



Vardhman

Delivering Excellence. Since 1965.

VARDHMAN SPECIAL STEELS LIMITED

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Ref. VSSL:SCY:APR:2018-19

Dated: 27.04.2018

| | |
|---|---|
| The Deputy General Manager, Corporate Relationship Deptt, Bombay Stock Exchange Limited, 1 st Floor, New Trading Ring, Rotunda Building, P.J Towers, Dalal Street, Fort, MUMBAI-400001. Scrip Code: 534392 | The National Stock Exchange of India Ltd, "Exchange Plaza, Bandra-Kurla Complex, Bandra (East), MUMBAI-400 051 Scrip Code: VSSL |
|---|---|

SUB: DISCLOSURE UNDER REGULATION 30 & 33 OF SEBI LISTING OBLIGATIONS

Dear Sir,

Pursuant to Regulation 30 read with Part A of Schedule III and Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we are enclosing herewith Audited Financial Results of the Company for the financial year ended 31st March, 2018 together with Auditors' Report as approved by Board of Directors in its meeting held on 27th April, 2018.

The Report of Auditors is with unmodified opinion with respect to the Audited Financial Results of the Company for the financial year ended 31st March, 2018.

The meeting of the Board of Directors commenced at 12:15 p.m. and concluded at S.J. 4:15 p.m.

Kindly note and display the notice on your notice Board for the information of the members of your exchange and general public.

Thanking you,

Yours faithfully,
For VARDHMAN SPECIAL STEELS LIMITED


(SACHIT JAIN)
Vice-Chairman & Managing Director

YARNS | FABRICS | THREADS | GARMENTS | FIBRES | **STEELS**

PAN NO.: AADCV4812B CIN: L27100PB2010PLC033930
WWW.VARDHMANSTEEL.COM

VARDHMAN SPECIAL STEELS LIMITED

Regd. Office Vardhman Premises, Chandigarh Road, Ludhiana-141010

Corporate Identity Number (CIN): L27100PB2010PLC033930, PAN: AADCV4812B

Website: www.vardhmansteel.com Email: secretarial.lud@vardhman.com

Audited Financial Results for the Quarter & Year Ended March 31, 2018

(Rs. In Crores)

| Sr. No. | Particulars | Quarter Ended | | | Year Ended | |
|---------|---|----------------|---------------|----------------|----------------|----------------|
| | | March 31, 2018 | Dec 31, 2017 | March 31, 2017 | March 31, 2018 | March 31, 2017 |
| | | Audited | Unaudited | Audited | Audited | Audited |
| 1 | Income From Operations | | | | | |
| | Income From Operations (See Note 5) | 231.36 | 218.42 | 193.60 | 877.89 | 753.13 |
| | Other Income | 2.29 | 0.98 | 3.19 | 6.10 | 5.64 |
| | Total Income from operations | 233.65 | 219.40 | 196.79 | 883.99 | 758.77 |
| 2 | Expenses | | | | | |
| | a) Cost of Materials Consumed | 147.63 | 123.61 | 97.20 | 488.90 | 364.22 |
| | b) Change in Inventories of Finished Goods, works -in progress and stock -in- trade | (20.44) | (9.25) | (6.71) | (19.22) | (11.65) |
| | c) Employee Benefits Expenses | 12.20 | 11.82 | 10.71 | 46.73 | 39.80 |
| | d) Depreciation and Amortisation Expense | 6.31 | 5.71 | 4.53 | 21.51 | 18.07 |
| | e) Power & Fuel | 27.99 | 34.57 | 30.31 | 127.81 | 109.48 |
| | f) Excise Duty | 0.00 | 0.00 | 20.53 | 18.93 | 79.32 |
| | g) Finance Cost | 5.91 | 4.63 | 8.27 | 21.43 | 28.28 |
| | h) Other Expenses | 46.78 | 38.77 | 27.22 | 152.81 | 112.11 |
| | Total Expenses | 226.38 | 209.86 | 192.06 | 858.90 | 739.63 |
| 3 | Profit/(Loss) before Tax (1-2) | 7.27 | 9.54 | 4.73 | 25.09 | 19.14 |
| 4 | Tax (Expense) / Income | (0.06) | - | - | (0.06) | - |
| 5 | Net Profit/(Loss) after Tax (3+4) | 7.21 | 9.54 | 4.73 | 25.03 | 19.14 |
| 6 | Other Comprehensive income / (Loss) | (0.30) | - | (0.23) | (0.30) | (0.23) |
| 7 | Total Comprehensive income (5+6) | 6.91 | 9.54 | 4.50 | 24.73 | 18.91 |
| 8 | Paid-up Equity Capital (Face Value Rs. 10/- per share) | 35.70 | 32.13 | 18.56 | 35.70 | 18.56 |
| 9 | Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year | | | | 303.62 | 179.53 |
| 10 | Earnings Per Share (in Rs.) (not annualized): | | | | | |
| | (a) Basic | 2.16 | 3.05* | 1.93* | 7.91 | 7.80* |
| | (b) Diluted | 2.15 | 3.05* | 1.93* | 7.88 | 7.80* |

* Re-instated EPS w.r.t. Right Issue

Sarbit Jai

VARDHMAN SPECIAL STEELS LIMITED
 Regd. Office Vardhman Premises, Chandigarh Road, Ludhiana-141010
 Corporate Identity Number (CIN): L27100PB2010PLC033930, PAN: AADCV4812B
 Website: www.vardhmansteel.com Email: secretarial.lud@vardhman.com
Audited Financial Results for the Quarter & Year Ended March 31, 2018

NOTES:

- The Company operates only in one business segment viz. "Steel" which is the reportable segment in accordance with the requirements of Indian Accounting Standard (IndAS) -108 on operating Segments as prescribed under the Companies (Indian Accounting Standard) Rules, 2015 as prescribed under section 133 of The Companies Act, 2013.
- The Company is eligible for incentives under the Mega Project Policy of the Punjab State Government for its expansions completed up to 31.03.2016. Though the plant has been commissioned but the benefits have not been considered in the above results as the same is pending for sanction by appropriate authority.
- During the first quarter of Financial year 2017-18, the Company has issued 1,35,70,000 equity shares at Rs. 50/- per share on right basis to existing shareholders and to its employees under employees reservation aggregating to Rs. 67.85 Crore. Further during the Quarter ended March 31, 2018, the company had issued 35,72,000 equity share to Qualified Institutional Buyer at an issue price of Rs 140/- equity share. (Including premium of Rs.130 / equity share). Consequent upon the allotments of these shares, the total paid up equity share capital of the company stands increased from Rs.18.56 Crore to Rs. 35.70 Crore.
- From the total proceeds of ₹ 117.85 Crore through right issue & Qualified Institutional Placement (QIP), the company has utilized ₹ 69.36 Crore up to March 31, 2018, as per below tables:

a) Right issue utilization


| Particulars | Utilized up to March 31, 2018 | Un-utilized amount as at March 31, 2018 |
|--------------------------------------|----------------------------------|--|
| Repayment of two installments of ECB | 30.25 | - |
| Working Capital | 20.00 | - |
| General Corporate Purposes | 16.80 | - |
| Issue related Expense | 0.80 | - |
| Total | 67.85 | - |

b) Qualified Institutional Placement (QIP) utilization

| Particulars | Utilized up to March 31, 2018 | Un-utilized amount as at March 31, 2018 |
|----------------------------|----------------------------------|--|
| Issue related Expense | 1.51 | - |
| General Corporate Purposes | - | 48.49 |
| Total | 1.51 | 48.49 |

- Consequent to the introduction of Goods and Service Tax (GST) with effect from July 1, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In Accordance with Indian Accounting Standards-18 on Revenue and Schedule-III of Companies Act, 2013, unlike Excise Duties, levies like GST, Vat etc. are not part of revenue. Accordingly the gross sales figures for the quarter ended March 31, 2018 and year ended March 31, 2018 are not comparable with the previous period presented in the results.
- The figures for the quarter ended March 31, 2018 and March 31, 2017 are the balancing figures between audited figures in respect of the full financial year and un-audited published figures in respect of the financial results upto the third quarter of the respective financial year.
- These results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on April 27, 2018. Audit of these results has been carried out by the Statutory Auditors.

For Vardhman Special Steels Limited



Sachit Jain

Vice Chairman & Managing Director

Place: Gurugram
 Date : April 27, 2018

VARDHMAN SPECIAL STEELS LIMITED

Regd. Office Vardhman Premises, Chandigarh Road, Ludhiana-141010

Corporate Identity Number (CIN): L27100PB2010PLC033930, PAN: AACDV4812B

Website: www.vardhmansteel.com Email: secretarial.lud@vardhman.com

Balance Sheet as at March 31, 2018

(Rs. In Crores)

| | As at March 31, 2018 | As at March 31, 2017 |
|---|-------------------------|-------------------------|
| | Audited | Audited |
| I. ASSETS | | |
| Non-current assets | | |
| (a) Property, plant and equipment | 249.27 | 264.18 |
| (b) Capital work-in-progress | 6.99 | 1.11 |
| (c) Intangible assets | 0.29 | 0.39 |
| (d) Financial assets | | |
| -Investments | - | 0.68 |
| -Loans | 1.42 | 0.47 |
| (e) Other non-current assets | 20.86 | 10.77 |
| Total of non-current assets | 278.83 | 277.60 |
| Current assets | | |
| (a) Inventories | 158.60 | 117.83 |
| (b) Financial assets | | |
| -Investments | 8.16 | 0.31 |
| -Trade receivables | 194.55 | 188.97 |
| -Cash and cash equivalents | 7.49 | 5.95 |
| -Bank balances other than above | - | 0.00 |
| -Loans | 1.02 | 0.70 |
| -Other financial current assets | 5.92 | 0.81 |
| (c) Current tax assets (Net) | 0.36 | 0.76 |
| (d) Other current assets | 21.72 | 19.74 |
| Total of current assets | 397.82 | 335.07 |
| TOTAL ASSETS | 676.65 | 612.67 |
| II. EQUITY AND LIABILITIES | | |
| Equity | | |
| (a) Equity share capital (See Note 3) | 35.70 | 18.56 |
| (b) Other equity | 303.62 | 179.52 |
| Total of equity | 339.32 | 198.08 |
| Liabilities | | |
| Non-current liabilities | | |
| (a) Financial liabilities | | |
| -Borrowings | 101.46 | 115.46 |
| -Other financial liabilities | - | - |
| (b) Provisions | 0.85 | 0.80 |
| (c) Other liabilities | 0.02 | 0.20 |
| Total of non-current liabilities | 102.33 | 116.46 |
| Current liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 118.50 | 138.71 |
| (ii) Trade payable | | |
| -Other trade payables | 60.61 | 34.91 |
| (iii) Other financial liabilities | 52.25 | 117.19 |
| (b) Other liabilities | 3.02 | 7.06 |
| (c) Provisions | 0.62 | 0.26 |
| Total of current liabilities | 235.00 | 298.13 |
| TOTAL EQUITY AND LIABILITIES | 676.65 | 612.67 |

Auditor's Report on Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

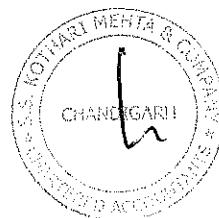
To The Board of Directors Of
Vardhman Special Steels Limited

We have audited the Financial Results of Vardhman Special Steels Limited ("the Company") for the quarter ended 31st March 2018 and the year to date/ yearly results for the period 1st April 2017 to March 31 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. These quarterly financial results have been prepared on the basis of the financial statements, which are the responsibility of the Company's management. Further, the quarterly financial results for the quarter ended March 31, 2018 are the derived figures between the audited figures in respect of the year ended March 31, 2018 and the published year-to-date figures for the period April 1, 2017 to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subject to limited review in accordance with Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' as issued by the Institute of Chartered Accountants of India. Our responsibility is to express an opinion on these financial results based on our audit of such annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the prescribed Indian accounting standards (Ind-AS) mandated under Section 133 of the Companies Act, 2013 read with relevant rules ('Ind-AS') issued thereunder, as applicable and other accounting principles generally accepted in India.

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

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 in this regard; and



- (ii) give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2018 as well as the year to date results for the period from April 1, 2017 to March 31, 2018.

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm Registration Number: 022150N



A handwritten signature in black ink, appearing to read "Harish Gupta".

Harish Gupta
Partner

Membership Number: 098336

Place: Gurugram
Date: April 27, 2018