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

To
The Board of Directors of
Vadilal Industries Limited

1. We have audited the accompanying standalone quarterly financial results of **M/s. Vadilal Industries Limited** ("the Company") for the quarter ended March 31, 2016 and standalone financial results for the year ended March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended March 31, 2016 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures up to the end of third quarter had only been reviewed and not subjected to limited review.

2. The standalone financial results for the quarter ended on March 31, 2016 have been prepared on the basis of the standalone financial statements for the nine month period ended on December 31, 2015, the audited annual standalone financial statements for the year ended March 31, 2016 and the relevant requirements of regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and are responsibility of the Company's Management and have been approved by the Board of Directors of the Company which is in accordance with the recognition and measurement principles laid down in Accounting Standards 25, Interim Financial Reporting, specified under Section 133 of the Companies Act, 2013, read with relevant rules framed thereunder and other accounting principles generally accepted in India.

3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

   In our opinion and to the best of our information and according to the explanations given to us, these financial results:

   (a) are presented in accordance with the requirements of regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, in this regards; and

   (b) give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2016 and for the year ended March 31, 2016.

KANTILAL PATEL & CO. (AHMEDABAD) Chartered Accountants

4. **Emphasis of Matter**

a. Attention is invited to **Note no. 5** of the Financials Result, whereas balance of Mat Credit entitlement of ₹ 483.17 Lacs out of MAT credit taken of ₹ 551.85 lacs up to 31.03.2015.

b. Attention is invited to **Note No. 6** of the Financials Result, where in as per the reasons stated by the management, Trade receivables of ₹ 290.56 lacs outstanding at the year end from Company's Overseas Subsidiary are considered realisable/ recoverable.

Our opinion is not modified in respect of these matters.

5. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2016 represent the derived figures between the audited figures in respect of financial year ended March 31, 2016 and the published year to date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

KANTILAL PATEL & CO. "PARITOSH" 2ND Floor Usmanpura (River Front) Ahmedabad 380 013. CHARTERED ACCOUNTANTS

For **KANTILAL PATEL & CO.,**
CHARTERED ACCOUNTANTS
Firm Reg. No. : 104744W

Mayank S. Shah
Partner
Membership No. : 44922

Place : Ahmedabad
Date : May 28, 2016