



VARDHMAN APPLIANCES LIMITED

CIN : U27509DL2023PLC418176



Board's Report

To
The Members of
Vardhman Appliances Limited

Your Directors hereby present the 2nd Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended 31st March, 2025.

1. FINANCIAL HIGHLIGHTS

The financial performance of your company for the year ending March 31, 2025 is summarized below:

(Amount in Lakhs)

Particulars	Standalone		Consolidated	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Revenue from Operations	78,263.00	23,996.00	83,097.73	-
Other Income	392.31	294.02	397.30	-
Profit before Interest and Depreciation, Other expenses and Tax	78,655.31	24,290.02	83,495.03	-
Finance Cost	955.80	382.14	1,095.81	-
Depreciation and amortization expenses	756.86	223.47	767.91	-
Other expenses	74,396.82	22,226.77	790,37.05	-
Net Profit before Tax	2,545.83	1,457.64	2,594.26	-
Tax Expense	731.53	401.38	807.21	-
Deferred Tax	(140.29)	(18.90)	(140.54)	-
Net Profit after Tax	1,954.59	1,075.16	1,927.59	-

Regd. Office : Plot No. 43, First Floor, Rajasthani Udyog Nagar, Adarsh Nagar, Delhi-110033

Works : Plot No. 118 and 115, Phase-V, HSIIDC Industrial Estate, Sector-53, Kundli, Sonipat, Haryana - 131028

: Plot No. 104, Phase-V, HSIIDC Industrial Estate, Sector-53, Kundli, Sonipat, Haryana - 131028

: Plot No. 109, Phase-V, HSIIDC Industrial Estate, Sector-56, Kundli, Sonipat, Haryana - 131028

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2. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

During the reporting period company's performance was significantly increases due to synergy of business acquisition of Quality Industries and Vardhman Home Appliances Limited. In terms of revenue generation as the same has generated total revenue of Rs. 782.63 (Figure in lakhs) which is 542.67 (Figure in lakhs) more than the last year's turnover.

Company has generated other income of Rs. 392.31 (Figure in lakhs) during the year as compared to the other income generated in the previous year amounting Rs. 294.02 (Figure in lakhs).

Further, after meeting out all the administrative and other expenditures, the company has earned Net profit of Rs. 1954.59 (Figure in lakhs). The Net profit of the Company is increased by Rs. 879.43 (Figure in lakhs) in comparison to Net profit in Previous Financial year of Rs. 1075.16 (Figure in lakhs). The Board is taking the necessary steps to improve the performance of the Company and to have better working results in the coming years.

3. GENERAL MEETING(S) HELD DURING THE YEAR

During the financial year, following general meetings were held. The provisions of the Companies Act, 2013 were adhered to while conducting the meetings:

S. No.	Nature of meeting	Date of Meeting	Total Number of Members as on the date of the meeting	No. of Members Present
1	Extra Ordinary General Meeting	27/05/2024	8	8
2	Annual General Meeting	27/09/2024	9	8

4. EXTRACT OF ANNUAL RETURN

In compliance to provisions of section 134 (3) (a) of the Companies Act, 2013 copy of the Annual Return referred to in sub section (3) of Section 92 of the Act as prepared in Form No. MGT 7 is placed on the website of the company, weblink of the same is <https://vardhmanappliances.com>

5. DISCLOSURE WITH REGARD BOARD MEETING.

(a) Whether Company is an OPC or Small Company as at the FY end date: No

(b) Number of Meeting of Board of Directors

During the Financial Year, the Company held 6 board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of the Companies Act, 2013 were adhered to while considering the time gap between the two meetings.

state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(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; and

(e) Company being unlisted sub clause (e) of section 134(5) is not applicable.

(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.

7. FRAUD REPORTING

There were no frauds reported by the auditor during the year under sub-section (12) of section 143 other than those which are reportable to the Central Government.

8. (A) DISCLOSURE OF STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS U/S 149(6)

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedules and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The Independent Directors have also confirmed that they have complied with the Company's code of conduct prescribed in Schedule IV to the Companies Act, 2013.

(B) STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

The Board is of the opinion that the Independent Directors appointed during the year possess high integrity, relevant expertise, and substantial experience, which enable them to make significant contributions to the functioning of the Board and the Company. Their knowledge and proficiency in their respective areas are expected to enhance the governance and strategic oversight of the Company.

It is to be further noted that and per the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (as amended from time to time), every Independent Director appointed in the company is required to clear the online proficiency self-assessment test conducted by the institute within a period of two years from the date of inclusion of his name in the data bank, failing which, his/her name shall stand removed from the databank of the Institute. In accordance with the said, all the Independent Directors of the company have registered their name as Independent Directors in the Database of IICA and have cleared the said online proficiency self-assessment test.

Name of the Member	Position held in the Committee	Category of the Member
Mr. Mamraj Agarwal	Chairman	Independent Director
Ms. Apeksha Lodha	Member	Independent Director
Mr. Piyush Jain	Member	Whole Time Director

2. NOMINATION AND REMUNERATION COMMITTEE

I. Company has constituted this Committee in compliance of the provisions of Section 178(3) of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014.

II. The broad terms of reference of the Nomination and Remuneration Committee are as under:

1. Recommend to the board the set up and composition of the board and its committees, including the "formulation of the criteria for determining qualifications, positive attributes and independence of a director". The committee will consider periodically reviewing the composition of the board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
2. Recommend to the board the appointment or reappointment of directors.
3. Devise a policy on board diversity.
4. On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
5. Provide guidelines for remuneration of directors on material subsidiaries.

III. The composition of the Nomination and Remuneration Committee is given below:

Name of the Member	Position held in the Committee	Category of the Member
Ms. Apeksha Lodha	Chairman	Independent Director
Mr. Mamraj Agarwal	Member	Independent Director
Mr. Akhil Jain	Member	Director

3. INDEPENDENT DIRECTORS

I. The composition of the Independent Directors is given below:

The Board appointed Jasuja Kapoor & Associates (FRN: 025333N), Chartered Accountant(s)/Internal Auditor(s), as the Internal Auditor of the Company on 04/09/2024.

The Internal Audit Report was received yearly by the Company and the same was reviewed and approved by the Audit Committee and Board of Directors. The yearly Internal Audit Report received for the financial Year 2024-25 is free from any qualification, further, the notes on accounts are self-explanatory and the observations were looked into by the management.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors.

(D) COST AUDITOR

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year. The Board appointed Goyal, Goyal & Associates, Cost Accountant(s), as cost auditor of the Company on 04/09/2024. The cost audit report would be filed with the Central Government within prescribed timelines.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors.

12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has the Loans, Guarantee given and Investments made under section 186 of the Companies Act, 2013, for the FY ended March 31, 2025, details of which are annexed to this report in **Annexure No. E**.

13. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (I) OF THE COMPANIES ACT, 2013

The company has not transferred any amounts in the Reserves in terms of Section 134(3)(I) of the Companies Act, 2013.

14. DIVIDEND

The Board of Directors of the Company, after considering holistically the relevant circumstances has not recommended any dividend for the current financial year with a view to conserve the profits generated.

15. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There was no unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, remaining unclaimed/ unpaid in relation to the Company hence the Company is not required to transfer any amount to Investor Education and Protection Fund (IEPF).

16. MATERIAL CHANGES AND COMMITMENTS

Following material changes occurred during the year:

20. INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

On 28th September 2024, the Company acquired 100% equity shares of Lazer India Private Limited for a total consideration of Rs. 1,163.61 Lakh, pursuant to which Lazer India Private Limited became a wholly owned subsidiary of the Company.

The Report on the performance and financial position of the Subsidiary/ JV/ Associate Company Companies is furnished in **Annexure A** and attached to this Report in AOC-1.

21. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. To ensure effective Internal Financial Controls the Company has laid down the following measures:

All operations are executed through Standard Operating Procedures (SOPs) in all functional activities for which key manuals have been put in place. The manuals are updated and validated periodically.

All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.

22. DETAILS OF CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

No corporate insolvency resolution process is initiated against your Company under Insolvency and Bankruptcy Code, 2016 (IBC).

23. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The company was not required to give details of the difference in valuation since it is not applicable to the Company for the financial year under review.

24. CHANGE IN NATURE OF BUSINESS

During the period under review, the Company has not changed its line of business in such a way that amounts to commencement of any new business or discontinuance, sale or disposal of any of its existing businesses or hiving off any segment or division.

25. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the current financial year, the following changes have occurred in the constitution of directors of the company.

6	Mr. Praveen Jain	Chief Financial Officer	AHGPJ0811R	06/02/2024
7	Mr. Sambhav Jain	Director	08413272	09/08/2024
8	Mr. Saurabh Kumar Mishra	Company Secretary	AZQPM2458M	06/02/2024
9	Mr. Siddharth Jain	Director	10204524	09/08/2024
10	Mr. Subodh Kumar Jain	Director	00087293	07/08/2023
11	Mr. Vineet Jain	Director	08413329	09/08/2024
12	Mr. Vinod Kumar Jain	Director	00087174	07/08/2023

26. (A) DEPOSITS

During the year under review, your Company has not invited any deposits from public/shareholders as per Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

28. BOARD EVALUATION

In compliance with the Companies Act, 2013 the performance evaluation of the Board was carried out during the year under review. The Company has prepared an annual performance evaluation policy for performance evaluation of Independent Directors, Board and the Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

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

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.

34. STATEMENT REGARDING COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

35. DETAILS OF FAILURE TO IMPLEMENT ANY CORPORATE ACTION:

During the year the Company has not failed to execute any corporate action.

36. PARTICULARS OF TOP TEN EMPLOYEE:

The provisions of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, regarding disclosure of the top ten employees by remuneration, are not applicable to the Company for the financial year ended on 31/03/2025.

37. DISCLOSURE IN RESPECT OF VOTING RIGHTS NOT EXERCISED DIRECTLY BY THE EMPLOYEES

There were no instances of voting rights not exercised directly by the employees in respect of shares to which scheme relates under section 67 (3) of the Companies Act, 2013 read with Rule 16 (4) Chapter IV- Companies (Share Capital and Debentures) Rules, 2014 during the financial year under review.

38. SHARE CAPITAL

A. AUTHORISED CAPITAL

During the year under review, there has been no change in the authorized share capital of the company.

The authorized share capital as on March 31, 2025 is as follows:

S. No.	Type of Share	No. of Shares	Value per share (in Rs.)	Total Amount (in Lakhs)
1	Equity Share	31000000	10	3100
Total				3100

B. PAID UP CAPITAL

During the Financial Year under review, Company has increased its Paid-Up Share Capital by Rs. 20,251,000.00 (Rupees Two Crore Two Lakh Fifty one Thousand only) in the following manner:

40. CAUTIONARY STATEMENT

The statements contained in the Board's Report contain certain statements relating to the future and therefore are forward looking within the meaning of applicable laws and regulations.

Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

41. ACKNOWLEDGEMENT

Your directors wish to express their grateful appreciation to the continued co-operation received from the banks, government authorities, customers, vendors and shareholders during the year under review. Your directors also wish to place on record their deep sense of appreciation for the committed service of the executives, staff, and workers of the company.

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS
VARDHMAN APPLIANCES LIMITED**

For Vardhman Appliances Limited



Managing Director

Parmod Kumar Jain
DIN : 00087133
Managing Director
R/o : H 3/7, Model Town-2 North West Delhi
Delhi India 110009

Date : 23/09/2025
Place : Delhi

For Vardhman Appliances Limited



Director

Subodh Kumar Jain
DIN : 00087293
Director
R/o : A-125, LOK VIHAR PITAMPURA Delhi
India 110034

Date : 23/09/2025
Place : Delhi