

Vardhmān polytex limited

Corporate & Regd. Office: 341, K-1, Mundian Khurd, P.O. Sahabana, Chandigarh Road, Ludhiana-141123 Punjab (INDIA)

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E-mail: info@oswalgroup.com

REF: VPL: SCY: NOV: 2013-14

Dated: 13.11.2013

The Listing Department,

NATIONAL STOCK EXCHANGE OF INDIA LTD,

"Exchange Plaza"

Bandra – Kurla Complex,

Bandra (East),

Mumbai- 400 051

Scrip Code: VARDMNPOLY

The Listing Department,

BOMBAY STOCK EXCHANGE LIMITED

25th Floor,

P.J. Towers,

Dalal Street, Fort,

Mumbai- 400 001

Scrip Code: 514175

SUBJECT: Un-audited Financial Result for the Quarter ended 30.09.2013.

Dear Sir/ Madam,

Pursuant to the Clause 41 of the Listing Agreement, we are enclosing herewith the Unaudited Financial Result for the Quarter ended 30.09.2013 along with Limited Review report from the statutory auditors of the company. The same is considered and approved by the Board of Director's in their meeting held on dated 13.11.2013

This is for your information & Record.

Thanking you,

Yours faithfully

For VARDHMAN POLYTEX LTD

SUSHIL SHARMA * COMPANY SECREY RY

Enclosed: As Above

Works: Chandigarh Road, Ludhiana-141 123 * Badal Road, Bathinda -151 005 * Ph-VIII, Focal Point, Ludhiana-141 123

| Ions Unaudited ACT dons 23,883.04 20,981.17 18,999.85 42,762.77 42,772 447.72 | Earning per Share (after Extraordinary (In Rs) (not annualised) (a) Basic | (a) |
|--|--|----------------|
| Iones Unaudited Authorised Au | Earning per Share (after (In Rs) (not annualised) | |
| | Earning per Share (after | = |
| Disaudited Dis | | 6.ii |
| (pins) Unaudited A 406.53 338.74 2.048.33 4.3784.21 35,136.53 34.762.71 447.72 | (b) Diluted | (b |
| Unaudited A 4 408.65 20.812.7 2.478.97 2.063.09 1.588.22 1.43.65.21 1.43.65.27 2.4778.97 2.4778.97 2.4778.97 2.288.28 1.189.27 1.189.27 2.746.78 2.288.28 1.189.27 1.189.27 1.189.27 2.288.28 1.288.28 1.189.27 1.189.27 2.288.28 1.289.27 2.288.27 2.288.27 2.288.27 2.288.27 2.288.27 2.288.27 | (a) Basic | (a |
| Ions Unaudited A 4 406.503 3983.74 2244.63 745.27 447.72 447.72 447.72 447.73 < | not annua | |
| Unaudited Apple 20.06.20 447.72 35.52 447.72 20.06.20 447.72 447.83 447.72 | Earning per Share | 6.i Es |
| Unaudited Unaudited <t< td=""><td>per balance sheet of previous accounting year</td><td></td></t<> | per balance sheet of previous accounting year | |
| Unaudited Unau | Reserves excluding F | 5 R |
| Ions Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Aunotited Unaudited Unaudited Aunotited Aun | (Face Value of the sh | |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Aunaudited Aunaudited <td>Paid up Equity Share</td> <td>14 Pa</td> | Paid up Equity Share | 14 Pa |
| Unaudited Au 1008 23,183.04 20,581.17 18,999.83 43,764.21 36,115.68 36,115.68 447,72 447,73 447,72 447,72 447,72 447,72 447,72 447,73 447 | Net Profit/(Loss) for the period | 13 N |
| tions Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Aunodited Unaudited Aunodited Unaudited Aunodited Unaudited Aunodited Au | Extraordinary income | 12 E |
| Unaudited Unaudited Unaudited Unaudited Unaudited Available Available Unaudited Unaudited Available Available Available Unaudited Unaudited Available Availa | Profit/(Loss) from Ordinary | 11 P |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Aunotited Unaudited Aunotited Aunotited <t< td=""><td>Tax Expense</td><td></td></t<> | Tax Expense | |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Andited Andited Andited Andited Unaudited Unaudited Andited A | Profit/(Loss) from Ordinary activities | 9 |
| Unaudited Autorited Autorited <t< td=""><td>Exceptional Items</td><td>8 E</td></t<> | Exceptional Items | 8 E |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Audited Audit | Profit/(Loss) from Ordinary activities before exceptional Items (5)-(6) | 7 D P |
| Unaudited Available Available <t< td=""><td>Finance Costs</td><td>6</td></t<> | Finance Costs | 6 |
| Unaudited Anaudited Unaudited Anaudited Unaudited Anaudited Anaudited Anaudited Anaudited Unaudited Anaudited Unaudited Anaudited Unaudited Anaudited Unaudited Anaudited Unaudited Unaudited <t< td=""><td></td><td></td></t<> | | |
| Unaudited Available Available <t< td=""><td>Other Income</td><td>4</td></t<> | Other Income | 4 |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Anaudited Unaudited Anaudited Anaudited <t< td=""><td>Profit/(Loss) from Operations and exceptional items (1)-(2)</td><td>ω -</td></t<> | Profit/(Loss) from Operations and exceptional items (1)-(2) | ω - |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited And the d Unaudited Unaudited And the d And the d <t< td=""><td>f) Total expenses</td><td></td></t<> | f) Total expenses | |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Available Available <t< td=""><td>Other</td><td>2</td></t<> | Other | 2 |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Anaudited Unaudited Anaudited Anaudited <t< td=""><td>e) Depreciation and amortisation expense</td><td>6</td></t<> | e) Depreciation and amortisation expense | 6 |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Available Available <t< td=""><td>۱ŝ</td><td></td></t<> | ۱ŝ | |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Audited Audit | gress and | \ <u>\</u> |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Aud 23,183.04 20,581.17 18,999.83 43,764.21 36,115.68 77 406.53 338.74 244.63 745.27 447.72 447.72 23,589.57 20,919.91 19,244.46 44,509.48 36,563.40 78 15,886.22 14,143.65 12,743.28 30,029.87 24,778.97 51 31.35 31.35 31.35 31.35 31.35 | Changes in inventories of finished | |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Aud 23,183.04 20,581.17 18,999.83 43,764.21 36,115.68 77 406.53 338.74 244.63 745.27 447.72 23,589.57 20,919.91 19,244.46 44,509.48 36,563.40 78 15,886.22 14,143.65 12,743.28 30,029.87 24,778.97 51 | Purchase of stock | |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Aud 23,183.04 20,581.17 18,999.83 43,764.21 36,115.68 77 406.53 338.74 244.63 745.27 447.72 23,589.57 20,919.91 19,244.46 44,509.48 36,563.40 78 | a) C | |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Audited | Expenses | 2 |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Aud 23,183.04 20,581.17 18,999.83 43,764.21 36,115.68 77 406.53 338.74 244.63 745.27 447.72 | Total Income from operations (Net | |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited Au 23,183.04 20,581.17 18,999.83 43,764.21 36,115.68 | (b) Other operating income | |
| Unaudited Unaudited Unaudited Unaudited Unaudited Unaudited At 43,764.21 36,115.68 | et of excise duty) | |
| Unaudited Unaudited Unaudited Unaudited | Sales / inco | |
| Ilmandited Ilmandited Ilmandited Ilmandited | 1 Income from Operations | <u> </u> |
| | | |
| ne 30th Sep 30th Sep 31 | | |
| Quarter Ended Year to date Year 6 | NO. | 144 |
| | | <u> </u> |
| PERIOD ENDED 30TH SEPTEMBER 2013 | • | |
| NANCIAL RESULTS FOR THE | | |
| | | |

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| P = | | | | | В | | | | | | | | | | | | 2 | | | 1 | Α | | | | Sr. No. | - 212 |
|-----|---|-----------------------------|--------------------------|-------------------------------------|---------------------|--|--------|-----------------------------|--|--------------------|-------------------|---|-----------------------------|--|--------------------|------------------------|--|-----------------------------|-------------------|---------------------|-----------------------------|-----------|------|-----------|---------------|-------|
| | ď | Disposed of during the year | Received during the year | Pending at the begining of the year | INVESTOR COMPLAINTS | | | promoter and promoter group | - % of Shares (as a % of the total shareholding of | - Number of Shares | b) Non-Encumbered | - % of Shares (as a % of the total share capital of Company | promoter and promoter group | - % of Shares (as a % of the total shareholding of | - Number of Shares | a) Pledged/ Encumbered | Promoter and Promoter Group Shareholding | -Percentage of Shareholding | -Number of shares | Public Shareholding | PARTICULARS OF SHAREHOLDING | | | | Particulars | |
| | | 4 | 4 | | | | 8.11% | | 16.21% | 1447575 | | 41.95% | | 83.79% | 7484877 | | | 49.94% | 8910505 | | | Unaudited | 2013 | 30th Sep | | |
| | | | | | | | 17.08% | | 34.12% | 3047575 | | 32.98% | | 65.88% | 5884877 | | | 49.94% | 8910505 | | | Unaudited | 2013 | 30th June | Quarter Ended | |
| | | | | | | | 44.21% | | 97.94% | 7181148 | | 0.93% | | 2.06% | 151154 | | | 54.86% | 8910655 | | | Unaudited | 2012 | 30th Sep | | |
| | | | | | | | 8.11% | | 16.21% | 1447575 | | 41.95% | | 83.79% | 7484877 | | | 49.94% | 8910505 | | | Unaudited | 2013 | 30th Sep | Year to | |
| | | | | | | | 44.21% | | 97.94% | 7181148 | | 0.93% | | 2.06% | 151154 | | | 54.86% | 8910655 | | | Unaudited | 2012 | 30th Sep | o date | |
| | | | | | | | 20.43% | | 40.81% | 3645481 | | 29.63% | | 59.19% | 5286821 | | | 49.94% | 8910655 | | | Audited | 2013 | 31st Mar | Year ended | ` |

Notes

- at its meeting held on The financial Results of the Company for the quarter ended 30th September'2013 have been reviewed by the Audit Committee and approved by the Board 13th November'2013 and the limited review of the same has been carried out by Statuory Auditors of the Company.
- currency monetary items including (FCCB) has not been accounted for during the period as required by Accounting Standard -Due to unprecede would b e recognised at the end of the accounting year. nted devaluation in local currency during the period, notional loss of Rs. 726.94 lacs arising on account of foreign exchange differences 11 "Effects of Changes in t foreign foreign exchange rates
- accounted for the up to FY2016. 2% FCCB has fallen due for repayment on Feb'13, the same has been settled with the bondholders at discount, payment of which is to be made in installr As profit. per the settled terms, proportionate bonds will be cancelled against each payment made. Accordingly in current quarter on cancelled bo
- The Auditor's Qua company's b usiness activity falls within a single primary business segment viz. "Textile", the disclosure requirement of Accounting Standard (AS - 17) on Industrial Enterprise (P) Ltd. has not been addressed, as the subsidary company has started reviving by generating positive earnings lification on the accounts for the year ended 31st March 2013 with respect of creating provision for write-off of investments in subsidary company
- 'Segment reporting" is not applicable.
- Figures for previous periods have been recast/regrouped wherever necessary.

| | UNAUDITED STATEMENT OF ASSETS & LIABIL | ITIES AS AT SUUTSER | • | (De in Loce) |
|--|--|---------------------|---------------------------------------|------------------|
| | | | · · · · · · · · · · · · · · · · · · · | (Rs. in Lacs) |
| Sr. No. | Particulars | Half Year ended | Year ended | |
| | i ditiodiais | 30th Sep | 31st March | <u> </u> |
| | | 2013 | 2013 | |
| | | Unaudited | Audited | <u></u> |
| | | Onadarca | Auditeu | |
| A | EQUITY AND LIABILITIES | | • | |
| | | | | |
| 1 | SHAREHOLDER'S FUNDS | | | |
| | a) Share Capital | 1,787.75 | 1,787.75 | |
| | b) Reserve & Surplus | 9,329.32 | 8,439.94 | |
| • | c) Money received against share warrants | 655.00 | | |
| | Sub total - Shareholders' funds | 11,772.07 | 10,227.69 | |
| ••• | | | • | |
| 2 | Non - Current Liabilities | | | |
| | (a) Long Term Borrowings | 28,706.57 | 31,084.75 | |
| | (b) Deferred tax liabilities (net) | | | |
| | (c) Other long term liabilities | | | |
| | (d) Long term provisions | 207.85 | 207.85 | |
| | Sub total Non Current Liabilities | 28,914.42 | 31,292.60 | |
| | | | <u> </u> | |
| 3 | Current Liabilities | , | | |
| | (a) Short term borrowings | 10,928.19 | 6,375.40 | |
| | (b) Trade payables | 6,839.94 | 7,569.09 | |
| | (c) Other current liabilities | 13,252.27 | 12,096.60 | |
| | (d) Short term provisions | 762.30 | 960.43 | |
| _ | Sub total Current Liabilities | 31,782.70 | 27,001.52 | |
| | | | <u>-</u> | |
| | TOTAL EQUITY AND LIABILITIES | 72,469.19 | 68,521.81 | |
| В | ASSETS | | | |
| | ACCE TO | | <u> </u> | |
| | Non Current Assets | , | | |
| • | (a) Fixed Assets | 29,741.26 | 30,888.61 | |
| | (b) Non Current Investments | 13,650.48 | 13,650.48 | |
| | (c) Deferred tax assets (net) | 1,751.13 | 1,676.13 | |
| | (d) Long term loans and advances | 563.23 | 1,033.85 | |
| | (e) Other non current assets | | .,000.00 | |
| | Sub Total Non Current Assets | 45,706.10 | 47,249.07 | , |
| | | | . , | <u> </u> |
| | Current Assets | | · | <u> </u> |
| | (a) Current Investments | 91.99 | 91.99 | |
| | (b) Inventories | 7,500.21 | 5,099.47 | |
| | (c) Trade receivables | 7,574.64 | 5,670.41 | |
| | (d) Cash and Bank balances | 2,518.71 | 2,703.33 | <u> </u> |
| | (e) Short term loans and advances | 9,077.54 | 7,707.54 | |
| | (f) Other Current Assets | | | |
| | Sub Total Current Assets | 26,763.09 | 21,272.74 | |
| | Z WA. | | | |
| | TOTAL ASSETS | 72,469.19 | 68,521.81 | |
| | | | | |
| - •. | CHADICA | | For Var | hman Polytex Ltd |
| | | | | sd |
| | Place: Ludhiana | | | hak V |
| | Date: 13.11.2013 | | (As | hok Kumar Oswa |

S S KOTHARI MEHTA & CO

146-149 Tribhuvan Complex Ishwar Nagar Mathura Road New Delhi-110065

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LIMITED REVIEW REPORT

To The Board of Directors Vardhman Polytex Limited Ludhiana.

- 1. We have reviewed the accompanying statement of unaudited financial results of Vardhman Polytex Limited (the "Company") for the quarter ended September 30, 2013 (the "Statement") being submitted by the company pursuant to the requirements of clause 41 of the Listing Agreement with Stock Exchanges except for the disclosures regarding 'Public Shareholding' and "Promoter and Promoter Group Shareholding" which have been traced from the disclosures made by the management and have not been reviewed by us. The statement of quarterly financial results has been prepared from interim financial statements which are the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
- 2. We conducted our review in accordance with the Standard on Review Engagement (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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3. Without qualifying, attention is drawn to:

The Company has made investment in the equity shares of its subsidiary company. Oswal F. M. Hammerle Textiles. Limited of Rs. 9126.41 lacs whose net worth is partly eroded. We understand from the management that the investment is long term strategic in nature and the erosion in net worth is due to slump in textile sector; this being a temporary phenomenon, the net worth will be revived in the near future.

- 4.(a) The Company has not provided for foreign exchange differences on foreign currency monetary items as required by Accounting Standard AS-11 "Effect of Changes in Foreign Exchange Rates" amounting to Rs. 726.94 Lacs for the quarter ended September 30, 2013 owing to the reasons as explained in foot note no.2 of the Statement of unaudited financial results. Due to this, profit for the quarter ended September 30, 2013 is overstated by the same amount.
- (b) The Company had made an investment of Rs. 4996.00 lacs in one of the wholly owned subsidiary companies Oswal Industrial Enterprises Private Limited. On the above investment, provision for diminution in value of Rs. 495.00 lacs has already been created in the earlier years. On the balance amount of Rs. 4501.00 lacs no further provision has been made although the net worth is substantially eroded due to the subsidiary company having accumulated losses of Rs. 425.76 lacs against share capital of Rs. 5005.00 lacs as on March 31, 2013. This is at variance with Accounting Standard AS-13 'Accounting for Investments' notified under the provisions of the Companies Act, 1956 resulting in profit for the period being overstated by the same amount.
- 5. Subject to 4 above and based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudated financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard AS 25 'Interim Financial Reporting' notated under the provisions of the Companies Act, 1956 which according to a clarification issued by the Ministry of Corporate affairs continue to be applicable for the purpose of the Companies Act, 2013, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 4) of the Listing Agreement including the mature in which it is to be disclosed or that it contains any material misstatement.

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Place: New Dolls. Para-Newsman by 30th