



Date: 23rd August, 2019

To,
The National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051.

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

Scrip Code No. VADILALIND-EQ

Scrip Code : 519156

Subject Submission of Audited Financial Results (Standalone & Consolidated) for the quarter/ year ended on 31st March, 2019 along with Auditor report of Statutory Auditor for the quarter/year ended on 31st March, 2019

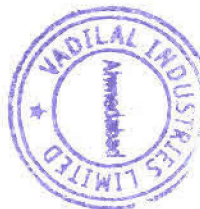
We hereby inform you that the Board of Directors of the Company at its meeting held on today has:

1. Approved the Audited Financial results (Standalone & Consolidated) for the quarter/ year ended on 31st March, 2019
2. Recommended Dividend of **Rs. 1.25 per Share (i.e. @ 12.5%)** on 7187830 Equity Shares of Rs. 10/- each for the year ended on 31st March, 2019; subject to approval of shareholder in ensuing Annual General Meeting
3. Pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement), 2015 please find enclosed herewith following:
 - Audited Financial Results (Standalone & Consolidated) of the Company for the quarter/ year ended on 31st March, 2019
 - Auditors Report on Financial Results (Standalone & Consolidated) of the Company. The Report of Statutory Auditors is with disclaimer opinion with respect to the Audited Financial Results of the Company for the Quarter and Financial Year ended 31st March, 2019. The Statement on Impact of Audit Qualifications (For Audit Report with disclaimer Opinion) for the Financial Year ended 31st March, 2019.

Kindly take the same on your record.

For **VADILAL INDUSTRIES LIMITED**

Ms. Rashmi Bhatt
Company Secretary & Compliance Officer



VADILAL INDUSTRIES LIMITED

Reg. Office : Vadilal House, 53, Shrimali Society, Nr. Navrangpura Railway Crossing, Navrangpura, Ahmedabad - 380009.

Ph. No.: 079-26564019-24. Email id : info@vadilalgroup.com

Website : www.vadilalicecreams.com / www.vadilalgroup.com CIN No. : L91110GJ1982PLC005169

VADILAL INDUSTRIES LIMITED

Regd. Office : Vadilal House, Shrimali Society, Nr. Navarangpura Railway Crossing, Navrangpura, Ahmedabad - 380 009 Ph.: 079-30921200 Fax: 079-30153102, Web: www.vadilalgroup.com, CIN : L91110GJ1982PLC005169, Email : shareslogs@vadilalgroup.com

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lacs)

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31, 2019 Refer Note 12	December 31, 2018 (Unaudited)	March 31, 2018 Refer Note 12	March 31, 2019 (Audited)	March 31, 2018 (Audited)
1	Revenue from operations	9,866.36	7,891.89	11,480.59	50,705.76	52,013.98
2	Other income	381.77	156.66	315.19	1,258.46	743.53
3	Total Income (1+2)	10,248.13	8,048.55	11,795.78	51,964.22	52,757.51
4	Expenses					
	a) Cost of materials consumed	7,296.17	3,862.49	8,003.19	28,414.93	28,817.33
	b) Purchase of stock-in-trade	311.04	227.52	141.41	1,064.58	586.34
	c) Changes in inventories of finished goods and Stock-in-	(1,692.63)	210.35	(1,527.53)	(982.16)	1,416.56
	d) Excise duty on sale of Goods	-	-	-	-	493.24
	e) Employee benefits expense	1,046.56	934.08	1,042.19	3,921.43	3,195.34
	f) Finance Costs	426.56	323.16	473.48	1,392.13	1,522.19
	g) Depreciation and amortisation expense	431.54	393.75	346.80	1,659.83	1,598.38
	h) Other expenses	2,893.19	2,396.96	3,034.80	11,625.87	12,904.38
	Total expenses :	10,712.43	8,348.31	11,514.34	47,096.61	50,533.76
5	Profit/(Loss) from ordinary activities before tax (3-4)	(464.30)	(299.76)	281.44	4,867.61	2,223.75
6	Tax Expense					
	(a) Current Tax	(248.60)	(120.83)	(75.30)	1,588.43	608.05
	(b) Deferred Tax	97.27	38.11	128.61	130.80	131.17
	Total Tax Expense	(151.33)	(82.72)	53.31	1,719.23	739.22
7	Net Profit/ (Loss) after tax (5-6)	(312.97)	(217.04)	228.13	3,148.38	1,484.53
8	Other Comprehensive Income (Net of tax)					
	Items that will not be reclassified to statement of Profit and Loss					
	- Remeasurement of defined benefits plan (net of tax)	(14.60)	(4.61)	3.77	(28.19)	(18.54)
	Total Other Comprehensive Income (Net of Tax)	(14.60)	(4.61)	3.77	(28.19)	(18.54)
9	Total Comprehensive Income for the period (7+8)	(327.57)	(221.65)	231.90	3,120.19	1,465.99
10	Paid-up Equity Share Capital (Face Value of ₹ 10/- each)	718.78	718.78	718.78	718.78	718.78
11	Other Equity excluding Revaluation Reserve				12,074.67	9,062.80
12	Earnings Per Share (of ₹ 10/- each) (not annualized) :					
	Basic & diluted (₹)	(4.35)	(3.02)	3.17	43.80	20.65
	See accompanying Notes to the Standalone Financial Results					



Standalone Statement of Assets and Liabilities

(₹ in lacs)

Particulars	March 31, 2019 (Audited)	March 31, 2018 (Audited)
ASSETS		
Non-current Assets :		
(a) Property, Plant and Equipment	26,051.47	25,115.03
(b) Capital Work in Progress	1,319.63	728.89
(c) Investment Property	19.40	19.74
(d) Other Intangible Assets	193.06	247.65
(e) Financial Assets		
(i) Investments	290.39	289.86
(ii) Loans	301.49	283.60
(iii) Other Financial Assets	661.75	607.62
(f) Non Current Tax Assets (Net)	47.15	-
(g) Other Non- Current Assets	618.12	559.69
Total Non current Assets :	29,502.46	27,852.08
Current Assets :		
(a) Inventories	11,831.30	9,675.35
(b) Financial Assets		
(i) Investments	1.44	1.73
(ii) Trade Receivables	3,339.26	4,523.56
(iii) Cash and Cash Equivalents	81.95	106.05
(iv) Bank Balance other than (iii) above	252.37	211.67
(v) Loans	210.05	13.99
(vi) Other Financial Assets	211.04	85.63
(c) Current Tax Assets (Net)	-	47.15
(d) Other Current Assets	1,151.66	996.64
Total Current Assets :	17,079.07	15,661.77
TOTAL ASSETS :	46,581.53	43,513.85
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	718.78	718.78
(b) Other Equity	19,598.84	16,586.97
Total Equity	20,317.62	17,305.75
Liabilities		
Non Current Liabilities:-		
(a) Financial Liabilities		
(i) Borrowings	5,743.42	7,099.10
(ii) Other Financial Liabilities	55.53	48.49
(b) Provisions	201.37	128.34
(c) Deferred Tax Liabilities (Net)	2,223.30	2,091.74
(d) Other Non Current Liabilities	660.54	698.35
Total Non Current Liabilities	8,884.16	10,066.02
Current Liabilities:-		
(a) Financial Liabilities		
(i) Borrowings	6,563.89	5,305.16
(ii) Trade Payables		
-Dues of micro enterprises and small enterprises	411.20	475.27
-Dues of creditors other than micro enterprises and small enterprises	6,134.10	7,157.25
(iii) Other Financial Liabilities	3,333.32	2,453.69
(b) Provisions	290.69	239.73
(c) Current Tax Liabilities (Net)	79.81	-
(d) Other Current Liabilities	566.74	510.98
Total Current Liabilities	17,379.75	16,142.08
TOTAL - EQUITY AND LIABILITIES :	46,581.53	43,513.85



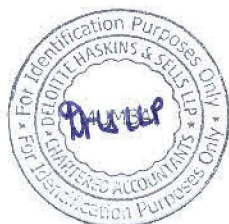
Notes:-

- 1 The above Standalone Financial results for the quarter and year ended on March 31, 2019 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their Board Meeting held on August 23, 2019 in terms of Provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The statutory auditors have issued a disclaimer of opinion in respect of the results for the quarter and year ended March 31, 2019.
- 2 The Board of Directors of the Company has recommended dividend of ₹ 1.25 per equity share (12.50%) face value of ₹ 10 each for the year ended March 31, 2019 on 71,87,830 equity shares amounting to ₹ 89.85 Lacs (excluding tax on dividend of ₹ 18.47 Lacs) subject to approval of the shareholders.
- 3 During the financial year 2018-19, two Promoter Directors of the Company have sent out numerous communications to the Board of Directors ("the Board") of the Company making various allegations and counter-allegations on each other primarily relating to the operations and management of the Company on a range of matters including potential personal expenses claimed as official expenses, funds management, dissemination of price sensitive information, demand for re-examination of books of account of past periods, legitimacy of salaries paid to relatives of the promoter directors, payments made to a vendor without services being received 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 these allegations / counter-allegations on each other unconditionally and without any reservations except for the ones stated in Note 4 below. The Board of Directors in their meeting on July 22, 2019, evaluated the basis of withdrawal of the joint communications of the promoter directors – PD1 and PD2 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 4 below.
- 4 A) One of the Promoter Director (PD 1) and the Chief Financial Officer (CFO) of the Company suspects that another Promoter Director (PD 2) (PD 1 and PD 2 collectively referred to as "Promoter Directors" hereinafter) of the Company has claimed potential personal expenses amounting to Rs. 25.33 lakhs as official business expenses during the financial year 2017-18 to 2018-19. The Board of Directors ("the Board") of the Company, in their meeting dated March 30, 2019 have appointed an independent external consultant to perform procedures to ascertain whether potential personal expenses have been claimed as business expenses. In the same meeting, the Board has also appointed an external legal firm to hand hold the Board through the said process including compliance with applicable laws and regulations. As on the date of approval of these financial statements by the Board, the independent external consultants and the external legal firm are yet to provide their report to the Board to enable them to take further action in this matter.
B) Similarly, PD 2 suspects that PD 1 and his family members have charged personal travel expenses of approximately Rs. 23.00 lacs as business expense during financial years 2014-15 to 2018-19.
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.
- 5 As the statutory auditors have not accepted Company's representation on the notes no.3 and 4 above and issued a disclaimer of opinion report, the promoter directors in the board meeting held on August 23, 2019 have 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 interest of all stakeholders.
- 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 financial year, no orders have been passed by the NCLT as the petitioners and all of the parties to the petition have submitted to the NCLT that they are seeking to arrive at an amicable resolution of matter.
- 7 On September 29 2016, an agreement was signed between the Company and Vadilal Enterprises Limited, a related party, for sale of ice-creams in the domestic market. The agreement was approved by the Board of Directors of the Company in their meeting held on August 8, 2016 and subsequently approved by the shareholders in their meeting held on September 27, 2016. As per the agreement, the pricing of the products sold shall be at the discretion of the Company. Two erstwhile independent directors of the Company, who had approved the contract in the meeting of the Board of Directors as referred above, in their resignation letters and a promoter shareholder have sighted their concerns on the terms and conditions of the contract. The pricing pattern has remained consistent over these past years. The Company's management has obtained an opinion from a retired Supreme Court Judge who has opined that the contract is valid under the Indian Contract Act, 2013 and that it was approved by the then Audit Committee, the then Board of Directors and the then shareholders in accordance with the requirements of the Companies Act, 2013 and the Listing Regulations. Based on this opinion, the Board of Directors have concluded that the transactions pursuant to the contract are in accordance with the applicable laws.
- 8 As the major business of the Company i.e. manufacturing 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 In compliance with IND AS 20 on Government Grants and consequent to clarifications published by The Institute of Chartered Accountants of India, income from government grants has been recognised as "Other Income" with effect from July 2018. In earlier periods, these refunds were reported under "Other Operating Revenue" in the Statement of Profit and Loss. This has no impact on reported Profit before Tax.
- 10 Consequent to introduction of Goods and Service tax (GST) with effect from 1st July 2017, Central Excise, Service Tax, Value Added Tax (VAT), etc. have been subsumed into GST. In accordance with Indian Accounting Standard and Schedule III of the Companies Act, 2013, Revenue from Operations is disclosed net of GST. In view of the aforesaid restructuring of indirect taxes, Revenue from Operations and excise duty for the year ended March 31, 2019 are not comparable with corresponding previous year.
- 11 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".
- 12 Figures for the quarter ended March 31, 2019 and March 31, 2018 represents the difference between the audited figures in respect to the full financial year and unaudited published figures of nine months ended December 31, 2018 and December 31, 2017, respectively, which were subject to limited review.

For VADILAL INDUSTRIES LIMITED

R R Gandhi
RAJESH R. GANDHI
DIRECTOR

Date : August 23, 2019
Place : Ahmedabad



Vadilal

VADILAL INDUSTRIES LIMITED

Regd. Office : Vadilal House, Shrimali Society, Nr. Navarangpura Railway Crossing, Navrangpura, Ahmedabad - 380 009. Ph.: 079-30921200 Fax: 079-30153102, Web: www.vadilalgroup.com, CIN : L91110GJ1982PLC005169, Email : shareslogs@vadilalgroup.com

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lacs)

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31,2019	December 31,2018	March 31,2018	March 31,2019	March 31,2018
		Refer Note 12	(Unaudited)	Refer Note 12	(Audited)	(Audited)
1	Revenue from operations	11,243.66	9,412.70	12,526.53	56,711.44	55,235.45
2	Other Income	222.80	151.30	188.10	1,079.31	625.25
3	Total Income (1+2)	11,466.46	9,564.00	12,714.63	57,790.75	55,860.70
4	Expenses					
	a) Cost of materials consumed	7,296.17	3,862.49	8,003.19	28,414.93	28,817.33
	b) Purchase of stock-in-trade	638.80	501.19	381.01	2,398.45	1,241.83
	c) Changes in inventories of finished goods and Stock-in-trade	(1,773.26)	346.64	(1,546.55)	(1,313.92)	1,193.59
	d) Excise duty on sale of Goods	-	-	-	-	493.24
	e) Employee benefits expense	1,462.31	1,317.02	1,268.81	5,375.89	3,920.14
	f) Finance Costs	431.06	325.41	481.85	1,407.41	1,531.49
	g) Depreciation and amortisation expense	440.51	401.31	346.98	1,690.49	1,612.92
	h) Other expenses	3,845.46	3,151.51	3,661.76	14,631.14	14,756.16
	Total expenses :	12,341.05	9,905.57	12,597.05	52,604.39	53,566.70
5	Profit/(Loss) from ordinary activities before tax (3-4)	(874.59)	(341.57)	117.58	5,186.36	2,294.00
6	Tax expense					
	(a) Current Tax	(342.90)	(148.34)	(99.09)	1,735.57	622.18
	(b) Deferred Tax	110.76	61.42	135.83	114.51	105.48
	Total tax Expense	(232.14)	(86.92)	36.74	1,850.08	727.66
7	Net Profit/ (Loss) after tax (5-6)	(642.45)	(254.65)	80.84	3,336.28	1,566.34
	Attributable to:					
	Non Controlling Interest	(0.30)	0.05	(0.09)	0.21	0.09
	Owners of the company	(642.15)	(254.70)	80.93	3,336.07	1,566.25
8	Other Comprehensive Income (Net of tax)					
	Items that will not be reclassified to statement of Profit and Loss	(14.60)	(4.61)	3.77	(28.19)	(18.54)
	Items that will be reclassified to statement of Profit and Loss	(7.56)	(17.60)	6.96	7.95	4.13
	Total Other Comprehensive Income (Net of Tax)	(22.16)	(22.21)	10.73	(20.24)	(14.41)
	Attributable to:					
	Non Controlling Interest	-	-	-	-	-
	Owners of the company	(22.16)	(22.21)	10.73	(20.24)	(14.41)
9	Total Comprehensive Income for the period (7+8)	(664.61)	(276.86)	91.57	3,316.04	1,551.93
	Attributable to:					
	Non Controlling Interest	(0.30)	0.05	(0.09)	0.21	0.09
	Owners of the company	(664.31)	(276.91)	91.66	3,315.83	1,551.84
10	Paid-up Equity Share Capital (Face Value of ₹ 10/- each)	718.78	718.78	718.78	718.78	718.78
11	Other Equity excluding Revaluation Reserve				12,492.53	9,285.02
12	Earnings Per Share (of ₹ 10/- each) (not annualized) :					
	a) Basic (₹)	(8.93)	(3.54)	1.13	46.41	21.79
	b) Diluted (₹)	(8.93)	(3.54)	1.13	46.41	21.79

See accompanying Notes to the Consolidated Financial Results



Consolidated Statement of Assets and Liabilities

(₹ in lacs)

Particulars	March 31, 2019 (Audited)	March 31, 2018 (Audited)
ASSETS		
Non-current Assets :		
(a) Property, Plant and Equipment	26,511.35	25,401.36
(b) Capital Work in Progress	1,319.63	728.89
(c) Investment Property	19.40	19.74
(d) Other Intangible Assets	200.38	250.23
(e) Financial Assets		
(i) Investments	57.60	57.07
(ii) Loans	9.44	1.69
(iii) Other Financial Assets	745.23	703.14
(f) Deferred Tax Assets (Net)	55.65	5.12
(g) Other Non- Current Assets	622.14	564.84
Total Non current Assets :	29,540.82	27,732.04
Current Assets :		
(a) Inventories	12,704.07	10,216.36
(b) Financial Assets		
(i) Investments	1.44	1.73
(ii) Trade Receivables	3,103.14	4,199.01
(iii) Cash and Cash Equivalents	608.62	249.76
(iv) Bank Balance other than (iii) above	252.37	211.67
(v) Loans	15.83	16.94
(vi) Other Financial Assets	203.76	94.68
(c) Current Tax Assets (Net)		47.19
(d) Other Current Assets	1,179.03	1,175.07
Total Current Assets :	18,068.26	16,212.37
TOTAL ASSETS :	47,609.08	43,944.41
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	718.78	718.78
(b) Other Equity	20,016.70	16,809.19
Total Equity attributable to owner	20,735.48	17,527.97
(c) Non controlling interest	32.12	31.91
Total Equity	20,767.60	17,559.88
Liabilities		
Non Current Liabilities:-		
(a) Financial Liabilities		
(i) Borrowings	5,798.98	7,099.10
(ii) Other Financial Liabilities	55.53	48.49
(b) Provisions	201.37	128.34
(c) Deferred Tax Liabilities (Net)	2,188.95	2,073.22
(d) Other Non Current Liabilities	660.54	698.35
Total Non Current Liabilities	8,905.37	10,047.50
Current Liabilities:-		
(a) Financial Liabilities		
(i) Borrowings	6,563.89	5,305.16
(ii) Trade Payables		
-Dues of micro enterprises and small enterprises	411.20	475.27
-Dues of creditors other than micro enterprises and small enterprises	6,455.53	7,322.49
(iii) Other Financial Liabilities	3,418.84	2,461.84
(b) Provisions	290.69	239.73
(c) Current Tax Liabilities (Net)	228.31	
(d) Other Current Liabilities	567.65	532.58
Total Current Liabilities	17,936.11	16,337.03
TOTAL - EQUITY AND LIABILITIES :	47,609.08	43,944.41



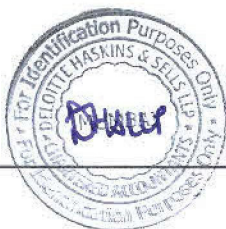
Notes:-

- 1 The above Consolidated Financial results for the quarter and year ended on March 31, 2019 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their Board Meeting held on August 23, 2019 in terms of Provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The statutory auditors have issued a disclaimer of opinion in respect of the results for the quarter and year ended March 31, 2019.
- 2 The Board of Directors of the holding Company has recommended dividend of ₹ 1.25 per equity share (12.50 %) face value of ₹ 10 each for the year ended March 31, 2019 on 71,87,830 equity shares amounting to ₹ 89.85 Lacs (excluding tax on dividend of ₹ 18.47 Lacs) subject to approval of the shareholders.
- 3 During the financial year 2018-19, two Promoter Directors of the holding Company have sent out numerous communications to the Board of Directors ("the Board") of the holding Company making various allegations and counter-allegations on each other primarily relating to the operations and management of the holding Company on a range of matters including potential personal expenses claimed as official expenses, funds management, dissemination of price sensitive information, demand for re-examination of books of account of past periods, legitimacy of salaries paid to relatives of the promoter directors, payments made to a vendor without services being received 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 these allegations / counter-allegations on each other unconditionally and without any reservations except for the ones stated in Note 4 below. The Board of Directors in their meeting on July 22, 2019, evaluated the basis of withdrawal of the joint communications of the promoter directors – PD1 and PD2 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 4 below.
- 4 A) One of the Promoter Director (PD 1) and the Chief Financial Officer (CFO) of the holding Company suspects that another Promoter Director (PD 2) (PD 1 and PD 2 collectively refer red to as "Promoter Directors" hereinafter) of the holding Company has claimed potential personal expenses amounting to Rs. 25.33 lakhs as official business expenses during the financial year 2017-18 to 2018-19. The Board of Directors ("the Board") of the holding Company, in their meeting dated March 30, 2019 have appointed an independent external consultant to perform procedures to ascertain whether potential personal expenses have been claimed as business expenses. In the same meeting, the Board has also appointed an external legal firm to hand hold the Board through the said process including compliance with applicable laws and regulations. As on the date of approval of these financial statements by the Board, the independent external consultants and the external legal firm are yet to provide their report to the Board to enable them to take further action in this matter.
B) Similarly, PD 2 suspects that PD 1 and his family members have charged personal travel expenses of approximately Rs. 23.00 lacs as business expense during financial years 2014-15 to 2018-19.
The holding 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.
- 5 As the statutory auditors have not accepted holding Company's representation on notes no.3 and 4 above and issued a disclaimer of opinion report, the promoter directors in the board meeting held on August 23, 2019 have voluntary 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 interest of all stakeholders.
- 6 In FY 2017-18, a Company Petition was filed against the holding 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 holding Company. In the current financial year, no orders have been passed by the NCLT as the petitioners and all of the parties to the petition have submitted to the NCLT that they are seeking to arrive at an amicable resolution of matter.
- 7 On September 29 2016, an agreement was signed between the holding Company and Vadilal Enterprises Limited, a related party, for sale of ice-creams in the domestic market. The agreement was approved by the Board of Directors of the holding Company in their meeting held on August 8, 2016 and subsequently approved by the shareholders in their meeting held on September 27, 2016. As per the agreement, the pricing of the products sold shall be at the discretion of the holding Company. Two erstwhile independent directors of the holding Company, who had approved the contract in the meeting of the Board of Directors as referred above, in their resignation letters and a promoter shareholder have sighted their concerns on the terms and conditions of the contract. The pricing pattern has remained consistent over these past years. The holding Company's management has obtained an opinion from a retired Supreme Court Judge who has opined that the contract is valid under the Indian Contract Act, 2013 and that it was approved by the then Audit Committee, the then Board of Directors and the then shareholders in accordance with the requirements of the Companies Act, 2013 and the Listing Regulations. Based on this opinion, the Board of Directors have concluded that the transactions pursuant to the contract are in accordance with the applicable laws.
- 8 As the major business of the group i.e. manufacturing 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 In compliance with IND AS 20 on Government Grants and consequent to clarifications published by The Institute of Chartered Accountants of India, income from government grant have been recognised as "Other Income" with effect from July 2018. In earlier periods, these refunds were reported under "Other Operating Revenue" in the Statement of Profit and Loss. This has no impact on reported Profit Before Tax.
- 10 Consequent to introduction of Goods and Service tax (GST) with effect from 1st July 2017, Central Excise, Service Tax, Value Added Tax (VAT), etc. have been subsumed into GST. In accordance with Indian Accounting Standard and Schedule III of the Companies Act, 2013, Revenue from Operations is disclosed net of GST. In view of the aforesaid restructuring of indirect taxes, Revenue from Operations and excise duty for the year ended March 31, 2019 are not comparable with corresponding previous year.
- 11 The group 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".
- 12 Figures for the quarter ended March 31, 2019 and March 31, 2018 represents the difference between the audited figures in respect to the full financial year and unaudited published figures of nine months ended December 31, 2018 and December 31, 2017, respectively, which were subject to limited review.
- 13 Key Numbers of Standalone Financial Results of the Company are as under:

Sr.No.	Particulars	Quarter ended			Year ended	
		March 31,2019	December 31,2018	March 31,2018	March 31,2019	March 31,2018
a	Revenue from operations	9,866.36	7,891.89	11,480.59	50,705.76	52,013.98
b	Profit Before Tax	(464.30)	(299.76)	281.44	4,867.61	2,223.75
c	Profit After Tax	(312.97)	(217.04)	228.13	3,148.38	1,484.53

The Standalone Financial Result is available at the Company's website www.vadilalgroup.com and on the website of stock exchanges www.bseindia.com and www.nseindia.com

Date : August 23, 2019
Place : Ahmedabad



For VADILAL INDUSTRIES LIMITED

R.R. Gandhi

RAJESH R.GANDHI
DIRECTOR



INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF VADILAL INDUSTRIES LIMITED

1. We were engaged to audit the accompanying Statement of Standalone Financial Results of Vadilal Industries Limited ("the Company"), for the year ended 31st March, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Standalone financial statements which has been prepared by the management of the Company and, which they represent, have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.

2. Our responsibility is to conduct an audit of the Statement in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India and to issue an auditor's report. However, because of the matters described in paragraph 3 below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Statement.
3. We refer to the following :
 - a. Note 3 to the Statement describes disputes on various financial, operational and governance matters between the Promoter Directors of the Company and there are numerous allegations made against each other from August 2018 till July 2019 vide their respective communications to the Board of Directors of the Company. Furthermore, two erstwhile Independent Directors have, in their resignation letters dated June 19, 2019, addressed to the Company, have raised concerns in respect of the aforesaid disputes between the promoter directors and hostile environment in the meetings of the Board of Directors and its committees. We provided to the Audit Committee and Board of Directors our suggestions to have these allegations investigated by an independent external agency to determine whether any irregularities / non-compliances / illegalities have occurred in relation to the allegations. The Promoters have communicated to Audit Committee and Board of Directors their withdrawal of all the above allegations on July 22, 2019, except for the matters referred in Paragraphs 3(b) and 3(c) below.

As per a resolution passed by the Board of Directors on 30th March, 2019, the promoter directors ceased to be Managing Directors of the Company and it was resolved in the same meeting to appoint Professional Management as Director / Manager / CEO for the Company and that in the interim period, the Promoter Directors would continue to manage the business affairs of the Company without remuneration.



- b. As more fully explained in note 4(A) to the Statement, based on allegation made by Promoter Director 1 and Chief Financial Officer on August 11, 2018, the Board of Directors of the Company at their meeting held on March 30, 2019 has initiated an independent investigation by an external consultant along with an external legal firm, the scope of which, inter-alia covers, ascertainment of irregularities, if any, with respect to potential personal expenses, amounting to Rs.25.33 lakhs as official business expenses by Promoter Director 2 of the Company. As per the information and explanations given to us, the external consultant is currently conducting their investigations and they may make a determination on whether the payments were inappropriate / illegal and its consequential impact, if any, including on compliance of relevant laws / regulations.
- c. Note 4(B) to the Statement which refers to suspicion raised by Promoter Director 2 on July 22, 2019 with respect to personal travel expenses of approximately Rs.23 lakhs suspected to have been claimed as business expense by Promoter Director 1.
- d. Note 6 to the Statement which refers to the status of on-going litigations filed against the Parent under Section 241 and 242 of the Companies Act, 2013 pertaining to prevention of oppression and mismanagement of the Company.
- e. Due to the possible effects of the matters described in paragraphs 3(a) to 3(d) above, we are unable to state whether the remuneration of Rs.355.96 lakhs paid by the Company to its promoter directors during the year is in accordance with the provisions of section 197 of the Act and any consequential effect thereof on these financial statements.

The Audit Committee and the Board of Directors in their meeting held on August 23, 2019 resolved to initiate independent inquiries into the matters referred in paragraph 3(a) and 3(c) above.

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

- 4. Because of the significance of the matters described in paragraph 3 above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion as to whether this Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/216 dated July 5, 2016; and
 - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year ended March 31, 2019.
- 5. We draw attention to Note 7 to the Statement, which describe the key terms of a contract entered into by the Company with Vadilal Enterprises Limited, a related party, for sale of its goods.



6. The Statement includes the results for the quarter ended 31st March 2019 being the balancing figure between figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval

Kartikeya Raval
Partner

(Membership No. 106189)

UDIN: 19106189 AA A ANB9515



Ahmedabad,
Date:

August 23, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF VADILAL INDUSTRIES LIMITED

1. We were engaged to audit the accompanying Statement of the Consolidated Financial Results of Vadilal Industries Limited ("the Parent" or "the Company") and its subsidiaries (the parent and its subsidiaries together referred to as "the Group") for the year ended on 31st March, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

The Statement includes the results of the Parent and its subsidiaries, Vadilal Industries (USA) Inc., Vadilal Gulf (FZE), Vadilal Industries Pty Ltd and Vadilal Cold Storage.

This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related Consolidated financial statements which has been prepared by the Management of the Parent and, which they represent, have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.

2. Our responsibility is to conduct an audit of the Statement in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India and to issue an auditor's report. However, because of the matters described in paragraph 3 below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Statement.
3. We refer to the following:
 - a. Note 3 to the Statement describes disputes on various financial, operational and governance matters between the Promoter Directors of the Parent and there are numerous allegations made against each other from August 2018 till July 2019 vide their respective communications to the Board of Directors of the Parent. Furthermore, two erstwhile Independent Directors have, in their resignation letters dated June 19, 2019, addressed to the Parent, have raised concerns in respect of the aforesaid disputes between the promoter directors and hostile environment in the meetings of the Board of Directors and its committees. We provided to the Audit Committee and Board of Directors our suggestions to have these allegations investigated by an independent external agency to determine whether any irregularities / non-compliances / illegalities have occurred in relation to the allegations. The Promoters have communicated to Audit Committee and Board of Directors their withdrawal of all the above allegations on July 22, 2019, except for the matters referred in Paragraph 3(b) and 3(c) below.

As per a resolution passed by the Board of Directors on 30th March, 2019, the promoter directors ceased to be Managing Directors of the Parent and it was resolved in the same meeting to appoint Professional Management as Director



/ Manager / CEO for the Parent and that in the interim period, the Promoter Directors would continue to manage the business affairs of the Parent without remuneration.

- b. As more fully explained in note 4(A) to the Statement, based on allegation made by Promoter Director 1 and Chief Financial Officer on August 11, 2018, the Board of Directors of the Parent at their meeting held on March 30, 2019 has initiated an independent inquiry by an external consultant along with an external legal firm, the scope of which, inter-alia covers, ascertainment of irregularities, if any, with respect to potential personal expenses, amounting to Rs.25.33 lakhs as official business expenses by Promoter Director 2 of the Parent. As per the information and explanations given to us, the external consultant is currently conducting their inquiries and they may make a determination on whether the payments were inappropriate / illegal and its consequential impact, if any, including on compliance of relevant laws / regulations.
- c. Note 4(B) to the Statement which refers to suspicion raised by Promoter Director 2 on July 22, 2019 with respect to personal travel expenses of approximately Rs.23 lakhs suspected to have been claimed as business expense by Promoter Director 1.
- d. Note 6 to the Statement which refers to the status of on-going litigations filed against the Parent under Section 241 and 242 of the Companies Act, 2013 pertaining to prevention of oppression and mismanagement of the Parent.
- e. Due to the possible effects of the matters described in paragraphs 3(a) to 3(d) above, we are unable to state whether the remuneration of Rs.355.96 lakhs paid by the Parent to its promoter directors during the year is in accordance with the provisions of section 197 of the Act and any consequential effect thereof on the Statement.

The Audit Committee and the Board of Directors in their meeting held on August 23, 2019 resolved to initiate independent inquiries into the matters referred in paragraph 3(a) and 3(c) above.

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

- 4. Because of the significance of the matters described in paragraph 3 above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion as to whether this Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/216 dated July 5, 2016; and
 - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Group for the year ended March 31, 2019.
- 5. We draw attention to Note 7 to the Statement which describe the key terms of a contract entered into by the Parent with Vadilal Enterprises Limited, a related party, for sale of its goods.



6. We did not audit the financial statements of two subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 3,811.6 lakhs as at 31st March, 2019, total revenues of Rs. 10,220.5 lakhs, total net profit after tax of Rs. 463.1 lakhs and total comprehensive income of Rs. 463.1 lakhs for the year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

The financial statements of these subsidiaries have not been prepared in accordance with the accounting principles generally accepted in India as applicable to the Parent. The Parent's management has converted the financial statements of these subsidiaries from those accounting principles to the accounting principles generally accepted in India, as applicable to the Parent.

7. The consolidated financial results includes the unaudited financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. Nil as at March 31, 2019, total revenue of Rs. Nil, total net profit/ loss after tax of Rs. Nil and Total Comprehensive income/ loss of Rs. Nil for the year ended 31st March, 2019, as considered in the consolidated financial results. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements. According to the information and explanations given to us by the Management of the Parent, these financial statements are not material to the Group.
8. The Statement includes the results for the quarter ended 31st March 2019 being the balancing figure between figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval

Kartikeya Raval
Partner
(Membership No. 106189)

Ahmedabad,

August 23, 2019



UPIN: 19106189AAAA NC3871

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Standalone Audited Financial Results for the Financial Year ended March 31, 2019

Standalone Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I	SI No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	51964.22	51964.22
	2	Total Expenditure	47096.51	47096.61
	3	Net Profit/(Loss)	3148.38	3148.38
	4	Earnings Per Share	43.80	43.80
	5	Total Assets	46581.53	46581.53
	6	Total Liabilities	26263.91	26263.91
	7	Net Worth	20317.62	20317.62
	8	Any other financial item(s) (as felt appropriate by the management)	-	-
II	Audit Qualification (each audit qualification separately):			
	a. Details of Audit Qualification Para 3 and 4 of Independent Auditor's Report which is reproduced hereunder: 3. We refer to the following : a. Note 3 to the Statement describes disputes on various financial, operational and governance matters between the Promoter Directors of the Company and there are numerous allegations made against each other from August 2018 till July 2019 vide their respective communications to the Board of Directors of the Company. Furthermore, two erstwhile Independent Directors have, in their resignation letters dated June 19, 2019, addressed to the Company, have raised concerns in respect of the aforesaid disputes between the promoter directors and hostile environment in the meetings of the Board of Directors and its committees. We provided to the Audit Committee and Board of Directors our suggestions to have these allegations investigated by an independent external agency to determine whether any irregularities / non-compliances / illegalities have occurred in relation to the allegations. The Promoters have communicated to Audit Committee and Board of Directors their withdrawal of all the			

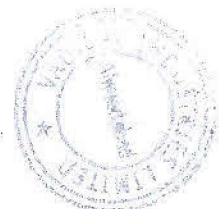


above allegations on July 22, 2019, except for the matters referred in Paragraphs 3(b) and 3(c) below.

As per a resolution passed by the Board of Directors on 30th March, 2019, the promoter directors ceased to be Managing Directors of the Company and it was resolved in the same meeting to appoint Professional Management as Director / Manager / CEO for the Company and that in the interim period, the Promoter Directors would continue to manage the business affairs of the Company without remuneration.

- b. As more fully explained in note 4(A) to the Statement, based on allegation made by Promoter Director 2 and Chief Financial Officer on August 11, 2018, the Board of Directors of the Company at their meeting held on March 30, 2019 has initiated an independent investigation by an external consultant along with an external legal firm, the scope of which, inter-alia covers, ascertainment of irregularities, if any, with respect to potential personal expenses, amounting to Rs.25.33 lakhs as official business expenses by Promoter Director 1 of the Company. As per the information and explanations given to us, the external consultant is currently conducting their investigations and they may make a determination on whether the payments were inappropriate / illegal and its consequential impact, if any, including on compliance of relevant laws / regulations.
- c. Note 4(B) to the Statement which refers to suspicion raised by Promoter Director 1 on July 22, 2019 with respect to personal travel expenses of approximately Rs.23 lakhs suspected to have been claimed as business expense by Promoter Director 2.
- d. Note 6 to the Statement which refers to the status of on-going litigations filed against the Parent under Section 241 and 242 of the Companies Act, 2013 pertaining to prevention of oppression and mismanagement of the Company.
- e. Due to the possible effects of the matters described in paragraphs 3(a) to 3(d) above, we are unable to state whether the remuneration of Rs.355.96 lakhs paid by the Company to its promoter directors during the year is in accordance with the provisions of section 197 of the Act and any consequential effect thereof on these financial statements.

The Audit Committee and the Board of Directors in their meeting held on August 23, 2019 resolved to initiate



	independent inquiries into the matters referred in paragraph 3(a) and 3(c) above. Pending completion of the aforesaid inquiries / investigations and resolution of the above matters, we are unable to determine if any adjustments are necessary to the Statement on account of the aforesaid matters, any restatement of prior years' including any consequential effect thereof. 4. Because of the significance of the matters described in paragraph 3 above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion as to whether this Statement: (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/216 dated July 5, 2016; and (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year ended March 31, 2019.
	b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion
	c. Frequency of qualification: Whether appeared First time / repetitive / since how long continuing
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not quantified by Auditor
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: The Management does not expect any negative impact on the financial statements of the Company considering the fact that the amount as already been expensed in the relevant financial years. This Management estimate is subject to conclusion of the inquiries by an external agency voluntarily initiated by Company.
	(ii) If management is unable to estimate the impact, reasons for the same: Not applicable



(iii) Auditors' Comments on (i) or (ii) above:

Our views remain unchanged considering the matters referred in para 3 and 4 of our Audit report.

II Signatory:

CEO/Managing Director-/
Directors
Mr. Rajesh Gandhi,
Director

R R Gandhi

Mr. Devanshu Gandhi
Director

D. Gandhi

CFO
Mr. Kalpit Gandhi
Place: New Jersey

K Gandhi

Audit Committee
Chairman
Mr. Vijay Shah

V Shah

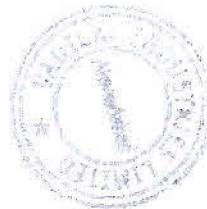
Statutory Auditor
M/s Deloitte Haskins &
Sells LLP
Firm Regn. No:
117366W/W-100018

Mr. Kartikeya Raval,
Partner,
(Membership no:
106189)

Kartikeya Raval

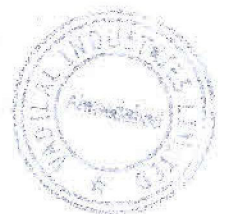
Place: Ahmedabad

Date: August 23, 2019



Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Consolidated Audited Financial Results for the Financial Year ended March 31, 2019

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I	SI No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	57790.75	57790.75
	2	Total Expenditure	52604.39	52604.39
	3	Net Profit/(Loss)	3326.28	3326.28
	4	Earnings Per Share	46.41	46.41
	5	Total Assets	47609.08	47609.08
	6	Total Liabilities	26841.48	26841.48
	7	Net Worth	20767.60	20767.60
	8	Any other financial item(s) (as felt appropriate by the management)	-	-
II	Audit Qualification (each audit qualification separately):			
	a. Details of Audit Qualification Para 3 and 4 of Independent Auditor's Report which is reproduced hereunder 3. We refer to the following: a. Note 3 to the Statement describes disputes on various financial, operational and governance matters between the Promoter Directors of the Parent and there are numerous allegations made against each other from August 2018 till July 2019 vide their respective communications to the Board of Directors of the Parent. Furthermore, two erstwhile Independent Directors have, in their resignation letters dated June 19, 2019, addressed to the Parent, have raised concerns in respect of the aforesaid disputes between the promoter directors and hostile environment in the meetings of the Board of Directors and its committees. We provided to the Audit Committee and Board of Directors our suggestions to have these allegations investigated			



by an independent external agency to determine whether any irregularities / non-compliances / illegalities have occurred in relation to the allegations. The Promoters have communicated to Audit Committee and Board of Directors their withdrawal of all the above allegations on July 22, 2019, except for the matters referred in Paragraph 3(b) and 3(c) below.

As per a resolution passed by the Board of Directors on 30th March, 2019, the promoter directors ceased to be Managing Directors of the Parent and it was resolved in the same meeting to appoint Professional Management as Director / Manager / CEO for the Parent and that in the interim period, the Promoter Directors would continue to manage the business affairs of the Parent without remuneration.

- b. As more fully explained in note 4(A) to the Statement, based on allegation made by Promoter Director 2 and Chief Financial Officer on August 11, 2018, the Board of Directors of the Parent at their meeting held on March 30, 2019 has initiated an independent inquiry by an external consultant along with an external legal firm, the scope of which, inter-alia covers, ascertainment of irregularities, if any, with respect to potential personal expenses, amounting to Rs.25.33 lakhs as official business expenses by Promoter Director 1 of the Parent. As per the information and explanations given to us, the external consultant is currently conducting their inquiries and they may make a determination on whether the payments were inappropriate / illegal and its consequential impact, if any, including on compliance of relevant laws / regulations.
- c. Note 4(B) to the Statement which refers to suspicion raised by Promoter Director 1 on July 22,



2019 with respect to personal travel expenses of approximately Rs.23 lakhs suspected to have been claimed as business expense by Promoter Director 2.

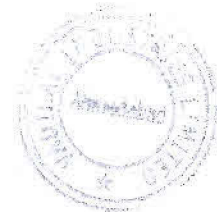
- d. Note 6 to the Statement which refers to the status of on-going litigations filed against the Parent under Section 241 and 242 of the Companies Act, 2013 pertaining to prevention of oppression and mismanagement of the Parent.
- e. Due to the possible effects of the matters described in paragraphs 3(a) to 3(d) above, we are unable to state whether the remuneration of Rs.355.96 lakhs paid by the Parent to its promoter directors during the year is in accordance with the provisions of section 197 of the Act and any consequential effect thereof on the Statement.

The Audit Committee and the Board of Directors in their meeting held on August 23, 2019 resolved to initiate independent inquiries into the matters referred in paragraph 3(a) and 3(c) above.

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

- 4. Because of the significance of the matters described in paragraph 3 above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion as to whether this Statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,



	as modified by Circular No. CIR/CFD/FAC/62/216 dated July 5, 2016; and (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Group for the year ended March 31, 2019.
	b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion
	c. Frequency of qualification: Whether appeared First time / repetitive / since how long continuing
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not quantified by Auditor
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: The Management does not expect any negative impact on the financial statements of the Company considering the fact that the amount as already been expensed in the relevant financial years. This Management estimate is subject to conclusion of the inquiries by an external agency voluntarily initiated by Company.
	(ii) If management is unable to estimate the impact, reasons for the same: Not applicable



views remain unchanged considering the matters referred in para 3 and 4 of our Audit report.

Signatory:

CEO/Managing Director /
Directors
Mr. Rajesh Gandhi,
Director

R.R. Gandhi

Mr. Devanshu Gandhi
Director

D.D. Gandhi

CFO
Mr. Kalpit Gandhi
Place: New Jersey

K. Gandhi

Audit Committee
Chairman
Mr. Vijay Shah

V. Shah

Statutory Auditor
M/S Deloitte Haskins &
Sells LLP
Firm Regn. No:
117365W/W-100018

Kartikaya Raval

Mr. Kartikaya Raval,
Partner,
(Membership no:
106189)

Place: Ahmedabad

Date: August 23, 2019

