

**VADILAL INDUSTRIES LIMITED**

Regd. Office : Vadilal House, Shrimali Society, Nr. Navarangpura Railway Crossing, Navrangpura, Ahmedabad - 380 009

**UNAUDITED FINANCIAL RESULTS FOR QUARTER & HALF-YEAR ENDED ON 30TH SEPTEMBER, 2008**

(Rs. in Lacs)

| Sr. No. | Particulars                                                                                                                               | Three months ended on 30/09/2008<br>(Unaudited) | Corresponding three months ended on 30/09/2007<br>(Unaudited) | Current Year cumulative upto 30/09/2008 (6 months)<br>(Unaudited) | Corresponding previous year cumulative upto 30/09/2007 (6 months)<br>(Unaudited) | Previous Accounting year ended on 31/03/2008<br>(Audited) |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------------------------------|
| 1       | a) Net Sales/Income from Operations                                                                                                       | 3408.21                                         | 2966.38                                                       | 8766.82                                                           | 7854.70                                                                          | 13263.69                                                  |
|         | b) Other Operating Income                                                                                                                 | 13.32                                           | 132.05                                                        | 43.58                                                             | 165.62                                                                           | 257.28                                                    |
| 2       | Expenditure                                                                                                                               |                                                 |                                                               |                                                                   |                                                                                  |                                                           |
|         | a) Increase/decrease in stock in trade and work in progress                                                                               | 192.06                                          | (56.80)                                                       | (609.86)                                                          | (722.61)                                                                         | (509.36)                                                  |
|         | b) Consumption of raw materials                                                                                                           | 1764.19                                         | 1724.05                                                       | 5735.51                                                           | 5362.96                                                                          | 8128.56                                                   |
|         | c) Purchase of traded goods                                                                                                               | 3.99                                            | 19.54                                                         | 3.99                                                              | 19.54                                                                            | 65.58                                                     |
|         | d) Employees cost                                                                                                                         | 210.13                                          | 171.79                                                        | 411.14                                                            | 336.31                                                                           | 684.27                                                    |
|         | e) Depreciation                                                                                                                           | 118.87                                          | 88.18                                                         | 233.41                                                            | 173.31                                                                           | 410.66                                                    |
|         | f) Other Expenditure                                                                                                                      | 963.95                                          | 988.09                                                        | 2220.63                                                           | 2102.62                                                                          | 3756.12                                                   |
|         | <b>g) Total</b>                                                                                                                           | <b>3253.19</b>                                  | <b>2934.85</b>                                                | <b>7994.82</b>                                                    | <b>7272.13</b>                                                                   | <b>12535.83</b>                                           |
| 3       | <b>Profit / (loss) from Operations before Other Income, Interest &amp; Exceptional Items (1-2)</b>                                        | <b>168.34</b>                                   | <b>163.58</b>                                                 | <b>815.58</b>                                                     | <b>748.19</b>                                                                    | <b>985.14</b>                                             |
| 4       | Other Income                                                                                                                              | 0.97                                            | 1.33                                                          | 8.11                                                              | 1.33                                                                             | 29.82                                                     |
| 5       | Profit/(loss) before Interest & Exceptional Items (3+4)                                                                                   | 169.31                                          | 164.91                                                        | 823.69                                                            | 749.52                                                                           | 1014.96                                                   |
| 6       | Interest                                                                                                                                  | 219.71                                          | 100.13                                                        | 383.83                                                            | 203.49                                                                           | 428.00                                                    |
| 7       | Profit/(loss) after Interest but before Exceptional Items (5-6)                                                                           | (50.40)                                         | 64.78                                                         | 439.86                                                            | 546.03                                                                           | 586.96                                                    |
| 8       | Exceptional Items                                                                                                                         | 0.00                                            | 0.00                                                          | 0.00                                                              | 0.00                                                                             | 0.00                                                      |
| 9       | Profit/(Loss) from Ordinary Activities before tax (7+8)                                                                                   | (50.40)                                         | 64.78                                                         | 439.86                                                            | 546.03                                                                           | 586.96                                                    |
| 10      | Tax expense                                                                                                                               | (16.14)                                         | 25.16                                                         | 156.54                                                            | 191.59                                                                           | 206.78                                                    |
| 11      | Net Profit/(Loss) from Ordinary Activities after tax (9-10)                                                                               | (34.26)                                         | 39.62                                                         | 283.32                                                            | 354.44                                                                           | 380.18                                                    |
| 12      | Extraordinary item (net of tax expense Nil)                                                                                               | 0.00                                            | 0.00                                                          | 0.00                                                              | 0.00                                                                             | 0.00                                                      |
| 13      | <b>Net Profit/(Loss) for the period (11-12)</b>                                                                                           | <b>(34.26)</b>                                  | <b>39.62</b>                                                  | <b>283.32</b>                                                     | <b>354.44</b>                                                                    | <b>380.18</b>                                             |
| 14      | Paid-up Equity Share Capital (Face Value of Rs. 10/- each)                                                                                | 718.79                                          | 718.78                                                        | 718.79                                                            | 718.78                                                                           | 718.78                                                    |
| 15      | Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year                                                   |                                                 |                                                               |                                                                   |                                                                                  | 2679.61                                                   |
| 16      | Earnings Per Share (EPS)                                                                                                                  |                                                 |                                                               |                                                                   |                                                                                  |                                                           |
|         | a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized) | (0.48)                                          | 0.55                                                          | 3.94                                                              | 4.93                                                                             | 5.29                                                      |
|         | a) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)  | (0.48)                                          | 0.55                                                          | 3.94                                                              | 4.93                                                                             | 5.29                                                      |
| 15      | Public Shareholding                                                                                                                       |                                                 |                                                               |                                                                   |                                                                                  |                                                           |
|         | - Number of Shares                                                                                                                        | 2498839                                         | 2498739                                                       | 2498839                                                           | 2498739                                                                          | 2498739                                                   |
|         | - Percentage of Shareholding                                                                                                              | 34.76%                                          | 34.76%                                                        | 34.76%                                                            | 34.76%                                                                           | 34.76%                                                    |

**NOTES :**

- As the major business of the Company i.e. manufacturing of ice-cream and processed food products is of a seasonal nature, sales as well as profits during April to September period are usually higher than October to March period.
- Due to extreme volatility in the foreign currency market in recent times, the Company has changed the accounting policy of recognising loss on outstanding derivative contracts, arising due to marking them to market, during the year to actual cancellation / square-up basis. Accordingly, loss of Rs. 141.15 Lacs provided in June - 08 quarter has been reversed and actual loss of Rs. 55.95 Lacs has been recognised in the current period. As at 30-09-2008, the loss on outstanding amounts to Rs. 321.60 lacs. At the end of the year, loss on outstanding derivatives will be recognised by marking them to market basis.
- Corresponding figures of the previous period have been re-grouped/re-stated, wherever necessary.
- Details of number of investor complaints for the Quarter ended on 30th September, 2008 : Beginning - Nil, Received - 1, Disposed off - 1 and Pending - NIL.
- The above financial results were considered and approved by the Board of Directors at its meeting held on 25th October, 2008 after reviewed by Audit Committee of the Directors of the Company.
- The "Limited Review" in respect of the above results have been carried out by the Statutory Auditors of the Company and the Board of Directors has taken a note of the same at its meeting held on 25th October, 2008.

Date : 25th October, 2008  
Place : Ahmedabad

For VADILAL INDUSTRIES LIMITED  
Sd/-  
RAMCHANDRA R. GANDHI  
CHAIRMAN

**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED**

(Rs. in Lacs)

| Sr. No.      | Particulars                                                          | Three months ended on 30/09/2008<br>(Unaudited) | Corresponding three months ended on 30/09/2007<br>(Unaudited) | Current Year cumulative upto 30/09/2008 (6 months)<br>(Unaudited) | Corresponding previous year cumulative upto 30/09/2007 (6 months)<br>(Unaudited) | Previous Accounting year ended on 31/03/2008<br>(Audited) |
|--------------|----------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------------------------------|
| 1            | <b>Segment Revenue</b>                                               |                                                 |                                                               |                                                                   |                                                                                  |                                                           |
|              | a) Ice - cream Division                                              | 2623.10                                         | 2223.65                                                       | 7346.46                                                           | 6402.77                                                                          | 10241.17                                                  |
|              | b) Processed Food Division                                           | 788.81                                          | 750.66                                                        | 1446.09                                                           | 1478.63                                                                          | 3058.33                                                   |
|              | c) Others / Unallocated                                              | 0.91                                            | 1.77                                                          | 2.14                                                              | 3.46                                                                             | 5.69                                                      |
|              | <b>Total</b>                                                         | 3412.82                                         | 2976.08                                                       | 8794.69                                                           | 7884.86                                                                          | 13305.19                                                  |
|              | Less: Inter-segment Revenue                                          | (4.61)                                          | (9.70)                                                        | (27.87)                                                           | (30.16)                                                                          | (41.50)                                                   |
|              | <b>Net Sales/Income from Operations</b>                              | 3408.21                                         | 2966.38                                                       | 8766.82                                                           | 7854.70                                                                          | 13263.69                                                  |
| 2            | <b>Segment Results</b>                                               |                                                 |                                                               |                                                                   |                                                                                  |                                                           |
|              | a) Ice - cream Division                                              | 143.58                                          | 94.08                                                         | 827.40                                                            | 618.54                                                                           | 844.12                                                    |
|              | b) Processed Food Division                                           | 63.58                                           | 93.25                                                         | 57.81                                                             | 180.88                                                                           | 243.58                                                    |
|              | c) Others                                                            | (0.21)                                          | 0.54                                                          | 0.05                                                              | 1.21                                                                             | 1.36                                                      |
|              | <b>Total</b>                                                         | 206.95                                          | 187.87                                                        | 885.26                                                            | 800.63                                                                           | 1089.06                                                   |
|              | Less:                                                                |                                                 |                                                               |                                                                   |                                                                                  |                                                           |
|              | a) Interest                                                          | 219.71                                          | 100.13                                                        | 383.83                                                            | 203.49                                                                           | 428.00                                                    |
|              | b) Other un-allocable expenditure net off un-allocable income        | 37.64                                           | 22.96                                                         | 61.57                                                             | 51.11                                                                            | 74.10                                                     |
| <b>Total</b> | 257.35                                                               | 123.09                                          | 445.40                                                        | 254.60                                                            | 502.10                                                                           |                                                           |
|              | <b>Total Profit before Tax</b>                                       | (50.40)                                         | 64.78                                                         | 439.86                                                            | 546.03                                                                           | 586.96                                                    |
| 3            | <b>Capital Employed</b><br>(Segment Assets - Segment Liabilities)    |                                                 |                                                               |                                                                   |                                                                                  |                                                           |
|              | a) Ice - cream Division                                              | 4709.90                                         | 3798.50                                                       | 4709.90                                                           | 3798.50                                                                          | 5359.50                                                   |
|              | b) Processed Food Division                                           | 4393.43                                         | 3368.97                                                       | 4393.43                                                           | 3368.97                                                                          | 3621.99                                                   |
|              | c) Others                                                            | 16.43                                           | 24.27                                                         | 16.43                                                             | 24.27                                                                            | 16.71                                                     |
|              | <b>Total</b>                                                         | 9119.76                                         | 7191.74                                                       | 9119.76                                                           | 7191.74                                                                          | 8998.20                                                   |
|              | Add: Unallocable Current Assets Less Unallocable Current Liabilities | (5294.66)                                       | (3536.75)                                                     | (5294.66)                                                         | (3536.75)                                                                        | (5459.29)                                                 |
|              | <b>Total</b>                                                         | 3825.10                                         | 3654.99                                                       | 3825.10                                                           | 3654.99                                                                          | 3538.91                                                   |