



Vardhman

VARDHMAN TEXTILES LIMITED

Delivering Excellence. Since 1965.

CHANDIGARH ROAD
LUDHIANA-141010, PUNJAB
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F: +91-161-2601 048
E: secretarial.lud@vardhman.com

Ref. VTXL:SCY:AUG:2017-18

Dated: 11.08.2017

The Deputy General Manager,
Corporate Relationship Deptt,
Bombay Stock Exchange Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J Towers,
Dalal Street, Fort,
MUMBAI-400001.
Scrip Code: 502986

✓ The National Stock Exchange of India Ltd,
“Exchange Plaza,
Bandra-Kurla Complex,
Bandra (East),
MUMBAI-400 051

Scrip Code: VTL

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 Un-Audited Financial Results of the Company for the quarter ended 30th June, 2017 together with Limited Review Report as approved by Board of Directors in its meeting held on 11th August, 2017.

The meeting of the Board of Directors commenced at 11:00 a.m. and concluded at 01:30 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 TEXTILES LIMITED


(SANJAY GUPTA)
Company Secretary

YARNS | FABRICS | THREADS | GARMENTS | FIBRES | STEELS

PAN NO.: AABCM4692E CIN: L17111PB1973PLC003345

WWW.VARDHMAN.COM

VARDHMAN TEXTILES LIMITED

Regd. Office : Chandigarh Road, Ludhiana-141010

Un-audited Financial Results for the Quarter ended 30th June 2017

Corporate Identity Number (CIN): L17111PB1973PLC003345, PAN: AARCM4692E

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

(Rs. In Crores)

| Particulars | Quarter ended | Quarter ended | Quarter ended | Year ended | |
|-------------|--|--|------------------------------|---------------------------|-----------------|
| | 30th June, 2017 Unaudited | 31st March, 2017 Unaudited (Refer note no 7) | 30th June, 2016 Unaudited | 31 March, 2017 Audited | |
| I | Revenue from operations | 1,479.79 | 1,513.46 | 1,400.10 | 5728.29 |
| II | Other income (Refer note no. 2) | 37.68 | 87.68 | 25.53 | 567.58 |
| III. | Total Income from operations (I+II) | 1,517.47 | 1,601.14 | 1,425.63 | 6,295.87 |
| IV. | Expenses | | | | |
| | Cost of materials consumed | 812.75 | 768.26 | 679.56 | 2836.69 |
| | Purchase of stock- in trade | 10.08 | 5.24 | 13.13 | 29.20 |
| | Change in inventories of finished goods, works -in progress and stock -in- trade | (14.99) | 30.18 | (18.11) | (74.18) |
| | Employee benefits expenses | 114.28 | 120.23 | 105.19 | 453.61 |
| | Finance cost (Refer note no. 3) | 23.74 | 21.66 | 24.87 | 91.83 |
| | Depreciation and amortisation Expense (Refer note no. 1) | 56.80 | 87.21 | 79.85 | 329.49 |
| | Power & Fuel | 144.84 | 136.26 | 142.18 | 553.99 |
| | Other expenses | 201.28 | 186.88 | 188.09 | 770.41 |
| | Total Expenses | 1,348.78 | 1,355.91 | 1,214.75 | 4,991.06 |
| V. | Profit before tax (III-IV) | 168.70 | 245.23 | 210.87 | 1,304.81 |
| VI | Tax expense | | | | |
| | Current tax | 36.98 | 55.29 | 55.60 | 281.57 |
| | Deferred tax | (7.56) | 1.01 | 5.21 | 21.65 |
| VII. | Profit after tax (V-VI) | 139.28 | 188.93 | 150.07 | 1,001.59 |
| VIII | Other Comprehensive Income | | (0.22) | - | (0.22) |
| IX. | Total Comprehensive income (VII+VIII) | 139.28 | 188.72 | 150.07 | 1,001.38 |
| | Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year | | | | 3,589.53 |
| | Earnings Per Share (in Rs.) | | | | |
| | (a) Basic | 24.90 | 30.87 | 23.58 | 163.67 |
| | (b) Diluted | 24.90 | 30.87 | 23.58 | 163.67 |



Segmentwise Revenue Results and Capital Employed

| Particulars | Quarter ended | Quarter ended | Quarter ended | Year ended |
|--|------------------------------|--|------------------------------|-----------------------------|
| | 30th June, 2017 Unaudited | 31st March, 2017 Unaudited (Refer note no 7) | 30th June, 2016 Unaudited | 31st March, 2017 Audited |
| I. Segment Revenue | | | | |
| Textiles | 1478.81 | 1512.39 | 1,399.25 | 5,725.81 |
| Unallocated | 77.21 | 67.69 | 72.12 | 280.94 |
| Total | 1,556.02 | 1,580.08 | 1,471.37 | 6,006.75 |
| Less: Inter Segment Revenue | 76.23 | 66.62 | 71.28 | 278.46 |
| Net Sales/Income from Operations | 1,479.79 | 1,513.46 | 1,400.09 | 5,728.29 |
| II. Segment Results [Profit / (Loss) before tax and interest from each segment] | | | | |
| Textiles | 161.97 | 197.73 | 215.55 | 921.09 |
| Unallocated | 28.16 | 21.31 | 21.86 | 94.73 |
| Total | 190.13 | 219.04 | 237.41 | 1,015.82 |
| Less: (a) Interest | 23.74 | 21.66 | 24.87 | 91.83 |
| (b) Net of Un-allocable expenditure/(Income) | (2.31) | (47.85) | 1.66 | (380.82) |
| Profit after interest but before exceptional items & tax | 168.70 | 245.23 | 210.87 | 1,304.81 |
| III. Segment Assets | | | | |
| Textiles | 4902.71 | 4792.05 | 4,998.88 | 4,792.05 |
| Unallocated | 2098.13 | 2166.48 | 1,872.01 | 2,166.48 |
| Total | 7,000.84 | 6,958.53 | 6,870.89 | 6,958.53 |
| IV. Segment Liabilities | | | | |
| Textiles | 500.99 | 448.87 | 476.09 | 448.87 |
| Unallocated | 68.94 | 87.23 | 66.91 | 87.23 |
| Total | 569.93 | 536.10 | 543.00 | 536.10 |

(Rs. In Crores)



VARDHMAN TEXTILES LIMITED

Regd. Office : Chandigarh Road, Ludhiana-141010

(Rs. In Crores)

NOTES:

- 1 The management has reviewed useful life of General Plant & Machinery and has re-estimated that useful life of such Plant & machinery should be 10 years instead of 7.5 years. Accordingly necessary accounting change have been done prospectively w.e.f 1st April 2017 as per Ind-AS-8 & Ind-AS-16. The depreciation expense charged for the quarter ended 30th June 2017 would be have been higher by Rs 24.10 Crores, had the company continued with previously estimated useful life for General Plant & Machinery.
- 2 a) Other income for the quarter & year ended 31.03.2017 includes an income of Rs. 36.38 crores arising on account of tendering of 8949690 fully paid up equity shares of the Vardhman Acrylics Limited, a subsidiary of the company, under buy back offer.
b) Other income for the year ended 31.03.2017 also includes -
(i) an income of Rs 313.08 crores (Rs. 274.61 crores net of taxes) arising to the company on sale of its 40% equity stake in its subsidiary company namely Vardhman Yarns & Threads Limited (VYTL) to its JV Partner namely American & Efrid Global in accordance with the terms & conditions of Share Sale & Purchase Agreement entered into among the parties. As a result now company is left with 11% equity stake in VYTL
(ii) an income of Rs 42.76 crores (Rs. 35.45 crores net of taxes) arising on sale of certain pieces of land in Hoshiarpur alongwith building constructed thereon to VYTL.
- 3 Interest expense is net of interest income from deposits/bonds amounting to Rs.2.48 crores for the quarter ended 30th June 2017, 7.23 Crore for Qtr ended 30th June 2016, 7.57 crores for the quarter ended 31st March 2017 & 33.30 Crore for Year Ended 31st March 2017.
- 4 The format for quarterly results as prescribed in SEBI circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular dated July 05, 2016 and schedule III (Division II) of the Companies Act, 2013 applicable to companies that are required to comply with IndAS.
- 5 Figures for previous periods have been recast/regrouped, wherever necessary to make them comparable.
- 6 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) rules, 2015; Companies (Indian Accounting Standard) amendment rules 2016. The Board of Directors has approved the above results in its meeting held on 11.08.2017. The results for quarter ended 30th June 2017 have been reviewed by Statutory Auditors as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 .
- 7 The figures for the last quarter (Quarter ended March 31, 2017) are the balancing figures between Audited figures in respect of the full financial year (twelve months ended March 31, 2017) and the published year to date figures to the third quarter (quarter ended December 31, 2016) of the preceding financial year .

for Vardhman Textiles Limited



S.P. Oswal

Chairman & Managing Director

Place : Ludhiana

Date : 11.08.2017

S. C. Vasudeva & Co.
Chartered Accountants

B-XIX-220, Rani Jhansi Road,
Ghumar Mandi, Ludhiana-141 001
Tel. : 0161-2774527, 98154-20555
E-mail : ludhiana@scvasudeva.com
Website : www.scvasudeva.com

INDEPENDENT AUDITOR'S REVIEW REPORT

To
The Board of Directors,
Vardhman Textiles Limited,
Ludhiana.

Introduction

We have reviewed the accompanying statement of standalone unaudited financial results of Vardhman Textiles Limited (the Company) for the quarter ended 30th June, 2017. This statement is 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 statements based on our review.

Scope of Review

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 provide less assurance than an audit. We have not performed an audit and accordingly we do not express an audit opinion.

Conclusion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of standalone unaudited financial results prepared in accordance with Indian accounting standards (Ind AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.C. Vasudeva & Co.
Chartered Accountants
Registration No.00235N



(Signature)
(Sanjiv Mohan)
Partner
M. No. 086066

Dated: 11.08.2017
Place: Ludhiana

(Rs. In Crores)

| Particulars | Quarter Ended 30th June, 2017 | Quarter Ended 31st March, 2017 | Quarter Ended 30th June, 2016 | Year Ended 31st March, 2017 |
|---|-------------------------------|--------------------------------|-------------------------------|-----------------------------|
| | Unaudited | Unaudited (Refer note no 9) | Unaudited | Audited |
| I Revenue From Operations | 1,561.98 | 1,608.46 | 1,474.17 | 6,066.77 |
| II Other income (Refer note no. 3) | 44.82 | 48.93 | 34.14 | 491.52 |
| III. Total Income from operations (I+II) | 1,606.80 | 1,657.39 | 1,508.31 | 6,558.29 |
| IV. Expenses | | | | |
| Cost of Materials Consumed | 877.31 | 811.27 | 711.21 | 3,015.80 |
| Purchase of Stocks- In Trade | 1.28 | 6.40 | 1.45 | 5.39 |
| Change in Inventories of Finished Goods, works -in progress and stock -in- trade | (28.58) | 39.11 | (19.18) | (90.82) |
| Employee Benefits Expenses | 120.70 | 126.84 | 111.24 | 478.85 |
| Finance cost (Refer note no. 4) | 24.67 | 21.10 | 25.70 | 92.95 |
| Depreciation and amortisation Expense (Refer note no. 1) | 59.70 | 90.72 | 83.12 | 343.40 |
| Power & Fuel | 155.33 | 146.58 | 152.89 | 596.13 |
| Other Expenses | 215.41 | 202.78 | 204.18 | 835.50 |
| Total Expenses | 1,425.83 | 1,444.79 | 1,270.61 | 5,277.20 |
| V. Profit/(Loss) before exceptional items, minority interest, share of profit / (loss) from associates and Tax (III-IV) | 180.97 | 212.60 | 237.70 | 1,281.08 |
| VI Tax Expense | | | | |
| Current tax | 40.97 | 59.69 | 61.99 | 302.63 |
| Deferred tax | (9.03) | (2.65) | 6.27 | 21.03 |
| VII. Net Profit/(Loss) after Tax (V-VI) | 149.03 | 155.56 | 169.44 | 957.42 |
| VIII Share of Profit / (Loss) of Associates/ Joint Ventures | 2.62 | 4.51 | 13.46 | 36.86 |
| IX Minority Interest | 2.81 | 1.51 | 4.63 | 12.86 |
| X Net Profit / (Loss) after Taxes, Minority Interest and Share of Profit / (Loss) of Associates | 148.83 | 158.56 | 178.27 | 981.41 |
| XI Other Comprehensive Income | 0 | (0.42) | - | (0.42) |
| XII Total Comprehensive Income for the period (10+11) (Comprising Profit (Loss) and Other Comprehensive Income for the period) | 148.83 | 158.14 | 178.27 | 981.00 |
| XIII Earnings Per Share | | | | |
| (in Rs.) (not annualized): | | | | |
| (a) Basic | 27.11 | 26.35 | 29.26 | 163.10 |
| (b) Diluted | 27.11 | 26.35 | 29.26 | 163.10 |



| Particulars | Quarter ended | Quarter ended | Quarter ended | Year ended |
|--|--------------------------------|--|--------------------------------|-------------------------------|
| | 30th June, 2017 (Unaudited) | 31st March, 2017 Unaudited (Refer note no 9) | 30th June, 2016 (Unaudited) | 31st March, 2017 (Audited) |
| I. Segment Revenue | | | | |
| Textiles | 1513.32 | 1,549.68 | 1,420.60 | 5,865.29 |
| Acrylic Fibre | 67.69 | 87.24 | 105.24 | 367.84 |
| Unallocated | 77.21 | 66.58 | 72.11 | 280.94 |
| Total | 1,658.23 | 1,703.50 | 1,597.95 | 6,514.07 |
| Less : Inter Segment Revenue | 96.24 | 95.04 | 123.78 | 447.30 |
| Net Sales/Income from Operations | 1,561.98 | 1,608.46 | 1,474.17 | 6,066.77 |
| II. Segment Results | | | | |
| Profit (+) / Loss (-) before Tax & Interest from each Segment | | | | |
| Textiles | 161.03 | 199.00 | 218.38 | 939.95 |
| Acrylic Fibre | 12.46 | 5.86 | 23.16 | 57.50 |
| Unallocated | 28.16 | 21.31 | 21.86 | 94.73 |
| Total | 201.65 | 226.17 | 263.40 | 1,092.18 |
| Less : (a) Interest | 24.67 | 21.10 | 25.70 | 92.95 |
| (b) Other un-allocable expenditure (Net of un-allocable income) | (6.62) | (12.04) | (13.46) | (318.71) |
| Total Profit Before Tax and Exceptional Items | 183.60 | 217.11 | 251.16 | 1,317.94 |
| III. Segment Assets | | | | |
| Textiles | 5080.11 | 4,963.97 | 5,169.21 | 4,963.97 |
| Acrylic Fibre | 377.90 | 391.86 | 418.56 | 391.86 |
| Unallocated | 2075.94 | 2,159.58 | 1,831.41 | 2,159.58 |
| Total | 7,533.95 | 7,515.41 | 7,419.18 | 7,515.41 |
| IV. Segment Liabilities | | | | |
| Textiles | 517.73 | 459.18 | 499.43 | 459.18 |
| Acrylic Fibre | 47.97 | 74.98 | 55.21 | 74.98 |
| Unallocated | 63.14 | 87.40 | 65.41 | 87.40 |
| Total | 628.84 | 621.56 | 620.05 | 621.56 |



NOTES :

1. The management has reviewed useful life of General Plant & Machinery for Vardhman Textile Limited and VMT Spinning Company Limited. and has re-estimated that useful life of such Plant & machinery should be 10 years instead of 7.5 years. Accordingly necessary accounting change have been done prospectively w.e.f 1st April 2017 as per Ind-AS-8 & Ind-AS-16. The depreciation expense charged for the quarter ended 30th June 2017 would have been higher by Rs 24.67 Crores, had the company continued with previously estimated useful life for General Plant & Machinery.
2. The consolidated financial results includes result of all its - (i) subsidiaries - viz Vardhman Acrylics Ltd., VMT Spinning Co. Ltd & VTL Investments Ltd, (ii) Joint Ventures Vardhman Nisshinbo Garments Company Ltd and (iii) associates - viz Vardhman Yarns and Threads Ltd, Vardhman Special Steels Limited & Vardhman Spinning & General Mills Limited.
3. Other Income for the year include - (i) an income of Rs 252.38 crores (Rs. 213.91 crores net of taxes) arising to the company on sale of its 40% equity stake in its subsidiary company namely Vardhman Yarns & Threads Limited (VYTL) to its JV Partner namely American & Efrid Global in accordance with the terms & conditions of Share Sale & Purchase Agreement entered into among the parties. As a result now company is left with 11% equity stake in VYTL. (ii) an income of Rs 42.76 crores (Rs. 35.45 crores net of taxes) arising on sale of certain pieces of land in Hoshiarpur alongwith building constructed thereon to VYTL.
4. Interest expense is net of interest income from deposits/bonds amounting to Rs.2.53 crores for the quarter ended 30th June 2017, 13.98 crores for the quarter ended 31st March 2017, 8.54 Crore for Qtr ending 30th June, 2016 & 35.72 Crore for the year ended 31st March 2017.
5. The format for quarterly results as prescribed in SEBI circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular dated July 05, 2016 and schedule III (Division II) of the Companies Act, 2013 applicable to companies that are required to comply with IndAS.
6. In accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has opted to publish consolidated financial results. The standalone financial results of the Company is available on the Company's website www.vardhman.com or on the website of BSE (www.bseindia.com) or NSE (www.nseindia.com).
7. Figures for previous periods have been recast/regrouped, wherever necessary to make them comparable.
8. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) rules, 2015, Companies (Indian Accounting Standard) amendment rules 2016. The Board of Directors has approved the above results in its meeting held on 11.08.2017. The results for quarter ended 30th June 2017 have been reviewed by Statutory Auditors as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
9. The figures for the last quarter (Quarter ended March 31, 2017) are the balancing figures between Audited figures in respect of the full financial year (twelve months ended March 31, 2017) and the published year to date figures to the third quarter (quarter ended December 31, 2016) of the preceding financial year.

for Vardhman Textiles Limited



Place : Ludhiana

S.P. Oswal

Date : 11.08.2017

Chairman & Managing Director

S. C. Vasudeva & Co.
Chartered Accountants

B-XIX-220, Rani Jhansi Road,
Ghumar Mandi, Ludhiana-141 001
Tel. : 0161-2774527, 98154-20555
E-mail : ludhiana@scvasudeva.com
Website : www.scvasudeva.com

INDEPENDENT AUDITOR'S REVIEW REPORT

To
The Board of Directors,
Vardhman Textiles Limited,
Ludhiana.

Introduction

We have reviewed the accompanying Statement of consolidated unaudited financial results of Vardhman Textiles Limited for the quarter ended 30th June, 2017, its subsidiaries and its share in its associates and joint ventures (together "the Group"). This Statement is the responsibility of the company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our review.

Scope of Review

We conducted our review in accordance with the 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.

Conclusion

Based on our review conducted as above, *subject to our comment appearing in "Other Matters" paragraph regarding inclusion of interim financial statement of two subsidiaries, one associate and two Joint venture companies for which review report have not been received by us and are included in the statement based on the management accounts,* nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with Indian accounting standards (Ind AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matters

We did not review the interim financial results of one subsidiary included in the consolidated financial results, whose interim financial results reflect total revenue of Rs. 67.69 crore for the quarter ended 30th June, 2017. The consolidated financial results also include the Group's share of net profit of Rs. 0.80 crore for the quarter ended 30th June, 2017 in respect of one



S. C. Vasudeva & Co.

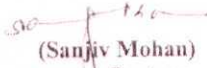
Continuation Sheet No. _____

associate, whose financial results have not been reviewed by us. These financial results have been reviewed by the 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 subsidiary and associate is based solely on the reports of the other auditors.

We did not review the interim financial results of two subsidiaries included in the consolidated financial results, whose interim financial statements reflect total revenue of Rs.51.74 crore for the quarter ended 30th June 2017. The consolidated financial results also include the Group's share of net profit of Rs. 1.82 crore for the quarter ended 30th June, 2017 in respect of one associate and two joint venture companies, whose interim financial results have not been reviewed by us. These interim financial results are unaudited and 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 and associates is based solely on such unaudited financial statements.

For S.C. Vasudeva & Co.
Chartered Accountants
Registration No.00235N




(Sanjiv Mohan)
Partner
M. No. 086066

Dated: 11.08.2017
Place: Ludhiana