



Date: 9th November, 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 and half year ended on 30th September, 2020 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 and Half year ended on 30th September, 2020 being the 2nd Quarter of the current financial year – 2020-2021, 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 and Half year ended on 30th September, 2020

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 : Vadilal House, 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 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

1)

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON SEPTEMBER 30, 2020

(₹ in Lacs)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations						
2	Other Income	9,016.50	7,017.38	13,643.44	16,033.88	43,159.07	59,150.57
3	Total Income (1+2)	114.23	48.11	49.83	162.34	108.03	258.00
4	Expenses	9,130.73	7,065.49	13,693.27	16,196.22	43,267.10	59,408.57
	a) Purchases of stock-in-trade	5,647.59	3,250.79	10,204.35	8,898.38	31,886.12	44,410.75
	b) Changes in inventories of stock-in-trade	215.09	1,251.78	169.97	1,466.87	790.82	(358.80)
	c) Employee benefits expense	640.25	670.85	748.01	1,311.10	1,517.34	3,105.89
	d) Finance costs	143.80	95.60	73.32	239.40	157.94	312.42
	e) Depreciation and amortisation expense	332.55	339.91	351.46	672.46	686.82	1,386.29
	f) Other expenses	1,200.74	1,324.89	2,149.86	2,525.63	6,544.10	10,600.08
	Total Expenses :	8,180.02	6,933.82	13,696.97	15,113.84	41,583.14	59,456.63
5	Profit/ (loss) from ordinary activities beforeTax (3-4)	950.71	131.67	(3.70)	1,082.38	1,683.96	(48.06)
6	Tax expense						
	a) Current Tax	218.23	83.22	(152.23)	301.45	478.92	72.77
	b) Deferred Tax	21.05	(50.09)	74.50	(29.04)	13.45	(38.03)
	Total Tax Expense	239.28	33.13	(77.73)	272.41	492.37	34.74
7	Net Profit/(loss) for the period/Year (5-6)	711.43	98.54	74.03	809.97	1,191.59	(82.80)
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)	(5.33)	(5.33)	(6.54)	(10.66)	(10.29)	(23.68)
9	Total Comprehensive Income/(loss) for the period/year (7+8)	706.10	93.21	67.49	799.31	1,181.30	(106.48)
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						184.61
12	Earnings Per Share (of ₹ 10/- each) (not annualized) :						
	Basic and Diluted (₹)	82.47	11.42	8.58	93.89	138.13	(9.60)

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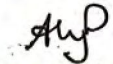
ARPIT PATEL & ASSOCIATES

2) Statement of Assets and Liabilities

Particulars	(₹ in Lacs)	
	September 30, 2020 (Unaudited)	March 31, 2020 (Audited)
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment	6,524.73	6,383.99
(b) Capital work-in-progress	-	589.50
(c) Other Intangible assets	107.12	123.95
(d) Financial Assets		
(i) Investments	12.14	11.64
(ii) Loans	4.07	6.11
(iii) Other Financial Assets	1,380.47	1,615.77
(e) Deferred Tax Assets (Net)	338.33	305.70
(f) Other Non-Current Assets	663.68	767.31
Total Non-Current Assets	9,030.54	9,803.97
Current assets		
(a) Inventories	1,046.18	2,535.45
(b) Financial Assets		
(i) Investment	1,304.13	-
(ii) Trade Receivables	2,443.90	2,503.44
(iii) Cash & Cash Equivalents	332.58	67.81
(iv) Bank balance other than (ii) above	58.35	57.11
(v) Loans	6.02	11.40
(vi) Other Financial Assets	11.80	21.60
(c) Other Current Assets	394.90	732.93
Total Current Assets	5,597.86	5,929.74
Total Assets	14,628.40	15,733.71
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	86.27	86.27
(b) Other Equity	983.92	184.61
Total Equity	1,070.19	270.88
Liabilities		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	652.80	972.04
(ii) Other Financial Liabilities	8.35	9.60
(b) Provisions	57.87	55.77
Total Non-current Liabilities	719.02	1,037.41
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,027.45	1,087.49
(ii) Trade Payables	-	-
- total outstanding dues of micro enterprises and small enterprises	0.83	1.37
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,907.37	4,455.85
(iii) Other Financial Liabilities	8,940.49	8,333.00
(b) Provisions	284.60	214.79
(c) Current Tax Liabilities (Net)	328.45	58.05
(d) Other Current Liabilities	350.00	274.87
Total Current Liabilities	12,839.19	14,425.42
Total Equity and Liabilities	14,628.40	15,733.71

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3) UNAUDITED STATEMENT OF CASH FLOWS

(₹ in Lacs)

	Particulars	Half Year Ended September 30, 2020 (Unaudited)	Half Year Ended September 30, 2019 (Unaudited)
A	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit before tax		
	Adjustments for:	1,082.38	1,683.96
	Depreciation and Amortisation expense	672.46	686.82
	Loss/(Profit) on sale of Property, Plant & Equipment (net)	(22.29)	14.76
	Interest Income	(114.48)	(73.63)
	Finance Costs	239.40	157.94
	Loss/(Profit) from Sale of Current Investments	(0.99)	(21.71)
	Change in Fair value of the Current Investment	(0.50)	(5.59)
	Provision for Doubtful Debts	74.03	113.35
	Bad Debts Written off	0.35	0.38
	Scrap Sale of Asset	(20.37)	-
	Operating Profit before Working Capital changes	827.61	872.32
	Changes in Working Capital:	1,909.99	2,556.28
	(Increase)/Decrease in Inventories	1489.27	778.89
	(Increase)/Decrease in Trade receivables, financial assets and other assets	635.67	604.84
	Increase/(Decrease) in Trade Payables, financial liabilities, other liabilities and provisions	(2,551.81)	(1,352.30)
	Income Tax paid	(426.87)	31.43
	Net Cash generated from operating activities (A)	1,482.83	2,562.20
B	CASH FLOWS FROM INVESTING ACTIVITIES		
	Capital Expenditure on Property, Plant & Equipment & Intangible asset	(22.90)	(775.37)
	Proceeds from Sale of Property, Plant & Equipment	188.94	52.87
	Proceeds from sale of / (Purchase of) Current Investments (Net)	(1,303.14)	(350.00)
	Interest received	124.28	83.23
	Net Cash used in Investing Activities (B)	(1,012.82)	(989.27)
C	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from Long Term borrowings	100.00	-
	Repayment of Long Term borrowings	(82.05)	(668.54)
	Proceeds from /(Repayment of) Short Term borrowings (Net)	(60.04)	(774.99)
	Interest paid	(163.15)	(183.85)
	Net Cash (used in)/generated from Financing Activities (C)	(205.24)	(1,627.38)
	Net Increase/(Decrease) In Cash and Cash Equivalents (A+B+C)	264.77	(54.45)
	Cash and Cash equivalents at the beginning of the Period	67.81	163.05
	Cash and Cash equivalents at the end of the Period	332.58	108.60

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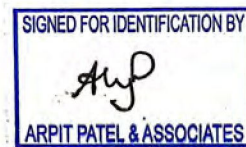
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Notes:

- 1 The above financial results for the quarter & half year ended on September 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on November 09, 2020. The financial results are prepared in accordance with the Indian Accounting Standards ("Ind AS"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
- 2 During the period between August, 2018, and July, 2019, 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 ₹ 53.39 lakh during the financial years 2013-14 to financial year 2018-19.
B) PD 2 has submitted details of expenses aggregating to ₹ 45.90 lakh incurred from 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 approved by PD 1 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 statements for the year ended March 31, 2020. In the meeting of the Board of the Company held on November 15, 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 by the Board of the earlier appointment of external consultant dated May 28, 2019, 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. The Company is of the opinion that the outcome of findings will not have any material impact on the financial statements of the respective financial years. Due to the outbreak of COVID-19, the inquiry/reports are delayed.
- 5 In FY 2017-18, a 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 all the parties to the petition have submitted to the NCLT that they are seeking to arrive at an amicable resolution of matter.
- 6 COVID-19 pandemic have impacted Company's operations and financial results for the quarter and half year ended September 30, 2020. The results for the quarter and half year are therefore not comparable with those for the previous quarter, corresponding previous year quarter and previous half year. The Company has made assessment of recoverability of the Company's assets such as Inventory, Receivables, etc using reasonably available information, estimates and judgements and has determined that there are no material adjustments required in the interim financial results. However, the impact assessment of COVID-19 is a continuous process, given the uncertainties associated with its nature and duration. The impact thereof might be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor changes to future economic conditions. The Company has availed moratorium in respect of term loans (interest and instalments) and interest on cash credit accounts upto August 31, 2020, and with the support of lenders, believes in its ability to continue as a going concern and meeting its liabilities as and when they fall due in the foreseeable future.
- 7 The Company is primarily engaged in one business segment namely Food segment as determined by the Chief Operating Decision Maker in accordance with IND AS 108 - "Operating Segment".
- 8 The Indian Parliament has recently approved the Code on Social Security, 2020. This has also received the consent of the Hon'ble President of India. The Code when implemented will impact the contributions by the Company towards benefits such as Provident Fund, Gratuity etc. The effective date(s) of implementation of this Code is yet to be notified. In view of this, any financial impact due to the change will be assessed and accounted for in the period of notification.
- 9 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.

Place : Ahmedabad

Date : November 09, 2020



FOR VADILAL ENTERPRISES LIMITED

RAJESH R. GANDHI
CHAIRMAN

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company pursuant to Regulations 33 and 52 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 September 30, 2020 and year to date from April 1, 2020 to September 30, 2020 (the 'Statement'), attached herewith, being submitted by the Company pursuant to the requirements of Regulations 33 and 52 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 ("PD 1" and "PD 2") 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 that either the transactions are inappropriate in nature approved by PD 1 and/or approved by unauthorised personnel.
 - 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,

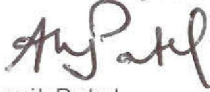


3(A), and 3(B), and advise the Board of Directors of the Company for further course of action.

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. We draw attention to Note 6 to the Statement, which describes the management's assessment of the impact of the outbreak of COVID-19 on the business operations of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.
7. The unaudited financial results of the Company for the corresponding quarter ended September 30, 2019, and year to date from April 1, 2019 to September 30, 2019, were reviewed by the predecessor auditor, who had given a disclaimer of conclusion, on those financial results on November 13, 2019. 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: November 9, 2020

ICAI UDIN: 20034032AAAADK4223