

VARDHMAN TEXTILES LIMITED
(Formerly known as Mahavir Spinning Mills Limited)
Regd. Office : Chandigarh Road, Ludhiana-141010

Unaudited Financial Results for the Quarter and Half year ended 30th Sept, 2009

(Rs. In Crore)

Particulars	Quarter ended 30th Sept., 2009 (Unaudited)	Quarter ended 30th Sept., 2008 (Unaudited)	Half year ended 30th Sept., 2009 (Unaudited)	Half year ended 30th Sept., 2008 (Unaudited)	Year ended 31st March, 2009 (Audited)
1. Income					
(a) Net Sales/Income from Operations	667.17	650.67	1287.24	1216.83	2453.65
(b) Other Operating Income	8.00	3.30	12.07	5.53	18.75
Total Income (a+b)	675.17	653.97	1299.31	1222.36	2472.40
2. Expenditure					
(a) (Increase)/Decrease in Stock in trade and work in progress	(12.40)	(37.30)	(19.10)	(69.61)	(11.73)
(b) Consumption of Raw Materials	309.31	342.13	614.20	648.24	1235.82
(c) Purchase of Traded Goods	3.47	2.43	8.57	3.85	9.21
(d) Employees Cost	41.72	39.72	80.90	76.67	153.15
(e) Depreciation	53.83	52.46	107.77	102.86	207.32
(f) Other Expenditure	197.95	192.56	365.97	360.76	693.45
(g) Total (a to f)	593.88	592.00	1158.31	1122.77	2287.22
3. Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	81.29	61.97	141.00	99.59	185.18
4. Other Income	0.32	6.69	11.80	8.06	14.78
5. Profit before Interest and Exceptional Items (3+4)	81.61	68.66	152.80	107.65	199.96
6. Interest	18.19	31.45	40.22	59.91	102.34
7. Profit after Interest but before Exceptional Items (5-6)	63.42	37.21	112.58	47.74	97.62
8. Exceptional Items	-	(20.53)	-	(20.53)	(35.91)
9. Profit / (Loss) from ordinary activities before Tax (7+8)	63.42	16.68	112.58	27.21	61.71
10. Provision for Taxation					
-Current	7.00	0.00	11.25	0.00	0.17
-Deferred	6.00	11.00	11.00	16.00	33.28
-Fringe Benefit Tax	-	0.25	-	0.50	0.91
11. Net Profit (Loss) from ordinary activities after Tax (9-10)	50.42	5.43	90.33	10.71	27.35
12. Extraordinary Items	-	14.00	-	118.40	113.42
13. Net Profit (Loss) for the period (11+12)	50.42	19.43	90.33	129.11	140.77
14. Paid up Equity Share Capital (Face value : Rs. 10/- per share)	57.77	57.77	57.77	57.77	57.77
15. Reserves (Excluding Revaluation Reserve)					1,214.98
16. EPS (in Rs.) not annualised					
a) Before Extraordinary Items					
- Basic	8.73	0.94	15.64	1.85	4.73
- Diluted	7.39	0.70	13.25	1.39	3.66
b) After Extraordinary Items					
- Basic	8.73	3.36	15.64	22.35	24.37
- Diluted	7.39	2.46	13.25	16.22	18.48
17. Aggregate of Public Shareholding					
Number of Shares	1,89,36,007	2,18,21,575	1,89,36,007	2,18,21,575	1,89,36,007
Percentage of Shareholding	32.78%	37.77%	32.78%	37.77%	32.78%
18. Promoters and Promoter Group Shareholding					
a) Pledged / Encumbered					
Number of Shares	-	-	-	-	-
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
Percentage of Shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
Number of Shares	3,88,33,520		3,88,33,520		3,88,33,520
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%		100.00%		100.00%
Percentage of Shares (as a % of the total share capital of the company)	67.22%		67.22%		67.22%

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NOTES:

1. In view of the significant uncertainties associated with the derivative options (taken for hedging of foreign currency exposure against exports), whose ultimate outcome depends upon the future events which are not under the direct control of the company, the loss if any, on such derivative options cannot be determined at this stage.

2. During the quarter and half year ended 30th Sep, 2009, the company has not provided for foreign exchange gains of Rs 11.07 crores arising on re-instatement of Foreign Currency Convertible Bonds (FCCBs) maturing in the year 2011 while taking a conservative view in the matter and to avoid unnecessary fluctuations in the results from one quarter to another resulting due to change in the Foreign Exchange market.

3. During the quarter ended 30th Sep, 2009, 6080 spindles have become operational at "Vardhman Yarns", Satlapur (M.P.) a unit of the Company thus taking the total operational capacity of the said unit to 1,76,704 spindles as on 30th Sep, 2009.

4. Unallocated Capital employed as per Segment Results include investments in Equity Shares, Fixed Deposits and Other Financial Instruments amounting to Rs. 641.03 crores as on 30th Sep, 2009 and Rs. 434.39 crores as on 30th Sep, 2008.

5. Other Income mainly comprises dividend received from subsidiary companies.

6. Interest expense is net of interest income from deposits amounting to Rs. 7.39 crores for the quarter and Rs 15.09 crores for the period ended 30th Sep, 2009.

7. During the quarter ended 30th Sep, 2009, the Company has purchased 32,60,140 shares of Vardhman Acrylics Limited pursuant to which the Company held 6,37,53,661 shares (58.74%) in Vardhman Acrylics Limited as at the end of the quarter.

8. The diluted Earnings Per Share (EPS) as mentioned in Point 16 above has been calculated strictly in accordance with the Accounting Standard (AS)-20 on 'Earnings per share' by taking into account any event of contingency which may require conversion of loan in equity. However, there has not been any default on account whatsoever during the period under review, which may require conversion of debt/loan into equity.

9. The Company did not have any investors' complaint pending at the beginning of the quarter. The Company received 62 complaints during the quarter, all of which were disposed off and there were no complaints lying unresolved at the end of the quarter on 30th Sep, 2009.

10. Figures for previous periods have been recast/regrouped, wherever necessary to make them comparable.

11. The provision for current tax has been recognised after considering Minimum Alternate Tax (MAT) Credit entitlement.

12. The Board of Directors has approved the above results in their meeting held on 24th October, 2009 which have been reviewed by the Statutory Auditors in terms of Clause 41 of the Listing Agreement.

for Vardhman Textiles Limited

Sd/-

Place : New Delhi
Date : 24.10.2009

S.P. Oswal
Chairman & Managing Director

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Segmentwise Revenue Results And Capital Employed

(Rs. In Crore)

Particulars	Quarter ended 30th Sept., 2009 (Unaudited)	Quarter ended 30th Sept., 2008 (Unaudited)	Half year ended 30th Sept., 2009 (Unaudited)	Half year ended 30th Sept., 2008 (Unaudited)	Year ended 31st March, 2009 (Audited)
1. Segment Revenue					
Yarn	525.93	476.24	1012.76	885.51	1851.88
Steel	48.83	97.41	102.15	201.54	288.19
Fabric	208.78	184.28	384.38	328.88	687.51
Unallocated	33.45	19.00	59.42	24.38	66.31
Total	816.99	776.93	1558.71	1440.31	2893.89
Less: Inter Segment Revenue	149.82	126.26	271.47	223.48	440.24
Net Sales/Income from Operations	667.17	650.67	1287.24	1216.83	2453.65
2. Segment Results [Profit / (Loss) before tax and interest from each segment]					
Yarn	66.14	46.73	111.01	75.05	140.86
Steel	4.67	12.86	10.11	30.48	37.04
Fabric	11.36	9.14	23.24	8.26	32.61
Unallocated	1.22	(2.20)	1.87	(4.59)	(14.13)
Total	83.39	66.53	146.23	109.20	196.38
Less: (i) Interest	18.19	31.45	40.22	59.91	102.34
(ii) Net of Un-allocable expenditure/(Income)	1.78	(2.13)	(6.57)	1.55	(3.58)
Profit after interest but before exceptional items & tax	63.42	37.21	112.58	47.74	97.62
3. Capital Employed					
Yarn	1860.95	1901.28	1860.95	1901.28	2014.23
Steel	124.00	185.41	124.00	185.41	122.92
Fabric	856.78	865.95	856.78	865.95	844.29
Unallocated	931.07	769.20	931.07	769.20	964.50
Total	3772.80	3721.84	3772.80	3721.84	3945.94