

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

**Scrip Code: 519152**

Dear Sir,

**Subject: Intimation regarding Credit Ratings under Regulation 30 of the SEBI (LODR) Regulations, 2015**

Pursuant to Regulation 30 of SEBI (Listing Obligation & Disclosures Requirements) Regulation, 2015, we wish to intimate you that Care Ratings Limited has given the following issuer rating to the Company. The instrument wise rating actions are as follows:

Instrument Type	Rating	Rating Action
Long Term Bank Facilities	CARE BBB-; Stable (Triple B Minus; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Long Term/ Short Term Bank Facilities	CARE BBB-; Stable / CARE A3 (Triple B Minus; Outlook: Stable/ A Three)	Reaffirmed; Outlook revised from Negative

**KEY RATINGS DRIVERS**

1. The ratings assigned to the bank facilities of Vadilal Enterprises Limited (VEL) continue to derive strength the vast experience of its promoters along with long-standing track record with established operations of VEL in ice-cream business, more than a century old presence of the 'Vadilal' brand in the domestic ice-cream market supported by its strong marketing and distribution network and strong operational linkage with Vadilal Industries Limited (VIL; rated CARE BBB-; Stable/ CARE A3) due to VEL's exclusive rights for selling and distribution of ice-cream and other products manufactured by VIL in the domestic market. The ratings also factor in its moderate scale of operations which declined in FY21 (FY refers to the period from April 1 to March 31) but has shown improvement in Q1FY22 on y-o-y basis.
2. The above strengths are, however, tempered on account of very thin profitability margins of VEL due to the trading nature of its operations along-with very small net-worth base resulting in very high leverage and high competition in the ice-cream segment from the organized as well as un-organized players. The ratings are also constrained by delay in resolution of allegations made by promoters and pending outcome of ongoing investigation on certain matters which has formed the basis for auditor's qualified opinion in FY21.

Please take the same on your records.

Yours faithfully,

For **VADILAL ENTERPRISES LIMITED**

  
Vishal Sondagar

Company Secretary & Compliance Officer

**VADILAL ENTERPRISES LIMITED**