

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, 2008

(Rs. In Crore)

Particulars	Quarter ended 30th Sept., 2008 (Unaudited)	Quarter ended 30th Sept., 2007 (Unaudited)	Half year ended 30th Sept., 2008 (Unaudited)	Half year ended 30th Sept., 2007 (Unaudited)	Year ended 31st March, 2008 (Audited)
1. Income					
(a) Net Sales/Income from Operations	650.67	569.15	1216.83	1099.25	2294.67
(b) Other Operating Income	3.30	7.12	5.53	10.56	31.48
Total Income (a+b)	653.97	576.27	1222.36	1109.81	2326.15
2. Expenditure					
(a) (Increase)/Decrease in Stock in trade and work in progress	(37.30)	(11.81)	(69.61)	(41.11)	(42.37)
(b) Consumption of Raw Materials	342.13	266.51	648.24	530.81	1094.61
(c) Purchase of Traded Goods	2.43	3.62	3.85	4.17	7.91
(d) Employees Cost	39.72	37.72	76.67	72.38	155.27
(e) Depreciation	52.46	35.39	102.86	69.99	154.56
(f) Other Expenditure	192.56	181.77	360.76	349.51	724.70
(g) Total (a to f)	592.00	513.20	1122.77	985.75	2094.68
3. Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	61.97	63.07	99.59	124.06	231.47
4. Other Income	6.69	1.39	8.06	1.39	1.39
5. Profit before Interest and Exceptional Items (3+4)	68.66	64.46	107.65	125.45	232.86
6. Interest	31.45	13.09	59.91	29.63	63.89
7. Profit after Interest but before Exceptional Items (5-6)	37.21	51.37	47.74	95.82	168.97
8. Exceptional Items	(20.53)	-	(20.53)	-	-
9. Profit / (Loss) from ordinary activities before Tax (7+8)	16.68	51.37	27.21	95.82	168.97
10. Provision for Taxation					
-Current	0.00	2.75	0.00	4.00	0.19
-Deferred	11.00	11.00	16.00	23.00	44.89
-Fringe Benefit Tax	0.25	0.25	0.50	0.40	1.35
11. Net Profit (Loss) from ordinary activities after Tax (9-10)	5.43	37.37	10.71	68.42	122.54
12. Extraordinary Items	14.00	-	118.40	-	-
13. Net Profit (Loss) for the period (11+12)	19.43	37.37	129.11	68.42	122.54
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)					1114.37
16. EPS (in Rs.) not annualised					
a) Before Extraordinary Items					
- Basic	0.94	6.47	1.85	11.84	21.21
- Diluted	0.70	4.05	1.39	7.43	13.58
b) After Extraordinary Items					
- Basic	3.36	6.47	22.35	11.84	21.21
- Diluted	2.46	4.05	16.22	7.43	13.58
17. Aggregate of Public Shareholding					
Number of Shares	2,18,21,575	2,18,21,575	2,18,21,575	2,18,21,575	2,18,21,575
Percentage of Shareholding	37.77%	37.77%	37.77%	37.77%	37.77%

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NOTES:

1. During the quarter ended 30th September 2008, 15648 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 153792 spindles as on 30th September 2008. Also Captive Power Plant of 24MW has become operational at "Vardhman Yarns", Satlapur (M.P.). Further, additional 30 looms have become operational during the quarter at "Vardhman Fabrics", Budhni (M.P.).
2. The results for the quarter ended 30th September, 2008 are not comparable to the corresponding quarter of last year as the Thread Business (including the Spinning Unit at Hoshiarpur) of the Company has got vested in Vardhman Yarns & Threads Limited (VYTL) with effect from 1.04.2008 pursuant to the Scheme of Arrangement, Re- Organisation and Demerger amongst the Company, Vardhman Threads Limited (VTL) and Vardhman Yarns & Threads Limited (VYTL) and their respective shareholders and creditors.
3. Capital work-in-progress, as per Capital Employed as given in Segment Results, is expenditure incurred in respect of its expansion projects viz Vardhman Yarns at Satlapur and Vardhman Fabrics at Budhni (other than the capacities already operational in respect of these projects).
4. Exceptional Item comprises notional exchange loss on restatement of foreign currency borrowings (FCCBs) to be matured in the year 2011.
5. The Extra-ordinary item during the quarter comprises of the amount arising because of reduction in the estimated tax liability being netted from the extra-ordinary income reported during the quarter ended 30th June, 2008.
6. 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 year under review, which may require conversion of debt/loan into equity.
7. The Company did not have any investors' complaint pending at the beginning of the quarter. The Company received 39 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 September, 2008.
8. Figures for previous periods have been recast/regrouped, wherever necessary to make them comparable.
9. The Board of Directors has approved the above results in their meeting held on 25th October, 2008 which have been reviewed by the Statutory Auditors in terms of Clause 41 of the Listing Agreement.

for Vardhman Textiles Limited

Place : Ludhiana
Date : 25.10.2008

Sd/-
S.P. Oswal
Chairman & Managing Director

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Segmentwise Revenue Results And Capital Employed

(Rs. In Crore)

Particulars	Quarter ended 30th Sept., 2008 (Unaudited)	Quarter ended 30th Sept., 2007 (Unaudited)	Half year ended 30th Sept., 2008 (Unaudited)	Half year ended 30th Sept., 2007 (Unaudited)	Year ended 31st March, 2008 (Audited)
1. Segment Revenue					
Yarn	476.24	406.09	885.51	768.73	1608.10
Sewing Thread	0.00	73.54	0.00	143.78	309.57
Steel	97.41	73.75	201.54	155.75	326.50
Fabric	184.28	115.93	328.88	223.77	450.16
Unallocated	19.00	0.00	24.38	0.00	1.63
Total	776.93	669.31	1440.31	1292.03	2695.96
Less: Inter Segment Revenue	126.26	100.16	223.48	192.78	401.29
Net Sales/Income from Operations	650.67	569.15	1216.83	1099.25	2294.67
2. Segment Results [Profit / (Loss) before tax and interest from each segment]					
Yarn	46.73	44.81	75.05	85.14	154.27
Sewing Thread	0.00	8.06	0.00	15.35	36.66
Steel	12.86	8.07	30.48	18.11	36.38
Fabric	9.14	6.28	8.26	13.41	17.98
Unallocated	(2.20)	0.00	(4.59)	0.00	(1.58)
Total	66.53	67.22	109.20	132.01	243.71
Less: (i) Interest	31.45	13.09	59.91	29.63	63.89
(ii) Net of Un-allocable expenditure/(Income)	(2.13)	2.76	1.55	6.56	10.85
Profit after interest but before exceptional items & tax	37.21	51.37	47.74	95.82	168.97
3. Capital Employed					
Yarn	1852.85	1344.19	1852.85	1344.19	1989.59
Sewing Thread	0.00	172.11	0.00	172.11	152.58
Steel	185.41	171.22	185.41	171.22	177.90
Fabric	849.68	385.51	849.68	385.51	753.93
Unallocated	768.35	353.78	768.35	353.78	353.47
Capital work in progress	65.55	780.25	65.55	780.25	302.90
Total	3721.84	3207.06	3721.84	3207.06	3730.37