

Vadilal

Date: 12th February, 2020

To,
Department of Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai - 400 001.

Scrip Code : 519152

Dear Sir,

Subject: Submission of Unaudited Financial results of the Company for quarter ended on 31st December, 2019 along with the Limited Review Report of the Statutory Auditors thereon

We hereby inform you that the Board of Directors of the Company at its meeting held today:

1. Approved Unaudited Financial Results of the Company for Quarter/Half year ended on 31st December, 2019 being the 3rd Quarter of the current financial year – 2019-2020, in the prescribed format of the Stock Exchange as per Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement), 2015 which were reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company, at its meeting held today.
2. "Limited Review" Report received from the Statutory Auditors of the Company in respect of the Unaudited Financial Results of the Company for the Quarter ended on 31st December, 2019

Kindly take the same on your record.

Yours faithfully,
For **VADILAL ENTERPRISES LIMITED**


Darshan Shah
Company Secretary & Compliance Officer



Encl: As above

VADILAL ENTERPRISES LIMITED

Reg. Office : 10th Floor, Colonnade Building, Opp. Iscon Temple BRTS Bus Stand, Ambli-Bopal Road, Bopal, Ahmedabad-380015. Ph. No.: 079-30921200
Corporate Office : VadilalHouse, 53, Shrimali Society, Nr. Navrangpura Railway Crossing, Navrangpura, Ahmedabad-380009. Ph. No. : 079-26564019-24
Email id : info@vadilalgroup.com Website : vadilalicecreams.com / www.vadilalgroup.com CIN No. L51100GJ1985PLC007995

Vadilal


VADILAL ENTERPRISES LIMITED

Regd. Office : 10th Floor, Colonnade Building, Opp. Iscon Temple BRTS Bus Stop, Ambli Bopal Road, Bopal, Ahmedabad, Ph.: 079-30921200, Web: www.vadilalgroup.com, CIN: L51100GJ1985PLC007995, Email : shareslogs@vadilalgroup.com

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON DECEMBER 31, 2019

(₹ in Lacs)

Sr. No.	Particulars	Quarter ended			Nine Months ended			Year ended
		December 31, 2019 (Unaudited)	September 30, 2019 (Unaudited)	December 31, 2018 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2018 (Unaudited)	March 31, 2019 (Audited)	
1	Revenue from operations	7,787.39	13,643.44	7,778.71	50,946.46	46,107.24	57,314.39	
2	Other Income	73.92	49.83	42.22	181.95	122.85	284.20	
3	Total Income (1+2)	7,861.31	13,693.27	7,820.93	51,128.41	46,230.09	57,598.59	
4	Expenses							
	a) Purchases of stock-in-trade	5,021.79	10,204.35	5,273.21	37,907.91	35,358.29	43,696.37	
	b) Changes in inventories of stock-in-trade	196.25	169.97	(41.07)	987.07	943.79	(34.92)	
	c) Employee benefit Expense	1,064.44	989.16	922.58	3,073.60	2,677.46	3,572.99	
	d) Finance costs	67.95	73.32	95.53	225.89	254.02	368.84	
	e) Depreciation and amortisation expense	352.71	351.46	308.78	1,039.53	885.56	1,195.35	
	f) Other expenses	1,547.09	1,908.71	1,431.11	7,599.37	6,674.87	8,784.61	
	Total Expenses :	9,250.23	13,696.97	8,990.14	50,833.37	46,793.99	57,583.14	
5	Profit/ (loss) from ordinary activities before Tax (3-4)	(1,388.92)	(3.70)	(1,169.21)	295.04	(563.90)	15.45	
6	Tax expense							
	a) Current Tax	(388.18)	(152.23)	(258.26)	90.74	-	79.71	
	b) Deferred Tax	10.89	74.50	(119.75)	24.34	(175.94)	(73.16)	
	Total Tax Expense	(377.29)	(77.73)	(378.01)	115.08	(175.94)	6.55	
7	Net Profit/(loss) for the period/Year (5-6)	(1,011.63)	74.03	(791.20)	179.96	(387.96)	8.90	
8	Other Comprehensive Income (Net of Tax)							
	Items that will not be reclassified to statement of Profit and Loss							
	- Remeasurement of Defined Benefit Plans (Net of Taxes)	(3.98)	(6.54)	0.09	(14.27)	0.27	(13.96)	
9	Total Comprehensive Income/(loss) for the period/year (7+8)	(1,015.61)	67.49	(791.11)	165.69	(387.69)	(5.06)	
10	Paid-up Equity Share Capital (Face Value of ₹ 10/- each)	86.27	86.27	86.27	86.27	86.27	86.27	
11	Other Equity							
12	Earnings Per Share (of ₹ 10/- each) (not annualized) :							
	Basic and Diluted (₹)	(117.27)	8.58	(91.72)	20.86	(44.97)	1.03	

SIGNED FOR IDENTIFICATION BY

 ARPIT PATEL & ASSOCIATES




RRG

Notes:

1. The aforesaid results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their Board Meeting held on February 12, 2020, in terms of the provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. During the financial year 2018-19, two promoter directors of the Company (the "Promoter Directors") have sent out numerous communications to the Board of Directors ("the Board") of the Company making various allegations and counter-allegations on each other on primarily relating to the running of operations and management of the Company on a range of matters including payments to a vendor without services being received, procurement of equipment at prices higher than comparable low market rates, dissemination of Company's confidential data/information to outsiders, demand for re-examination of books of account of past periods, legitimacy of salaries paid to relatives of the promoter directors, payments made to certain vendors without appropriate approvals and independence of Independent Directors, amongst others. Subsequent to the year-end, on July 22, 2019, the Promoter Directors have jointly communicated to the Board that they withdraw all the aforesaid allegations/counter-allegations on each other unconditionally and without any reservations except for the ones stated in Note 3 below. The Board of Directors in their meeting on July 23, 2019, evaluated the basis of withdrawal of the joint communications of both the Promoter Directors and further as the allegations levied were without any corroborative evidence, decided no further action was required on any of the allegation except for the ones stated in Note 3 below.
3. A) One of the promoter directors ("PD 1") of the Company has suspected that another promoter director ("PD 2") of the Company has approved certain inappropriate payments amounting to INR 53.39 lakh during the financial years 2013-14 to financial year 2018-19.
B) PD 2 has submitted details of expenses aggregating to INR 45.90 lakh incurred for the period from FY 2013-14 to FY 2017-18 to the Board, wherein he has alleged that either the transactions are inappropriate in nature and/or approved by unauthorised personnel.
4. The Board of Directors ("the Board") of the Company, in their meeting held on May 28, 2019, had approved the appointment of external legal firm to hand hold the Board through the process of inquiry into allegations in 3(A) above including compliance with applicable laws and regulations. Thereafter, as the previous statutory auditors had not accepted Company's representation on Note 2 and 3 above and issued a disclaimer of opinion on the financial results for the year ended March 31, 2019, the Promoter Directors in the board meeting held on August 23, 2019, voluntarily offered to appoint an independent law firm to conduct detailed inquiry in all the matters as reported in the statutory audit report with an aim of value preservation and enhancement in the interests of all stakeholders. Pending the conclusion of the aforesaid inquiry, the Statutory Auditors have disclaimed their opinion on the financial statements for the year ended March 31, 2019, and the financial results for the quarter ended September 30, 2019.
5. In the meeting of the Board of the Company held on November 13, 2019, a committee of independent directors has been formed to appoint an independent law firm to conduct an inquiry/examination in the matters. On termination of the earlier appointment of external consultant dated May 28, 2019, by the Board of Directors, the committee of independent directors thereafter, has appointed an independent law firm and chartered accountant firm to inquire/examine in all the matters as stated in Notes 2, 3(A), and 3(B), and advise the Board for further course of actions.
6. In FY 2017 18, a Company Petition was filed against the Company and some of its promoters, before the National Company Law Tribunal, Ahmedabad ("NCLT"), under Sections 241 and 242 of the Companies Act, 2013, pertaining to prevention of oppression and mismanagement of the Company. In the current period, no orders have been passed by the NCLT as the petitioners and some of the parties to the petition have submitted to the NCLT that they are seeking to arrive at an amicable resolution of matter. Effective from April 1, 2019, the Company has adopted IND AS 116 Leases, using the modified retrospective approach and applied the standard to its leases on prospective basis. The effect of this adoption is insignificant on the profit for the period and earning per share.
7. The Company elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961, as introduced by Taxation Laws (Amendment) Act, 2019. Accordingly, the Company has recognised provision for Income tax for the quarter and period ended December 31, 2019, and re-measured its Deferred Tax Assets basis the rates prescribed in the said section.
8. As the major business of the Company i.e. marketing and selling of ice-cream is of a seasonal nature, sales as well as profits during April to June period are usually higher than July to March period.
9. The Company is primarily engaged in one business segment namely Food segment as determined by the Chief Operating Decision Maker in accordance with INDAS 108 - "Operating Segment".

Place : Ahmedabad

Date : February 12, 2020

FOR RADIAL ENTERPRISES LIMITED

RAJESH R. GANDHI
CHAIRMAN



SIGNED FOR IDENTIFICATION BY



ARPIT PATEL & ASSOCIATES

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

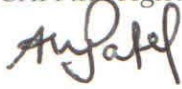
To
The Board of Directors of
Vadilal Enterprises Limited

1. We have reviewed the accompanying statement of Unaudited Financial Results of Vadilal Enterprises Limited (the 'Company') for the quarter ended December 31, 2019, and the year to date from April 01, 2019, to December 31, 2019 (the 'Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34), 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. However, because of the significance of the matters described in Paragraph 4 below, we were not able to obtain sufficient appropriate evidence relating to the matters referred to therein, as a basis for expressing a conclusion on the Statement.
4. We refer to the following:
 - a. Note 2 to the Statement, which describes various allegations and counter-allegations on financial, operational, and management matters between the Promoter Directors of the Company, between August, 2018, and July, 2019. The Promoter Directors have communicated to the Audit Committee and the Board of Directors of the Company, their withdrawal of all the allegations on July 22, 2019, except for the matters referred to in Note 3(A) and 3(B) of the Statement, which relate to the appropriateness of the payments amounting to INR 53.39 lakh approved by PD 2, and INR 45.90 lakh alleged by PD 2 as approved by unauthorised personnel, claimed as appropriate expenses over the past years.
 - b. Note 5 to the Statement which refers to the status of on-going litigations filed against the Company and some of its promoters under Section 241 and 242 of the Companies Act, 2013, pertaining to prevention of oppression and mismanagement of the Company before the National Company Law Tribunal, Ahmedabad.
 - c. The committee of independent directors has appointed an independent law firm and a chartered accountant to inquire/examine all the matters as referred to in Notes 2, 3(A), and 3(B), and advise the Board of Directors of the Company for further course of action.

Pending completion of the aforesaid inquiries/examination and resolution of the above matters, we are unable to determine if any adjustments are necessary to this Statement on account of the aforesaid matters, any restatement of prior years' including any consequential effect thereof.

5. Because of the significance of the matters described in paragraph 4 above, we have not been able to obtain sufficient appropriate evidence to form a conclusion on the Statement and hence, we do not express a conclusion on the Statement.
6. The unaudited financial results of the Company for the corresponding quarter ended December 31, 2018, and the period from April 1, 2019, to September 30, 2019, were reviewed by the predecessor auditor, who had given a Modified Opinion and a Disclaimer of Opinion, on those financial information on February 12, 2019, and November 15, 2019, respectively. Our conclusion is not modified in respect of this matter.

For Arpit Patel & Associates,
Chartered Accountants
ICAI Firm registration number: 144032W



Arpit Patel
Partner
Membership No.: 034032



Place: Ahmedabad
Date: February 12, 2020

ICAI UDIN: 20034032AAAAAT3037