



REF: VPL : SEC: DEC: 2017-18

Date: 13.12.2017

The Listing Department, National Stock Exchange of India Ltd, "Exchange Plaza" Bandra-Kurla Complex, Bandra (East), Mumbai-400051 Scrip Code: VARDMNPOLY	The Listing Department, Bombay Stock Exchange Limited, 25 <sup>th</sup> Floor, P.J Towers Dalal Street Fort, Mumbai-400001 Scrip Code: 514175
--	---

**SUBJECT: Outcome of Board meeting held on 13.12.2017 and Submission of Unaudited Financial Results for Quarter and Half year ended on 30<sup>th</sup> September, 2017 in Compliance with regulation 33 and 30(2) of the SEBI (LODR) Regulations, 2015.**

Dear Sir/Madam,

1. Please find enclosed herewith the Un-audited Financial Results for Second Quarter and Half year ended on 30<sup>th</sup> September, 2017 in Compliance with regulation 33 read with 30(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We would like to inform your good office that w.e.f. 1<sup>st</sup> April, 2017, the Ind-AS has become applicable on the Company. Therefore the aforesaid results have been prepared in conformity with Ind-AS principles.
2. The said results have been reviewed by the Audit Committee in its meeting held on 13.12.2017 and have been taken on record by the Board of Directors of the Company in their meeting held today.
3. Further, Limited review report issued by the Statutory Auditors of the Company in respect of the Un-audited financial results of the Company for the quarter ended 30<sup>th</sup> September, 2017 is also enclosed herewith.

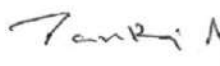
**The meeting of Board of Directors commenced at 04:00 P.M. and concluded at 06:00 P.M.**

Kindly consider the submissions and take the same on your records.

Thanking you,

Your's faithfully,

For Vardhman Polytex Limited

  
(Pankaj Agarwal)

Company Secretary & Compliance Officer



VARDHMAN POLYTEX LTD.

Regd. Office : 'Vardhman Park, Chandigarh Road, Ludhiana - 141123'

CIN: L17122PB1980PLC 004242, PHONES: 0161-2685301-04, 6629888, FAX : 6629988, E-Mail- info@vpl.in, Web: www.vpl.in

UNAUDITED FINANCIAL RESULTS FOR THE  
QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2017

(Rs. In Lakh)

Sl. No	Particulars	Quarter ended			Half year ended	
		30th Sept 2017 Reviewed	30th June 2017 Reviewed	30th Sept 2016 Reviewed	30th Sept 2017 Reviewed	30th Sept 2016 Reviewed
1	Income from operations	11,313.59	19,339.51	21,242.04	30,653.10	41,120.31
2	Other income	213.87	121.36	230.74	335.23	731.28
3	<b>Total Income (1+2)</b>	<b>11,527.46</b>	<b>19,460.87</b>	<b>21,472.78</b>	<b>30,988.33</b>	<b>41,851.59</b>
4	<b>Expenses</b>					
	A) Cost of material consumed	7,256.90	12,996.79	13,989.97	20,253.69	26,946.85
	B) Purchase of traded goods	192.86	1,977.71	1,326.13	2,170.57	2,595.09
	C) Changes in inventories of finished goods, stock in trade and work in progress	2,314.30	200.56	(741.55)	2,514.86	(1,702.19)
	D) Employee benefit expense	1,102.54	1,415.58	1,182.41	2,518.12	2,608.36
	E) Finance costs	1,630.28	1,575.33	1,416.06	3,205.61	2,721.49
	F) Depreciation and amortisation expense	523.09	522.52	533.76	1,045.61	1,049.18
	G) Other Expenditure	2,770.80	4,306.03	3,731.81	7,076.83	7,565.93
	<b>Total Expenses</b>	<b>15,790.77</b>	<b>22,994.52</b>	<b>21,438.59</b>	<b>38,785.29</b>	<b>41,784.71</b>
5	<b>Profit from operations before tax and exceptional items (3-4)</b>	<b>(4,263.31)</b>	<b>(3,533.65)</b>	<b>34.19</b>	<b>(7,796.96)</b>	<b>66.88</b>
6	Exceptional items	583.75	11,644.14	-	12,227.89	-
7	<b>Profit before tax and after exceptional items (5-6)</b>	<b>(4,847.06)</b>	<b>(15,177.79)</b>	<b>34.19</b>	<b>(20,024.85)</b>	<b>66.88</b>
8	Tax expense	-	-	-	-	-
9	<b>Net Profit after tax (7-8)</b>	<b>(4,847.06)</b>	<b>(15,177.79)</b>	<b>34.19</b>	<b>(20,024.85)</b>	<b>66.88</b>
	Other comprehensive income/ (loss), net of tax	22.28	22.28	1.23	44.56	2.46
10	<b>Total Comprehensive Income for the period [Comprising Profit / (loss) for the period (after tax) and Other Comprehensive Income (after tax)]</b>	<b>(4,824.78)</b>	<b>(15,155.51)</b>	<b>35.42</b>	<b>(19,980.29)</b>	<b>69.34</b>
11	Paid-up equity share capital (Face value-Rs.10 per equity share)	2,232.54	2,232.54	2,232.54	2,232.54	2,232.54
	Reserves (excluding revaluation reserves)	(11,470.25)	(6,645.05)	8,571.69	(11,470.25)	8,571.69
	Earnings per share (of Rs.10 each) (for the period - not annualised)					
	- Basic (Rs.)	(21.74)	(68.09)	0.15	(89.83)	0.30
	- Diluted (Rs.)	(21.74)	(68.09)	0.15	(89.83)	0.30



For Vardhman Polytex Limited

KULDEEP SINGLA  
Chief Financial Officer

Notes:

- 1 The above results were reviewed by the Audit Committee and thereafter have been adopted by the Board at its meeting held on December 15, 2017. A limited review of the financial results for the quarter and half year ended September 30, 2017 have been carried out by the Statutory Auditors.
- 2 Regarding the auditors' qualification for the year ended March 31, 2017 with respect to repayment of FC B liability, the repayment of the same has been delayed due to liquidity crisis and additional liability, if any on this account, will be booked as and when finalised.
- 3 Due to various external /other factors beyond the control of management including delayed support on modernization side by lenders pending complete the up of debt funds with resultant deteriorating cost/operating efficiency of respective plants, liquidity challenges putting sales pressure on the company to sell its products as such, lower capacity utilization on account of insufficient working capital with resultant increased fixed costs, the company has suffered losses to the tune of Rs 487.08 lacs during the current quarter. However, despite net worth having been fully eroded in previous quarter itself, the Management is of the view that the company is an operative company and necessary steps are being taken to mitigate this. In view of the same, the financial statements have been prepared on a going concern basis.
- 4 Exceptional item for the current quarter includes Rs 583.75 Lacs pertaining to provision for write off against Loan and advances to subsidiary company FM Hammerie Textiles Ltd. Thus in the half year ending 30th September 2017, the total exception item amounts to Rs 12227.891 Lakhs.
- 5 A limited review as required under regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 has been completed on the detailed financial results for the half year and quarter ended 30 September 2017 filed with the Stock Exchanges. This report does not have any impact on the 'Results and Notes' for the half year and quarter ended 30 September 2017 which needs to be explained.
- 6 The Company has adopted Indian Accounting Standards (INDAS) from April 1, 2017 (transition date being April 1, 2016) and accordingly, these financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as prescribed under section 133 of the Companies Act, 2013 not with relevant rules issued hereunder and the other accounting principles generally accepted in India. Result for the quarter / half year ended September 30, 2017, are in compliance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs. Consequently, result for the quarter ended September 30, 2016 and half-year ended September 30, 2016 have been restated to comply with Ind AS to make them comparable. The financial results and other information for the quarter and half year ended September 30, 2016 have not been audited or reviewed by the Statutory Auditors. However the management has exercised necessary due diligence to ensure that the unaudited financial results present a true and fair view of the company's affairs.

7 The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous Indian GAAP to Ind AS in accordance with Ind AS 101:

Total comprehensive income reconciliation.

Particulars	For the quarter ended September 30, 2016	For the half year ended September 30, 2016
Net Profit under previous GAAP	33.12	69.34
Eliminate income/expense - Amount same and hence 0	0.23	0.46
Net Profit as reported under Ind AS	34.19	69.88
Other comprehensive income	1.33	3.46
Total Income comprising Profit/(Loss) after Other Comprehensive Income under Ind AS	35.42	69.34

8 Figures relating to previous period have been regrouped/rearranged, where necessary to make them comparable with those of the current period

Place : Ludhiana  
Date : 13th December 2017



For Vardhan Polytex Ltd.  
  
 Chairman, Vardhan Polytex Ltd.  
 For Vardhan Polytex Ltd.  
 Chairman, Vardhan Polytex Ltd.

KULDEEP SINGLA  
 Chief Financial Officer

VARDHMAN POLYTEX LTD.

Regd. Office : 'Vardhman Park, Chandigarh Road, Ludhiana - 141123'

CIN: L17122PB1980PLC 004242, PHONES: 0161-2685301-04, 6629888, FAX : 6629988

E-Mail- info@vpl.in, Web: www.vpl.in

STATEMENT OF ASSETS AND LIABILITIES

AS AT 30TH SEPTEMBER 2017

(Rs. In Lakh)

Sr. No.	Particulars	Half year ended 30th Sept 2017 Reviewed
I	<b>ASSETS</b>	
1	<b>Non-current assets</b>	
	a) Property, plant and equipment	23598.91
	b) Capital work-in-progress	607.25
	c) Other intangible assets	117.92
	d) Financial assets	
	i) Investments	23.15
	ii) Loans	10.00
	iii) Other financial assets	12.00
	e) Deferred tax assets (net)	5016.18
	f) Other non current assets	1092.01
	<b>Sub total - Non Current Assets</b>	<b>30477.42</b>
2	<b>Current assets</b>	
	a) Inventories	3026.13
	b) Financial assets	
	i) Trade receivables	5878.59
	ii) Cash and cash equivalents	410.00
	iii) Bank balances other than (iii) above	0.40
	iv) Loans	22.39
	v) Others	474.18
	c) Current tax assets	330.09
	d) Other current assets	2009.79
	<b>Sub total - Non Current Assets</b>	<b>12151.57</b>
	<b>TOTAL - ASSETS</b>	<b>42628.99</b>
II	<b>EQUITY AND LIABILITIES</b>	
1	<b>Equity</b>	
	a) Equity share capital	2232.54
	b) Other equity	(11470.25)
	<b>Sub total - Equity</b>	<b>(9237.71)</b>
2	<b>2. Non-current liabilities</b>	
	a) Financial liabilities	
	i) Borrowings	14710.42
	ii) Other financial liabilities	348.25
	b) Other non current liabilities	16.81
	c) Provisions	37.78
	<b>Sub total - Non Current liabilities</b>	<b>15113.26</b>
	<b>3. Current liabilities</b>	
	a) Financial liabilities	
	i) Borrowings	22771.55
	ii) Trade payables	3504.53
	iii) Other financial liabilities	9855.33
	iii) Other financial liabilities	354.38
	b) Other current liabilities	267.65
	c) Provisions	
	<b>Sub total - Current liabilities</b>	<b>36753.44</b>
	<b>TOTAL- EQUITY AND LIABILITY</b>	<b>42628.99</b>



For Vardhman Polytex Ltd.

(Ashok Kumar Oswal)

Chairman & Managing Director

Chief Financial Officer

Place : Ludhiana

Date : 13th December 2017



## **ROMESH K. AGGARWAL & ASSOCIATES**

CHARTERED ACCOUNTANTS

G.T. ROAD, MILLER GANJ, LUDHIANA-141003

Phones: 2532920, 2534289.

### LIMITED REVIEW REPORT FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017

To  
The Board of Directors,  
Vardhman Polytex Ltd.  
Ludhiana

#### **1. Introduction**

We have reviewed the accompanying statement of unaudited standalone financial results of **Vardhman Polytex Limited** (The company) for the quarter and six months ended September 30, 2017 ("the statement") prepared by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and disclosure requirements) Regulations, 2015 read with SEBI circular no. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016. The Statement is responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these standalone financial results based on our review.

#### **2. Scope of Review**

We conducted our review in accordance 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

#### **3. Basis of Qualified opinion**

The company had credited profit of Rs 396.44 lacs due on payment of FCCB liability to the statement of profit & loss during the period ending March 31,2017. This profit should have been credited in the statement of profit & loss on payment of FCCB liability which is still outstanding to the tune of 554,160 USD as on September 30,2017. The same has not been addressed in the current quarter.

#### **4. Qualified Opinion**

Based on our review in conduct as above, except for the effect of our observation stated in Para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results read with notes thereon, prepared in accordance with Indian Accounting Standards as specified under section 133 of the companies Act, 2013 read with Companies (Accounts) Rules, 2014 and other recognized accounting practises and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular no. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.



## 5. Other Matters

We draw attention to the following matters:

1. Refer Note No. 6 to the interim financial results which states that the company has adopted Ind AS for the financial year commencing from April 1<sup>st</sup>, 2017 and accordingly the statement has been prepared in the compliance with Ind AS.
2. We were neither engaged to review, nor have we reviewed the comparative figures including the reconciliation to the Total Comprehensive Income for the quarter and half year ended September 30, 2016 and accordingly, we do not express any conclusion on the results in the Statement for the quarter and half year ended September 30, 2016. These figures have been furnished by the management.

Our conclusion is not modified in respect of the matters reported in para (1) to (2) of other matters.

For Romesh K Aggarwal & Associates

Chartered Accountants

FRN - 000711N



M. No. 519347

Place - Ludhiana

Dated - December 13, 2017