-	3.82	-
Gross Carrying Value as on 31.03.2023	308.09	40.27	57.17	231.81	3.93	9.06	25.21	0.05	0.01	10.29	6.21	0.58	692.67	15.91
Additions	-	-	-	13.71	-	-	-	-	-	0.74	4.69	-	19.13	11.49
Reclassification (Capitalised from CWIP during the year)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Carrying Value as on 31.03.2024	308.09	40.27	57.17	245.51	3.93	9.06	25.21	0.05	0.01	11.03	10.90	0.58	711.80	27.40
Accumulated depreciation														
Accumulated Depreciation as on 01.04.2022	-	5.80	1.13	22.17	1.50	2.97	12.80	-	0.00	3.43	1.23	0.15	51.17	-
Depreciation Expenses	-	2.28	1.13	10.78	0.43	2.54	3.17	-	0.00	2.34	1.60	-	24.26	-
Deductions / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as on 31.03.2023	-	8.08	2.25	32.95	1.93	5.51	15.97	-	0.00	5.76	2.82	0.15	75.43	-
Depreciation Expenses	-	2.14	1.13	11.05	0.45	0.04	2.18	-	-	1.76	2.29	-	21.04	-
Deductions / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as on 31.03.2024	-	10.22	3.38	44.00	2.38	5.55	18.15	-	0.00	7.52	5.12	0.15	96.47	-
Net Carrying Value														
As on 01.04.2022	308.09	34.47	56.04	198.62	3.05	6.10	14.96	0.05	0.01	5.41	3.13	0.43	630.38	5.16
As on 31.03.2023	308.09	32.19	54.92	198.86	2.00	3.55	9.24	0.05	0.00	4.53	3.39	0.43	617.24	15.91
As on 31.03.2024	308.09	30.05	53.79	201.51	1.55	3.51	7.06	0.05	0.00	3.51	5.78	0.43	615.33	27.40

Capital Work in progress (CWIP)

CWIP ageing schedule as on 31.03.2024 and as on 31.03.2023

CWIP	As at March 31, 2024				As at March 31, 2023					
	Amount in CWIP for a period of				Amount in CWIP for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project-in-Progress Code Storage being set up in Hazratg*	11.49	10.75	5.16	-	27.40	10.75	5.16	-	-	15.91

* The Company has acquired the land on 08th February, 2022 and applied for change of land used (CLU) on 22nd December, 2022, which is pending approval from appropriate authorities. The project completion schedule will be decided only on receipt of CLU by the management.

There is no projected where activity has been suspended



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4 Investment Property

	(Rs. in lakhs)	
	Office Building *	Total
Cost or Deemed Cost		
Balance as at 01.04.2022	158.86	158.86
Additions	-	-
Disposals	-	-
Balance as at 31.03.2023	158.86	158.86
Additions	-	-
Disposals	-	-
Balance as at 31.03.2024	158.86	158.86
Depreciation (Accumulated depreciation)		
Balance as at 01.04.2022	5.60	5.60
Charge for the year	2.80	2.80
Disposals	-	-
Balance as at 31.03.2023	8.41	8.41
Charge for the year	2.80	2.80
Disposals	-	-
Balance as at 31.03.2024	11.21	11.21
Net carrying Value as on 01.04.2022	153.25	153.25
Net carrying Value as on 31.03.2023	150.45	150.45
Net carrying Value as on 31.03.2024	147.65	147.65



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* Represents purchase cost and interior work cost of office /flat space no. DSM-730 in the multi-storied building , known as DLF Tower, Shivaji Marg, Nazafgarh Road, West Delhi purchased from DLF Home Developer. Initially, the space was used for the Company office, thereafter, it has been rented out and is the same is held for capital appreciation and for rental income.

(i) The Company has availed the exemption available under Ind AS 101, wherein the carrying value of investment property has been carried forward at the amount as determined under the previous GAAP. Information regarding the gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows:

Particulars	(Rs. in lakhs)		
	Gross block As at 01.04.2020	Accumulated Depreciation As at 01.04.2020	Net Block As at 01.04.2020
Office Building	182.37	23.50	158.86
Total	182.37	23.50	158.86

(ii) Information regarding income and expenditure of investment properties

	(Rs. in lakhs)	
	Period Ending 31.03.2024	Year Ending 31.03.2023
Rental Income	9.29	5.83
Less: direct operating expenses(including repairs and maintenance) that did not generate rental income	-	-
Less: direct operating expenses(including repairs and maintenance) that generated rental income	-	-
Profit/(loss) from investment properties before	9.29	5.83
Less: depreciation expense	2.80	2.80
Profit/ (loss) from investment properties after	6.49	3.03



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(iii) Fair Value:	(Rs. in lakhs)		
	31.03.2024	31.03.2023	01.04.2022
Building	197.03	197.03	191.70

Fair value hierarchy and valuation technique

The fair value of investment property, being office space in a multi storeyed Building at Delhi, has been determined by external, IBBI registered valuer (Land & Building) and recent experience in the location and category of the property being valued. Fair value has been arrived at by using market approach method. The fair value measurement has been categorised as Level 2.

(iv) The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

(v) Reconciliation of fair value :

	(Rs. in lakhs)
Reconciliation of fair value :	Total
Opening balance as at 01.04.2022	191.70
Fair value difference	5.32
Purchases (including CWIP)	
Opening balance as at 31.03.2023	197.03
Fair value difference	-
Purchases	-
Closing balance as at 31.12.2024	197.03



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WELGA FOODS LTD
(Notes to financial statements for the year ended 31st March, 2024)

	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
5 Other Non-Current Financial Assets (Unsecured, considered good unless otherwise stated) <i>Carried at amortised cost:</i>		
Security Deposits	19.48	19.75
Total	19.48	19.75

	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
6 Income Tax Assets (net)		
Advance Inv. Tax deducted at source and Income tax recoverable (net of provisions)	1.99	-
Total	1.99	-

	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
7 Other Non-Current Assets (Unsecured, considered good unless otherwise stated)		
Deposits with statutory government authorities	0.23	0.23
Deposits with statutory government authorities Under protest	-	-
Lease Rental equalisation	1.27	0.51
Prepaid expense	-	-
Total	1.50	0.84

	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
8 Inventories (at lower of cost and net realizable value)		
Raw materials	0.03	15.93
Packing Material [Net of provision of Rs. 8.98 lakhs (P.Y. Rs. 4.97 lakhs)]	39.18	50.60
Finished goods [Net of provision of Rs. 24.26 lakhs (P.Y. 15.39 Lakhs)]	2,145.48	1,664.40
Store & Consumables	4.58	4.31
Traded Goods	4.73	38.82
Total	2,193.99	1,774.05



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	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
9 Trade receivables		
Trade Receivable considered good- secured.		
Less: Allowance for expected credit loss	80.39 (12.65)	103.00 (12.65)
Trade Receivable considered good- unsecured		
Less: Allowance for expected credit loss	67.74 9.61	90.35 -
Trade Receivable which have significant increase in credit risk		
Less: Allowance for expected credit loss	9.61	-
Trade Receivables- credit impaired		
Less: Allowance for expected credit loss		
Total (A+B)*	77.45	90.35

Dues from directors or other officers of the Company either severally or jointly with any other person

Due from firms in which any director is a partner

Due from private companies in which any director is a director or a member

Trade receivables Ageing Schedule#

As at 31.03.2024

	Not due	Outstanding for following periods from due date of Payments					Total
		Less than 6 Months	6-12 Month	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good		68.81	1.46	10.12	-	-	80.39
Undisputed Trade Receivables – which have significant increase in credit risk					1.87	7.74	9.61
Undisputed Trade receivable – credit impaired							-
Disputed Trade receivables - considered good							-
Disputed Trade receivables – which have significant increase in credit risk							-
Disputed Trade receivables – credit impaired							-
Less: Allowance for expected credit loss		68.81	1.46	10.12	1.87	7.74	90.00
Total Trade Receivables		68.81	1.46	10.12	1.87	7.74	(12.65) 77.35

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.



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(Rs. in lakhs)

As at 31.03.2023	Outstanding for following periods from due date of Payments					Total
	Current but not due	Less than 6 Months	6-12 Month	1-2 Years	2-3 years	
Undisputed Trade Receivables – considered good	40.13	33.96	4.09	3.10	7.63	14.10
Undisputed Trade Receivables – which have significant increase in credit risk						
Undisputed Trade Receivables – credit impaired						103.00
Disputed Trade receivables - considered good						
Disputed Trade receivables – which have significant increase in credit risk						
Disputed Trade receivables – credit impaired						
Less: Allowance for expected credit loss	40.13	33.96	4.09	3.10	7.63	14.10
Total Trade Receivables	40.13	33.96	4.09	3.10	7.63	14.10
						90.35

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

(Rs. in lakhs)

	As at 31 March 2024	As at 31 March 2023
10 Cash and cash equivalents :		
Balances with Banks on Current accounts	1.55	6.72
Cash on hand	12.98	9.81
Total	14.53	16.52

(Rs. in lakhs)

	As at 31 March 2024	As at 31 March 2023
11 Bank balances Other than cash and cash equivalents mentioned above :		
earmarked balances with bank		
Deposits with original maturity of more than 3 months but equal to or less than 12 months *	104.43	99.51
Total	104.43	99.51

* Pledged with ICICI bank against OD limit.

(Rs. in lakhs)

	As at 31 March 2024	As at 31 March 2023
12 Loan		
(Unsecured, considered good unless otherwise stated)		
Unsecured, considered good :		
Loans and advances to employees	1.55	2.26
Total	1.55	2.26






		(Rs. in lakhs)	
		As at 31 March 2024	As at 31 March 2023
16	Share capital		
	Authorised share capital		
	35,00,000 (31st March 2023 : 35,00,000 equity shares of Rs. 10/- each fully paid, 1st April, 2022 : 35,00,000 equity shares of Rs. 10/- each fully paid)	350.00	350.00
	Issued, subscribed and fully paid up		
	32,65,600 (31st March 2023 : 32,65,600 equity shares of Rs. 10/- each fully paid, 1st April, 2022 : 32,65,600 equity shares of Rs. 10/- each fully paid)	326.56	326.56
	Total	326.56	326.56

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

Equity Shares	31 March 2024		31 March 2023	
	No.	Amount in Rs. Lakhs	No.	Amount in Rs. Lakhs
At the beginning of the year	32,65,600	326.56	32,65,600	326.56
Issued during the Year				
Outstanding at the end of the year	32,65,600	326.56	32,65,600	326.56

b. Terms/Rights attached to equity shares

The Company has only one class of Equity Shares having at par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share. The declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors (except interim dividend) is subject to the approval of the Shareholders in the ensuing General Meeting.

During the year ended 31st March, 2023, the amount of per share dividend recognized as distribution to equity shareholders was Nil (31.3.2021 : Nil; 01.04.2020: Nil) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of shareholders	31 March 2024		31 March 2023	
	No.	% Holding	No.	% Holding
Mr. Gyan Prakash	10,96,222	33.57%	10,96,222	33.57%
Mr. Gaurav Prakash	1,91,928	5.88%	1,91,928	5.88%
Gopal Farms P Ltd	10,37,400	31.77%	10,37,400	31.77%
Annex Marketing P Ltd	1,90,200	5.82%	1,90,200	5.82%
	25,15,750	77.04%	25,15,750	77.04%



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d. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting period:

	31 March 2024	31 March 2023
Equity shares allotted as fully paid bonus shares *	16,32,800	16,32,800
Equity shares allotted as fully paid up pursuant to contracts for consideration other than cash	-	-
Equity Shares bought back	-	-

* The Company had issued 1632800 equity shares of Rs. 10 each fully paid up by capitalising the Surplus in the statement of profit and loss amounting to Rs 163.28 lakhs in the ratio of one equity share of Rs.10 each for one existing share of Rs. 10 each pursuant to approval of shareholders of the Company in the Annual General Meeting held on September 28,2018. The Company allotted the said bonus shares on October 12, 2018.

e. The Board of Directors of the Company at their meeting held on 20th August 2018, approved the forfeiture of 17,200 equity shares (paid up Rs.5/- per share) of the Company due to failure to pay the balance amount of allotment money due thereon. The share so forfeited were cancelled. The share forfeited amount was then transferred to Capital Reserve.

f. Details of Promoters shareholding in the Company

Particulars	31.03.2024		31.03.2023		% Change during the year 31.03.2024
	No.	% Holding	No.	% Holding	
Name of promoters					
Mr. Gyan Prakash	10,96,222	33.57%	10,96,222	33.57%	-
Mr. Gaurav Prakash	1,91,928	5.88%	1,91,928	5.88%	-
Gopal Farms P Ltd	10,37,400	31.77%	10,37,400	31.77%	-
Garima Aggarwal	1,20,000	3.67%	1,20,000	3.67%	-
Rashmi Aggarwal	5,530	0.17%	5,530	0.17%	-
	24,51,080	75.06%	24,51,080	75.06%	

Particulars	31.03.2023		31.03.2022		% Change during the year 31.03.2023
	No.	% Holding	No.	% Holding	
Name of promoters					
Mr. Gyan Prakash	10,96,222	33.57%	10,96,222	33.57%	-
Mr. Gaurav Prakash	1,91,928	5.88%	1,91,928	5.88%	-
Gopal Farms P Ltd	10,37,400	31.77%	10,37,400	31.77%	-
Garima Aggarwal	1,20,000	3.67%	1,20,000	3.67%	-
Rashmi Aggarwal	5,530	0.17%	5,530	0.17%	-
	24,51,080	75.06%	24,51,080	75.06%	



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17 Other Equity

Summary of Other Equity:	(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Equity Component of Interest free loans from Promoter	101.24	57.40
Reserves and Surplus :		
Capital Reserves *	32.45	32.45
Retained Earnings	(425.99)	(323.01)
Total reserves and surplus	(393.53)	(290.55)
Other Comprehensive Income		
Remeasurement gains/ (losses) on the defined benefit plan	-	-
Total Other Comprehensive Income	-	-
Total	(292.29)	(233.15)

Equity Component of Interest free loans from Promoter

The promoter of the Company Mr. Gyan Prakash has provided interest free loan of Rs. 352.75 lakhs to the Company as a long term borrowing. Ind AS requires such borrowings to be fair valued at initial recognition, being a financial instrument. In case of interest-free loan from promoters to the Company, the difference between the loan amount and its fair value is treated as an equity contribution to the Company.

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

The interest cost on unwinding of discount is recognised in the Statement of Profit and Loss under 'Finance costs'.

Nature and Purpose of Reserves

a.) Capital Reserve*

It represents the gains of capital nature earned by the Company and directly credited to such reserve in earlier years.

Particular	Amount in Rs.
Shares Forfeiture (refer note(i) below)	0.86
Loan amount sacrificed by the Financial institution under one time settlement	13.79
Capital investment subsidiaries (refer note (ii) below)	17.80
Total	32.45

Note (i). The Board of Directors of the Company at their meeting held on 20th August 2018, approved the forfeiture of 17,200 equity shares (Paid up Rs.5/- per share) of the Company due to failure to pay the balance amount of allotment money due thereon. The share so forfeited were cancelled and forfeited amount was transferred to Capital reserve.



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Note(ii): Comprises Capital investment Central subsidy of Rs.10.00 lakhs received in 1987-88 and Rs.7.80 lakhs received in 2002 for cold storage' chambers constructed in 1994-95 and estimated life of cold storage' chambers already expired.

E.) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to General Reserve, dividends or other distributions paid to the shareholders.

		(Rs. in lakhs)	
		As at 31 March 2024	As at 31 March 2023
18	Borrowings		
	18 (a): Non-current borrowings		
	i) Term Loan:		
	From Bank:		
	Secured {refer note (i) below}	117.44	224.90
	Less: Amount of current maturity disclosed under the head " current borrowings" {refer Note 18(b) below}	(61.15)	(95.89)
	ii) Loan from Related Parties:		
	Unsecured :		
	-From Director {Refer note (ii) below & Note 17}	279.79	152.58
	-From related Companies. {Refer-note (iii)}	135.00	135.00
	Total	471.09	416.59
	18(b): Current borrowings		
	ii) Loan repayable on demand (from bank)		
	Secured :		
	Cash credit facility-{refer note(iii) below}	1,723.58	1,517.29
	iv) Current maturities of long term borrowings from bank {refer Note 18 (a) above}	1,723.58	1,517.29
		61.15	95.89
	v) Loan from Related Parties:	61.15	95.89
	Unsecured :		
	-From Directors {Refer note (iv) below}	32.29	9.59
	-From related Companies {Refer note (v)}	38.25	6.96
		70.54	16.55
	Total	1,855.27	1,629.73



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Note (i): Term Loan from Central Banks of India is secured by hypothecation of stock, receivables & personal Guarantee of 3 director of the company namely Mr Gyan Prakash, Mr Gaurav Prakash and Mrs. Arpana Agarwal and collateral security by way of mortgage of company's immovable property located at khasra no 189,190A,190B,191A,191B,193, part of khasra no 195A and 195B, khera Bujurg/Artipur shyamnagar Bareilly road Badaun (UP), property no DSM 730 in DLF Tower Shivaji marg New Delhi and land and industrial building situated at khasra no 617 Artipur Nawada Shyam Nagar Bareilly Road Badaun in the name of M/s Welga Industrial Complex P Ltd. Further secured by way of Corporate Guarantees of WIC Private Limited and Gopal Farms Private Limited, the Company belonging to the promoters.

- First term loan of original value Rs 239.00 lakhs from Central Bank of India is repayable in 36 monthly instalments (excluding moratorium of 12 months), along with interest starting from July 2021. The term loan bears floating interest RBLR+3.50%, currently 7.50% p.a.

- Second term loan of original value Rs 119.00 lakhs from Central Bank of India is repayable in 36 monthly instalments (excluding moratorium of 24 months), along with interest starting from December 2023. The term loan bears floating interest RBLR+1.00%, currently 7.85% p.a.

Note (ii): Loan from director is interest free and is repayable within 5 years (changed or extended by mutual consent) in instalments or in lump sum as per the convenience of the borrower.

Note (iii): Loan from companies carry interest @ 7% (PY 7%) and is repayable within 5 years (changed or extended by mutual consent) in instalments or in lump sum as per the convenience of the borrower.

Note (iii): (a) Cash Credit (H) facility of Rs. 1,450.00 lakhs from Central Banks of India is secured by hypothecation of stock, receivables & personal Guarantee of 3 director of the company namely Mr Gyan Prakash, Mr Gaurav Prakash and Mrs. Arpana Agarwal and collateral security by way of mortgage of company's immovable property located at khasra no 189,190A,190B,191A,191B,193, part of khasra no 195A and 195B, khera Bujurg/artipur shyamnagar Bareilly road Badaun (UP), property no DSM 730 in DLF Tower Shivaji marg New Delhi and land and industrial building situated at khasra no 617 Artipur Nawada Shyam Nagar Bareilly Road Badaun in the name of M/s Welga Industrial Complex P Ltd. Further secured by way of Corporate Guarantees of WIC Private Limited and Gopal Farms Private Limited, the Company belonging to the promoters. Further adhoc cash credit limit of Rs. 150 Lakhs sanctioned on 20.02.2024 carries interest @ 2% higher than the applicable on regular cash credit limits and the same is adjusted before the expiry of 90 days.

Note (iii): (b) Cash Credit facility of Rs. 107.00 lakhs from ICICI Bank Limited is secured by personal Guarantee of 3 director of the company namely Mr Gyan Prakash, Mr Gaurav Prakash and Mrs. Arpana Agarwal and collateral security by way of mortgage of residential immovable property located at Apartment No. C-2802, 28th Floor, Tower-C, Araya, Sector-62, Village Ghata, Tehsil Waxirabad, Gurgaon, Haryana-122002. Further secured by way of Corporate Guarantees of Gopal Farms Private Limited, the Company belonging to the promoters.

Note (iii): (c) Overdraft facility of Rs.90.00 lakhs from ICICI Bank Limited is secured by way of pledged/lienon fixed deposit.

Note (iv): Loan from directors is interest free and is repayable on demand.

Note (v): Loan from companies carry interest @ 7% (PY 7%) and is repayable on demand.



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(Rs. in lakhs)		
19 Non-Current Provisions	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits :		
- Provision for gratuity	18.25	28.68
Total	18.25	28.68

(Rs. in lakhs)		
20 Trade payables	As at 31 March 2024	As at 31 March 2023
Trade payables :		
Total outstanding dues of micro enterprises and small enterprises (Refer note (39))	22.45	16.01
Total outstanding dues of creditors other than micro enterprises and small enterprises	499.66	411.85
Total	522.12	427.86

Ageing Schedule	Outstanding for following periods from due date of payment				Total
	Not due	Less than 1 year	1-2 years	2-3 years	
As at 31.03.2024					
MSME	-	22.45	-	-	22.45
Others	-	499.18	0.49	-	499.66
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	-	521.63	0.49	-	522.12

There are no unbilled trade payables, hence the same are not disclosed in the ageing schedule.

Ageing Schedule	Outstanding for following periods from due date of payment				Total
	Not due	Less than 1 year	1-2 years	2-3 years	
As at 31.03.2023					
MSME	-	16.01	-	-	16.01
Others	1.47	410.35	0.04	-	411.85
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	1.47	426.36	0.04	-	427.86

There are no unbilled trade payables, hence the same are not disclosed in the ageing schedule.



21 INCOME TAX AND DEFERRED TAX

A. COMPONENTS OF INCOME TAX EXPENSE

I. Tax Expense recognized to Statement of Profit and Loss:

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Current tax		
Current Year Income Tax Expense	-	4.66
Earlier Year Income Tax	-	0.54
Total (a)	-	5.20
b. Deferred tax		
Recognition of earlier Unrecognised deferred tax items	-	-
Relating to origination and reversal of temporary differences	-	-
Relating to change in tax rate	-	-
Minimum Alternate Tax (MAT) Credit entitlement	-	-
Total (b)	-	-
Income tax expense reported in the Statement of Profit and Loss (a+b)	-	5.20

II. Tax on Other Comprehensive Income

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred tax		
Gain/(Loss) on remeasurement of net defined benefit plan	-	-
Total	-	-



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B RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S DOMESTIC TAX RATE FOR MARCH 31, 2023 AND MARCH 31, 2024:

The calculation of current tax is based on a combined tax rate of 25.168%, consisting of a corporate tax rate of 22%, surcharge shall be flat 10% irrespective of amount of total income and a cess thereon of 4%. For Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled.

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit/(loss) before income tax	(131.57)	71.32
Enacted tax rates in India	25.168%	25.168%
Tax on accounting profit/(loss) at above rate	(33.11)	17.95
Effect of changes in rate of tax	-	-
Earlier Year Income Tax	-	0.54
Tax effects of amount which are not deductible (taxable) in calculating taxable income:		
- Prior period	-	-
- Tax rate difference of capital gain and enacted tax rate	-	(1.09)
- Other deductible/ non-deductible tax expenses	4.55	2.51
Losses and deductible temporary difference against which no deferred tax asset recognised as its realization is not yet probable	28.57	(14.71)
Losses and deductible temporary difference against which deferred tax asset recognised as its realization is probable		
Total income tax expense	0.00	5.20



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C. MOVEMENT IN UNRECOGNISED DEFERRED TAX ASSETS AND LIABILITIES AS AT MARCH 31, 2024

Deferred income tax assets were not recognised till 31.3.2024 as the realisation of the related tax benefit through the future taxable profits was not probable

Particulars	As at 1st April, 2023	Deferred tax items for the year 2023-24		As at 31st March, 2024
		Charge/(Credit) in the Statement of Profit and Loss	Charge/(Credit) in Other Comprehensive Income	
Deferred tax assets				
Provision for Gratuity	10.75	1.50	(7.20)	5.06
Provision for doubtful debt	3.18	-		3.18
Provision for obsolete stock	3.87	3.24		7.11
Unabsorbed Depreciation	-	8.47		8.47
Tax Business loss carryforwards	188.87	17.82		206.69
Total deferred tax assets before MAT credit entitlement	206.68	31.04	(7.20)	230.52
Deferred tax liabilities				
On fiscal allowances (Depreciation) on Property, plant and equipment	49.57	2.47	-	52.04
Total deferred tax liabilities	49.57	2.47	-	52.04
Total deferred tax assets/ (liabilities) (Net)	157.11	28.57	(7.20)	178.48



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MOVEMENT IN UNRECOGNISED DEFERRED TAX ASSETS AND LIABILITIES AS AT 31st MARCH, 2023

Deferred income tax assets were not recognised till 31.3.2023 as the realisation of the related tax benefit through the future taxable profits was not probable

Particulars	As at 1st April, 2022	Deferred tax items for the year 2022-23		As at 31st March, 2023
		Charge/(Credit) in the Statement of Profit and Loss	Charge/(Credit) in Other Comprehensive Income	
		(Rs. in lakhs)		
Deferred tax assets				
Provision for Gratuity	4.68	5.45	0.62	10.75
Provision for doubtful debt	3.18	-		3.18
Provision for obsolete stock	5.28	3.87		3.87
Unabsorbed Depreciation	204.93	(5.28)		-
Tax Business loss carryforwards		(16.06)		188.87
Total deferred tax assets before MAT credit entitlement	218.07	(12.02)	0.62	206.68
Deferred tax liabilities				
On fiscal allowances (Depreciation) on Property, plant and equipment	46.88	2.69		49.57
Total deferred tax liabilities	46.88	2.69	-	49.57
Total deferred tax assets/ (liabilities) (Net)	171.19	(14.71)	0.62	157.11



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D. Unabsorbed tax depreciation can be claimed for an infinite period. The unutilised tax losses are expiring in the following years:

Particulars	(Rs. in lakhs)	
	Unutilised Tax Losses	Recognised Deferred Tax Assets
2024		
Expiring in 31 March 2032	70.80	17.82
Expiring in 31 March 2028	472.13	118.83
Expiring in 31 March 2026	277.50	69.84
	820.43	206.49
There are no unrecognised unutilised tax losses.		

Particulars	(Rs. in lakhs)	
	Unutilised Tax Losses	Recognised Deferred Tax Assets
2023		
Expiring in 31 March 2028	472.13	118.83
Expiring in 31 March 2026	277.50	69.84
	749.63	188.67



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(Rs. in lakhs)	
As at 31 March 2024	As at 31 March 2023
22 Other Current Financial Liabilities	
Interest accrued on unsecured loan to related parties (Refer note 38)	9.63
Other payables:	
- Security Deposit	2.25
- Employee benefits payable	-
Total	11.88

(Rs. in lakhs)	
As at 31 March 2024	As at 31 March 2023
23 Other current liabilities	
Other payables:	
Payable to Directors (Refer note 38)	1.09
Dues to statutory authorities	4.68
Advance from Customers	163.09
Other Payable	17.51
Total	186.37

(Rs. in lakhs)	
As at 31 March 2024	As at 31 March 2023
24 Current Provisions	
Provision for employee benefits :	
- Provision for Gratuity	1.86
Total	1.86

(Rs. in lakhs)	
As at 31 March 2024	As at 31 March 2023
25 Current Tax Liabilities (Net)	
Provision for Income Tax (Net of advance tax, Tax deducted at source and Income tax recoverable)	3.56
Total	3.56



		(Rs. in lakhs)	
	As at 31 March 2024	As at 31 March 2023	
Liabilities directly associated with assets classified as held for sale			
Advance received against asset held for sale (Refer note no.15)	-	-	
Total	-	-	

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		(Rs. in lakhs)	
	Period ended 31 March 2024	Year ended 31 March 2023	
Revenue from operations			
Sale of Products :			
Finished Goods	2,467.32	2,760.18	
Traded Goods	118.97	189.95	
Total	2,586.28	2,950.13	

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		(Rs. in lakhs)	
	Period ended 31 March 2024	Year ended 31 March 2023	
Other income			
Interest Income:			
a) On financial assets carried at amortised cost			
On fixed deposits with banks	6.68	5.22	
On security deposits with electricity board	0.51	0.51	
On security deposit	-	0.21	
b) On others			
Interest on Income tax refund	0.03	0.26	
Other non operating income:			
Lease Rental Income [refer note 36(c)]	9.29	5.83	
Lease Rental equalisation Income	0.65	0.61	
Profit on sale of fixed assets	-	4.07	
Provisions/Liabilities no longer required written back	0.35	0.92	
Total	17.52	17.65	

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		(Rs. in lakhs)	
	Period ended 31 March 2024	Year ended 31 March 2023	
Cost of materials consumed			
Raw materials	1,967.93	1,593.53	
Packing material	147.20	150.10	
Consumables & stores consumed	0.71	0.70	
Cost of raw materials consumed	2,115.84	1,744.32	

		(Rs. in lakhs)	
	Period ended 31 March 2024	Year ended 31 March 2023	
Changes in inventories of finished goods, stock-in-trade and work-in-progress			
Inventories at the beginning of year			
- Finished Goods	1,679.78	1,725.35	
- Trade Goods	38.82	6.32	
	1,718.61	1,731.67	
Inventories at the end of year			
- Finished Goods	2,169.74	1,679.78	
- Trade Goods	4.73	38.82	
	2,174.47	1,718.61	
Decrease/(increase) during the year	(455.86)	13.07	

		(Rs. in lakhs)	
	Period ended 31 March 2024	Year ended 31 March 2023	
Employee benefit expenses			
Salaries and Wages (including Director's Remuneration Rs 48.00 lakhs (P.Y Rs. 48.00 lakhs))	213.23	202.10	
Contribution to Provident & Other Funds	4.14	3.68	
Gratuity expense {Refer note (42)}	3.78	20.26	
Staff welfare expenses	10.86	6.20	
Total	232.02	232.24	





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		(Rs. in lakhs)	
32 Finance costs	Period ended 31 March 2024	Year ended 31 March 2023	
Interest expense:			
i. On Financial liabilities measured at amortised cost:			
- on Term Loans	15.89	21.23	
- on Working Capital	139.56	112.54	
- on Others*	12.39	10.71	
ii. On Unwinding of discount resulting in increase in financial liabilities (Interest free loan from promoter)	18.30	9.98	
iii. Net interest on net defined benefit liability (Refer Note-42)	2.46	1.61	
- On others:			
Interest on delayed payment of statutory payments	0.06	0.34	
Total	188.67	156.41	
* Includes Rs.12.37 lakhs (P.Y Rs.10.71 lakhs) paid to related parties. Refer note 38			

		(Rs. in lakhs)	
33 Depreciation and amortisation expense	Period ended 31 March 2024	Year ended 31 March 2023	
Depreciation of property, plant and equipment	21.04	24.26	
Depreciation on investment property	2.80	2.80	
Total	23.85	27.06	



(Rs. in lakhs)

34 Other expenses	Period ended	Year ended
	31 March 2024	31 March 2023
Power, Fuel & Electricity Exp	209.23	227.06
Bank Charges	1.39	7.81
Freight Inward & Outward	29.30	22.50
Loading & Unloading Charges	2.15	2.93
Insurance Charges	6.66	7.92
Cold Storage Rent	34.89	32.37
Rent	14.48	13.40
Rates and taxes	1.49	0.38
Repairs to building	-	5.58
Repairs to plant and machinery	45.37	35.10
Office Exp.	7.65	8.88
Computer Exp.	2.41	1.75
Auditor's Remuneration (refer note 40)	9.01	5.64
Legal & Professional Charges	17.43	16.35
Travelling & Conveyance	26.44	24.06
Vehicle Expenses	12.07	15.72
Printing & Stationary	2.67	3.50
Postage, Telex & Telephone Exp.	2.83	3.22
Distribution Expenses	74.93	98.07
Festival Expenses	2.99	2.02
Business Promotion	3.97	5.50
Provision for Obsolete Stock	12.88	15.39
Loan & Advance written off	-	0.31
Allowance for doubtful debts/expected credit loss	-	-
Loss on discard of property, plant & equipments	-	1.73
Bad Debts Written Off	-	6.54
Miscellaneous Expenses	2.90	10.12
Total	523.12	573.86



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35 Earnings per share (EPS)	(Rs. in lakhs)	
	Year ended 31 March 2024	Year ended 31 March 2023
Net profit/(loss) for calculation of Basic/Diluted EPS	(102.98)	63.63
Weighted average no of shares outstanding during the year	32,65,600	32,65,600
Nominal Value of each share	10.00	10.00
Earning Per Shares:		
-Basic EPS	(3.15)	1.95
-Diluted EPS	(3.15)	1.95

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

36 Lease

(a) Operating leases: Company as a lessee

The Company has taken various office and warehouse premises under operating lease agreements. These lease arrangements are usually renewable for further period on mutual consent on mutually agreeable terms. All these leases of the Company are short term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Company has elected not to recognise right-of-use assets and lease liabilities for the leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.



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	(Rs. in lakhs)	
	2024	2023
i. Amounts recognised in profit or loss		
Leases under Ind AS 116		
Depreciation expense of right-of-use assets	-	-
Interest expense on lease liabilities	-	-
Expenses relating to short-term leases	49.37	45.77
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	-	-
Total amount recognized in profit or loss	49.37	45.77

b) Finance Lease:

The Company has not entered into any finance lease.

c) Company as a Lessor:

The Company has given commercial space on lease (Investment property) under cancellable operating lease agreements. The disclosure with respect to the said cancellable lease are as follows :

	(Rs. in lakhs)	
	2024	2023
Particulars		
Operating sub-lease receipts recognised in the Statement of Profit and Loss	9.29	5.83
Operating lease income relating to variable lease payments that do not depend on an index or a rate	-	-
Total operating lease revenue	9.29	5.83
Future minimum rental receivables under non-cancellable operating lease		
Not later than one year	9.76	9.29
Later than one year and not later than five years	24.85	34.61
More than five years		

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Contingent liabilities and commitments (to the extent not provided for)

	(Rs. in lakhs)	
	As at March 31, 2024	As at March 31, 2023
(i) Contingent liabilities		
A. Claims against The Company not acknowledged as debts		
i. Disputed Income Tax demand including interest etc., against which appeal/rectification is pending with appropriate authorities	1.08	1.08
ii Disputed demand by Municipal Corporation Baduan	5.46	5.46
iii) The GST department has conducted inspection on 26.08.2023 under section 67 of Goods and Service Tax Act, 2017 and alleged that, certain products dealt with by the company, are subject to GST @18% instead of 5%/12% paid by the company during the period 1st July 2017 to 26th August, 2023. The GST liability estimated at Rs. 52.19 lakhs including penalty of Rs. 3.14 lakhs has been paid and disclosed under exceptional item in the profit & loss account. The final liability, interest and levies thereon, if any, could not be ascertained at present pending assessment. However, the company has disputed the same before the appropriate authority.		



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The Company does not expect any reimbursements in respect of the above contingent liabilities. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. Future cash outflows in respect of the above are determinable only on receipt of judgments/ decisions pending with various forums/ authorities. Based on discussions with the advocates & consultants, the Company believes that there are fair chance of decisions in its favour in respect of all items listed in (a)(i) to (a)(ii) above and it is not probable that an outflow of resources will be required to settle the above obligations/claims. As the Company does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

(ii) Capital & other commitments		(Rs. in lakhs)	
		As at March 31, 2023	As at March 31, 2022
a) Capital Commitments :			
Estimated amount of contracts remaining to be executed on capital account net of capital advances and not provided for		-	-
b) Other Commitments		-	-

38 Related party disclosures

(i) Names of related parties and nature of relationships:

a. Key managerial personnel:

Shri Gyan Prakash
 Shri Gaurav Prakash
 Shri Vikramjit Singh
 Ms. Priti Gupta
 Ms. Shweta Rawat

Managing Director
 CFO and Executive Director
 Director (w.e.f 12.04.2023)
 Company Secretary (upto 04.07.2023)
 Company Secretary (w.e.f. 01.09.2023)

b. Enterprises owned or significant influenced by Key Management Personnel and their relatives

WIC Pvt Ltd.
 Gopal Farms Pvt. Ltd.
 Kalaakar Rhythmic Gymnastics Club (proprietorship of Arpana Agarwal - Director)

(ii) Transactions with related parties during the year :

Nature of Transactions	Nature of Relationship	(Rs. in lakhs)	
		For the year ended March 31, 2024	For the year ended March 31, 2023
Unsecured Loan taken	Key Management Personnel	152.75	-
Gyan Prakash			
Unsecured Loan		44.00	-
Gaurav Prakash		21.29	-
Unsecured Loan			2.00



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Unsecured Loan taken			
WIC Pvt Ltd.			
Unsecured Loan	_____	74.11	51.54
	_____	48.34	95.75
Gopal Farms Pvt. Ltd.			
Unsecured Loan	_____	-	-
Interest Paid/Expense	_____	6.00	2.43
	_____	9.04	1.95
	_____	-	-
Repairs to building (Use as Guest House)			
Gaurav Prakash		6.85	2.01
Rent Paid			
Kalaakar Rhythmic Gymnastics Club		1.20	1.10
Interest paid/expense			
WIC Pvt Ltd.		2.10	1.21
Gopal Farms Pvt. Ltd.		10.27	9.50
Salaries (including perquisites) :			
Priti Gupta		0.45	1.35
Shweta Rawat		1.05	-
Directors' Sitting Fees			
Vikramjit Singh		0.60	-
Remuneration /Salaries (including perquisites) :			
Gyan Prakash*			
- Short-term employee benefits		24.00	24.00
- Post-employment benefits		-	-
- Other long-term benefits		-	-
- Termination benefits		-	-
- Share based payments		-	-



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Gaurav Prakash		Key Management Personnel		(Rs. in lakhs)	
				As at March 31, 2024	As at March 31, 2023
- Short-term employee benefits - Post-employment benefits - Other long-term benefits - Termination benefits - Share based payments				24.00	24.00
Balances outstanding		Nature of Relationship			
Loan due to Directors					
Gyan Prakash **		Key Management Personnel		362.34	209.59
Gaurav Prakash		Key Management Personnel		22.71	-
Due to related parties (Remuneration, Rent & Interest)					
Gyan Prakash				3.47	0.21
Gaurav Prakash				-	0.88
Priiti Gupta				-	0.15
Shweta Rawat				0.15	-
Due to related parties (Loan)					
WIC Pvt Ltd.#		Enterprises owned or significant influenced by Key Management Personnel and their relatives		29.99	4.71
Gopal Farms Pvt. Ltd.#				143.26	137.25
Due to related parties (Interest on Loan)					
WIC Pvt Ltd.		Enterprises owned or significant influenced by Key Management Personnel and their relatives		1.89	1.09
Gopal Farms Pvt. Ltd.				9.24	8.55

#Corporate Gurantee against the Cash Credit facility availed from banks (refer Note no. 18)

* During the year the Managing Director has waived off its gratuity
 ** Including equity component of interest free loan Rs. 101.24 Lakhs (p.y 57.40 Lakhs)
 -No amount has been written off or provided for in respect of transactions with the related parties.



39 Trade Payables : Disclosure of details relating to Micro, Small and Medium enterprises as defined under the MSMED Act, 2006

		(Rs. in lakhs)	
		As at March 31, 2024	As at March 31, 2023
Details of dues to Micro Small & Medium Enterprises Development (MSMED) Act, 2006			
i. The principal amount & the interest due thereon remaining unpaid at the end of the year			
Principal Amount	22.45	16.01	
Interest Due thereon	-	0.29	
ii. Payments made to suppliers beyond the appointed day during the year			
Principal Amount	88.33	88.62	
Interest Due thereon	1.81	3.94	
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006			
	-	-	
iv. The amount of interest accrued and remaining unpaid at the end of the year, and			
	1.81	4.23	
v. The amount of further interest remaining due and payable even in the succeeding years, 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 Micro Small and Medium Enterprise Development Act, 2006.			
	10.07	8.26	

Information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified by the management based on information available with the Company regarding status of the suppliers as defined in that Act. The interest for delayed payments Rs. 10.07 lakhs as on 31.03.2024 (as on 31.03.2023 Rs. 8.26 Lakhs) has not been provided. The management believes that the vendors will not charge any interest and is in the process to obtain confirmation for the same. This has been relied by the auditors.

		(Rs. in lakhs)	
		Year ended 31 March 2023	Year ended 31 March 2022
Statutory Auditor's Remuneration			
Statutory audit fees		3.18	2.75
Limited review fees		2.25	2.00
Certification charges		-	0.82
Out of Pocket expenses		0.26	0.07
Internal Audit fees		3.33	-
Total		9.01	5.64



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41 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT POLICIES AND OBJECTIVES

I Financial Instruments - Accounting classification, fair values and fair value hierarchy :

The category wise details as to the carrying value and fair value of the Company's financial assets and financial liabilities including their levels in the fair value hierarchy are as follows:

Particulars	Levels	(Rs. in lakhs)		(Rs. in lakhs)	
		Carrying values as of		Fair values as of	
		31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
1. Financial assets					
<i>a. Fair value through Profit & Loss</i>		-	-	-	-
<i>b. Fair value through other comprehensive income</i>		-	-	-	-
<i>c. Amortised cost</i>					
Trade receivables	Level 2	77.35	90.35	77.35	90.35
Loans	Level 2	1.55	2.26	1.55	2.26
Cash & cash equivalents	Level 1	14.53	16.52	14.53	16.52
Bank balances other than Cash & cash equivalents	Level 1	104.43	99.51	104.43	99.51
Other financial assets	Level 2	26.19	25.99	26.19	25.99
2. Financial liabilities					
<i>a. Fair value through Profit & Loss</i>		-	-	-	-
<i>b. Fair value through other comprehensive income</i>		-	-	-	-
<i>c. Amortised cost</i>					
Borrowings	Level 2	1,855.27	1,629.73	1,855.27	1,629.73
Trade payables	Level 2	522.12	427.86	522.12	427.86
Other financial liabilities	Level 2	14.38	11.88	14.38	11.88

Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2023. The following methods / assumptions were used to estimate the fair values:

1. The carrying value of Cash and cash equivalents, bank balances, trade receivables, trade payables, short-term borrowings, other current financial assets and financial liabilities approximate their fair value mainly due to the short-term maturities of these instruments.



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2. Borrowings have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities

3. There were no transfers between Level 1 and Level 2 during the year.

II Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks namely market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors is responsible for overseeing the Company's risk assessment and management policies and processes.

The Company's financial risk management policy is set by the management. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. The Company manages market risk which evaluates and exercises independent control over the entire process of market risk management. The management recommends risk management objectives and policies, which are approved by Senior Management.

a.) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk arises from cash held with banks as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits, continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business and through regular monitoring of conduct of accounts. In case of some customers, the Company sells goods on an irrevocable Letter of Credit arrangement which mitigate the credit risk to that extent.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	(Rs. in lakhs)	
	As at 31 March, 2024	As at 31 March, 2023
Not past due	-	40.13
Past due upto 6 months	68.81	33.96
Past due 6 months to 1 year	1.46	4.09
Past due 1 year to 2 years	10.12	3.10
Past due 2 year to 3 years	1.87	7.63
More than three years	7.74	14.10



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Expected credit loss assessment:

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue and believes that the unimpaired amounts that are past due are still collectible in full and no further provision for doubtful debts/allowance for allowance for expected credit loss is necessary.

The movement in the loss allowance in respect of trade and other receivables during the year was as follows:

Particulars	(Rs. in lakhs)	
	Year ended 31 March, 2024	Year ended 31 March, 2023
Opening Balance	12.65	12.65
Changes in allowance for expected credit loss:	-	-
Provision/(reversal) of allowance for expected credit loss	-	-
Written off as bad debts	-	-
Closing Balance	12.65	12.65

Amount recognised as bad debts in statement of Profit and loss :	(Rs. in lakhs)	
	Year ended 31 March, 2024	Year ended 31 March, 2023
Bad Debts written off	-	6.54
	-	6.54

The credit risk on liquid funds such as balances with banks in current and deposit accounts is limited because the counter parties are banks with reasonably high credit ratings. Financial assets other than trade receivables and bank balances are not exposed to any material credit risk.

b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company relies on a mix of borrowings and equity to meet its needs for funds. The Company manages liquidity risk by infusion of equity by promoters, committed borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities and by monitoring rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that The Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments based on contractual undiscounted payments.



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Particulars	Carrying amount	(Rs. in lakhs)					Total contracted cash flows
		upto 1 year	1-3 year	3-5 year	More than 5 year		
As at 31st March, 2024							
Non-current financial liabilities:							
Borrowings and interest thereon *	532.23	77.50	91.24	516.63	-	685.37	
Current financial liabilities:							
Borrowings and interest thereon *	1,805.25	1,805.25	-	-	-	1,805.25	
Trade payables	522.12	522.12	-	-	-	522.12	
Other financial liabilities	14.38	14.38	-	-	-	14.38	
Total Non-Derivative Liabilities	2,873.98	2,419.25	91.24	516.63	-	3,027.12	
Derivatives	-	-	-	-	-	-	
Total Derivative Liabilities	-	-	-	-	-	-	

Particulars	Carrying amount	(Rs. in lakhs)					Total contracted cash flows
		upto 1 year	1-3 year	3-5 year	More than 5 year		
As at 31st March, 2023							
Non-current financial liabilities:							
Borrowings and interest thereon *	512.48	113.02	137.89	392.72	-	643.63	
Current financial liabilities:							
Borrowings and interest thereon *	1,543.47	1,543.96	-	-	-	1,543.96	
Trade payables	427.86	427.86	-	-	-	427.86	
Other Financial Liabilities	11.88	11.88	-	-	-	11.88	
Total Non-Derivative Liabilities	2,495.70	2,096.74	137.89	392.72	-	2,627.34	
Derivatives	-	-	-	-	-	-	
Total Derivative Liabilities	-	-	-	-	-	-	



Financing facilities :

The Company has access to financing facilities as described in below Note.

(i) Term Loan:

Term Loan from Central Banks of India is secured by hypothecation of stock, receivables & personal Guarantee of 3 director of the company namely Mr Gyan Prakash, Mr Gaurav Prakash and Mrs. Arpana Agarwal and collateral security by way of mortgage of company's immovable property located at khasra no 189,190A,190B,191A,191B, 193, part of khasra no 195A and 195B, khera Bujurg/arifpur shyamnagar Bareilly road Badaun (UP), property no DSM 730 in DLF Tower Shivaji marg New Delhi and land and industrial building situated at khasra no 617 Arifpur Nawada Shyam Nagar Bareilly Road Badaun in the name of M/s Welga Industrial Complex P Ltd. Further secured by way of Corporate Guarantees of WIC Private Limited and Gopal Farms Private Limited , the Company belonging to the promoters.

- First term loan of original value Rs 239 lakhs from Central Bank of India is repayable in 36 monthly instalments (excluding moratorium of 12 months), along with interest starting from July 2021. The term loan bears floating interest RBLR+3.50%, currently 7.50% p.a.
- Second term loan of original value Rs 119.00 lakhs from Central Bank of India is repayable in 36 monthly instalments (excluding moratorium of 24 months) , along with interest starting from December 2023. The term loan bears floating interest RBLR+1.00%, currently 7.85% p.a.

(ii) Cash Credit (H) Facility:

Note (ii): (a) Cash Credit (H) facility of Rs.1,450 lakhs from Central Banks of India is secured by hypothecation of stock, receivables & personal Guarantee of 3 director of the company namely Mr Gyan Prakash, Mr Gaurav Prakash and Mrs. Arpana Agarwal and collateral security by way of mortgage of company's immovable property located at khasra no 189,190A,190B,191A,191B, 193, part of khasra no 195A and 195B, khera Bujurg/arifpur shyamnagar Bareilly road Badaun (UP), property no DSM 730 in DLF Tower Shivaji marg New Delhi and land and industrial building situated at khasra no 617 Arifpur Nawada Shyam Nagar Bareilly Road Badaun in the name of M/s Welga Industrial Complex P Ltd. Further secured by way of Corporate Guarantees of WIC Private Limited and Gopal Farms Private Limited , the Company belonging to the promoters.

Note (ii): (b) Cash Credit facility of Rs.107.00 lakhs from ICICI Bank Limited is secured by personal Guarantee of 3 director of the company namely Mr Gyan Prakash, Mr Gaurav Prakash and Mrs. Arpana Agarwal and collateral security by way of mortgage of residential immovable property located at Apartment No. C-2802, 28th Floor, Tower-C, Araya, Sector-62, Village Ghata, Tehsil Waxirabad, Gurgaon, Haryana-122002. Further secured by way of Corporate Guarantees of Gopal Farms Private Limited, the Company belonging to the promoters.

Note (iii): (c) Overdraft facility of Rs.90.00 lakhs from ICICI Bank Limited is secured by way of pledged/lienon fixed deposit.

(iii) Loan from related parties:

- Loan from directors is interest free.
- Loan from companies carry interest @ 7% (PY 7%)and is repayable on demand.



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c) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments and all short term and long-term debt. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments, trade payables, trade receivables, derivative financial instruments and other financial instruments. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities.

l.) Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in foreign exchange rate. The Company has no exposure to foreign exchange risk as it does not have any financial assets or liabilities which are denominated in a currency other than INR. The Company has exports to Nepal but the amount is denominated in INR.

ii.) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Hence, Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in the interest rates.

a. Interest rate risk exposure

The Company's interest rate risk arises from borrowings. Borrowings taken at fixed rates are exposed to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Particulars	(Rs. in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Fixed rate instruments :		
Financial assets:		
Bank deposits	104.43	99.51
Financial liabilities:		
Current borrowings	38.25	6.96
Long Term Borrowings	142.67	106.48
Variable rate instruments :		
Financial liabilities:		
Long Term Borrowings	117.44	224.90
Short Term Borrowings	1,723.58	1,517.29
	1,841.02	1,742.19



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b. Interest rate sensitivity :

Fair value sensitivity analysis for Fixed-rate Instruments:

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Particulars	(Rs. in lakhs)	
	Impact on profit/ (loss)- Increase/(decrease) in profit	
	As at March 31, 2024	As at March 31, 2023
50 bp increase	(9.21)	(8.71)
50 bp decrease	9.21	8.71

iii.) Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company has no exposure to price risk.

I Capital Risk Management Policies and Objectives

The Company's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders, if any, and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital and to maximise shareholders value. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce debt, etc.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements and the requirements of the financial covenants, if any.

The gearing ratio at the end of the reporting period was as follows:



Particulars	(Rs. in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Long-term debt (including current portion of long term debt)	532.23	512.48
Short-term debt	1,794.12	1,533.84
Gross debt	2,326.35	2,046.32
Less:		
Cash and cash equivalents	14.53	16.52
Other bank balances	104.43	99.51
Net debt	2,207.40	1,930.28
Total Equity	34.27	93.41
Capital and Net Debt	2,241.67	2,023.69
Net debt to equity ratio	98.47%	95.38%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

IV Changes in liabilities arising from financing activities

Particulars	01.04.2023	Cash Flows	Arising from obtaining or losing control of subsidiaries or other businesses	Non-cash changes		31.03.2024 (closing balance of current year)
				Foreign exchange movement	Fair value changes Others	
i. Non- Current interest bearing loans and borrowings	316.47	194.23			(61.15)	449.56
ii. Current interest bearing loans and borrowings	1,684.01	225.54			-	1,909.55
iii. Current maturities of Long term borrowings	95.89	(95.89)			-	61.15
iv. Interest accrued on borrowings	16.19	(187.17)			-	17.69
Total liabilities from financing activities	2,112.56	136.71			188.67	2,437.94

a) The 'Other' column for no. (i) comprises transfer within categories- from non-current borrowings to Current maturities of Long Term borrowing.

b) The 'Other' column for no. (iv) comprises interest expenses amounting Rs.156.41 lakhs recognised in the Statement of Profit & Loss.



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(Rs. in lakhs)

Particulars	01.04.2022	Cash Flows	Non-cash changes				31.03.2023 (closing balance of comparative period)
			Arising from obtaining or losing control of subsidiaries or other businesses	Foreign exchange movement	Fair value changes	Others	
i. Non-Current interest bearing loans and borrowings	419.62	(7.26)	-	-	(95.89)	316.47	
ii. Current interest bearing loans and borrowings	1,766.73	(82.73)	-	-	-	1,684.01	
iii. Current maturities of Long term borrowings	78.12	(78.12)	-	-	95.89	95.89	
iv. Interest accrued on borrowings	16.53	(156.75)	-	-	156.41	16.19	
Total liabilities from financing activities	2,281.00	(324.85)	-	-	156.41	2,112.56	

a) The 'Other' column for no. (i) comprises transfer within categories- from non-current borrowings to Current maturities of Long Term borrowing.

b) The 'Other' column for no. (iv) comprises interest expenses amounting Rs.188.67 lakhs recognised in the Statement of Profit & Loss.



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42 Employee Benefits

Refer note 2.11 for accounting policy on Employee Benefits

A. Defined contribution plans

- i. Provident Fund/Employees' Pension Fund
- ii. Employees' State Insurance

The Company has recognised following amounts as expense in the Statement of Profit and Loss :

Particulars	(Rs. in lakhs)	
	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Included in contribution to Provident and Other Funds (Refer Note 31) Employer's contribution to Provident Fund/Employees' Pension Fund	4.14	3.68
Included in Staff Welfare (Refer Note 31) Contribution paid in respect of Employees' State Insurance Scheme	-	-

B. Defined Benefit Plan

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 (last drawn salary) for each completed year of service. The scheme is funded.

(i) Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans at the Balance Sheet date were:

Particulars	(Rs. in lakhs)	
	Defined Benefit Plan- Gratuity (Funded) As at 31st March, 2024	As at 31st March, 2023
Present value of obligation		
Current liability (Amount due within one year)	28.64	50.38
Non-Current liability (Amount due over one year)	28.64	50.38
Total PBO at the end of year	8.53	7.66
Fair value of plan assets	20.11	42.72
(Asset)/Liability recognised in the Balance Sheet		
Net liability/(pre-paid)-current	-	-
Net liability/(pre-paid) non-current (Refer Note 19 & 24)	20.11	42.72
	20.11	42.72



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(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

Particulars	Plan Assets *	Plan Obligation	Total
As at 1st April, 2022	8.11	26.69	18.58
Current service cost	-	20.26	20.26
Past service cost	-	-	-
Interest cost	0.57	2.19	2.19
Interest income	-	-	(0.57)
Return on plan assets excluding interest income	-	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	(1.24)	1.25	2.49
Actuarial (gain)/loss arising from changes in financial assumptions	-	-	-
Actuarial (gain)/loss arising from experience adjustments	0.22	-	(0.22)
Employer contributions	-	-	-
Employee contributions	-	-	-
Assets acquired/ (settled)	-	-	-
Benefit payments	-	-	-
As at 31st March, 2023	7.66	50.39	42.72

* Plan assets includes earmarked balance in Bank of Baroda Group gratuity bank a/c for Rs. 1.18 lakhs (31.3.21 : Rs. 2.40 lakhs)

Particulars	Plan Assets *	Plan Obligation	Total
As at 1st April, 2023	7.66	50.39	42.72
Current service cost	-	3.78	3.78
Past service cost	-	-	-
Interest cost	0.56	3.02	3.02
Interest income	-	-	(0.56)
Return on plan assets excluding interest income	-	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	0.04	(28.55)	(28.59)
Actuarial (gain)/loss arising from changes in financial assumptions	-	-	-
Actuarial (gain)/loss arising from experience adjustments	-	-	-
Employer contributions	0.27	-	(0.27)
Employee contributions	-	-	-
Assets acquired/ (settled)	-	-	-
Benefit payments	-	-	-
As at 31st March, 2024	8.53	28.64	20.11

* Plan assets includes earmarked balance in Bank of Baroda Group gratuity bank a/c for Rs. 1.25 lakhs (31.03.23 : Rs. 1.22 lakhs)



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(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

Particulars	Defined Benefit Plan- Gratuity (Funded)	
	Year ended 31st March, 2024	Year ended 31st March, 2023
Expenses recognised in the Statement of Profit and Loss for the year		
Employee Benefit Expenses :		
Current service cost	3.78	20.26
Past service cost	-	-
Sub total	3.78	20.26
Finance costs/(income) :		
Interest cost	3.02	2.19
Interest income	(0.56)	(0.57)
Net interest expense/(income)	2.46	1.61
Net impact on profit (before tax)	6.24	21.87
Recognised in other comprehensive income for the year		
Remeasurement of the net defined benefit plans:		
Actuarial (gain)/loss arising from changes in demographic assumptions	(28.59)	2.48
Actuarial (gain)/loss arising from changes in financial assumptions	-	-
Actuarial (gain)/loss arising from experience adjustments	-	-
Return (gain)/loss on plan assets excluding interest income	-	-
Net impact- (income)/expense- on other comprehensive income (before tax)	(28.59)	2.48
	(22.34)	24.36



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iv) Assets

The fair value of plan assets at the Balance Sheet date for the defined benefit plans for each category are as follows:

Particulars	Defined Benefit Plan- Gratuity (Funded)		
	As at 31st March, 2024	As at 31st March, 2023	As at 1st April, 2022
The major categories of plan assets as a percentage of total Insurer managed funds	100%	100%	100%

The Company have taken policy from Life Insurance Corporation of India (LIC) and pays premium. LIC in turn manages the assets which is within the permissible limits prescribed in the insurance regulations. The Company does not foresee any material risk from these investments.

(v) Assumptions

Particulars	Defined Benefit Plan- Gratuity (Funded)	
	As at 31st March, 2024	As at 31st March, 2023
Financial/Economic Assumptions		
Discount rate (per annum)	7.09%	7.30%
Salary escalation rate (per annum)	9.00%	9.00%
Demographic Assumptions		
Retirement age	58 years	60 years
Mortality table	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Withdrawal Rates		
Ages (years)	5% per annum	5% per annum
All ages		

Notes:-

- (i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2024. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.
- (ii) Discount rate is based on the prevailing market yields of Indian Government bonds as at the Balance Sheet date for the estimated term of the obligations.
- (iii) The salary escalation rate is arrived after taking into consideration the inflation, seniority promotion and other relevant factors on long term basis.



(vi) Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the key assumptions are:

	Defined Benefit Plan- Gratuity			(Rs. in lakhs)
	As at 31st March, 2024		As at 31st March, 2023	
	Change in assumption	Change in Defined Benefit Obligation	Change in assumption	Change in Defined Benefit Obligation
Discount rate (per annum)				
- Increase	1.00%	(2.55)	1.00%	(2.91)
- Decrease	1.00%	2.97	1.00%	3.42
Salary escalation rate (per annum)				
- Increase	1.00%	1.72	1.00%	1.90
- Decrease	1.00%	(1.63)	1.00%	(1.81)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

(vii) Maturity profile of defined benefit obligation

	As at 31st March, 2024	As at 31st March, 2023	(Rs. in lakhs)
Weighted average duration of the defined benefit obligation	8.35 Yrs	8.35 Yrs	
Expected benefit payments within next 10years			
0 to 1 year	1.92	1.92	22.49
1 to 2 year	1.81	1.81	1.87
2 to 3 year	1.79	1.79	1.96
3 to 4 year	1.80	1.80	1.96
4 to 5 year	1.85	1.85	1.99
5 to 10 years	12.67	12.67	12.37

Expected contribution to the defined benefit plan (Gratuity) for the next annual reporting period is Rs. 23.00 lakhs (March 31, 2022 : Rs 46.50 lakhs)



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43 Particulars of loans given, guarantee given or security provided and investment made during the year as mandated by the provisions of the section 186 of the Companies Act, 2013:

- (a) Unsecured Loan given: Nil
 (b) Investments made/ (sold): Nil
 (c) Guarantee given: Nil
 (d) Security provided: Nil

44 The balances of some of the trade receivable, trade payable, loans and advances, deposits, lenders and other current liabilities are subject to confirmations, reconciliation and consequential adjustments arising from reconciliation, if any. The Management, however is of the view that there will be no material adjustments in this regard.

45 Segment Information

The Company operates in a single business segment i.e. processing & preserving vegetables/fruits through freezing process, hence does not have any reportable segment as per Ind AS 108 "Operating Segments". The Company's Chief Operating Decision Maker (CODM) is the Managing Director. He evaluates the Company's performance and allocates resources based on analysis of various performance indicators.

Information about geographical areas

a. Revenue from external customers

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Within India	2,586.28	2,950.13
Outside India	-	-
Total	2,586.28	2,950.13

b. Non current assets (other than financial instruments and tax assets)

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Within India	791.88	784.45
Outside India	-	-
Total	791.88	784.45



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c. Information about major customer :

(contributing to more than 10% of the total revenue)

There are no customers contributing to more than 10% of the total revenue.

The Equity Shares of the company was listed on a Regional Stock Exchange. The Regional Stock Exchange remained inactive. The Companies listed on Regional Stock Exchanges have been referred to Dissemination Board of BSE. The company had initiated the process of delisting in earlier years vide its letter dated 27.09.2019 to Metropolitan Stock Exchange. The status of listing has yet not been finally determined. As per MCA portal the company has been classified as unlisted as on balance sheet date. However, the company has passed resolution of director's on 3rd February, 2022 to get listed on the Metropolitan Stock Exchange of India (MSEI) and accordingly applied on 2nd March, 2022 to MSEI for listing. The approval of listing on Metropolitan Stock Exchange of India (MSEI) has been approved wef 3rd April, 2023 vide its letter no. MSE/LIST/2023/396 dated 28th March, 2023.

7 Use of estimates and judgements :

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, historical experience and other factors, including expectations of future events that are believed to be reasonable, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A. Key sources of estimation uncertainty

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

i. Impairment of trade receivables:

The impairment provisions for trade receivables are based on lifetime expected credit loss based on a provision matrix. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.



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The Company uses judgment in making assumptions about risk of default and expected loss rates and selecting the inputs to the impairments calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

ii. Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation viz. gratuity and other long-term employee benefit obligation viz. long term compensated absences to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

iii. Claims, Provisions and Contingent Liabilities:

The Company has ongoing litigations with various regulatory authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. These estimates could change substantially over time as new facts emerge and each dispute progresses. Information about such litigations is provided in notes to the financial statements.

iv. Deferred Tax

Deferred tax assets are recognised for unused tax losses and unabsorbed depreciation carry forwards as the management concludes that it is probable that taxable profit will be available against which the losses/ depreciation can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

v. Useful lives of property, plant and equipment:

As described in the significant accounting policies, the management determines and also reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. Such lives are dependent upon an assessment of both the technical life of the assets and also their likely economic life, based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the management.

48 There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.



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49 Ratios

The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023 :

S.No.	Ratio	(in times)	Numerator	Denominator	31-Mar-24	31-Mar-23	% Change	Remarks
1	Current ratio	(in times)	Current Assets	Current Liabilities	0.89	0.88	1.09%	
2	Debt- Equity Ratio	(in times)	Total Debts	Shareholder's equity	67.88	21.91	209.85%	Increase in borrowings and losses for the year
3	Debt Service Coverage ratio	(in times)	Earning available for Debt service (note i)	Debt service= Interest + Principal repayments	0.45	0.93	-51.71%	Increase in borrowings and losses for the year
4	Return on Equity ratio (ROE)	(in %)	Net profit after tax	Average shareholder's equity	-161%	103%	-256.12%	Due to net losses during the year
5	Inventory Turnover ratio	(in times)	Cost of Goods sold	Average Inventory	1.30	1.66	-21.44%	
6	Trade Receivable Turnover Ratio	(in times)	Sale of goods	Average Trade receivable	30.84	32.66	-5.56%	
7	Trade Payable Turnover Ratio	(in times)	Purchases of goods	Average Trade payables	4.50	4.56	-1.34%	
8	Net Capital Turnover Ratio	(in times)	Revenue from operations	Average working capital	(9.32)	(11.38)	-18.12%	
9	Net Profit ratio	(in %)	Net profit for the year (after tax)	Revenue from Operations	-5.09%	2.24%	-326.98%	Due to net losses during the year
10	Return on Capital Employed (ROCE)	(in %)	Earning before interest and taxes	Capital Employed= Tangible net worth+ Total debts+deferred tax liabilities	2.42%	10.64%	-77.27%	Due to net losses during the year
11	Return on Investment (ROI) - (on fixed income asset class)	(in %)	Interest/ Income generated from weighted average of investments	Average investments	6.39%	7.45%	-14.22%	

Note : Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss/(profit) on sale of Property, Plant & equipments etc.



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50 Code on Social Security, 2020 :

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. The Company will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

51 The Company has reappointed and paid remuneration to the Managing Director effective from 1st October, 2018 as per the resolution of the board of directors dated 24th August, 2018 in non compliance of certain provision of the Companies Act 2013. The Company has filed on 23/11/2022 the compounding application to regularize the appointment and remuneration of the director as per the applicable provisions of law and rectify the defect. The disposal of compounding application is pending before the appropriate authorities.

52 Section 135 of the Companies Act 2013 on Corporate Social Responsibility is not applicable as the Company does not meet threshold limits as prescribed in section 135 of the Companies Act 2013.

53 The confirmation from the trade receivables and trade payable except in few cases, have not been received. However, the provisions for doubtful debts have been made following ECL method. The impact on profit and loss account and the financial statements, if any, could not be presently ascertained in the absence of confirmations. Write off s and write backs have been made based on the management assessment on case by case basis. Ageing of trade receivables and trade payables has been done from transaction date.

54 The previous year numbers have been regrouped/ reclassified wherever necessary to conform to current year presentation. The impact of such reclassification/regrouping is not material to the financial statements.

As Per our Report of Even Date Attached
For AMOD AGRAWAL & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 005780N

Smita Gupta
(Smita Gupta)
Partner

Membership No. 087998

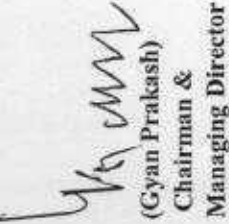
Place : Gurgaon

Date : 30th May, 2024

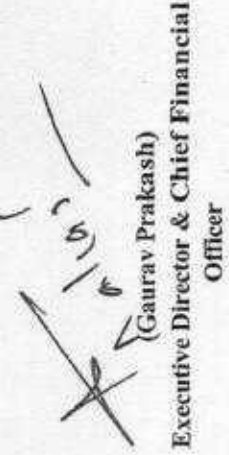
For and on behalf of the board of directors of Welga Foods Ltd


(Shweta Rawat)
Company Secretary &
Compliance Officer

Membership No. A52132


(Gyan Prakash)
Chairman &
Managing Director

DIN: 00184539


(Gaurav Prakash)
Executive Director & Chief Financial
Officer

DIN: 00159435

