



Virat Industries Ltd

Regd. Office & Factory:

A-1/2 GIDC Industrial Estate, Kabilpore

Navsari – 396 424, Gujarat. (INDIA)

Tel: (91-2637)265011, 265022, Fax (91-2637) 265712.

Email: factory@viratindustries.com

Website: viratindustries.com

CIN : L29199GJ1990PLC014514

13th August, 2024

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

Scrip Code. 530521

Subject: - 34th Annual Report of Virat Industries Limited for FY 2023-2024

Dear Sir/Madam,

Pursuant to provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 34th Annual Report of Virat Industries Limited for FY 2023-2024 for the 34th Annual General Meeting to be held on Thursday, September 5, 2024.

Kindly take the same on your records and oblige.

Thanking you,

For **Virat Industries Limited.**

Himanshu Zinzuwadia
Company Secretary

Encl. As above.

Corporate Head Office:

74, Bajaj Bhavan, 226, Rajani Patel Marg, Nariman Point, Mumbai 400 021 (India)
Tel Nos. (91-22)22029346/22029347, Fax No. (91-22) 22029347, E-mail: sales@viratindustries.com



Virat Industries Limited



MEET ONE OF THE WORLD'S
FINEST SOCKS MAKERS.....

34th Annual Report
2023—2024

Virat Industries Limited



CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri. Adi F. Madan
Managing Director

Smt. Ayesha K. DadyBurjor
Whole-time Director

Shri. Ajit P. Walwaikar
Shri. Harish H. Shah
Shri. Kaizad R. DadyBurjor
Shri. Pheroze A. Dhanbhoora
Directors

REGISTERED OFFICE & FACTORY

A-1/2, GIDC Industrial Estate, Kabilpore,
Navsari - 396 424, Gujarat.

EMAIL ID

factory@viratindustries.com

WEBSITE

www.viratindustries.com

COMPANY SECRETARY & COMPLIANCE OFFICER

Shri. Naman C. Bhandari (upto 03.12.2023)
Shri. Himanshu V. Zinzuwadia (w.e.f. 01.03.2024)

CHIEF FINANCIAL OFFICER

Shri. Bhavik R. Maisuria

AUDITORS

M/s. B. K. Khare & Co.
Chartered Accountants

SECRETARIAL AUDITORS

M/s. Vishal Dewang & Associates
Company Secretaries

BANKERS

Kotak Mahindra Bank Ltd.

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NOTICE

NOTICE is hereby given that the 34th Annual General Meeting (AGM) of the Members of Virat Industries Limited will be held on **Thursday, September 05, 2024** at **11.00 A.M** through Video Conference/Other Audio-Visual Means ('VC'), to transact the following business.

ORDINARY BUSINESS

- 1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2024, the report of the Auditors' thereon, and the report of the Board of Directors.**
- 2. To appoint a Director in place of Shri. Kaizad R. DadyBurjor (DIN: 00022387) who retires by rotation and, being eligible, offers himself for reappointment.**

SPECIAL BUSINESS

- 3. To re-appoint Shri. Adi F. Madan (DIN: 00023629) as a Managing Director of the Company.**

To consider and if thought fit, to pass with or without modification (s) the following Resolution as a **SPECIAL RESOLUTION**.

"RESOLVED THAT, in terms of Regulation 166 of Article of Association of the Company and subject to provisions of Sections 2(54), 2(78), 196, 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013, Shri Adi F. Madan be and is hereby re-appointed as a Managing Director of the Company with effect from 1st October, 2024 to 30th September, 2027 on the terms and conditions mentioned in the Agreement entered into between the Managing Director and the Company containing powers, functions and duties of the Managing Director and the following Remuneration:

1. Salary – In the Pay Scale of **₹215,000– 225,000 – 235,000** - per month, over the three (3) years. However, the overall remuneration, including the perquisites, shall not exceed **₹455,000 – 475,000 – 495,000** per month in each of the above pay scale, respectively.
2. Commission – Commission on Net Profit of the Company computed in the manner laid down in Sections 198 of the Companies Act, 2013, as may be fixed by the Board subject to the ceiling limits laid down in Sections 197 of the Companies Act, 2013.
3. Perquisites:
 - a) Housing – 35 % of the salary towards House Rent Allowance and another 20 % of the salary towards expenditure on gas, electricity, water and furnishing etc.
 - b) Medical Reimbursement – Reimbursement for self and family, on actual but not exceeding one month's salary.
 - c) Other Allowance at 10%
 - d) Leave Travel concession – For self and family, once in a year, restricted to one month's salary
 - e) Club Fees – Club Fees subject to ₹2,000 per annum which will not include admission and life membership fees.
 - f) Personal Accident Insurance – Premium not exceeding ₹1,000 per month.



- g) Performance Incentives as may be fixed by the Board from time to time.
4. Provident Fund, Superannuation and Gratuity- Provident Fund, Superannuation Fund and gratuity as per the Rules of the Company, subject to the ceiling as per the guidelines for managerial remuneration in force from time to time. However, this shall not be included for the computation of ceiling on the remuneration.
 5. Car – Company’s Car for the business of the Company.
 6. Telephone – Provision of telephone at residence will not be considered as perquisite but personal long distance call shall be billed by the Company.
 7. Entertainment/Traveling – Reimbursement of travelling, entertainment and other expenses as incurred by him for the business of the Company.
 8. Privilege Leave – One month’s leave on full pay and allowance, for every eleven months of service, un-availed leave at the end of the tenure will be allowed to be encashed.
 9. Minimum Remuneration: Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of the Managing Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Managing Director, the above salary and perquisites except commission not exceeding the ceiling limits prescribed in Scheduler V of the Companies Act, 2013 as Minimum Remuneration.

OTHER BENEFITS

Apart from the aforesaid remuneration, the Managing Director shall be entitled to reimbursement of expenses incurred in connection with the business of the Company.

The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

OTHER TERMS

Subject to the control, supervision and directions of the Board of Directors and subject to the provisions of the Act, the Managing Director shall have the general conduct and management of the business and affairs of the Company as illustrated but not limited to what is stated in the Agreement between the Managing Director and the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient and proper in the best interests of the Company”.

4. To appoint Shri. Vaibhav P. Mandhana (DIN: 07007166) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s) the following Resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri. Vaibhav P. Mandhana (DIN: 07007166), who has submitted a declaration under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a period of 5 years from [15/06/2024] to [15/06/2029] and shall not be liable to retire by rotation”.



5. To appoint Shri. Dashrath B. Pawaskar (DIN: 10728150) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s) the following Resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri. Dashrath B. Pawaskar (DIN: 10728150), who has submitted a declaration under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a period of 5 years from [08/08/2024] to [08/08/2029] and shall not be liable to retire by rotation”.

6. To appoint Shri. Chintamani D. Thatte (DIN: 01071980) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s) the following Resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri. Chintamani D. Thatte (DIN: 01071980), who has submitted a declaration under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a period of 5 years from [08/08/2024] to [08/08/2029] and shall not be liable to retire by rotation”.

By Order of the Board of Directors
For, Virat Industries Limited

Himanshu Zinzuwadia
Company Secretary
ACS 73269

Registered Office:
A-1/2, GIDC Industrial
Estate, Kabilpore, Navsari
396 424, Gujarat
Place: Navsari
Date: August 08, 2024

**NOTES:**

A. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by “COVID-19”, General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to “Clarification on holding of Annual General Meeting (“AGM”) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)”, (collectively referred to as “MCA Circulars”) permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

The deemed venue for the AGM shall be the registered office of the Company.

- B.** The Explanatory Statement pursuant to Section 102(1) of the Act setting out the material facts relating to the special businesses to be transacted at the 34th AGM is annexed hereto.
- C.** Since the AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM, participate thereat, and cast their votes on e-Voting.
- D.** Corporate Members are requested to send to the Company a certified copy of the relevant Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting. The said Resolution shall be sent to the Company by email through its registered email address to factory@viratindustries.com.
- E.** The notice of AGM along with Annual Report for the financial year 2023 – 2024, is available on the website of the Company at www.viratindustries.com, on the website of the Stock Exchange- www.bseindia.com. The AGM Notice is also disseminated on the website of Link Intime India Private Limited (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e., <https://instavote.linkintime.co.in/>
- F.** In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the Members the facility to exercise their right to vote at the 34th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Link Intime India Private Limited.
- G.** Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
- H.** Members attending the AGM through VC / OAVM should note that those who are entitled to vote but have not exercised their right to vote by remote e-voting, may vote during the AGM through e-voting for all businesses specified in the Notice. The Members who have exercised their right to vote by remote e-voting may attend the AGM but cannot vote during the AGM.
- I.** The Register of Members and the Share Transfer Books will be closed from Friday, 30th August 2024 to Thursday, 05th September, 2024 (including both dates) for the purpose of Annual General Meeting.
- J.** SEBI has mandated the submission of Permanent Account Number (PAN), proof of identity, address and bank details by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the said documents to their Depository



Participant(s). Members holding shares in physical form shall submit the documents to Link Intime India Private Limited.

- K.** Members are informed that the facility of dematerialization of shares of the Company is available and members are advised to go for that by approaching concerned DPs. Members holding shares in physical form are requested to dematerialize their holdings at the earliest as henceforth it will not be possible to transfer shares held in physical mode.
- L.** Members desiring any information, as regards the Accounts, are requested to write to the Company at least 10 days before the date of the meeting at factory@viratindustries.com to enable the management to keep the information ready.
- M.** Members are requested to send all communication relating to shares to the Company's Registrar & Transfer Agent- Link Intime India Private Limited C 101, 247 Park, L. B. S. Marg, Vikhroli, West, Mumbai 400083; Tel No. 022 49186000, E-mail Address: rnt.helpdesk@linkintime.co.in. Members holding shares in dematerialized form should address all the correspondence to their respective Depository Participants (DPs).
- N.** Members who wish to claim dividends, which remain unpaid, are requested to correspond with our Registrar and Share Transfer Agent (RTA) i.e. M/s Link Intime India Private Limited on above mention address. Members are requested to note that dividends not encashed/claimed within seven years will be transferred to Investor Education and Protection Fund of Government of India. Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to IEPF as per Section 124 of the Act, read with applicable IEPF rules.

O. Process of Registration of email ID and Bank Account details:

1. In the case of Shares held in Physical mode:

Kindly login to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration- fill in the details, upload the required documents and submit.

2. In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

P. E-voting

- In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members facility to exercise their right to vote at the 34th Annual General Meeting (AGM) on the items mentioned in the notice by electronic means through e-voting Services provided by Link Intime India Pvt. Ltd. **The remote e-voting shall be open on September 02, 2024 from 9.00 AM to September 04, 2024 to 5.00 PM.**
- The Board of Directors of the Company has appointed M/s. Vishal Dewang & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the remote e-Voting process and voting through the electronic voting system at the AGM in a fair and transparent manner.
- E-voting is optional. The e-voting rights of the shareholders/beneficiary owners shall be reckoned on the equity shares held by them as on **August 29, 2024** being the Cut-off date for the purpose. Shareholders of the Company holding shares either in physical or in dematerialized form, as on the Cut-off date, can cast their vote electronically.
- The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL and RTA, and will also be displayed on the Company's website.



The instructions for members for voting electronically are as under:-

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 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.

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>METHOD 1 - If registered with NSDL IDeAS facility</p> <p>Users who have registered for NSDL IDeAS facility:</p> <ol style="list-style-type: none"> a) Visit URL: https://eservices.nsd.com and click on “Beneficial Owner” icon under “Login”. b) Enter user id and password. Post successful authentication, click on “Access to e-voting”. c) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period. <p style="text-align: center;">OR</p> <p>User not registered for IDeAS facility:</p> <ol style="list-style-type: none"> a) To register, visit URL: https://eservices.nsd.com and select “Register Online for IDeAS Portal” or click on https://eservices.nsd.com/SecureWeb/IdeasDirectReq.jsp “ b) Proceed with updating the required fields. c) Post registration, user will be provided with Login ID and password. d) After successful login, click on “Access to e-voting”. e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period. <p>METHOD 2 - By directly visiting the e-voting website of NSDL:</p> <ol style="list-style-type: none"> a) Visit URL: https://www.evoting.nsd.com/ b) Click on the “Login” tab available under ‘Shareholder/Member’ section. c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see “Access to e-voting”. e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.



Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>METHOD 1 – From Easi/Easiest Users who have registered/ opted for Easi/Easiest</p> <ol style="list-style-type: none"> a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com b) Click on New System Myeasi c) Login with user id and password d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period. e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period. <p>OR Users not registered for Easi/Easiest</p> <ol style="list-style-type: none"> a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration/ / https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration b) Proceed with updating the required fields. c) Post registration, user will be provided Login ID and password. d) After successful login, user able to see e-voting menu. e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period. <p>METHOD 2 - By directly visiting the e-voting website of CDSL.</p> <ol style="list-style-type: none"> a) Visit URL: https://www.cdslindia.com/ b) Go to e-voting tab. c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”. d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account e) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

<p>Individual Shareholders (holding securities in demat mode) & login through their depository participants</p>	<p>Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.</p> <ul style="list-style-type: none"> • Login to DP website • After Successful login, members shall navigate through “e-voting” tab under Stocks option. • Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu. • After successful authentication, click on “LINKINTIME” or “evoting
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	<p>link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</p>
<p>Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:</p>	<p>Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:</p> <ol style="list-style-type: none"> 1. Visit URL: https://instavote.linkintime.co.in 2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - <ul style="list-style-type: none"> A. User ID: Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <p><i>*Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above</i></p> <p><i>*Shareholders holding shares in NSDL form, shall provide 'D' above</i></p> <ul style="list-style-type: none"> ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). ▶ Click "confirm" (Your password is now generated). 3. Click on 'Login' under 'SHARE HOLDER' tab. 4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.



Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on '**No**' and accordingly modify your vote.

Guidelines for Institutional shareholders:

STEP 1 – Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under “Corporate Body/ Custodian/Mutual Fund”
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person’s email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on “Investor Mapping” tab under the Menu Section
- c) Map the Investor with the following details:
 - a. 'Investor ID' -
 - i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - b. 'Investor's Name' - Enter full name of the entity.
 - c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
 - d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the “Report Section”.

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:



METHOD 1 - VOTES ENTRY

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- Click on 'Votes Entry' tab under the Menu section.
- Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- Enter '16-digit Demat Account No.' for which you want to cast vote.
- Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
- After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- You will be able to see the notification for e-voting in inbox.
- Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- Download sample vote file from 'Download Sample Vote File' option.
- Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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.co.in or call at : 022 - 4886 7000 and 022 - 2499 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 22 55 33

Individual Shareholders holding securities in Physical mode have forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>



- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
 - In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
 - The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
 - **User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company**
 - **User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID**
 - **User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.**

Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on 'Login' under 'Corporate Body/ Custodian/Mutual Fund' tab and further Click 'forgot password?'
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".
 - In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in Physical mode have forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

❖ **Process and manner for attending the Annual General Meeting through InstaMeet:**

Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>



❖ **Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

▶ Select the “Company” and ‘Event Date’ and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

1. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 (seven) days prior to meeting i.e. Thursday, August 29, 2024 mentioning their name, demat account number/folio number, e-mail ID, mobile number at factory@viratindustries.com.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

❖ **Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.



6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

❖ **General Instructions:**

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

By order of Board of Directors

Himanshu Zinzuwadia
Company Secretary
Membership No: ACS 73269

Registered Office:
A-1/2, GIDC Industrial Estate,
Kabilpore, Navsari 396 424, Gujarat

Place: Navsari
Date: August 08, 2024

**ANNEXURE TO NOTICE****EXPLANATORY STATEMENT AS REQUIRED PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following Explanatory Statement sets out all material facts relating to the ORDINARY BUSINESS mentioned under Item Nos. 2 of the accompanying Notice.

Business No. 2

Pursuant to the Provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the Company's Articles of Association, not less than two-thirds of the total number of Directors of the Company shall be liable to retire by rotation. One third of these Directors must retire from office at each Annual General Meeting, but each retiring director is eligible for re-election at such meeting.

Shri. Kaizad R. DadyBurjor, (56) is the Non-Executive Director of the Company, subject to retire by rotation within the meaning of Sec. 152 of the Companies Act, 2013. Shri. Kaizad DadyBurjor, is Director of the Company since 22nd September 2016. Prior the joining Virat Industries Ltd, he promoted the Sigma Group with headquarter in Texas. He also received the Award of "Small Business of the Year 2004" from Asian American Chamber of Commerce and Industry, Dallas, USA.

Except Smt. Ayesha K. DadyBurjor, no other Director is concerned or interested in this Resolution. The Directors recommend your acceptance thereof in the interest of the Company.

Additional Information about Shri Kaizad R. DadyBurjor is provided in Annexure A enclosed hereto.

Business No. 3

Shri. Adi F. Madan (66) (B.Com, LL.B.) is the Managing Director of the Company. He is sought to be appointed as Director of the Company out of the quota of 1/3rd of the Directors who are not subject to retirement by rotation within the meaning of Sec. 152 of the Companies Act, 2013 till he is Managing Director of the Company.

Shri. Adi F. Madan is a Director of the Company since 1994. During the period 1994 to 2004, he was Whole-time Director of the Company. He has been Managing Director of the Company since 2004. He has extensive experience of over 30 years in industry and business. His tenure as the Managing Director of the Company ends on 30th September, 2024. Considering his rich and vast experience and exceptional managerial skills, the Board of Directors felt that it would be in the best interest of the Company to re-appoint him as Managing Director of the Company. The Board of Directors, in its meeting held on 8th August, 2024 re-appointed him as Managing Director w.e.f. 1st October, 2024 and as per the approval of the Remuneration Committee, has fixed the terms and conditions as to the Remuneration payable to him as mentioned in the Resolution at Item No. 3. An agreement has been executed between the Managing Director and the Company containing all the terms and conditions of his re-appointment.

In terms of Schedule V to the Companies Act, 2013, Shri. Adi F. Madan is eligible for re-appointment as Managing Director. The total remuneration payable to Mr. Adi F. Madan shall not exceed 5% of the net profits, calculated in terms of Sec. 196, 197 and 198 of the Companies Act, 2013, during any of the financial years. It is expected that considering the progress and profitability of the Company which is likely to continue in future years also, occasion is not likely to arise for payment of remuneration to him as minimum remuneration during any of the years comprised in



the renewed period of his office. However, out of abundant precautions, the provisions of Schedule V to the Companies Act, 2013 are being also adhered to.

Your Directors recommend the Resolution for your approval.

Except Shri. Adi F. Madan, no other Director is concerned or interested in this Resolution.

Business No. 4

Pursuant to Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications) or enactments thereof for the time being in force read with Schedule IV to the Companies Act, 2013, Shri. Vaibhav P. Mandhana is being appointed as the Independent Directors of the Company and shall hold office from a term of further five years w.e.f. 15th June, 2024 with a view to bring an independent judgment on the Board's deliberation on various issues and to safeguard and balance the conflicting interest of the shareholders particularly minority shareholders and to assist the Company in implementing the best corporate governance and business practices.

The Board confirms that in making this recommendation, it has given careful consideration to the Director's balanced skills, knowledge, expertise and experience and is satisfied that the directors offering themselves for the appointment as independent directors have sufficient time to discharge their duties effectively, taking into account their other commitments. In the opinion of the Board, all Directors fulfil the conditions specified in Companies Act, 2013 and the Rules made thereunder for their appointment as Independent Directors of the Company and that they are independent of the Management.

The Board considers that the association of these Directors would be of immense benefit to the Company and it is desirable to avail of the services of all of them as Independent Directors.

The Company has received a declaration from Shri. Vaibhav P. Mandhana that they meet the criteria of Independence under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further the Company has also received their consent to act as an Independent Director in terms of Section 152 of the Companies Act, 2013 and a declaration in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board of Directors, Shri Vaibhav P. Mandhana fulfil the conditions specified in the Companies Act, 2013 and the rules made thereunder, for their re-appointment as Independent Directors of the Company and are independent of the management.

Except the Independent Director being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise.

Additional Information about Shri Vaibhav P. Mandhana are provided in Annexure A.

Business No. 5

Pursuant to Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications) or enactments thereof for the time being in force read with Schedule IV to the Companies Act, 2013, Shri. Dashrath B. Pawaskar is being appointed as the Independent Directors of the Company and shall hold office from a term of further five years w.e.f. 08th August, 2024 with a view to bring an independent judgment on the Board's deliberation on various issues and to safeguard and balance the conflicting interest of the shareholders particularly minority shareholders and to assist the Company in implementing the best corporate governance and business practices.



The Board confirms that in making this recommendation, it has given careful consideration to the Director's balanced skills, knowledge, expertise and experience and is satisfied that the directors offering themselves for the appointment as independent directors have sufficient time to discharge their duties effectively, taking into account their other commitments. In the opinion of the Board, all Directors fulfil the conditions specified in Companies Act, 2013 and the Rules made thereunder for their appointment as Independent Directors of the Company and that they are independent of the Management.

The Board considers that the association of these Directors would be of immense benefit to the Company and it is desirable to avail of the services of all of them as Independent Directors.

The Company has received a declaration from Shri. Dashrath B. Pawaskar that they meet the criteria of Independence under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further the Company has also received their consent to act as an Independent Director in terms of Section 152 of the Companies Act, 2013 and a declaration in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board of Directors, Shri Dashrath B. Pawaskar fulfil the conditions specified in the Companies Act, 2013 and the rules made thereunder, for their re-appointment as Independent Directors of the Company and are independent of the management.

Except the Independent Director being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise.

Additional Information about Shri Dashrath B. Pawaskar are provided in Annexure A.

Business No. 6

Pursuant to Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications) or enactments thereof for the time being in force read with Schedule IV to the Companies Act, 2013, Shri. Chintamani D. Thatte is being appointed as the Independent Directors of the Company and shall hold office from a term of further five years w.e.f. 08th August, 2024 with a view to bring an independent judgment on the Board's deliberation on various issues and to safeguard and balance the conflicting interest of the shareholders particularly minority shareholders and to assist the Company in implementing the best corporate governance and business practices.

The Board confirms that in making this recommendation, it has given careful consideration to the Director's balanced skills, knowledge, expertise and experience and is satisfied that the directors offering themselves for the appointment as independent directors have sufficient time to discharge their duties effectively, taking into account their other commitments. In the opinion of the Board, all Directors fulfil the conditions specified in Companies Act, 2013 and the Rules made thereunder for their appointment as Independent Directors of the Company and that they are independent of the Management.

The Board considers that the association of these Directors would be of immense benefit to the Company and it is desirable to avail of the services of all of them as Independent Directors.

The Company has received a declaration from Shri. Chintamani D. Thatte that they meet the criteria of Independence under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further the Company has also received their consent to act as an Independent Director in terms of Section 152 of the Companies Act, 2013 and a declaration in terms of Section 164 of the Companies Act, 2013.



In the opinion of the Board of Directors, Shri. Chintamani D. Thatte fulfil the conditions specified in the Companies Act, 2013 and the rules made thereunder, for their re-appointment as Independent Directors of the Company and are independent of the management.

Except the Independent Director being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise.

Additional Information about Shri. Chintamani D. Thatte are provided in Annexure A.

Annexure A:

As required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as required under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (SS – 2), the particulars of directors who are proposed to be appointed/reappointed

Name of Director	Shri. Adi F. Madan	Shri. Kaizad R. DadyBurjor	Shri. Vaibhav P. Mandhana	Shri. Dashrath B. Pawaskar	Shri. Chintamani D. Thatte
DIN	00023629	00022387	07007166	10728150	01071980
Age	66 years	56 years	36 years	59 years	59 years
Qualification	B. Com, LL.B.	Diploma in Business Management	Chartered Accountant	B.Com	Qualified company Secretary, B.Com
Date of Appointment	24/05/1994	03/09/2015	15/06/2024	08/08/2024	08/08/2024
Expertise	He is a Director of the Company since 1994. During the period 1994 to 2004, he was Whole-time Director of the Company. He has been Managing Director of the Company since 2004. He has extensive experience of over 30 years in industry and business.	He promoted Sigma Group with headquarters at Texas. He has received Award of "Small Business of the year 2004" from Asian American Chamber of Commerce and Industry, Dallas, USA. Proprietor of Otro Consultancy which runs fleet of Ola cabs.	He is a Practicing Chartered Accountant and Proprietor of V Mandhana & Associates, a firm specializing in Valuation and Consulting. He has vast experience of 14 years in the practice.	He is a B. Com graduate with a vast experience of the industry and he is engaged into the consultancy services since last few years.	He is a F.C.S. (Qualified Company Secretary) and General Manager (Legal) and company secretary of a listed company (falls under top 500 listed company). He has a vast experience in the industry.
Other Directorships	None	Shapoorjee Chandabhoy Finvest Pvt. Ltd.	-	-	-
Shareholding in the company	118,406	53,004	-	1200	-



D I R E C T O R S ' R E P O R T

Your Directors are pleased to present the 34th Annual Report together with the Audited Statement of Accounts for the year ended March 31, 2024.

FINANCIAL RESULTS AND ACCOUNTS

The Financial Results are as under:

(₹ In lakh)

Particulars	2023-24	2022-23
Gross Income	3341.23	3841.90
Profit Before Interest and Depreciation	253.82	378.75
Finance Charges	5.40	6.94
Gross Profit Before depreciation	248.42	371.81
Provision for Depreciation	144.84	153.81
Net Profit Before Tax	103.57	218.00
Provision for Tax	27.69	55.91
Net Profit After Tax	75.88	162.09

Dividend

The Board of Directors of the company has decided to conserve cash and not to recommend any dividend for the Financial Year 2023-24. The management has decided to utilize the internal accruals to finance the plans to expand and upgrade the production capacity and install equipment to help reduce the cost of power.

Year in retrospect:

During the year under review, India has emerged as the shining beacon in the world's fastest-growing economy, in a grim global scenario by growing at 6.8% this year, with IMF estimated growth at 6.9% for the Financial Year 2024-25, well above other economics of significant scale. This has been achieved despite many challenges arising out of the global economic slowdown, inflationary pressures and ongoing increasing geopolitical tensions.

The robust growth in the Indian economy was driven by strong investment which was augmented by the central government's capex push and buoyant private consumption.

However, India's merchandise exports of USD 437 billion this year registered a drop of 3% against the previous year.

Indian textile exports at USD 34.4 billion this year took a hit for the second consecutive year at 3% and 16.3% respectively, as geopolitical issues caused a shadow on the global economy. Export of readymade garments this year dropped by 10% against year bygone.

Despite lower total merchandise exports; the electronics and pharmaceutical sectors emerged as star performers.

Production:

Your company manufactures premium quality dress and sport socks, for export to various geographies of the world. Such socks are patronized by reputed brands and are sold in top end overseas markets. The socks are made with numerous attractive shades and fashion designs for



men, ladies and kids. Superior quality of yarn spun from combed cotton, BCI cotton and organic cotton with nylon, high bulk polyester and elastane are used to make such socks.

Your company also manufactures exclusive quality sports socks for niche overseas markets. Such socks made by your company are exported for various football clubs in the UK and Europe. These are specialized socks and fetch higher prices.

A good product quality, timely dispatches, prompt services and fair dealings are the cornerstones of your company's business. This has resulted in retaining our export clients for over two decades of business maintaining a very cordial and congenial relation.

Revenues:

The sale value of your company of ₹3074.64 lakh this year has dropped by 13.1% compared to ₹3537.83 lakh of previous year.

The export sale of ₹2885.17 lakh this year (constituting 93.58% of total sales) are 13.25% lower compared to ₹3317.35 lakh of previous year.

The weakening demand in export of textiles particularly garments/apparels is due to persistent global inflation and lingering possibilities of a recession. The other reasons are;

- The USA and the European economies are experiencing a period of muted growth. UK which is one of main buyers of your company's goods is facing a contraction in its economy and pressure on higher living costs.
- During and after Covid many US and European clients had stopped purchasing goods from China, which gave an edge to India for enhanced share of market. Again China has made inroads in Europe, leading to reduction in textile shipments from India to Europe and decline in prices, as China prices are very competitive.
- There was an unprecedented rise in manufacturing cost in India. In Gujarat, the factory minimum wages increased by 30% over previous year. There was hike in the prices of electricity power and other cost input items. The overseas clients are reluctant to increase prices, to even partly compensate the rise in cost due to the pressure on retail prices and intense competition.
- Continuing rebel/pirate attacks in the Red Sea and Mediterranean region stemming from ongoing conflicts have impacted transit shipping times and higher costs of freight, further adding to the woes of the exporters.

The cumulative impact of such reasons has resulted in a lower inflow of textile export orders and lower sales prices.

Realized Prices

Due to changes in client/product-mix as per the requirement of export clients particularly experienced in third and fourth quarters of the year under review the proportion of lower price goods like sneaker socks, kids socks, and multi packs of socks increased which resulted in lower average price, this year compared to the preceding year.

Inflation and price rise in cost inputs:

In the year under review, your company had to bear the unprecedented incidence of price rise of some cost inputs leading to increase in overall cost of production.

Dyed cotton yarn prices were about 8% lower against prices of previous year.



There was increase of 30% in minimum wages including fringe benefits as declared by Gujarat Government.

Electricity power showed rise of 8.16% at ₹ 8.49 per KWH this year, against ₹ 7.85 per KWH in previous year.

Profit & Loss Account:

Due to a drop in the inflow of purchase orders and lower realized rates, the total income of ₹3341.23 lakh this year was 13.18% lower compared to the total income of ₹ 3841.90 lakh in the previous year.

The drop in income and rise in input prices more than offset the benefits of lower raw materials prices and exchange gain. This resulted significantly lower profit before tax of ₹ 103.57 lakh against ₹ 213.00 lakh achieved in the previous year – drop of 52.4%.

EBITDA:

The EBITDA this year is 8.26% compared to 10.87% of previous year.

Capital Expenditure:

During the year, the company implemented following two capital works.

(i) Boundary wall

Old wire fencing across the periphery of the factory was too old and had badly corroded, creating security problem for the factory.

New masonry boundary wall with columns and beam was installed. The cost incurred was ₹17.30 lakh.

(ii) Mezzanine Floor

New pillars supported mezzanine floor system with 600 kilograms per square meter load carrying capacity and MDF flooring was erected in one raw material warehouse. This has helped to create additional space for storage of raw materials and finished goods. The cost incurred was ₹30.74 lakh.

A total of ₹48.04 lakh was incurred on capital goods.

FINANCE

As of the date of the Balance Sheet, the Company is debt-free in terms of long-term loans, excepting loans on vehicles.

WORKING CAPITAL LOAN

The Company is enjoying export packing credit and foreign bill purchase facilities from our Bankers.

INSURANCE

The properties and insurable interests of your Company in buildings, plant, machinery, stocks, etc. are adequately insured by the Company.

CHANGE IN SHARE CAPITAL

The paid-up share capital of the Company as on March 31, 2024, was ₹ 4.93 Crore, and there has been no change in the capital structure of the Company.



RESERVES

During the year under review, the Company has not transferred any amount to reserves.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

KEY MANAGERIAL PERSONNEL

Shri. Kaizad R. DadyBurjor was reappointed as a Non-Executive Director and retires by rotation, being eligible to offer himself for re-election.

BOARD OF DIRECTORS

The Company has a broad-based Board of Directors, duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. There is one Woman Director on the Board. The changes in the composition of the Board of Directors are carried out in compliance with the provisions of the Companies Act, 2013 and Listing Regulations.

Policy formulations, setting up of goals, evaluations of performance and control functions vest with the Board. The composition of the Board of Directors of the Company as on March 31, 2024 was as follows.

Sr No	Name of the Director	Category
1.	Shri. Adi F. Madan	Managing Director
2.	Shri. Ajit P. Walwaikar	Independent Director
3.	Shri. Harish H. Shah	Independent Director
4.	Smt. Ayesha K. DadyBurjor	Whole-time Director
5.	Shri. Kaizad DadyBurjor	Non- Executive Director
6.	Shri. Pheroze A. Dhanbhoora	Independent Director

Shri. Kaizad R. DadyBurjor (DIN: 00022387) who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

BOARD MEETINGS

Regular meetings of the Board of Directors are held to discuss and decide on various business policies, strategies, and other business.

During the FY 2023 – 2024, the Board met six (6) times on the following dates.

25/05/2023	28/07/2023	10/08/2023	09/11/2023	13/02/2024	01/03/2024
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Name of the Member	No of Meeting of Attended	Whether attended Last AGM
Shri. Adi F. Madan	6	YES
Shri. Ajit P. Walwaikar	6	YES
Shri. Harish H. Shah	5	YES



Smt. Ayesha K. DadyBurjor	5	YES
Shri. Kaizad DadyBurjor	5	YES
Shri. Pheroze A. Dhanbhoora	5	YES

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Independent Directors have submitted the Declaration of Independence, as required pursuant to section 149(7) of the Companies Act 2013, stating that they meet the criteria of independence as provided in sub-section (6).

COMPOSITION OF AUDIT COMMITTEE

The Board has constituted an Audit Committee comprising of three Independent Directors. The Audit Committee reviews reports including significant audit observations and follow-up actions thereon. The Audit Committee also meets the Company's Statutory Auditors and Internal Auditors to ascertain their views on the financial statements. The Committee members meet regularly and make their recommendations in accordance with the terms of reference specified by the Board. Such recommendations are thoroughly discussed in Board meetings and by and large accepted for implementation.

The names of the Committee members are as under.

Shri. Ajit P. Walwaikar	- Chairman
Shri. Harish H. Shah	- Member
Shri. Pheroze A. Dhanbhoora	- Member

All the members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Technical, Secretarial and Legal issues. The attendance records of the members at the meeting were as follows:

During the FY 2023-24, the committee met four (4) times through video conferencing on the following dates.

25/05/2023	10/08/2023	09/11/2023	13/02/2024
------------	------------	------------	------------

Name of the Member	Designation	No. of Meeting of Attended
Shri. Ajit P. Walwaikar	Chairman	4
Shri. Pheroze Dhanbhoora	Member	3
Shri. Harish H. Shah	Member	3

NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted a Nomination and Remuneration Committee consisting of three Independent Directors.

The names of Committee members are as under.

Shri. Ajit P. Walwaikar	- Chairman
Shri. Pheroze A. Dhanbhoora	- Member



Shri. Harish H. Shah - Member

The Committee has the mandate to recommend the appointment/re-appointment of Executive Directors and appointment of employees from the level of Vice-President and above along with the remuneration to be paid to them. The remuneration is fixed keeping in mind the person's track record, his/her potential, individual performance, the market trends, and scales prevailing in a similar industry.

During the FY 2023-24, the committee met three (3) times through video conferencing as on

10/08/2023	09/11/2023	01/03/2024
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The attendance records of the members at the meeting were as follows:

Name of the Member	Designation	No of Meeting of Attended
Shri. Ajit P. Walwaikar	Chairman	3
Shri. Pheroze Dhanbhoora	Member	3
Shri. Harish H. Shah	Member	3

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted a Stakeholder Relationship Committee consisting of three Directors, two independent Directors and the Managing Director.

The names of Committee members are as under.

Shri. Ajit P. Walwaikar	- Chairman
Shri. Pheroze Dhanbhoora	- Member
Shri. Adi F. Madan	- Member

The Company Secretary is designated as the "Compliance Officer" who oversees the redressal of the Investors' grievances.

The Committee meets to approve share transfers, transmission, issue of duplicate share certificates, re-materialization of shares and all other issues pertaining to shares and also to redress investor grievances like non-receipt of dividend warrants, non-receipt of share certificates, etc. The Committee regularly reviews the movement in shareholding and ownership structure. The Committee also reviews the performance of the Registrar and Transfer Agents. The Company is in compliance with the SCORES, which has initiated by SEBI for processing the investor complaints in a centralized web-based redress system and online redressal of all the shareholders complaints.

The Committee met Four (4) times during the financial year ended on March 31, 2024. The attendance records of the members at the meeting were as follows:

During the FY 2023-24, the committee met four (4) times through video conferencing on the following dates.

25/05/2023	10/08/2023	09/11/2023	13/02/2024
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Name of the Member	Designation	No. of Meeting of Attended
Shri. Ajit P. Walwaikar	Chairman	4
Shri. Pheroze Dhanbhoora	Member	3
Shri. Adi F. Madan	Member	4

SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards on Board Meetings and General Meetings, issued by The Institute of Company Secretaries of India.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Fraud and corruption-free work culture has been the core of the Company. In view of the potential risk of fraud, corruption, and unethical behavior, which could adversely impact the Company's business operations, the Company has an established mechanism for Directors/Employees to report concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of Directors/employees who avail of the mechanism.

The Company affirms that no personnel have been denied access to the Audit Committee.

The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise Reportable Matters within 60 days after becoming aware of the same. All suspected violations and Reportable Matters are reported to the Chairman of the Audit Committee. The key directions/actions are informed to the Managing Director of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of section 134 (5) of the Companies Act, 2013, the Board of Directors hereby confirms that:

- (a) In the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2024, and of the profit and loss of the Company for the period ended March 31, 2024.
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) The Directors had prepared the annual accounts on a going concern basis.
- (e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) 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.

SUBSIDIARIES

As the Company has no subsidiaries, Section 129(3) of the Companies Act, 2013, does not apply.

ANNUAL RETURN



In terms of provisions of Section 92(3), 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 for the financial year ended March 31, 2023, is placed on the website of the Company and can be accessed at <http://viratindustries.com/>.

AUDITORS

STATUTORY AUDITOR

M/s. B. K. Khare & Co., Chartered Accountants (Firm Registration No. 105102W) were re-appointed as the Statutory Auditors of the Company for a tenure of 5 years commencing from the conclusion of the 32nd AGM of the Company until the conclusion of the 37th AGM of the Company to be held in the year 2027. The Statutory Auditor's Report does not contain any qualifications, reservations, adverse remarks, or disclaimers.

SECRETARIAL AUDITOR

M/s. Vishal Dewang & Associates, practicing Company Secretary was appointed as a Secretarial Auditor under the provision of section 204 of the Companies Act, 2013 for FY 2023 – 2024. The Report of the Secretarial Auditor for FY 2023 – 2024 is annexed to this report as **Annexure – I**. The said Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks, or disclaimers.

As observed by Mr. Vishal Dewang, the company did not have a Whole-Time Company Secretary from 03rd December 2023 to 29th February 2024. However, the company has appointed a new Whole-Time Company Secretary at the meeting of the Board of Directors held on 01st March, 2024. The company has complied with the provisions of Regulation 6 of SEBI (LODR) Regulations, 2015 and Section 203(4) of the Companies Act, 2013.

Also, at the time of Secretarial Audit, the website of the company was in the process of updation. however, it is fully functional as on date.

INTERNAL AUDITOR

The Board of Directors has appointed M/s S.R. Rege & Co., Chartered Accountant, as Internal Auditors for the FY 2023 – 2024 to conduct the internal audit of the various areas of operations and records of the Company. The periodic reports of the said internal auditors are regularly placed before the Audit Committee along with the comments of the management on the action taken to correct any observed deficiencies on the working of the various departments.

COST AUDITORS

Your Company is not required to maintain cost accounting records as specified under Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS, AND OUTGOING

Additional information on conservation of energy, technology absorption, foreign exchange earnings, and outgo as required to be disclosed in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the FY 2023 – 2024 is annexed and forms part of this Report as **Annexure – II**.

DETAILS RELATING TO DEPOSITS



The Company has not accepted any deposit during the year, nor has any deposit remained unpaid or unclaimed as at the end of the year.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

No significant and material orders were passed by the regulators or Courts or Tribunals during the year, which would adversely impact the Company's operation in the future.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Your Company has not-

- Given any loan to any person or other body corporate,
- Given any guarantee and provided any security in connection with a loan to any other body corporate or any person.
- Acquired by way of subscription, purchase or otherwise the securities of any other body corporate otherwise than in accordance with the law.

TRANSFER OF UNCLAIMED DIVIDEND AND SHARES

During the year, your Company transferred the ₹5,15,387/- for the financial year ended March 31, 2015, to the Investor Education and Protection Fund in compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013.

In compliance with these provisions read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, your Company also transferred 11,586 Shares to the Demat Account of the IEPF Authority, in respect of which dividend had remained unpaid/ unclaimed for a consecutive period of 7 years.

RISK MANAGEMENT

A documented risk management policy is in place as per section 134(3) (n) of the Companies Act, 2013.

Your Company is exposed to risk from fluctuation of foreign exchange rates, market economic slowdown or decline in demand in the country of buyers of your Company's products, prices of raw materials and finished goods, compliances risk and people risk.

- **Foreign Exchange Risk**

During year under review the Company endeavored to further mitigate the risk associated with the exchange fluctuations by entering into Forward Contracts with the Company's Bankers, on a very conservative and risk-adverse basis.

- **Commodity Prices Risk**

Your Company proactively manages the risk of purchasing raw materials through forward booking, vendor development practices, and inventory management. The Company's strong reputation for quality and services with overseas clients to some extent mitigates the impact of price risk on finished goods.

- **Compliance Risk**

Your company must follow various statutes and regulations including the Companies Act. The Company is mitigating these risks through regular review of legal compliances carried out through internal as well as external compliance audits.

- **People Risk**



Your Company nurtures and grooms the talented and key personnel for future business leadership and looks after them judiciously so that they stay with the Company.

CORPORATE SOCIAL RESPONSIBILITY

Section 135(1) of the Companies Act, 2013, is not applicable to your Company, because the net worth, turnover, and net profit of your Company during the year is less than the required limits.

PREVENTION OF INSIDER TRADING

SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from May 15, 2015. Pursuant thereto, the Company has formulated a new Code for Prevention of Insider Trading for Directors, Promoters and Senior Executive Officers.

The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of the Company's shares by the Directors, Key managerial personnel, and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered during the financial year were in the ordinary course of business of your Company and were on arm's length basis. There were no materially significant related party transactions entered by your Company with Promoters, Directors, Key Managerial Personnel, or other persons which may have a potential conflict with the interest of your Company. The details are given in **Annexure - III**, forming part of this report.

FORMAL ANNUAL EVALUATION

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc.

MEETING OF INDEPENDENT DIRECTORS

All the independent Directors of the Company held a meeting on February 13, 2024 and reviewed the performance of non-independent Directors and the Board as a whole. They also assessed the quality, quantity, and timeliness of flow of information between the Company management and the Board.

They expressed their satisfaction at the performance of non-independent Directors and appreciated the flow of information from the Company management.

RATIO OF REMUNERATION TO EACH DIRECTOR

The ratio of remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of section 197 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming a part of this Report as **Annexure IV**.

LISTING FEES

Your Company has paid the listing fees up to March 31, 2024, to the Bombay Stock Exchange on April 23, 2024.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION



Your Company is committed to adopting good Corporate Governance practices in letter and spirit. A detailed report on Corporate Governance is given in a separate section of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), is presented in a separate section, forming part of the Annual Report.

ANTI SEXUAL HARASSMENT POLICY

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of 'The Sexual Harassment of Women at the Workplace (Prevention Prohibition & Redressal) Act, 2013. An “Internal Complaints Committee (ICC)” has been set up to redress complaints received regarding Sexual Harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. A Lady NGO representative is a member of the said Internal Complaints Committee and regularly attends the meetings which are noted.

The following is a summary of Sexual Harassment complaints received and disposed of during the year 2023 – 2024:

No. of complaints received: Nil

No. of complaints disposed of: Not applicable

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN MARCH 31, 2024 AND DATE OF THIS REPORT

There were no Material changes and Commitments affecting the Financial Positions of the Company which have occurred between March 31, 2024 and date of this report.

PARTICULARS OF EMPLOYEES

As per provision of Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of the employees are required to be annexed in respect of the employees of the Company who were in receipt of total remuneration of ₹ 60.00 Lakh per annum or ₹ 5.00 Lakh per month. During the financial year 2023 – 2024, there is no employee drawing remuneration as above.

ACKNOWLEDGMENT

Your Directors wish to place on record their sincere appreciation for the co-operation and support extended to the Company by the Government of India, the Gujarat State Government and by the relevant Government Authorities, Central, State and Local, the Company’s Bankers and Business Associates.

Your Directors also thank all the employees at every level, who, through their dedication, co-operation, and support, have enabled the Company to achieve sustained growth.

And to you, our Shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us.

For and On Behalf of the Board of Directors

Place: Mumbai

Date: 24.05.2024

Adi F. Madan

Managing Director

Ayesha K. DadyBurjor

Whole Time Director



ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE – I

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

[Pursuant to Section 204, 9(1) of the Companies Act, 2013 and Rule No. 09 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Virat Industries Limited
(CIN: L29199GJ1990PLC014514)
A 1/ 2, GIDC Industrial Estate,
Kabilpore, Navsari – 396 424. Gujarat

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “Virat Industries 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 my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and Companies Act, 1956 (to the extent applicable) the rules made there under including any re-enactment thereof;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories 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 and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & 2015;



- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Regulations 2018; **(Not applicable to company during the Audit Period)**;
 - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') **to the extent applicable during the Audit Period**;
 - f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during audit the period)**
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and **(Not applicable to the Company during the audit period)**
 - i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 **(applicable to the Company to the extent of Compliance of Regulation 76)**
- (vi) Labour, environment & other Specific applicable Acts/ Laws for which Secretarial Audit was conducted as on overview test check basis audit and was generally based / relied upon on the documents provided to us, Management confirmation, Certificate & other Audit Report and Certificates given by other professionals, the Company has complied with the applicable Acts / Law during the audit period.

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

- (i) The Secretarial Standards (with respect to Board and General Meetings) issued by the Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges read with SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observation;

- (i) The website of the Company is in the process of updation.
- (ii) During the Period 03rd December, 2023 to 29th February, 2024, the post of whole-time Company Secretary and Key Managerial Person was vacant due to resignation.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following laws applicable specifically to the Company:

I further report that:

The Board of Directors of the Company is duly constituted with proper composition of Executive Directors, Non-Executive Directors, Independent Directors and a Women Director. The changes in the composition of the Board of Directors and Key Managerial Personnel (KMP) that took place during the period under review were carried out in compliance with the provisions of the Act as stated below:

- i. Re-appointment of Smt. Ayesha K. DadyBurjor (DIN: 02949248)) as the "Whole time



- Director” of the Company for a further period commencing from 8th November 2023 to 7th November 2026, for a term of 3 years;
- ii. Re-appointment of Shri. Kaizad R. DadyBurjor (DIN: 00022387) Director liable to retire by rotation, at the 33rd AGM held on September 20, 2023;
 - iii. Mr. Himanshu Vipul Zinzuwadia (ACS : 73269) was appointed as the Company Secretary and a Key Managerial Person as per Section 203 w.e.f. 01st March, 2024;
 - iv. Mr. Naman Chetanbhai Bhandari (ACS : 66125) resigned as the Company Secretary and Key Managerial Person as per section 203 w.e.f. 03rd December, 2023.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or consent of all directors were received in writing for shorter board meeting notice consents (if any), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried through and proper system is in place which facilitate/ensure to capture and record the dissenting member’s view, if any as part of the minutes.

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

I further report that during the Audit Period, the Company has not incurred any specific event/ action that can have a major bearing on the company’s compliance responsibilities in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

Sd/-

VISHAL DEWANG & ASSOCIATES
(Practicing Company Secretary)
Vishal Dewang
M. No. 26683, CP. No. 9596
Peer Reviewed Unit
ICSI UDIN: A026683F000399143

Place: Surat
Date : May 24, 2024

Encl : “This report is to be read with our letter of even date which is annexed as **Annexure- A** and forms an integral part of this report.

**Annexure-‘A’**

To,
The Board of Directors
Virat Industries Limited
(CIN: L29199GJ1990PLC014514)
A 1/ 2, GIDC Industrial Estate,
Kabilpore, Navsari – 396 424 Gujarat

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test bases to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the Provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

VISHAL DEWANG & ASSOCIATES
(Practicing Company Secretary)
Vishal Dewang
M. No. 26683, CP. No. 9596
Peer Reviewed Unit
ICSI UDIN: A026683F000399143

Place : Surat
Date : 24/05/2024



CERTIFICATE

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Virat Industries Limited
(CIN: L29199GJ1990PLC014514)
A 1/ 2, GIDC Industrial Estate,
Kabilpore, Navsari – 396 424.
Gujarat

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Virat Industries Limited having CIN: L29199GJ1990PLC014514 and having registered office situated at A 1/ 2, GIDC Industrial Estate, Kabilpore, Navsari – 396 424. Gujarat, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para – C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and the respective Directors, I hereby certify that None of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr.No.	Name of the Director	Designation	DIN
1	Adi Fredoon Madan	Managing Director	00023629
2	Ayesha Kaizad Dadyburjor	Whole time Director	02949248
3	Ajit Pandurang Walwaikar	Independent Director	00022123
4	Kaizad Rusi Dadyburjor	Non-Executive Director	00022387
5	Harishchandra Hiralal Shah	Independent Director	03032200
6	Pheroze Adi Dhanbhoora	Independent Director	00622769

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification. This certificate 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.

VISHAL DEWANG & ASSOCIATES
(Practicing Company Secretary)
Vishal Dewang
M. No. 26683, CP. No. 9596
Peer Reviewed Unit
ICSI UDIN : A026683E000399211

Place: Surat
Date: 24/05/2024



ANNEXURE – II

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgoings as required under the Companies (Disclosure of Particulars in the Board of Directors' Report) Section 134(3)(m) are given below.

(A) CONSERVATION OF ENERGY:
Energy Conservation Measures
Taken:
Electricity:

- i) Maintained the power factor to 0.999, throughout the year and got rebate of ₹2,06,857/- on this account in electricity bills.
- ii) Maintaining the Air conditioning temperature of knitting department between 27 degree centigrade to 30 degree centigrade resulting in power saving.
- iii) Electricity rates increased by 8.15% in the financial year 2023-2024.

Natural Gas:

- i) Reduced steam leakages from boiler house to plant level, regularly check the steam trap working and maintained the same throughout the year resulting in fuel cost savings of Rs. 9,88,699.
- ii) Maintain the boiler efficiency up to 88% by controlling the CO, O2 and CO2 resulting in fuelsaving.

(B) TECHNOLOGY ABSORPTION:

Efforts made in Technology Absorption are as per Form annexed.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:
Activities relating to Exports, Initiatives to Increase Exports, Development of New Export Markets for Products and Services and Export Plan:

Ours is an export unit operating under Export Promotion Capital Goods (EPCG) Scheme. The Company has been exporting goods mainly to the European and Gulf Markets. All efforts are directed towards increasing exports. In the year under review the export sale of ₹2885.17 lakh was achieved in this year.

Total (₹ in Lakh)	Foreign Exchange	Used	and	Earned
Total foreign exchange earned				2885.17
Others				10.49
SUB TOTAL (a)				2895.66
Total foreign exchange used				
For spares, etc.				27.51
Raw Materials				-
For Dividend remitted				-
Others				75.24
			SUB TOTAL (b)	102.75
% of Import to Export				3.55%



PARTICULARS WITH RESPECT TO ABSORPTION

Research and Development (R&D)

1. Specific areas in which R & D is carried out by the Company:

A. Development of new products

Our company is contract manufacturer of premium quality socks for top end markets of European countries. During every season of the year our company manufactures broad spectrum of new style of socks suitable to clients' countries, culture, climate and fashion.

2. Benefits derived as a result of the above R & D:

3. Future plan of action	:	To be planned.
4. Expenditure on R & D	:	Not ascertainable
(a) Capital		-
(b) Recurring		-
(c) Total		-
(d) Total R & D expenditure as a percentage of total turnover.		-

Technology absorption, adaptation and innovation:

1. Efforts in brief, made towards technology absorption, adaptation and innovation:

The Company has not imported any technology. It has imported major plant and machinery.

2. Benefits, derived as a result of the above efforts, e.g. product improvement, costreduction, product development, import substitution, etc.:

Not Applicable

3. In case of imported technology (imported during the last 5 years reckoned from thebeginning of the financial year), following information may be furnished:

(a) Technology imported	-
(b) Year of Import	-
(c) Has technology been fully absorbed	-Our company has not imported any technology.



FORM NO. AOC – 2

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

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

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

Not Applicable

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

(a) Name(s) of the related party and nature of relationship	Nil
(b) Nature of contracts/arrangements/transactions	Nil
(c) Duration of the contracts/arrangements/transactions	Not Applicable
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
(e) Date(s) of approval by the Board	Not Applicable
(f) Amount paid as advances if any:	Nil
(g) Date on which the special resolution was passed in general meeting as required under the first proviso to section 188 :	Not Applicable



Sr. No.	Requirements	Disclosure											
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;	For the FY 2023-2024, KMPs were paid approx. 69.96% of the net profit before tax for the year.											
(vii)	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;	<p>The Market capitalization of the Company has decreased from ₹ 10,82,889 thousand as of 31/03/2023 to ₹ 7,13,884 thousand as of 31/03/2024. Over the same period, the price to earnings ratio moved from 66.81 to 94.08. The Virat Industries Limited stock price as at 31/03/2023 has decreased by 74.95% and by ₹ 34.08 over the last financial year.</p> <p>During the year, the Company did not come out any public offer.</p>											
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	<p>During the year, the non-managerial remuneration increased by 23.34% being the rise in minimum wages as declared by government of Gujarat.</p> <p>The managerial remuneration increased by 6.36% during the year.</p>											
(ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	<p>The comparison of remuneration of each of the Key Managerial personnel against the performance of the Company is as under :</p> <table border="1" data-bbox="721 1478 1479 1724"> <thead> <tr> <th data-bbox="721 1478 1182 1549">Particulars</th> <th data-bbox="1182 1478 1479 1549">% of Net profit for FY 2023 – 24</th> </tr> </thead> <tbody> <tr> <td data-bbox="721 1549 1182 1583">Managing Director</td> <td data-bbox="1182 1549 1479 1583">42.05%</td> </tr> <tr> <td data-bbox="721 1583 1182 1617">Whole-time Director</td> <td data-bbox="1182 1583 1479 1617">17.08%</td> </tr> <tr> <td data-bbox="721 1617 1182 1650">Chief Financial Officer</td> <td data-bbox="1182 1617 1479 1650">7.82%</td> </tr> <tr> <td data-bbox="721 1650 1182 1724">Company Secretary</td> <td data-bbox="1182 1650 1479 1724">3.02%</td> </tr> </tbody> </table>		Particulars	% of Net profit for FY 2023 – 24	Managing Director	42.05%	Whole-time Director	17.08%	Chief Financial Officer	7.82%	Company Secretary	3.02%
Particulars	% of Net profit for FY 2023 – 24												
Managing Director	42.05%												
Whole-time Director	17.08%												
Chief Financial Officer	7.82%												
Company Secretary	3.02%												
Sr. No.	Requirements	Disclosure											
(x)	The key parameters for any variable component of	1% commission of net profit of the Company if applicable as per section 197 and 198 of the											



	remuneration availed by the directors;	Companies Act, 2013 and if decided by the Board.
(xi)	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	None
(xii)	Affirmation that the remuneration is as per the remuneration policy of the company.	Yes



Management Discussion and Analysis Report

Overview of the Economy:

India is emerging as the world's fastest-growing economy, but the world economy is struggling to come up to a reasonable level.

Emerging Asian economies led by China and India are estimated to grow at plus 6% thus outpacing the western economies faced with massive inflationary pressures.

Indian economy showed strong momentum and robust growth across many key economic indicators during this year as under;

The goods and service tax (GST) collection of ₹ 20.18 lakh crore this year was 10.5% higher compared to ₹ 19.6 lakh crore in the previous year. This was achieved by strong momentum in the economy and efficient tax collection efforts.

Net direct tax collection of ₹19.6 lakh crore this year rose 17.7% over previous year.

India's merchandise exports of \$ 437 billion dropped by 3% compared to previous year. The import of \$ 677 billion were 5.4% lower against the previous year, helping narrow the trade deficit.

Service export of \$ 340 billion this year, amounted to 0.7% of the GDP. The total of goods and service export collection comes to \$ 776.7 billion this year, compared to \$ 776.4 billion of previous year. Service exports are making the external sector resilient to supply side shocks and reducing rupee volatility.

India entered into Free Trade Agreements with Australia, UAE and Switzerland. The agreement is under process with U.K. These are the historic deals resulting in elimination of tariffs between India and those countries.

During the year, the Company carried out sales in the following geographical segments.

	Europe	India	Rest of World	Total
Revenues	1460.52	189.47	1424.64	3074.64

(In ₹Lakh)

Company's financial and operational performance:

The comparative performance highlights for last five years are as under:

Particulars	Units	INDAS				
		2023-24	2022-23	2021-22	2020-21	2019-20
Income Statement						
Total Income	₹ in Lakh	3341.17	3841.90	2513.97	2022.30	2715.83
Export Sale	₹ in Lakh	2885.17	3317.35	2090.54	1685.10	2256.84
Operating EBITDA	₹ in Lakh	253.82	378.75	336.30	274.41	396.90
Net Profit before Tax	₹ in Lakh	103.57	218.00	172.60	92.50	200.77
Net Profit after Tax	₹ in Lakh	63.34	162.09	135.23	79.49	148.35
Cash Profit	₹ in Lakh	208.19	315.90	295.62	255.54	339.18



Balance Sheet						
Net Worth	₹ in Lakh	2549.93	2499.68	2385.63	2253.25	2171.53
Capital Employed	₹ in Lakh	2548.68	2454.94	2375.34	2264.04	2180.87
Significant Ratios						
Operating EBITDA/Net Sale	%	8.26	10.67	14.51	14.90	16.09
Return on Capital Employed (EBIT/Avg. CE)	%	10.15	15.68	14.41	12.35	17.75
Price Earnings Ratio		142.06	66.32	57.94	22.26	7.21
Book Value Per Share	₹	51.79	50.77	48.46	45.77	44.11
Current Ratio		5.24	4.71	5.89	6.94	4.02
Operations						
Knitting Production	Pairs in lakh	65.42	97.05	57.62	53.36	69.77
Pairs Dispatched	Pairs in lakh	76.96	84.01	55.89	55.04	67.16
Sales realization	₹ per pair	39.95	42.25	41.40	33.46	36.73
Earnings Per Share	₹	1.03	3.21	2.69	1.81	3.06

There is no change in the nature of business of your Company for the year under review.

Industry Structure and Development

The key players of the textile industry are concentrated in India, China, the European Union and the United States. Vietnam and Bangladesh have also emerged as significant contributors to the industry. India is estimated to have the world's third largest textile industry.

India benefits from multitude of factors such as abundant availability of raw materials including cotton, polyester, nylon, silk, wool and jute, along with a large pool of skilled manpower and large ancillary industry. It also enjoys benefits of being a cost effective compared to other large textile producing countries.

New technologies and state-of-the art equipment have enabled the Indian textile industry to become more efficient and productive over the years.

Notwithstanding the availability of such facilities and resources the textile industry including garments has been struggling to increase international market share. Besides the industry's performance in export market this year was lack luster. The problems faced by Indian Textile Industry are as under;

Wide variation in cotton prices from time to time making it difficult to quote price for long term export contracts in export market, where the prices are quoted two times in a year.

10.6% import duty has been imposed by the European Union on exports from India. Countries like Vietnam, Sri Lanka and Bangladesh are exempted from such duty. Due to this Indian players have a lower market penetration in Europe.

Indian exports have decreased in last two consecutive years and exports of readymade garments were 10% lower this year against preceding year. The exports of knitwear are adversely impacted.



In short, the employment potential of India's textile and clothing industry remains grossly underutilized, particularly in MMF sector.

Opportunities:

If Free Trade Agreement between India and other overseas countries are fully implemented, there will saving of 10.6% import duty to overseas customers purchasing goods from India. This will boost exports from India. It will be a level playing field for India like other members of the European Union.

Significant developments are taking place in preparation of fancy yarns in India – both cotton and manmade. This offers opportunity to weaving and knitting manufacturers to seize the opportunity and go for value added products for export and local markets.

Extension of the scheme for Rebate of State and Central Taxes and Levies (RoSCTL) till March'26 for the export of apparel, garment and made ups with same rates would benefit textile companies.

The prices of your company's export products have a very wide range from ₹ 25 per pair to above ₹ 100 per pair (Football socks). The export of football and other high price socks is around 4.5 to 5.5 lakh pairs per year. Your company is making efforts to accelerate the market share of such socks to improve average realised price per pair and overall profitability

Threats:

There is intense competition in the global markets especially from the garment industries from Turkey and China.

Global economic slowdown continues, with many countries of the world having become epicenter of geopolitical tensions. Due to this there is subdual demand for apparel and garments in key markets.

Import duty of 10.6% still continues, making India incompetentive on the price level.

In India, many factories use spun polyester yarn in place of cotton yarn for inner wear apparel. Since the Polyester yarn is cheaper, in local markets innerwear polyester textiles are posing big price threat to cotton textiles.

Unorganized sector goods with cheaper prices are overwhelmingly competing with organized sector goods.

Key Financial Ratios:

The key financial ratios for the financials are as per the below table:

Particulars	2023-24	2022-23
Debtors turnover ratio	6.51	7.54
Inventory turnover ratio	3.05	2.51
Current ratio	5.20	4.71
Debt equity ratio	0.16	0.03
Operating profit margin (%)	6.95	9.09



Net profit margin (%)	2.07	4.57
Return on Networth	2.49	6.48

Formulae used for computation of key financial ratios are as follows:

Debtors turnover ratio	Net sales (i.e. revenue from operations) /Average of opening and closing trade receivables
Inventory turnover ratio	Net sales /Average of opening and closing inventories
Current ratio	Current assets /Current liabilities
Debt equity ratio	Debt (net of cash) /Total equity
Operating profit margin (%)	Profit before interest and taxes /Net sales
Net profit margin (%)	Profit after tax /Net sales
Return on networth (%)	Profit after tax /Average of total equity

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The existing internal financial controls are commensurate with the nature, size, complexity, and business processes followed by the Company. They have been reviewed and found generally satisfactory on the following key control matrices.

- Entity Level Control
- Financial Control
- Operational Control

which included authority and organization matrix, risk management practices, compliance framework within the origination, ethics and fraud risk management, management Information system, self-assessment of control point, business continuity and disaster recovery planning, budgetary system, etc.

Section 134(5)(e) of the Companies Act, 2013 requires the submission of a report by the Board of Directors of a listed Company which includes a statement ensuring that the Company has laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and operating effectively.

During the year, the Company followed Policy Documents with regard to Internal Financial Control, along with Risk Control Matrix. The same have been tested by the Internal Auditors and the Statutory Auditors.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The workforce is a critical factor in maintaining quality and safety, which strengthens the competitive position and the human resource policies focus on training and retaining of the employees of the Company. The Company trains employees regularly to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety. Employees are offered performance-linked incentives and benefits and the Company

conducts employee engagement programs from time to time. The Company also hires contract labour. The company has 155 employees on payroll.



The Company would like to sincerely appreciate the valuable contribution and support of employees towards the performance and growth of the Company. The management team comprises of professionals with a proven track record. The Company continues to remain focused and sensitive to the role of human resources in optimizing results in all its areas of working and its industrial relations also continue to be cordial.



CORPORATE GOVERNANCE REPORT

Corporate Governance has a pivotal role in steering a company towards greater accuracy and transparency in management and control, ultimately building trust in the company's ability to maximize value for all stakeholders. In the age of rapid evolution, where environmental and regulatory compliances are increasing manifold, corporate governance has become all more pervasive. Corporate Governance is more than just a system, it is an ethos which drives the company and its officials at the helm of affairs to be accountable, fair, and conscious in delivering and adhering to its objectives.

1. **A brief statement on the Company's philosophy on the code of Corporate Governance**

Virat Industries Limited is committed to good Corporate Governance and has taken initiatives to comply with the revised Code of Corporate Governance. Virat's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders, including shareholders, employees, lenders and the Government. We believe that "learning is a continuous exercise" and will enshrine ideals and values, that have been the guiding force of the Company's philosophy on corporate governance in all activities of the Company.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as applicable, with regard to corporate governance.

2. **Board of Directors:**

The Board of Directors ('Board') is at the core of our corporate governance practice and oversees and ensures that the Management serves and protects the long-term interest of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

a.) **The composition of the Board of Directors is as follows:**

Our policy is to have a mix of EDs, NEDs, and IDs to maintain the Board's independence and separate its functions of governance and management. As on March 31, 2024, the Board comprised of Six members, two of whom are EDs, one is NEDs and three are IDs. The Board periodically evaluates the need for change in its composition and size.

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and Section 152 of the Act.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the



Management. Further, the IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

A detail of attendance of each Director at the Board Meetings held during the year is as follows:

Sr. No.	Designation	Name of Director	Category	No of Board Meetings Attended	Last AGM Attendance
1	Managing Director	Shri. Adi F. Madan	Executive	6	Present
2	Director	Shri. Ajit P. Walwaikar	Non-Executive Independent	6	Present
3	Director	Shri. Harish H. Shah	Non-Executive Independent	5	Present
4	Whole-Time Director	Smt. Ayesha K. DadyBurjor	Promoter Executive	5	Present
5	Director	Shri. Kaizad DadyBurjor	Promoter Non-Executive	5	Present
6	Director	Shri. Pheroze A. Dhanbhora	Non-Executive, Independent	5	Present

b.) Details of Directorships/ Board Committee memberships held by the Directors of the Company in Listed companies:

Sr. No.	Name of Director	No. of directorship in Listed Companies*	No. of Board Committee positions in Listed Companies (Audit/Stakeholders Committee)*	Position held as Board Committee chairman in Listed Companies (Audit/Stakeholders Committee)*
1	Shri. Adi F. Madan	1	1	0
2	Shri. Ajit P. Walwaikar	2	4	2
3	Shri. Harish H. Shah	1	1	0
4	Smt. Ayesha K. DadyBurjor	1	0	0
5	Shri. Kaizad DadyBurjor	1	0	0
6	Shri. Pheroze A. Dhanbhora	1	2	0

* Including Virat Industries Limited



c.) Number of Shares held by the Directors:

Sr. No.	Designation	Name of Director	Position	No. of Shares held	%
1	Managing Director	Shri. Adi F. Madan	Executive	118406	2.40
2	Director	Shri. Ajit P. Walwaikar	Non-Executive Independent	Nil	Nil
3	Director	Shri. Harish H. Shah	Non-Executive Independent	50	0.00
4	Whole-Time Director	Smt. Ayesha K. DadyBurjor	Promoter Executive	232252	4.72
5	Director	Shri. Kaizad DadyBurjor	Promoter Non-Executive	53004	1.08
6	Director	Shri. Pheroze A. Dhanbhoora	Non-Executive, Independent	Nil	Nil

d.) Code of Conduct for Board Members and Senior Management:

A declaration regarding compliance by the Board, President-Works, Senior Officers and Company Secretary, of Code of Conduct has been taken.

3. Audit Committee:

a) Brief description of terms of reference of the Audit Committee includes:

1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit



findings;

- e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions (the term “related party transaction” shall have the same meaning as assigned to it under the SEBI Listing Regulations, and any amendment made to it);
 - g. modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / DRHP / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or right issue or preferential issue or qualified institution placement , and making appropriate recommendations to the board to take up steps in this matter;
 7. reviewing and monitoring the auditor’s independence and performance, and effectiveness of audit process;
 8. approval or any subsequent modification of transactions of the Company with related parties;
 9. scrutiny of inter-corporate loans and investments;
 10. valuation of undertakings or assets of the Company, wherever it is necessary;
 11. evaluation of internal financial controls and risk management systems;
 12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. discussion with internal auditors of any significant findings and follow up there on;
 15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;



18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. carrying out any other function as is mentioned in the terms of reference of the audit committee;
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances /investments, if applicable.
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

b) Composition, name of members and chairperson:

The committee consists of the following Non-Executive independent Directors:

1. Mr. Ajit P. Walwaikar - Chairman
2. Mr. Harish H. Shah
3. Mr. Pheroze A. Dhanbhoora

Mr. Naman Bhandari, Company Secretary, was the Audit Committee Secretary up to 03.12.2023.

Mr. Himanshu Zinzuwadia, Company Secretary, is the Audit Committee Secretary with effect from 01.03.2024.

At the Annual General Meeting held on 20th September 2023, all the directors were present in the meeting.

Audit Committee met four times during the year i.e. on 25/05/2023, 10/08/2023, 09/11/2023, 13/02/2024.

Sr. No.	Date of Audit Committee Meeting	Attendance of Directors		
		Mr. Ajit P. Walwaikar	Mr. Harish H. Shah	Mr. Pheroze A. Dhanbhoora
1	25/05/2023	Y	N	Y
2	10/08/2023	Y	Y	Y
3	09/11/2023	Y	Y	Y
4	13/02/2024	Y	Y	N

Y-Attended N-Not Attended

4. Remuneration Committee:

a) A brief description of terms of references of the Remuneration Committee includes:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the



remuneration of the directors, key managerial personnel and other employees;

2. Every appointment of an independent director, the Nomination and Remuneration Committee shall be the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: a. use the services of an external agencies, if required; b. consider candidates from a wide range of backgrounds, having due regard to diversity; and c. consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent director.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

b) Remuneration Policy:

The remuneration policy of the Company is directed towards rewarding performance based on the review of achievements on a periodic basis and is in consonance with the existing industry practice.

c) The committee consists of the following directors:

1. Mr. Ajit P. Walwaikar - Chairman
2. Mr. Harish H. Shah
3. Mr. Pheroze A. Dhanbhoora

Nomination and Remuneration Committee met three times during the year i.e. on 10/08/2023, 09/11/2023, 01/03/2024

Sr. No.	Date of Nomination and Remuneration Committee Meeting	Attendance of Directors		
		Mr. Ajit P. Walwaikar	Mr. Harish H. Shah	Mr. Pheroze A. Dhanbhoora
1	10/08/2023	Y	Y	Y
2	09/11/2023	Y	Y	Y
3	01/03/2024	Y	Y	Y

d) Details of fixed remuneration paid to the Managing Director for the Financial Year 2023-24:



Name of Director	Designation	Salary (₹)	Perks (₹)	Total (₹)
Mr. Adi F. Madan	Managing Director	24,00,000	20,47,924	44,47,924

The above excludes amounts pertaining to gratuity and leave encashment for the year as the same is provided on the basis of the actuarial valuation for the Company as a whole.

e) Details of sitting fees paid to Non-Executive Directors for the Financial Year 2023-24:

Name of Director	Total Sitting fees paid for attending Board Meetings (₹)	Total Sitting fees paid for attending Committee Meetings (₹)
Mr. Kaizad R. DadyBurjor	60,000	-
Mr. Ajit.P.Walwaikar	75,000	60,000
Mr. Harish H. Shah	60,000	35,000
Mr. Pheroze A. Dhanbhoora	60,000	45,000

5. Stakeholder Relationship Committee:

The purpose of forming this Committee is to mainly focus on the basic rights of the shareholders including, Transfer of Shares, Transmission / Transposition of Shares, Issue of Duplicate / Split Certificates, Sub Division / Consolidation of Shares, Consolidation of Folios, De-materialization / Re-materialization of Shares and such other issues relating to shares. Four meetings were held during the year 2023-24.

a) Name of Non-Executive – Independent Director heading the committee:

Mr. Ajit P. Walwaikar - Chairman

Name of other Members :

Mr. Adi F. Madan

Mr. Pheroze A. Dhanbhoora

b) Name and designation of Compliance Officer:

Mr. Himanshu Zinzuwadia is designated as a Compliance Officer as per Regulation 6 of SEBI (LODR) Regulations, 2015.

6. General Body Meetings :

a) Details of date, location and time of the last three Annual General Meetings (A.G.M.) and the Extra-ordinary General Meetings in the last year:

DATE	MEETING	LOCATION	TIME	Details of any Special Resolution
23/09/2021	A.G.M.	The meeting was held through VC/OAVM.*	11.00 A.M.	Re-appointment of Managing Director
08/09/2022	A. G. M.	The meeting was held through	11.00 A.M.	Nil



		VC/OAVM.*		
20/09/2023	A. G. M.	The meeting was held through VC/OAVM.*	11.00 A.M.	Re-appointment of Whole-Time Director

* The Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting through video-conferencing/other audio-visual means ('VC/OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue of the AGM shall be A-1/2 GIDC Industrial Estate, Kabilpore, Navsari, Gujarat 396424.

b) Postal Ballots:

There were no special resolutions passed in the last year through postal ballot.
There is no proposal for any special resolution to be passed through postal ballot.

7. Disclosures

- a) There are no transactions with related parties i.e. with the Promoters, Directors Management, Subsidiaries or relatives, etc. that may have potential conflict of interest of the Company at large. Transactions with related parties are disclosed in the notes to the Accounts of the Company in the Annual Report.
- b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during last three years:

The Company has complied with all prescribed requirement of Stock Exchange and SEBI on matters related to capital market, during last three years.

- c) Disclosure of accounting treatment, if different from that prescribed in accounting standards with explanation:

The Company has complied with all the prescribed accounting standards.

8. Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carried out quarterly secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audits confirm that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

9. Certificates from Practicing Company Secretaries

As required by Regulation 34(3) and Schedule V, Part E of the SEBI Listing Regulations, the certificate given by Vishal Dewang & Associates (CP. No. 9596), Practicing Company Secretaries, regarding compliance of conditions of the Company of corporate governance, is annexed to the Board's Report. As required by Clause 10(i) of Part C under Schedule V of the SEBI Listing Regulations, the Company has received a certificate from Vishal



Dewang & Associates (CP. No. 9596), Practicing Company Secretaries, certifying that none of our Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI or MCA or such other statutory authority.

10. CEO and CFO certification

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chief Executive Officer & Managing Director and Executive Director & Chief Financial Officer have given appropriate certifications to the Board of Directors of the Company.

11. Annual Certificate on Security Transfer

In terms of Regulation 40(9) of the SEBI Listing Regulations, certificates, have been issued by a Company Secretary in Practice, on annual basis, with respect to due compliance of share and security transfer formalities by the Company.

12. Material Pecuniary Relationship

During FY 2023-24, the Company did not have any material pecuniary relationship or transactions with the Non-Executive Directors of the Company, apart from paying Sitting Fees. Further, the Directors have not entered into any contracts with the Company, which give rise to the in material conflict with the interest of the Company.

The Board has received disclosures from KMP and Members of Senior Management relating to material, financial and commercial transactions where they and/or their relatives have personal interest.

13. Means of Communication

The Board of Directors of the Company takes on record the Un-audited Financial Results in the prescribed form within forty five days of the close of first three quarters and audited financial results within sixty days of close of year. The results are promptly forwarded to the stock exchange where the Company's shares are listed. The same are also published within 48 hours in the newspapers namely Financial Express (English & Gujarati). Quarterly Results are also available on the Company's website www.viratindustries.com.

14. General Shareholder Information :

1. Number of Annual General Meeting : 34th Annual General Meeting
2. Date : 05th September, 2024
3. Day : Thursday
4. Time : 11:00 A.M.
5. Venue : Registered Office at A-1/2, Kabilpore GIDC, Navsari – 396 424, Gujarat (Through VC/ OAVM)
6. Financial Calendar : 01 April, 2023 to 31 March, 2024.

Tentative Financial Calendar for year ended 31st March, 2025 is as given below:

- i. Quarterly Un-audited Results for June, 2024: On or before 14th August, 2024
- ii. Quarterly Un-audited Results for Sept. 2024: On or before 14th November, 2024
- iii. Quarterly Un-audited Results for Dec. 2024: On or before 14th February, 2025
- iv. Audited Financial Results for the year ending 31st March, 2025: On or before 30th May, 2025



7. Book Closure Date : **Friday, 30th August 2024 to Thursday, 05th September 2024** (both days inclusive)
8. Dividend Payment Date : N.A.
9. Listing on Stock Exchange : The Bombay Stock Exchange Limited. (BSE)
1st Floor, New Trading Ring, Rotunda Building,
P. J. Towers, Dalal Street, Fort, Mumbai – 400 023
10. Stock Code : 530521
11. ISIN No. for dematerialized shares : INE467D01017

Details of share price movements on the Bombay Stock Exchange Ltd

Sr. No.	Month	High ₹. P.	Low ₹. P.	BSE SENSEX Highest	BSE SENSEX Lowest
1	April, 2023	250	177.5	61,209.46	58,793.08
2	May, 2023	241.3	202.4	63,036.12	61,002.17
3	June, 2023	234.7	203.4	64,768.58	62,359.14
4	July, 2023	229.45	205.1	67,619.17	64,836.16
5	August, 2023	244	197.55	66,658.12	64,723.63
6	September, 2023	244.4	206	67,927.23	64,818.37
7	October, 2023	236	197.65	66,592.16	63,092.98
8	November, 2023	228.8	195.2	67,069.89	63,550.46
9	December, 2023	218.1	181.3	72,484.34	67,149.07
10	January, 2024	208	170.45	73,427.59	70,001.60
11	February, 2024	184.8	142.1	73,413.93	70,809.84
12	March, 2024	165.9	133.6	74,245.17	71,674.42

15. Vigil Mechanism:

The Vigil Mechanism approved by the Board provides a formal mechanism for all Directors, employees and vendors of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures regarding the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Under the Policy, in addition, Directors, employees, and vendors, may approach the Chief Ethics Counsellor to make any such protected disclosure. During the year under review, no person has been denied access to the Chairman of the Audit Committee. Details of the Vigil Mechanism are given in the Board's Report.

The Whistle Blower Policy for Directors and Employees is available on the Company's website at www.viratindustries.com.

16. Registrar and Share Transfer Agents:

The share transfer work of the Company is being handled by Link Intime India Pvt. Ltd. C 101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai – 400083.

17. Share Transfer System:

The entire share transfer system is handled by the Registrar and Transfer Agents (RTA) of the Company at the address given above. The RTA is equipped with all required infrastructure for share transfer – physical and demat.



The transfer requests received are processed by the Registrar and Transfer Agents and subsequently approved by the Share Transfer Committee. The Committee meets twice a month and the transfer is normally effected and dispatched within the time limit prescribed under the Listing Agreement.

18. Shareholding Pattern as on 31-03-2024

Particulars	Total Shares	Percentage (%)
Promoters and persons acting in concert	13,39,136	27.20
Directors and their relatives	1,34,205	2.73
Mutual Fund(s)	0	0
Financial Institution(s)	0	0
Overseas Corporate Bodies	3,000	0.06
Insurance Companies	---	0
Unit Trust of India	---	0
Foreign Company	1,89,279	3.84
NRIs / NRNs / OCBs	1,22,449	2.49
Banks	---	0
Bodies Corporate	13,94,773	28.33
IEPF	1,54,840	3.15
Foreign Portfolio Investors Category II	25,000	0.51
Others	15,60,658	31.70
Total	4,923,340	100.0000

19. Distribution of Shareholding as on 31-03-2024

Distribution of Shares	No. of Shareholders	Percentage to Total No. of Shareholders	No. of Shares held	Percentage to Total Shares
1 – 500	1792	85.4962	244911	4.9745
501 – 1000	128	6.1069	100567	2.0427
1001 – 2000	72	3.4351	109314	2.2203
2001 – 3000	27	1.2882	65521	1.3308
3001 – 4000	13	0.6202	44633	0.9066
4001 – 5000	5	0.2385	23455	0.4764
5001 – 10000	16	0.7634	133499	2.7116
10001-& above	43	2.0515	4201440	85.3372
Total	2096	100.0000	4,923,340	100.0000

20. Dematerialization of Shares and Liquidity :

48,05,130 equity shares of the Company have been dematerialized as on 31-03-2024

Outstanding GDRs / ADRs / Warrants or Convertible Instruments, conversion date and likely impact on Equity	The Company has not issued such instruments
Address for Correspondence for Investor Redressal, Physical transfer and dematerialization	Link Intime India Pvt. Ltd. C 101, Embassy 247, L.B.S.Marg, Vikhroli (West), Mumbai – 400083



Person to be contacted for Shareholder queries	Mr. Himanshu Zinzuwadia, Compliance Officer, Virat Industries Ltd. A – 1/2, GIDC Industrial Estate, Kabilpore 396 424, Navsari, GUJARAT. Phone : : (02637)265011 / 265022 Telefax : (02637) 265712 E-mail : factory @viratindustries.com Website : www.viratindustries.com
Plant Location	Virat Industries Ltd. A – ½, GIDC Industrial Estate, Kabilpore 396 424, Navsari, GUJARAT STATE
Corporate Head Office	74, Bajaj Bhavan, 226 Rajani Patel Marg, Nariman Point, Mumbai – 400 021

For and On Behalf of the Board of Directors

Place: Mumbai
Date: 24th May, 2024

Adi F. Madan
Managing Director

DECLARATION REGARDING COMPLIANCE BY BOARD, PRESIDENT AND SENIOR OFFICERS WITH THE COMPANY'S CODE OF CONDUCT

This is to affirm that the Company has adopted a Code of Conduct for its Board of Directors, President, Senior Officers and Company Secretary.

I confirm that the Company has in respect of the financial year ended 31st March, 2024 received from the Board of Directors, President, Senior Officers and Company Secretary, a declaration of compliance with the Code of Conduct as applicable to them. The said code is also placed on the website of the Company viz. www.viratindustries.com

For and On Behalf of the Board of Directors

Place: Mumbai
Date: 24th May, 2024

Adi F. Madan
Managing Director



INDEPENDENT AUDITORS' REPORT

To the members of Virat Industries Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Virat Industries 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 Flows and the Statement of Changes in Equity for the year then ended, and a summary of 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, 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 Indian Accounting Standards prescribed under Section 133 of the Act read 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, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for 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 matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Response to Key Audit Matter
<p>Other Operating Revenue: Refer Note 24 of the IND AS Financial Statements and note 2.12 of the significant accounting policies to the IND AS Financial Statements. Other Operating revenue Mainly consists of government incentives and</p>	<p>Our audit Procedure Included reviewing appropriateness of the company's accounting policies in recognition of other operating income, verification of subsequent realisation of accrued incentives and assessing internal control procedures. We have:</p>



concessions. An accrual of this carries a risk of incorrect timing of its recognition and may involve a significant Management judgement in assessing the reasonableness of meeting the conditions for receipt of such incentives and certainty of its ultimate collection

Verified the documentary evidence supporting the accrual of government incentives.

Obtained understanding of applicable legislative framework to assess eligibility of the company for receiving the incentives/rebates.

Test Checked Compliances with conditions of schemes/ regulations under which the incentives/ rebates are receivable.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures, but does not include the Financial Statements and our Auditors' Report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 also responsible for overseeing the Company's financial reporting process.



Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents 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 controls 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 year and are therefore the key audit matters. We describe these matters in our auditors' 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 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 with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid by the company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.



- (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company;
 - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (a) and (b) contain any material misstatement;
 - (v) The Company has not declared or paid any dividend during the year.
 - (vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout 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 audit trail feature being tampered with.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 24125657BKESNH9807
Place: Pune
Date: May 24, 2024



Annexure A to the Independent Auditors' Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Virat Industries Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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



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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements 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.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 24125657BKESNH9807
Place: Pune
Date: May24, 2024

**Annexure B to the Independent Auditors' Report**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

1.
 - (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company does not have any intangible assets. Accordingly, reporting under Clause 3 (i) (a) (B) of the Order is not applicable to the Company.
 - (b) The Company has a regular programme of physical verification of its property, plant and equipment and investment properties by which the property, plant and equipment and investment properties are verified by the management according to a phased programme designed to cover all the items over a period of 3 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment and investment properties. In accordance with the programme, the Company has physically verified certain property, plant and equipment and investment properties during the year and no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
 - (d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) during the year.
 - (e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2.
 - (a) According to the information and explanations given to us, the inventory comprising of raw materials, work-in-progress, finished goods, traded goods, packing materials and stores and spare parts has been physically verified at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and the book records.
 - (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.
3. According to the information and explanations given to us, the Company has not made investments in or 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 during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.



4. According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.
5. According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.
6. The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.
7.
 - (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at March 31, 2024, which have not been deposited with the appropriate authorities on account of any dispute.
8. According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.
9.
 - (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - (b) According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender till the date of our audit report.



- (c) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.
- (e) The Company does not have any subsidiaries, joint ventures or associates. Accordingly, the reporting under Clauses 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
- 10.**
- (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
- 11.**
- (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.
- 12.** According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.
- 13.** In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act.
- 14.**
- (a) In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit reports of the Company issued till date for the period under audit.
- 15.** According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons



connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

16.

- a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
- b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- d) Based on the information and explanations given to us, we report that the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has no Core Investment Companies.

17. In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.

18. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

20. According to the information and explanations given to us, Section 135 of the Act is not applicable to Company.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 24125657BKESNH9807
Place: Pune
Date: May 24, 2024



Balance Sheet as at March 31, 2024

(₹' 000)

Particulars		Note No	As at 31 March 2024	As at 31 March 2023
A	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	3	46,055	46,010
	(b) Capital work-in-progress		-	-
	(c) Financial Assets			
	(i) Loans	4	318	450
	(ii) Other financial assets	5	2,662	2,647
	(d) Deferred tax assets (net)	17	4,058	2,752
	(e) Other non-current assets	6	2,789	1,488
	Total Non - Current Assets		55,882	53,347
2	Current assets			
	(a) Inventories	7	1,00,267	1,41,396
	(b) Financial Assets			
	(i) Trade receivables	8	47,257	47,096
	(ii) Cash and cash equivalents	9	25,793	21,978
	(iii) Bank balances other than (ii) above	9	56,765	15,129
	(iv) Loans	10	368	247
	(v) Other financial assets	11	2,225	1,858
	(c) Other current assets	12	25,019	25,199
	Total Current Assets		2,57,694	2,52,903
	Total Assets (1+2)		3,13,576	3,06,250
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity share capital	13	49,233	49,233
	(b) Other equity	14	2,07,014	2,00,735
	Total equity (a+b)		2,56,247	2,49,968
	Liabilities			
2	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	6,267	808
	(b) Provisions	16	2,136	1,637
	(c) Other non-current liabilities	18	-	100
	Total non - current Liabilities		8,403	2,545
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	19	-	-
	(ii) Trade payables	20		
	(a) dues to micro enterprises and small enterprises		3,992	400
	(b) dues of creditors other than the above		13,287	36,808
	(iii) Other financial liabilities (other than in (b) below)	21	10,031	10,834
	(b) Other current liabilities	23	18,587	3,952
	(c) Provisions	22	3,029	1,743
	Total Current Liabilities		48,926	53,737
	Total Equity and Liabilities (1+2+3)		3,13,576	3,06,250

Accompanying notes 1 to 44 from integral part of the financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

For B. K. KHARE & CO.
Chartered Accountants
(FR No. 105102W)
Amit Mahadik
Partner
Membership No. : 125657
Pune, Date: May 24, 2024

Adi F. Madan
(Managing Director)
DIN : 00023629
Ajit P. Walwaikar
(Director)
DIN : 00022123
Bhavik R. Maisuria
(Chief Financial Officer)
Mumbai, Date: May 24, 2024

Ayesha K. DadyBurjor
(Whole Time Director)
DIN : 02949248
Harish H. Shah
(Director)
DIN : 03032200
Himanshu Zinzuwadia
(Company Secretary)

Kaizad R. DadyBurjor
(Director)
DIN : 00022387



Particulars		Note No.	Year Ended 31 March 2024	Year Ended 31 March 2023
I	Revenue from operations	24	3,24,223	3,76,846
II	Other Income	25	9,900	7,344
III	Total Income (I + II)		3,34,123	3,84,190
IV	EXPENSES			
	(a) Cost of materials consumed	26	1,22,214	1,87,385
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	26,296	(37,100)
	(c) Employee benefit expense	28	58,655	54,537
	(d) Finance costs	29	540	694
	(e) Depreciation and amortization expense	3	14,484	15,381
	(f) Other expenses	30	1,01,577	1,41,492
V	Total Expenses (IV)		3,23,766	3,62,390
VI	Profit/(loss) before tax (III - IV)		10,357	21,800
	Tax Expense			
	(1) Current tax		3,431	7,327
	(2) Excess provision for tax relating to prior years		204	168
	(3) Deferred tax	17	(866)	(1,904)
VII	Total tax expense		2,769	5,590
	Profit/(loss) for the period (V - VI)		7,588	16,209
VIII	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss - Remeasurements of the defined benefit liabilities / (asset)		(1,749)	159
	(ii) Income tax relating to items that will not be reclassified to profit or loss		440	(40)
IX	Total comprehensive income for the period (VII + VIII(i) + VIII(ii))		6,279	16,328
X	Earnings per equity share (for continuing operation):			
	Basic		1.54	3.29
	Diluted		1.54	3.29

In terms of our report attached

For and on behalf of the Board of Directors

For B. K. KHARE & CO.
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Cash flow statement for year ended March 31, 2024

(₹' 000)

Particulars		For the year ended 31 March 2024	For the year ended 31 March, 2023
A	Cash Flow from Operating Activities		
	Profit before exceptional item and tax	10,357	21,800
	Adjustments for:		
	Depreciation and Amortization expenses	14,484	15,381
	(Profit)/Loss on property, plant and equipment sold/scrapped	(1,152)	-
	(Gain)/Loss on foreign exchange fluctuations (Net)	427	(1,167)
	Finance costs	540	694
	Interest Income	(1,773)	(917)
	Liabilities/Provisions no longer required written back	(1,033)	7
	Operating Profit before change in Working Capital	21,850	35,798
	Changes in :		
	Trade and other receivables	(1,156)	(9,318)
	Inventories	41,129	(52,729)
	Trade and other payables	(5,071)	16,536
		34,902	(45,511)
	Cash generated from operations	56,752	(9,712)
	Net income tax paid	(4,528)	(7,524)
	Net Cash flow from Operating Activities	52,224	(17,236)
B	Cash Flow from Investing Activities		
	Payments to acquire property, plant and equipment and other intangible assets	(15,313)	(3,118)
	Proceeds from disposal of property, plant and equipment and other intangible assets	1,936	4
	Changes in earmarked balances and margin accounts with banks	(41,636)	5,264
	Interest received on Fixed Deposits	1,421	582
	Net Cash used in Investing Activities	(53,592)	2,732
C	Cash Flow from Financing Activities		
	Proceed from long-term borrowing (including current maturities)	7,500	-
	Repayment of long-term borrowing (including current maturities)	(1,256)	(750)
	Dividend and tax on dividend paid	(521)	(5,171)
	Finance cost	(540)	(694)
	Net Cash used in Financing Activities	5,183	(6,615)
	Net (decrease)/increase in cash and cash equivalents	3,815	(21,119)
	CASH AND CASH EQUIVALENTS :		
	Opening Balance	21,978	43,097
	Closing Balance	25,793	21,978

Note: The above Cash Flow Statement has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows. Also refer Note 9.

In terms of our report attached

For and on behalf of the Board of Directors

For B. K. KHARE & CO.
Chartered Accountants
(FR No. 105102W)
Amit Mahadik
Partner
Membership No. : 125657
Pune, Date: May 24, 2024

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(Director)
DIN : 00022387



Statement of Changes in Equity for year ended 31 March 2024

a. Equity share capital

	Rs. in Thousands
Particulars	Rs.
Balance at March 31, 2022	49,233
Changes in equity share capital during the year	-
Balance at March 31, 2023	49,233
Changes in equity share capital during the year	-
Balance at March 31, 2024	49,233

b. Other equity

Particulars	Reserves and Surplus		Items of OCI	Rs. in Thousands
	General Reserve	Retained earnings	Remeasurement of net defined benefit plans	Total other equity
Balance at April 01, 2022	9,839	179,491		189,330
Profit for the year	-	16,209	-	16,209
Other comprehensive income for the year, net of income tax	-	-	119	119
Total comprehensive income for the year				16,328
Premium on issue of Equity Shares	-	-	-	-
Dividend paid during the year		(4,923)	-	(4,923)
Balance at March 31, 2023	9,839	190,777	119	200,735
Profit for the year	-	7,588	-	7,588
Other comprehensive income for the year, net of income tax	-	-	(1,309)	(1,309)
Total comprehensive income for the year	-			6,279
Premium on issue of Equity Shares	-	-	-	-
Dividend paid during the year		-		-
Balance at March 31, 2024	9,839	198,365	(1,190)	207,014

For B. K. KHARE & CO.
Chartered Accountants
(FR No. 105102W)
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Partner
Membership No. : 125657
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(Company Secretary)

Kaizad R. DadyBurjor
(Director)
DIN : 00022387



NOTES FORMING PART OF THE FINANCIAL STATEMENT

1. Corporate Information

Virat Industries Limited ("the Company") is a public Company listed on the Bombay Stock Exchange. The Company is a manufacturer and Exporter of premium quality of dress and sport socks for Men, Ladies and Children. The Company also manufactures high quality football socks for many clubs of Europe. The socks are knitted and processed on imported machinery. The socks of the Company are exported to Switzerland, U.K and Gulf countries for top end markets.

The manufacturing activity and Registered Office of the Company are located in Navsari, South Gujarat. The Head Office of the Company is situated in Mumbai. The marketing function is carried out at the Mumbai Head Office.

2.1 Statement of Compliance and Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from April 1, 2017.

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies below. The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 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, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.
- Level 2 inputs are significant inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.



2.2 Use of Estimates and Judgments

The preparation of financial statements in conformity with 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 and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

The key estimates and assumptions are set out in the accounting policies below, together with the related notes to the accounts. Significant items include:

- The Company has ongoing litigations with various revenue authorities and third parties. 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.
- The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the income statement 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.
- The depreciation charge on tangible property plant and equipment is determined based on useful lives of such assets. The Company is required to determine the useful life/period over which an asset is expected to be available for use by the Company.

2.3 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Accordingly the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.4 Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to its present location and condition.

Raw material is valued at lower of cost and net realisable value Cost is determined on the method of weighted average basis.

Finished goods and work in progress are carried at cost or net realisable value, whichever is lower. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Net realisable value is the estimated selling price less estimated costs for completion and sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable GST.

Obsolete, slow moving and defective inventories are identified at the time of periodic physical verification of inventories and, where necessary, a markdown is made for such inventories.



2.5 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.6 Property Plant and Equipment – Tangible Assets

Property, plant & equipments are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will be realized. The carrying amount of a replaced part is derecognized. All other repairs and maintenance are charged to the statement of Profit & Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of Property, Plant and Equipment are depreciated in a manner that amortises the cost of the assets after commissioning (or other amount substituted for cost), less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

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.

Property, plant and equipment's residual values and useful lives are reviewed, and adjusted if necessary, at each balance sheet date.

2.7 Impairment of Assets

The carrying value of assets/cash generating unit at each balance sheet date is reviewed for impairment. The Company determines whether a provision should be made for impairment loss on assets by considering the indication that an impairment loss may have occurred in accordance with Indian Accounting Standard (Ind AS) 36 "Impairment of Assets". Where the recoverable amount of any assets is lower than its carrying amount in accordance with Ind AS 36, a provision for impairment loss on fixed assets is made for the difference. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows expected to avail from continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor.

Where there is an indication that the impairment was recognised in an earlier accounting period no longer exists or may have decreased, such reversal of impairment lost is recognised in the Statement of Profit and Loss.

2.8 Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**Company as a Lessee**

Assets used under finance leases are recognized as property, plant and equipment in the balance sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within Property, Plant and Equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

2.9 Borrowing Costs

Borrowing cost, if any, that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to Statement of Profit and Loss.

2.10 Foreign Currency Transactions

The financial statements are presented in Indian Rupees (INR), which is the reporting currency of the Company. The Company account for transactions in foreign currency at the exchange rate prevailing on the date of transactions. Gains/Losses arising on settlement of such transactions as also the translation of monetary items at period ends due to fluctuations in the exchange rates are recognized in the Statement of Profit and Loss. Non – monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date and not retranslated at closing rates.

2.11 Employee benefits

The Company makes contributions to both defined benefit and defined contribution schemes. Certain defined benefit plans are administered through duly constituted and approved Trusts.

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out by an independent actuary at each balance sheet date.

Actuarial gains and losses are recognized immediately through Other Comprehensive Income in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the



Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under projected unit credit method. These benefits are unfunded.

2.12 Revenue Recognition

The Company recognises revenue from sale of goods or services at the amount of transaction price (excluding variable consideration that is constrained), that is allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of third parties.

Revenue from the sales of goods is recognised in the income statement upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Revenue from service are recognised in the period in which services are rendered.

Discounts include sales rebates, price discounts, customer incentives, certain promotional activities and similar items. The methodology and assumptions used to estimate sales rebates, price discounts, customer incentives, certain promotional activities and similar items are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions.

Other Income Operating Income

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

2.13 Other Income

Interest income is recognised on an accrual basis by applying the effective interest rate, except for short-term financial assets, when the recognition of interest would be immaterial.

Effective interest method:

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments other than those financial instruments “at fair value through income statement”.

2.14 Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates enacted or substantively enacted during the period, together with any adjustment to tax payable in respect of previous years. Income tax, in so far as it relates to items



disclosed under Other Comprehensive Income or Equity, are disclosed separately under Other Comprehensive Income or Equity, as applicable.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

2.15 Investments and Other Financial Assets

Classification

The Company determines the classification of its financial assets at initial recognition. The financial assets are classified in the following measurement categories as:

- those to be subsequently measured at fair value [either through other comprehensive income (OCI), or through profit or loss], and
- those subsequently measured at amortised cost.

The classification of debt instruments is based on the business model and terms of the contractual cash flows. Reclassification of debt instrument, if any, is done when the business model for managing those assets change.

Classification of equity instruments, not being investments in subsidiaries, associates and joint arrangements, depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI or fair value through profit or loss.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus costs that are directly attributable to the acquisition of the financial asset. However, in the case of a financial asset measured at fair value through profit or loss, the transaction costs are expensed immediately in statement of profit or loss. Subsequent measurement of financial assets is determined by their respective classification.

Debt Instruments

Subsequent measurement of debt instruments is in accordance with the Company's business model for managing the asset and the contractual cash flows characteristics of the asset. There are three measurement categories into which the company may classify its debt instruments:

- **Amortised Cost:** Assets which are held within the business model of collection of contractual cash flows and where those cash flows represent payments solely towards principal and interest on the principal amount outstanding. A gain or loss on a debt instrument that is measured at amortised cost and is not a part of hedging relationship is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- **Fair Value through Other Comprehensive Income:** Assets that are held within a business model of collection of contractual cash flows and for selling and where the assets' cash flow represents solely payment of principal and interest on the principal amount outstanding. Movements in carrying amount are taken through OCI, except for recognition of impairment gains or losses and interest income which are recognized in profit or loss. Interest income



from these assets is included in other income using the effective interest rate method. When the asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit or loss.

- Fair Value through Profit or Loss: Financial assets which are not classified as measured at amortised cost or fair value through other comprehensive income are classified as fair value through profit or loss. Movements in fair value of these assets are taken in profit or loss.

Equity Instruments

Equity instruments which are not investment in subsidiaries, associates and joint operations are measured at fair value. At the time of initial recognition, the Company makes an irrecoverable election for classification of an equity investment as fair value through profit or loss or fair value through OCI.

Movement in fair value of equity investments which are classified as fair value through profit or loss are recognized in other gains and losses in the statement of profit or loss.

Where the Company has elected to present fair value gains and losses on equity investments in OCI, the movement in fair value is recognized in OCI. At time of derecognition, there is no subsequent reclassification of cumulative fair value gains and losses recognized in OCI to statement of profit or loss. The cumulative gains or losses recognized in OCI is transferred within equity on such derecognition. Impairment losses (and reversals thereto) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Loans and Receivables

Loans and receivables are non – derivative financial asset with fixed or determinable payments that are not quoted in an active market. Trade receivables and loans are initially measured at transaction value and subsequently retained at cost less appropriate allowance for credit losses as most loans and receivables of the Company are current in nature. Where significant, non – current loans and receivables are accounted for at amortized cost using effective interest rate method less appropriate allowance for credit losses. Interest is accounted for on the basis of contractual terms, where applicable and is included in interest income.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its investments in debt instruments which are carried at amortized cost and FVTOCI. Impairment losses are recognized in the profit or loss where there is an objective evidence of impairment, such as where the issuer is in default or other significant financial difficulty. The impairment methodology applied depends on whether there has been a significant increase in credit risk and provision is made on an item by item basis. For such assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. Depending on product categories and the payment mechanism prevailing in the industry, provisions for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all the due amounts. If in a subsequent period, the amount of impairment loss reduces, the previously recognized loss is reversed by adjusting the allowance.

Derecognition of financial assets



A financial asset is derecognized when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all risks and rewards of ownership of the financial asset are transferred to another party or (c) despite having retained some significant risks and rewards, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Income recognition

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Dividend income is recognized in profit or loss as other income only when the Company's right to receive payments is established and the amount of dividend can be measured reliably.

Financial Liability and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Financial liabilities are initially recognized at fair value of consideration received less directly attributable transaction costs. Financial liabilities are classified, at initial recognition, as subsequently measured at amortized cost unless they fulfill the requirement of measurement at fair value through profit or loss. Subsequent measurement of the financial liabilities depends upon whether they have been classified at amortized cost or at fair value through profit or loss. Where the financial liability has been measured at amortized cost, the difference between the initial carrying amount of the financial liabilities and their redemption value is recognized in the income statement over the contractual terms using the effective interest rate method. Financial liabilities at fair value through profit or loss are carried at fair value with changes in fair value recognized in the finance income or finance cost in the statement of profit or loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.16 Provision and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.17 Derivatives and Hedge Accounting

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains/losses is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

To comply with the principles of 'fair value hedge', 'cash flow hedge' or 'hedges of net investments in foreign operations' where derivative contracts are designated as hedge instruments,



depending upon documented risk management objective and hedge relationship established at inception and which are highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

2.18 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee.

Segments are organized based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods. The CODM reviews the segments primarily from a business similarity perspective as well as from a geographic perspective.

Segment revenue is reported on the same basis as revenue in the financial statements. Segment results represents profits before finance charges, investment income and taxes. Inter-segment revenue is accounted for on the basis of transactions which are primarily market led.

“Unallocated Corporate Expenses” revenue and expenses relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to segments.

2.19 Dividend Distribution

To recognized Dividends paid (including income tax thereon) in the financial statements in the period in which the related dividends are actually paid or, in respect of the Company's final dividend for the year, when the same are approved by shareholders.


3. Property, Plant and Equipment and capital work-in-progress Carrying amounts of :

(₹' 000)

Description of Assets	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles (owned)	Vehicles (Under Finance Lease)	Total
As at 31 March 2024							
Gross Carrying Amount	42,207	1,85,868	3,701	5,455	2,495	15,732	2,55,457
Accumulated depreciation and impairment	28,894	1,66,735	3,283	4,677	2,041	3,773	2,09,402
Net carrying amount (I-II)	13,314	19,133	417	778	454	11,959	46,055
As at 31 March 2023							
Gross Carrying Amount	37,403	1,85,489	3,584	5,443	8,394	6,190	2,46,502
Accumulated depreciation and impairment	27,602	1,56,155	3,251	4,428	6,771	2,286	2,00,492
Net carrying amount (I-II)	9,802	29,333	334	1,015	1,623	3,903	46,010

Notes forming part of the financial statement

(₹' 000)

Description of Assets	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles (owned)	Vehicles (Under Finance Lease)	Total
Cost or Deemed Cost							
I. Gross Carrying Amount							
Balance as at 1 April 2023	37,403	1,85,489	3,584	5,443	8,395	6,190	2,46,504
Additions	4,804	801	154	12	-	9,542	15,313
Disposals	-	422	37	-	5,900	-	6,359
Others	-	-	-	-	-	-	-
Balance as at 31 March 2024	42,207	1,85,868	3,701	5,455	2,495	15,732	2,55,457
II. Accumulated depreciation and impairment							
Balance as at 1 April 2023							
Depreciation expense for the year	27,602	1,56,155	3,251	4,428	6,771	2,286	2,00,492
Addition in accumulated depreciation	1,292	10,982	68	249	407	1,486	14,484
Eliminated on disposal of assets	-	-	-	-	-	-	-
Others	-	403	35	-	5,137	-	5,575
Balance as at 31 March 2024	28,894	1,66,735	3,283	4,677	2,041	3,773	2,09,402
III. Net carrying amount (I-II)	13,314	19,133	417	778	454	11,959	46,055



Description of Assets	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles (owned)	Vehicles (Under Finance Lease)	Total
Cost or Deemed Cost							
I. Gross Carrying Amount							
Balance as at 1 April 2022	37,403	1,82,564	3,527	5,393	8,394	6,190	2,43,471
Additions	-	2,924	144	49	-	-	3,117
Disposals	-	-	86	-	-	-	86
Others [Written off]	-	-	-	-	-	-	-
Balance as at 31 March 2023	37,403	1,85,489	3,584	5,443	8,394	6,190	2,46,502
II. Accumulated depreciation and impairment							
Balance as at 1 April 2022	26,409	1,43,983	3,288	4,181	5,780	1,552	1,85,193
Depreciation expense for the year	1,192	12,173	44	247	990	735	15,381
Addition in accumulated depreciation	-	-	-	-	-	-	-
Eliminated on disposal of assets	-	-	82	-	-	-	82
Others [Written off]	-	-	-	-	-	-	-
Balance as at 31 March 2023	27,602	1,56,155	3,251	4,428	6,771	2,286	2,00,492
III. Net carrying amount (I-II)	9,802	29,333	334	1,015	1,623	3,903	46,010

4. Non-Current Loans

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
a) Loans to Employee		
- Secured, considered good	-	-
- Unsecured, considered good	318	450
- Doubtful	-	-
Less: Allowance for Bad and doubtful loans	-	-
Total	318	450

5. Other Non-Current Financial Assets

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
Security Deposit	2,328	2,329
Bank Deposits with more than 12 months	300	300
Interest accrued on Bank Deposits	34	18
Total	2,662	2,647

6. Other Non-Current Assets

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance income-tax (net)	2,789	1,488
Total	2,789	1,488

7. Inventories

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023



(a) Raw materials	31,008	46,743
(b) Goods in transit as above	2,015	194
(c) Work-in-progress (Knitted Socks)	2,923	2,331
(d) Finished goods	52,507	79,394
(e) Stores and spares	9,827	9,314
(f) Goods in transit as above	12	86
(g) Packing Material	1,975	3,253
(h) Goods in transit as above	-	81
Total Inventories (at lower of cost and net realizable value)	1,00,267	141,396

8. Trade receivables

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables		
(a) Considered good – Secured	-	-
(b) Considered good - Unsecured	47,625	47,464
(c) Significant increase in Credit Risk	-	-
(d) Credit impaired	-	-
Less: Allowance for expected credit loss	(368)	(368)
Total	47,257	47,096
Of the above, trade receivables from:		
- Related Parties	-	-
- Others	47,257	47,096
Total	47,257	47,096

Age-wise Trade Receivables are as under:

	As at 31 March 2024					
	> 6 months	6 months - 1 year	1 – 2 Years	2 – 3 Years	3-5 Years	Total
Undisputed Trade receivables						
considered good	45,716	318	449	353	421	47,257
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Disputed Trade Receivables						
considered good	-	-	-	-	368	368
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
	45,716	318	449	353	789	47,625

	As at 31 March 2023					
	> 6 months	6 months - 1 year	1 – 2 Years	2 – 3 Years	3-5 Years	Total
Undisputed Trade receivables						
considered good	45,021	852	808	210	204	47,096
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Disputed Trade Receivables						
considered good	-	-	-	368	-	368



which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
	45,021	852	808	578	204	47,464

9. Cash and Bank Balances

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents		
(a) Balances with banks	25,793	21,978
(b) Cash on hand	-	-
Total Cash and cash equivalent	25,793	21,978
Other Bank Balances		
(a) Earmarked balances with banks	1,027	1,548
(b) Balances with Banks:		
(i) On Margin Accounts	2,220	2,085
(ii) Fixed Deposits with maturity greater than 3 months (Refer Note below)"	53,518	11,496
Total Other Bank balances	56,765	15,129

Note:

Other Bank balance include deposits with remaining of more than 12 months from the balance sheet date - ₹334 (Previous Year - ₹318).

Reconciliation of Cash and Cash Equivalents

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
Total Cash and Cash Equivalents as per Balance Sheet	25,793	21,978
Total Cash and Cash Equivalents as per Statement of Cash flow	25,793	21,978

10. Current Loans

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
a) Loans to Employee		
- Unsecured, considered good	368	247
- Doubtful	-	-
Less: Allowance for Bad and doubtful loans	-	-
Total (A)	368	247
b) Other Loans		
- Secured, considered good	-	-
- Unsecured, considered good	2,500	2,500
- Doubtful	(2,500)	(2,500)
Total (B)	-	-
Grand Total	368	247



11. Other Current Financial Assets

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
➤ Security Deposit	1,360	1,363
➤ Advances	105	71
➤ Others		
• Interest accrued on deposits	760	424
• Interest accrued on ICD	68	68
• Less: Provision for doubtful Interest	(68)	(68)
Total	2,225	1,858

12. Other Current Assets

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
(A) others		
a. Prepaid expenses (includes Lease Land)	1,464	1,590
b. Balances with government authorities		
➤ Duty Drawback (Customs)	545	183
➤ GST Receivable	19,064	17,758
➤ Rebate of State and Central Taxes & Levies (ROSCTL)	3,352	5,668
➤ Advances against suppliers	565	-
c. Exchange gain receivable on forward contract	29	-
Total	25,019	25,199



13. Share Capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	₹'000	Number	₹'000
(a) Authorised Equity Shares of ₹ 10/- each with voting rights	5,000,000	50,000	5,000,000	50,000
(b) Issued, Subscribed and Paid Up Equity Shares of ₹ 10/- each with voting rights	4,923,340	49,233	4,923,340	49,233
Total	4,923,340	49,233	4,923,340	49,233

13.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Closing Balance
Equity shares with voting rights		
Balance at 1 April 2023		
• Number of Shares	4,923,340	4,923,340
• Amount in Thousand (₹'000)	49,233	49,233
Balance at 31 March 2024		
• Number of Shares	4,923,340	4,923,340
• Amount in Thousand (₹'000)	49,233	49,233

The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back in the 5 years immediately preceding the balance sheet date.

Terms and rights attached to equity shares

The equity shares of the Company rank pari-passu in all respects including voting rights and entitlement to dividend.

13.2 Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Equity shares with voting rights				
BT Capital Managers Pvt. Ltd.	1,001,750	20.35	1,001,750	20.35
Shapoorjee Chandabhoj Finvest Private Limited	7,74,202	15.73	753,795	15.31
H M Investments (UK) Limited	1,89,279	3.84	4,70,000	9.55
Shri. Armand N. Aga	2,57,678	5.23	267,678	5.43



13.3 Details of shares held by Promoters and Promoters group holding as at 31 March 2024

Name of Promoters	As at 31 March 2024		As at 31 March 2023		% Change During the year
	Number of Shares held	% of Holding	Number of Shares held	% of Holding	
Shapoorjee Chandabhoy Finvest Private Limited	7,74,202	15.73	753,795	15.31	0.42
Armand Naozer Aga	2,57,678	5.23	267,678	5.44	0.21
Ayesha K DadyBurjor	232,252	4.72	242,252	4.92	0.20
Kaizad R DadyBurjor	53,004	1.08	53,004	1.08	-
Rusi H DadyBurjor	11,000	0.22	11,000	0.22	-
Zenobia R DadyBurjor	11,000	0.22	11,000	0.22	-

14. Other Equity

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
General Reserve		
Opening balance	9,839	9,839
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	9,839	9,839
Surplus in Statement of Profit and Loss		
Opening balance	1,90,896	179,491
Add: Profit for the year	7,588	16,209
Balance available for appropriation	1,98,484	195,700
Less: Dividend	-	4,923
	1,98,484	190,777
Other Comprehensive Income		
Add: Remeasurements of the defined benefit liabilities/ (asset)	(1,749)	159
Less: Deferred tax adjustment	440	(40)
Closing balance	195,175	190,896
Total Other equity	207,014	200,735

15. Non-Current Borrowings

(₹' 000)

Particulars	Rate of Interest	As at 31 March 2024	As at 31 March 2023
Measured at amortised cost*			
A. Secured Borrowings:			
(a) Term Loans			
- From Axis Bank Limited (Secured by hypothecation of the concerned vehicle purchased) (Terms of Payment: Equated Monthly Installments of 77,771/- payable in 60 equal installments at interest rate of 8.96% per annum, 11 installments are remaining.)	8.96	-	808



- From Mercedes Benz Financial Services India Pvt. Ltd. (Secured by hypothecation of the concerned vehicle purchased) (Terms of Payment: Equated Monthly Installments of 111,767/- payable in 36 equal installments at interest rate of 8.12% per annum, 29 installments are remaining.)	8.12	6,267	-
Total Secured Borrowings		6,267	808

16. Provisions**(₹' 000)**

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Provision for employee benefits		
-Provision for Compensated Absences	1,846	1,637
-Gratuity	290	-
TOTAL	2,136	1,637

17. Current Tax and Deferred Tax**(i) Current Tax****(a) Tax expense recognized in Statement of profit and loss comprises:****(₹' 000)**

Particulars	As at 31 March 2024	As at 31 March 2023
Current tax	3,431	7,327
Short provision for tax relating to prior years	204	168
Total	3,634	7,495

(b) Reconciliation of effective tax rate

Particulars	As at 31 March 2024	As at 31 March 2023
Profit before tax (₹' 000)	10,357	21,800
Applicable tax rate*	25.17%	25.17%
Computed tax expense (₹' 000)	2,607	5,487
Others** (₹' 000)	824	1,840
Tax expense for the year	3,431	7,327
Others ** (₹' 000)	42	65
Deferred tax (₹' 000)	(866)	(1,904)
Effective tax rate	25.17%	25.17%



* The Company has elected to exercise the option permitted under Section 115BAA of the Incometax Act 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized provision for income tax for year ended 31st March, 2024.

** Others includes refunds, adjustment due to completed assessments and impact of rate change.

(ii) Movement in deferred tax balances

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred Tax Assets/(Liabilities)	4,058	2,752

(₹' 000)

Particulars	As at 31 March 2024			
	Opening Balance	Recognized in profit and Loss	Recognized in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(378)	(1,161)	-	(1,539)
	(378)	(1,161)	-	(1,539)
Tax effect of items constituting deferred tax assets				
Employee Benefits	503	65	440	1,008
Provisions for doubtful debts and other current asset	646	-	-	646
Other Temporary Differences (Other disallowances under Section 43B of the Income Tax Act, 1961)	1,225	(360)	-	865
	2,374	(295)	440	2,519
Net Tax Asset Assets/(Liabilities)	2,752	866	440	4,058

(₹' 000)

Particulars	As at 31 March 2023			
	Opening Balance	Recognized in profit and Loss	Recognized in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	1,489	(1,867)	-	(378)
	1,489	(1,867)	-	(378)
Tax effect of items constituting deferred tax assets				
Employee Benefits	485	58	(40)	503



Provisions for doubtful debts and other current asset	646	-	-	646
Other Temporary Differences (Other disallowances under Section 43B of the Income Tax Act, 1961)	1,246	(21)	-	1,225
	2,377	37	(40)	2,374
Net Tax Asset Assets/(Liabilities)	888	1,904	(40)	2,752

18. Other non-current liabilities**(₹' 000)**

Particulars	As at 31 March 2024	As at 31 March 2023
Others		
• Trade/Security deposits received	-	100
Total	-	100

19. Borrowings**(₹' 000)**

Particulars	As at 31 March 2024	As at 31 March 2023
Loans repayable on demand		
• From Banks Secured (Secured by deposit of title deeds of leasehold land and by a charge on buildings, structures, fixtures and fittings, immovable plant and machinery thereon. Such loans are further secured by a charge on the company's stocks, book debts, other receivables, movable properties and assets, etc., both present and future)	-	-
Total	-	-

20. Trade Payables**(₹' 000)**

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payable - Micro and small enterprises (Refer note no.32)	3,992	400
Trade payable - Other than micro and small enterprises	13,287	36,808
Total	17,279	37,208

Age-wise Trade Payables are as under:**(₹' 000)**

Sr. No.	Particulars	As at 31 March 2024		
		Less than 1 year	1 – 2 Years	Total
i.	MSME	3,992	-	3,992
ii.	Others	12,962	324	13,287
iii.	Disputed dues — MSME	-	-	-
iv.	Disputed dues — others	-	-	-
	Total	16,955	324	17,279



Sr. No.	Particulars	As at 31 March 2022		
		Less than 1 year	1 – 2 Years	Total
i.	MSME	400	-	400
ii.	Others	36,808	-	36,808
iii.	Disputed dues — MSME	-	-	-
iv.	Disputed dues — others	-	-	-
	Total	37,208	-	37,208

21. Other Financial Liabilities**(₹' 000)**

Particulars	As at 31 March 2024	As at 31 March 2023
a. Current maturities of finance lease obligations (Refer Note No. 36)	1,605	821
b. Salary/wages payable	7,399	8,465
c. Unclaimed/Unpaid dividends	1,027	1,548
Total	10,031	10,834

22. Provisions**(₹' 000)**

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Provision for Compensated Absences	380	331
Gratuity	2,649	1,412
Total	3029	1,743

23. Other Current Liabilities**(₹' 000)**

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Advances received from customers	16,163	1,055
(b) Deferred Income for EPCG grant	1,245	1,245
(c) Statutory dues		
- taxes payable (other than income taxes)	434	445
- Exchange loss payable on FC	-	578
- Employee Recoveries and Employer Contributions	745	629
Total	18,587	3,952

24. Revenue from operations**(₹' 000)**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Sale of Products (Refer Note (i) below)	307,464	354,990
(b) Other Operating Revenues (Refer Note (ii) below)	16,759	21,856
Total	3,24,223	376,846



(₹' 000)

Note	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(i)	Sale of products comprises		
	Manufactured goods - Knitted Socks		
	Export Sales	2,88,517	331,735
	Domestic Sales	18,947	23,255
	Total - Sale of manufactured goods	3,07,464	354,990
	Traded goods - Knitted Socks	-	-
	Total - Sale of products	3,07,464	354,990
(ii)	Other operating revenues comprise:		
	Duty drawback	5,639	8,113
	Rebate of State Lavies (ROSCTL/RODTEP)	10,049	11,936
	Job Work Income	23	50
	Samples Development Income	1,049	1,757
	Total - Other operating revenues	16,759	21,856

25. Other Income

(₹' 000)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest Income (Refer Note (i) below)	1,773	917
Net gain on foreign currency transactions and translation	5,317	3,775
Other Non-operating Income (Refer Note (ii) below)	2,810	2,652
Total	9,900	7,344

Note	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(i)	<u>Interest Income comprises:</u>		
	Interest from banks on Deposits	1,528	766
	Interest from loans and advances	180	151
	Interest from Direct/Indirect taxes refund	65	-
	Total - Interest Income	1,773	917
(ii)	<u>Other non-operating income comprises:</u>		
	Gain on disposal of property, plant and equipment	1,152	-
	Liabilities/Provisions no longer required written Back	1,065	
	Miscellaneous Income	593	2,652
	Total - Other non-operating Income	2,810	2,652

26. Cost of Materials Consumed

(₹' 000)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Stock	46,937	31,879



Add: Purchases	1,08,301	202,443
	1,55,238	234,322
Less: Closing Stock	33,023	46,937
Cost of Materials Consumed	1,22,214	187,385

Material Consumed comprises of yarn only.

27. Changes in inventories of finished goods and work in progress (₹' 000)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventories at the end of the year		
Finished goods	52,507	79,394
Work-in-progress	2,922	2,331
	55,429	81,725
Inventories at the beginning of the year		
Finished goods	79,394	42,421
Work-in-progress	2,331	2,204
	81,725	44,625
Net (Increase)/Decrease	26,295	(37,100)

28. Employee Benefits Expense (₹' 000)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and wages	52,405	49,033
Contribution to Provident and other funds	4,080	3,392
Staff welfare expenses	2,170	2,113
Total	58,655	54,537

29. Finance Costs (₹' 000)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest Expense on:		
- borrowings	459	623
- Others	1	9
Other borrowing costs	79	62
Total	540	694



30. Other Expenses

(₹' 000)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Consumption of stores and spare parts	6,742	7,585
Consumption of packing materials	14,597	22,889
Processing Charges	20,687	45,485
Power and Fuel	22,488	22,876
Lease Rent	2,399	2,219
Repairs:		
- To Buildings	32	-
- To Machinery	770	623
- To Others	219	149
Insurance	927	1,044
Rates and taxes	781	521
Carriage Outward	8,475	21,869
Sales expenses	9,970	4,264
Legal and professional fees	3,940	3,184
Payment to Auditors	950	1,100
Travelling and Conveyance Expenses	3,097	1,560
Miscellaneous expenses	5,502	6,125
Total	101,577	141,492

Payment to Auditor

(₹' 000)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(i) Payment to the auditors comprises:		
(a) To Statutory Auditors		
- For Audit	500	500
- For taxation matters	150	275
- For other services	300	325
Total	950	1100



Additional information to the financial statements

31. Contingent Liabilities and Commitments (to the extent not provided for) (₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
<ul style="list-style-type: none"> • Contingent Liabilities 		
Claims against the company not acknowledged as debt	-	-
<ul style="list-style-type: none"> • Commitments 		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

32. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹' 000)

Particulars	As at 31 March 2024	As at 31 March 2023
i. Principal amount remaining unpaid to any supplier as at the end of the accounting year	3,992	400
ii. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
iii. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed data	-	-
iv. The amount of interest due and payable for the year		
v. The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
vi. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

33. Employee Benefit Plans

a. Defined Contribution Plan

The Company makes Provident fund and other funds contributions to defined contribution plans for qualifying employees. The Company recognized (₹'000) 4,080 (Year ended 31 March, 2023 (₹'000) 3,392) for Provident Fund contributions.

In February 2019, the Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. The Company has been legally advised that there are interpretative challenges on the application of judgement retrospectively and as such does not consider there is any probable obligations for past periods. Accordingly, based on legal advice the



Company has made a provision for provident fund contribution from the date of the Supreme Court order.

b. Defined Benefit Plan: Gratuity

Provision is made for gratuity and compensated absences based upon actuarial valuation done at the end of every financial year using 'Projected Unit Credit' method and it covers all regular employees. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of profit and loss.

The Company has funded gratuity with Life Insurance Corporation of India.

The disclosures as required under revised Indian Accounting Standard 19 on "Employee Benefits" are as follows:

The following table sets out the funded status of the defined benefit schemes and the amount recognized in the financial statements:

(In ₹'000)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
	Gratuity	
Components of employer expense		
Current Service Cost	667	668
Interest Cost	935	850
Interest Income	(829)	(783)
Total Expense recognized in the Statement of Profit and Loss	773	735
Return on Plan Assets, Excluding Interest Income	123	164
Actuarial Losses/(Gain)	1,626	(323)
Total Expense recognized in the Other Comprehensive Income(OCI)	1,749	(159)
Actual contribution and benefit payments for year		
Actual benefit payments	424	342
Actual contributions	996	75

(In ₹'000)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	(15,286)	(12,482)
Fair value of plan assets	12,347	11,069
Funded status [Surplus / (Deficit)]	(2,939)	(1,413)
Net asset / (liability) recognised in the Balance Sheet	(2,939)	(1,413)



The principal business of the company is of manufacturing of socks. All other activities of the Company revolve around its main business. Hence, there is only one primary reportable business segment as defined by Indian Accounting Standard (Ind AS) 108 - "Segment Reporting". The segment reporting is consistent with the internal reporting provided to the Managing Director regarded as the Chief Operating Decision Maker("CODM").

The Secondary Segment are identified based on the geographical location of customers. The secondary geographical segments of the company consist of regions of United Kingdom, Switzerland, UAE, India and Rest of the World.

Secondary Segments information is as follows –

Particulars	(In ₹'000)		
	Revenues	Segment Assets (Trade Receivable)	Cost incurred on acquisition of Property, Plant and Equipment
United Kingdom	1,04,340 (131,163)	34,425 (37,753)	- (-)
Switzerland	1,46,052 (166,377)	8,022 (3,117)	- (-)
India	18,947 (23,255)	2,757 (3,850)	15,313 (3,117)
Rest of the World	38,125 (34,195)	2,421 (2,744)	- (-)
Total	3,07,464 (354,990)	47,425 (47,464)	15,313 (3,117)

Previous year figures are given in brackets.

Segregation of assets (except trade receivable) into secondary segments has not been done as all the assets are located and used in India and the Company is of the view that it is not practical to reasonably allocate such assets and an ad-hoc allocation will not be meaningful.

Information about major customers

Included in revenues arising from direct sales of knitted socks of (In ₹'000) **156671, 81411, Nil and 17109** (2022–2023 : (In ₹'000) 166377, 58979, 41014 and 22481) are revenues of approximately (In ₹'000) **255191** (2022–2023: (In ₹' 000) 288851) which arose from Federation of Migros Co – operative Society, Buffalo Private Label Limited, T. K. Max and HM Sox Limited. No other single customers contributed 10% or more to the revenue for both 2023 – 2024 and 2022 – 2023.



35. Related party transactions

Details of related parties:

Description of relationship	Names of related parties
Promoter Company	Shapoorjee Chandabhoy Finvest Private Limited
Key Management Personnel (KMP) and their Relatives	<u>Key Management Personnel:</u> Shri. Adi F. Madan - Managing Director Smt. Ayesha K. DadyBurjor - Whole Time Director Shri. Ajit P. Walwaikar - Independent Director Shri. Harish H. Shah - Independent Director Shri. Phiroze Dhanbhoora - Independent Director Shri. Bhavik R. Maisuria - CFO Shri. Naman Bhandhari - Company Secretary (up to 3rd December, 2023) Shri. Himanshu Zinzuwadia - Company Secretary (w.e.f. 1st March, 2024)
	<u>Their Relatives:</u> Shri. Armand N. Aga Shri. Kaizad R. DadyBurjor Smt. Ayesha A. Madan Shri. Jehan Adi Madan Smt. Zenobia R. DadyBurjor Shri. Rusi H DadyBurjor
Entities over which promoter group has significant influence	Armayesh Embroideries Private Limited

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended March 31, 2024 and balances outstanding as at March 31, 2024:

(in ₹' 000)

Particulars	Promoter Company	Associates	KMP and their Relatives	Entities over which promoter group has significant influence	Total
Transactions during the year					
Expenditure:					
Managerial Remuneration	- (-)	- (-)	8,396 (7,179)	- (-)	8,396 (7,179)
Directors Sitting Fees	- (-)	- (-)	395 (415)	- (-)	395 (415)



Other Transactions:					
Dividend Paid:					
Shapoorjee Chandabhoy	-	-	-	-	-
Finvest Private Ltd.	(754)	(-)	(-)	(-)	(754)
Armand Naozer Aga	-	-	-	-	-
	(-)	(-)	(268)	(-)	(268)
Ayesha Kaizad DadyBurjor	-	-	-	-	-
	(-)	(-)	(243)	(-)	(243)

(in ₹' 000)

Particulars	Promoter Company	Associates	KMP and their Relatives	Entities over which promoter group has significant influence	Total
Adi Madan	-	-	-	-	-
	(-)	(-)	(118)	(-)	(118)
Kaizad R DadyBurjor	-	-	-	-	-
	(-)	(-)	(53)	(-)	(53)
Zenobia R DadyBurjor	-	-	-	-	-
	(-)	(-)	(11)	(-)	(11)
Rusi H DadyBurjor	-	-	-	-	-
	(-)	(-)	(11)	(-)	(11)
Ayesha Madan	-	-	-	-	-
	(-)	(-)	(8)	(-)	(8)
Jehan Adi Madan	-	-	-	-	-
	(-)	(-)	(8)	(-)	(8)
Balances outstanding at the end of the year					
Managerial Remuneration Payable	-	-	574	-	574
	(-)	(-)	(537)	(-)	(537)

Note: Figures in bracket relates to the previous year

36. Details of leasing arrangements

As Lessee

The Company has entered into finance lease arrangements for vehicles, which provide the Company an option to purchase the asset at the end of the lease period.

(in ₹' 000)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Future minimum lease payments		
not later than one year	2,185	934
later than one year and not later than five years	6,922	844
Less: Unmatured finance charges		
not later than one year	580	113
later than one year and not later than five years	655	36



Present value of minimum lease payments payable not later than one year	1,605	821
later than one year and not later than five years	6,267	808

37. Earning per Share

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Basic and Diluted		
a) Net Profit for the year attributable to the equity shareholders (₹'000)	7,588	16,209
b) Weighted average number of Equity Shares basic and diluted	4,923,340	4,923,340
c) Earnings per Share - Basic and diluted (Equity Share of face value of ₹ 10/- each)	1.54	3.29

38. The Company has not granted any loans / advances in the nature of loans as stipulated in the Clause 32 of the Listing Agreement with the Stock Exchanges. For this purpose, the loans to employees as per the Company's policy and security deposits paid towards premises taken on leave and license basis have not been considered.

Capital Management and Financial Instrument Disclosures

39. Capital management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound and optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. There is no change in the overall capital risk management strategy of the Company compared to last year.

The Company monitors the total capital as comprising of debt and equity. Debt includes all short term and long term debts. Equity comprises of total shareholders' equity as reported in the financial statements.

The Company is not subject to externally enforced capital regulation.

Total Capital as of March 31, 2023 and March 31, 2022 are as follows:

Particulars	(in ₹' 000)	
	As at 31 March 2024	As at 31 March 2023
Total Shareholders' Equity as reported in Balance sheet	256,247	249,968
Debt		
Short term debt	-	-
Long term debt (including current portion of long term debt)	7,872	1,629
sub-total	7,872	1,629
Total Capital	2,64,119	251,597

40. Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek



to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices could affect the Company's income or the value of its holdings of financial instruments including cash flow. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks.

All such transactions are carried out within the guidelines set by the Board of Directors. Generally, the Company seeks to apply hedge accounting to manage volatility in profit or loss."

Currency Risk

The Company undertakes transactions denominated in foreign currencies. Consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities and borrowings when transactions are denominated in a different currency from the Company's functional currency.

The carrying amounts of the Company's foreign currency exposure at the end of the reporting period are as follows:

(in ₹' 000)						
Particulars	GBP	₹	USD	₹	Others	₹
As at 31 March 2024						
Trade Receivables	350	36,029	108	8,839	-	-
Trade & Other Payables	3	342	65	5,360	1	135
Total	353	36,372	173	14,199	1	135
As at 31 March 2023						
Trade Receivables	406	40,489	39	3,126	-	-
Trade & Other Payables	2	259	1	73	-	-
Total	409	40,748	40	3,199	-	-

The above year-end foreign currency exposures have not been hedged by derivative instruments or otherwise.

The Company has taken forward contract on year-end foreign currency exposures. The details are as under

(in ₹' 000)						
Particulars	GBP	₹	USD	₹	Others	₹
As at 31 March 2024						
Trade Receivables	-	-	118	12,507	-	-
As at 31 March 2023						
Trade Receivables	100	10,010	250	20,222	-	-



The above foreign currency forward contract, the Company has accrued loss on foreign currency transaction and translation of (₹'000) 29 (previous year loss on foreign currency transaction and translation of (₹'000) 578).

Credit Risk

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure are continuously monitored.

Trade Receivables

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses. The Company has taken dealer deposit amounting to Rs. 5 lakh and also certain sales are undertaken based on advance payments from customers, which is considered as collateral and these are considered in determination of expected credit losses, where applicable.

The credit risk on liquid funds such as Fixed deposits with Banks, investment in IRFC Bonds and derivative financial instruments is limited because the counterparties are banks and financial institutions with high credit-ratings.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on ongoing basis. To assess whether there is a significant increase in credit risk, the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

Liquidity Risk

The Company has established an appropriate liquidity risk management framework for the management of short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturity profile of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

(in ₹' 000)

Particulars	Less than 1 year	1 - 3 years	3 - 5 years	5 years and above
A) Liabilities				
As at 31 March 2024				
Long term borrowings	-	6,267	-	-
Trade payables	17,279	-	-	-



Other Financial Liabilities	10,031	-	-	-
Total	27,310	6,267	-	-
As at 31 March 2023				
Long term borrowings	-	808	-	-
Trade payables	37,208	-	-	-
Other Financial Liabilities	10,834	-	-	-
Total	48,042	808	-	-

Maturity profile of financial Assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1year	1 – 3 Years	3 – 5 Years	5 years and above
B) Assets				
As at 31 March 2024				
Investment	-	-	-	-
Loans	368	318	-	-
Security Deposit	-	-	-	2,328
Trade Receivables	47,257	-	-	-
Cash and cash equivalents	25,793	-	-	-
Bank Fixed Deposits	53,518	334	-	-
Other Current Financial Assets	2,225	-	-	-
Total	1,29,162	652	-	2,328
As at 31 March 2023				
Investment	-	-	-	-
Loans	247	450	-	-
Security Deposit	-	-	-	2,329
Trade Receivables	47,096	-	-	-
Cash and cash equivalents	21,978	-	-	-
Bank Fixed Deposits	11,496	-	-	-
Other Current Financial Assets	1,858	-	-	-
Total	82,674	450	-	2,329

The amounts included above for financial guarantee contracts are the maximum amounts the Company could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the



reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

41. Sensitivity Analysis

Foreign Currency Sensitivity

The sensitivity analysis arises on account of outstanding foreign currency denominated assets and liabilities, including derivative contracts. The Company considers a sensitivity of 10% in applicable foreign currency rates, holding all other variables constant.

The following tables demonstrate the sensitivity to a reasonably possible change in USD, GBP and AUD exchange rates, with all other variables held constant.

Particulars	Currency	Change in rate	Effect on Profit Before Tax	Effect on pre-tax equity
Year ended 31 March 2024	USD	+10%	348	348
	GBP	+10%	3,569	3,569
	EURO	+10%	23	23
Year ended 31 March 2023	USD	+10%	305	305
	GBP	+10%	4,023	4,023
	EURO	+10%	-	-

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

The sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest Rate sensitivity

The sensitivity analyses below have been determined based on exposure to interest rate for both derivative and non-derivative instruments at the end of reporting period. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax	"Effect on pre-tax equity"
Year ended 31 March 2024	INR Foreign Currency*	+50/50bps +25/-25 bps	NA	NA
Year ended 31 March 2023	INR Foreign Currency*	+50/50bps +25/-25 bps	NA	NA



*Note: The Company does not have any foreign currency borrowings hence not applicable.

Offsetting of balances

Certain financial assets and financial liabilities are subject to offsetting where there is currently a legally enforceable right to set off recognized amounts and the Company intends to either settle on a net basis, or to realize the asset and settle the liability, simultaneously. Certain derivative financial assets and financial liabilities are subject to master netting arrangements, whereby in the case of insolvency, derivative financial assets and financial liabilities will be settled on a net basis.

Our Company has not offset any financial asset and financial liability.

42. Ratios

Sr. No.	Details	Numerator	Denominator	CY 2023-2024	PY 2022-2023	Change in %
a)	Current Ratio	Current Assets	Current Liabilities	5.27	4.86	8.28
b)	Debt-Equity Ratio	Debt	Equity	0.03	0.01	371.54
c)	Debt Service Coverage Ratio	EBITDA	Interest on borrowing	14.13	26.22	(46.12)
d)	Return on Equity Ratio	Net Profit	Avg. Total Equity	3.00	6.64	(54.85)
e)	Inventory turnover ratio	Net Sales	Inventory	2.54	3.09	(17.55)
f)	Trade Receivables turnover ratio	Net sales	Trade Receivables	6.52	8.30	(21.46)
g)	Trade payables turnover ratio	Net Sales	Trade Payable	3.98	7.04	(43.56)
h)	Net capital turnover ratio	Net Sales	Capital Employed	1.47	1.77	(16.65)
i)	Net profit ratio	Net Profit	Net Sales	2.47	4.57	(45.95)
j)	Return on Capital employed	EBIT	Capital Employed	4.13	8.94	(53.85)

Current Ratio: No material Change is observed.

Debt Equity Ratio: Significant Change due to increase in borrowing.

Debt Service Coverage Ratio: Due to reduction in EBITDA compared to previous year

Return on Equity Ratio: Significant Change due to lower profit compared to previous year

Inventory turnover ratio: No material Change is observed.



Trade Receivables turnover ratio: Slight Change due to high proportion of customers paying their debts quickly.

Trade payables turnover ratio: Significant Change due to high proportion of suppliers payment and lower purchases.

Net capital turnover ratio: No material Change is observed.

Net profit ratio: Significant Change due to higher labour and power cost, lower margins due to competition.

Return on Capital employed: Significant Change due to higher labour and power cost, lower margins due to competition.

43. Fair Value Measurement

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities

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

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Derivatives are valued using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates at the end of the reporting period, yield curves, risk free rate of returns, volatility etc., as applicable.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case with listed instruments where market is not liquid and for unlisted instruments.

The fair value of trade receivables and payables is considered to be equal to the carrying amounts of these items due to their short – term nature.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.



44. During the current year the Company has not entered into any transaction with struck off Companies.
45. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

Adi F. Madan
(Managing Director)

DIN : 00023629

Ayesha K. DadyBurjor
(Whole Time Director)

DIN : 02949248

Kaizad R. DadyBurjor
(Director)

DIN : 00022387

Ajit P. Walwaikar
(Director)

DIN : 00022123

Harish H. Shah
(Director)

DIN : 03032200

Bhavik R. Maisuria
(Chief Financial Officer)

Himanshu Zinzuwadia
(Company Secretary)

Mumbai

Date: May 24, 2024



Virat Industries Limited
A – 1/2, GIDC Industrial Estate
Kabilpore Navsari – 396 424
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