



Ref. VTL:SCY:NOV:2017-18

Dated: 08.11.2017

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| 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: 502986 | The National Stock Exchange of India Ltd, “Exchange Plaza, Bandra-Kurla Complex, Bandra (East), MUMBAI-400 051 Scrip Code: VTL |
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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/half year ended 30th September, 2017 together with Limited Review Report as approved by Board of Directors in its meeting held on 8th November, 2017.

Also find enclosed herewith a certificate from Debenture Trustees under Regulation 52(5) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

The meeting of the Board of Directors commenced at 11:30 a.m. and concluded at 4:00 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

| Particulars | Quarter ended | Quarter ended | Quarter ended | Half Year ended | Half Year ended | Year ended |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------|
| | September 30, 2017 | June 30, 2017 | September 30, 2016 | September 30, 2017 | September 30, 2016 | March 31, 2017 |
| I. Revenue from operations | Unaudited 1,397.15 | Unaudited 1,485.51 | Unaudited 1,398.06 | Unaudited 2,882.66 | Unaudited 2,796.18 | Audited 5690.95 |
| II. Other income (Refer note no. 2) | 53.29 | 40.18 | 419.47 | 93.47 | 453.56 | 628.36 |
| III. Total Income from operations (I+II) | 1,450.44 | 1,525.69 | 1,817.53 | 2,976.13 | 3,249.74 | 6,319.31 |
| IV. Expenses | 818.75 | 812.75 | 688.17 | 1,631.50 | 1,367.73 | 2836.69 |
| Cost of materials consumed | - | 10.08 | 3.90 | 10.08 | 17.03 | 29.20 |
| Purchase of stock - in trade | (58.74) | (14.99) | (23.17) | (73.73) | (41.28) | (74.18) |
| Change in inventories of finished goods, works - in progress and stock - in trade | 128.35 | 114.28 | 111.24 | 242.63 | 216.43 | 453.61 |
| Employee benefits expense | 26.89 | 26.24 | 30.93 | 53.12 | 64.36 | 125.13 |
| Finance cost | 54.05 | 56.80 | 80.79 | 110.86 | 329.49 | 329.49 |
| Depreciation and amortisation expense (Refer note no. 1) | 147.91 | 144.84 | 140.72 | 292.75 | 282.90 | 553.99 |
| Power and fuel | 170.10 | 207.00 | 188.66 | 377.10 | 374.78 | 760.57 |
| Other expenses | 1,287.31 | 1,357.00 | 1,221.24 | 2,644.31 | 2,442.59 | 5,014.50 |
| Total Expenses | 163.13 | 168.69 | 596.29 | 331.82 | 807.15 | 1,304.81 |
| V. Profit before tax (III-IV) | | | | | | |
| Tax expense | 31.77 | 36.98 | 106.42 | 68.75 | 162.02 | 281.57 |
| Current tax | (0.26) | (7.56) | 8.35 | (7.83) | 13.56 | 21.65 |
| Deferred tax | | | | | | |
| VII. Profit after tax (V-VI) | 131.62 | 139.27 | 481.52 | 270.90 | 631.57 | 1,001.59 |
| VIII. Other Comprehensive Expenditure | | | | | | (0.22) |
| IX. Total Comprehensive income (VII+VIII) | 131.62 | 139.27 | 481.52 | 270.90 | 631.57 | 1,001.37 |
| X. Earnings Per Share (in Rs.) | | | | | | |
| (a) Basic | 23.24 | 24.90 | 77.60 | 47.84 | 101.78 | 163.67 |
| (b) Diluted | 23.24 | 24.90 | 77.60 | 47.84 | 101.78 | 163.67 |
| XI. Paid up Equity Share Capital (Face value per share Rs.10) | 56.63 | 55.93 | 62.05 | 56.63 | 62.05 | 55.93 |
| XII. Paid up Debt Capital* | 499.80 | - | - | 499.80 | - | 3,923.66 |
| XIII. Reserves excluding Revaluation Reserves | 6.26 | 6.26 | - | 1.92 | - | 6.26 |
| XIV. Capital Redemption Reserve | 1.92 | - | - | 1.92 | - | - |
| XV. Debenture Redemption Reserve | 4,248.95 | 4,125.13 | 4,322.44 | 4,248.95 | 4,322.44 | 3,985.85 |
| XVI. Net Worth | 0.51 | 0.55 | 0.55 | 0.51 | 0.55 | 0.55 |
| XVII. Debt Equity Ratio** | 2.06 | 1.85 | 4.55 | 1.95 | 2.70 | 2.66 |
| XVIII. Debt Service Coverage Ratio*** | 8.39 | 10.50 | 27.15 | 9.33 | 20.06 | 18.80 |
| XIX. Interest Service Coverage Ratio**** | | | | | | |
| XX. Interest Service Coverage Ratio***** | | | | | | |

* Paid up Debt Capital comprises of listed debentures only/-
 ** Debt equity ratio = Total Debt/Equity
 *** Debt service coverage ratio (DSCR) = (EBDIT)/Gross Interest+Scheduled principal repayment of Long term Debts)
 **** Debt service coverage ratio (DSCR) = (EBDIT)/Gross Interest



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NOTES:

- 1 During the first quarter of financial year 2017-18 the management had reviewed the useful life of general plant and machinery and had re-estimated that useful life of such plant and machinery should be 10 years instead of 7.5 years. Accordingly, the necessary accounting changes have been done prospectively w.e.f April 01, 2017 as per Ind-AS-8 and Ind-AS-16. The Depreciation expense charged for the quarter ended June 30, 2017 and quarter ended September 30, 2017 would had been higher by Rs 24.10 Crores and 24.41 Crores respectively had the Company continued with previously estimated useful life for general plant and machinery.
- 2 a) Other income for the year ended March 31, 2017 includes Rs. 36.38 crores arising on account of tendering of 89,49,690 fully paid up equity shares of the Vardhman Acrylics Limited, a subsidiary of the Company, under buy back offer.
 b) Other income for the quarter and half year ended September 30, 2016 and year ended March 31, 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 (YYTL) 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 holds only 11% equity stake in Vardhman Yarns & Threads Limited.
 (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 Vardhman Yarns & Threads Limited.
- 3 The above results were reviewed by the Audit Committee and approved by Board of Directors at their meeting held on November 8, 2017. The results for quarter and half year ended September 30, 2017 have been reviewed by Statutory Auditor as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 .
- 4 The Company has issued secured, rated listed Redeemable Non-convertible Debentures (NCDs) aggregating to Rs. 499.80 Crores for cash at par on private placement basis on September 8, 2017. The NCD's are listed at the Bombay Stock Exchange of India (BSE) and comprise of three series repayable in third, fourth and fifth years and have an overall yield of 7.69% per annum.
 CRISIL has assigned a rating of AA+ with Stable outlook to the said NCDs of the Company on August 18, 2017. The NCDs shall be secured by way of a first pari passu charge over the immovable and movable fixed assets of the Company and it should have asset cover of more than 105% of outstanding amount of NCDs.

Details of due dates for the payment of interest and repayment of the principal of NCD's are as follows:

| Particulars | Due Date | |
|--|-----------|-----------|
| | Interest | Principal |
| 1500 7.59% Series A NCDs of Rs. 10 Lacs each | 10-Sep-18 | 08-Sep-20 |
| 1500 7.69% Series B NCDs of Rs. 10 Lacs each | 10-Sep-18 | 08-Sep-21 |
| 1998 7.75% Series C NCDs of Rs. 10 Lacs each | 10-Sep-18 | 08-Sep-22 |



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- 5 During the quarter ended September 30, 2017 the Company has acquired 11.66 % equity shares of VMT Spinning Company Limited (VMT). Accordingly VMT has become a wholly owned subsidiary of the Company.
- 6 The Company was holding its own 15,98,741 equity shares of Rs.10 each through Mahavir Share Trust (The Trust). During the quarter ended September 30, 2017 7,00,000 equity shares have been sold by the trust for a consideration of Rs. 83.66 Crores. Accordingly, the paid up equity share capital of the Company has increased from Rs.55.93 crores to Rs.56.63 Crores.
- 7 On May 10, 2017 the Board of Directors had proposed final dividend of Rs.15 per equity share for the year ended March 31, 2017 which has been approved by the Shareholders in the Annual General Meeting dated September 22, 2017 and paid during the quarter.
- 8 During the half year ended September 30, 2017 Company has subscribed to 38,83,333 equity shares of Vardhman Special Steels Limited offered through Right Issue at a price of Rs.50 per share amounting to Rs.19.41 Crores.
- 9 Figures for previous periods/year have been recast/regrouped, wherever necessary to make them comparable.
- 10 Business segments have been identified based on the nature and class of products and services, assessment of differential risks and returns. Accordingly, the Company is a single segment Company operating in textile business and disclosure requirements as contained in Ind AS- 108 'Operating Segments' are not required in the standalone financial statements.

Place : Ludhiana
Date : 08-11-2017

for Vardhman Textiles Limited
Sd/-
S.P. Oswal
Chairman & Managing Director



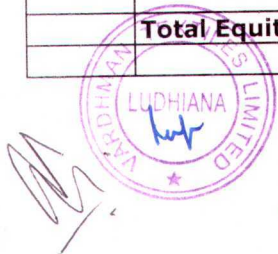
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VARDHMAN TEXTILES LIMITED
Regd. Office : Chandigarh Road, Ludhiana-141010

Unaudited Balance Sheet as at September 30, 2017

(Rs. In Crores)

| Sr. No. | Particulars | September 30, 2017 | March 31, 2017 |
|----------|---|--------------------|-----------------|
| | ASSETS | | |
| 1 | Non-current assets | | |
| | (a) Property, plant and equipment | 2,404.50 | 2,451.41 |
| | (b) Capital work-in-progress | 73.60 | 48.54 |
| | (c) Intangible assets | 4.89 | 6.74 |
| | (d) Financial assets | | |
| | -Investments | 1,108.00 | 972.19 |
| | -Loans | 0.65 | 0.61 |
| | -Other financial assets | 1.76 | 1.74 |
| | (e) Other non-current assets | 87.92 | 66.04 |
| | Total of Non-current assets | 3,681.32 | 3,547.27 |
| 2 | Current assets | | |
| | (a) Inventories | 1,266.13 | 1,589.00 |
| | (b) Financial assets | | |
| | -Investments | 1,013.02 | 670.60 |
| | -Trade receivables | 805.04 | 717.91 |
| | -Cash and cash equivalents | 44.50 | 38.22 |
| | -Bank Balance other than above | 3.58 | 2.25 |
| | -Loans | 32.54 | 36.56 |
| | -Other financial assets | 13.94 | 40.47 |
| | (c) Current tax assets (net) | 49.63 | 45.14 |
| | (d) Other current assets | 296.93 | 271.11 |
| | Total current assets | 3,525.31 | 3,411.26 |
| | Total Assets | 7,206.63 | 6,958.53 |
| | EQUITY AND LIABILITIES | | |
| | Equity | | |
| | (a) Equity share capital | 56.63 | 55.93 |
| | (b) Other equity | 4,192.32 | 3,929.92 |
| | Total equity | 4,248.95 | 3,985.85 |
| | Liabilities | | |
| 1 | Non-current liabilities | | |
| | (a) Financial liabilities | | |
| | -Borrowings (Refer Note No. 4) | 1,141.85 | 719.35 |
| | -Other financial liabilities | 0.10 | 0.49 |
| | (b) Provisions | 8.06 | 8.90 |
| | (c) Deferred tax liabilities (net) | 230.57 | 238.40 |
| | (d) Other non-current liabilities | 22.82 | 21.01 |
| | Total of Non-current liabilities | 1,403.40 | 988.15 |
| 2 | Current liabilities | | |
| | (a) Financial Liabilities | | |
| | -Borrowings | 651.19 | 1,055.06 |
| | -Trade payables | 151.99 | 177.41 |
| | -Other financial liabilities | 614.02 | 600.76 |
| | (b) Other current liabilities | 132.75 | 147.02 |
| | (c) Provisions | 4.33 | 4.28 |
| | Total of Current liabilities | 1,554.28 | 1,984.53 |
| | Total Equity and Liabilities | 7,206.63 | 6,958.53 |



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Deloitte Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF VARDHMAN TEXTILES LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **VARDHMAN TEXTILES LIMITED** ("the Company"), for the Quarter and half year ended September 30, 2017 and the Unaudited Balance Sheet as at September 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement 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 Statement is 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. Based on our review conducted as stated nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. The comparative financial information of the Company for the quarter and half year ended September 30, 2016 and for the year ended March 31, 2017 prepared in accordance with Indian Accounting Standards ("Ind AS") included in this Statement have been reviewed/audited by the predecessor auditor. The report of the predecessor auditor on these comparative financial information expressed an unmodified opinion / conclusion.

Our report is not modified in respect of these matters.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

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Ludhiana, November 8, 2017


Rajesh Kumar Agarwal
Partner
(Membership No. 105546)

(Rs. In Crores)

| Particulars | Quarter Ended | Quarter Ended | Quarter Ended | Half Year Ended | Half Year Ended | Year Ended | |
|--------------|--|-----------------|--------------------|--------------------|--------------------|-----------------|-----------------|
| | September 30, 2017 | June 30, 2017 | September 30, 2016 | September 30, 2017 | September 30, 2016 | March 31, 2017 | |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited | |
| I | Revenue from operations | 1,523.06 | 1,567.60 | 1,494.21 | 3,090.66 | 2,966.40 | 6,029.96 |
| II | Other income (Refer note no. 3) | 51.17 | 47.35 | 383.04 | 98.51 | 425.72 | 553.83 |
| III. | Total Income from operations (I+II) | 1,574.23 | 1,614.95 | 1,877.25 | 3,189.17 | 3,392.12 | 6,583.79 |
| IV. | Expenses | | | | | | |
| | Cost of materials consumed | 888.39 | 877.31 | 742.78 | 1,765.69 | 1,453.98 | 3,015.80 |
| | Purchase of stocks- in trade | 1.86 | 1.28 | 0.82 | 3.14 | 2.27 | 5.39 |
| | Change in inventories of finished goods, Works -in progress and stock -in- trade | (39.75) | (28.58) | (34.78) | (68.34) | (53.95) | (90.82) |
| | Employee benefits expenses | 135.18 | 120.70 | 117.54 | 255.89 | 228.78 | 478.85 |
| | Finance cost | 27.60 | 27.20 | 31.66 | 54.80 | 65.90 | 128.65 |
| | Depreciation and amortisation expense (Refer note no. 1) | 56.98 | 59.70 | 84.06 | 116.68 | 167.18 | 343.40 |
| | Power and fuel | 158.65 | 155.33 | 152.11 | 313.98 | 305.00 | 596.13 |
| | Other expenses | 181.10 | 221.04 | 204.63 | 402.14 | 406.83 | 825.30 |
| | Total Expenses | 1,410.01 | 1,433.98 | 1,298.82 | 2,843.98 | 2,575.99 | 5,302.70 |
| V. | Profit before tax at Non controlling interest, minority interest, share of profit of associates and joint venture | 164.22 | 180.97 | 578.43 | 345.19 | 816.13 | 1,281.09 |
| VI. | Tax Expense | | | | | | |
| | Current tax | 34.38 | 40.97 | 126.00 | 75.36 | 187.99 | 302.63 |
| | Deferred tax | (1.99) | (9.03) | 9.47 | (11.02) | 15.74 | 21.03 |
| | Net Profit after Tax (V-VI) | 131.83 | 149.03 | 442.96 | 280.85 | 612.40 | 957.43 |
| VIII | Share of Profit of Associates and Joint Venture | 3.45 | 2.62 | 15.71 | 6.07 | 29.17 | 36.86 |
| IX | Minority interest | 2.13 | 2.81 | 4.66 | 4.94 | 9.29 | 12.86 |
| X | Net Profit after Taxes, Minority Interest and Share of Profit of Associates and Joint Venture | 133.15 | 148.84 | 454.01 | 281.98 | 632.28 | 981.43 |
| XI | Other Comprehensive Expenditure | - | - | - | - | - | (0.42) |
| XI: | Total Comprehensive Income for the period (X+XI) (Comprising Profit and Other Comprehensive Expenditure for the period) | 133.15 | 148.84 | 454.01 | 281.98 | 632.28 | 981.01 |
| XIII | Earnings Per Share | | | | | | |
| | (In Rs.) (not annualized): | | | | | | |
| | (a) Basic | 23.95 | 27.11 | 74.53 | 50.71 | 103.79 | 163.11 |
| | (b) Diluted | 23.95 | 27.11 | 74.53 | 50.71 | 103.79 | 163.11 |
| XIV | Paid up equity share capital (face value per share Rs.10) | 55.63 | 54.91 | 60.92 | 55.63 | 60.92 | 54.91 |
| XV | Paid up Debt Capital* | 499.80 | - | - | 499.80 | - | 4218.32 |
| XVI | Reserves excluding Revaluation Reserves | 40.43 | 40.43 | - | 40.43 | - | 40.43 |
| XVII | Capital Redemption Reserve | 1.92 | 1.92 | - | 1.92 | - | 4.385.41 |
| XVIII | Debt Redemption Reserve** | 4,650.62 | 4,533.61 | 4,686.84 | 4,650.62 | 4,686.84 | 0.51 |
| XX | Net Worth | 0.48 | 0.47 | 0.51 | 0.48 | 0.51 | 0.51 |
| XXI | Debt:Equity Ratio | 2.15 | 1.92 | 4.54 | 2.02 | 2.76 | 2.69 |
| XXII | Debt Service Coverage Ratio*** | 9.25 | 9.83 | 26.89 | 9.54 | 20.26 | 18.87 |
| XXIII | Interest Service Coverage Ratio**** | | | | | | |

* Paid up Debt Capital comprises of listed debentures only/-

** Debt equity ratio = Total Debt/Equity

*** Debt Service Coverage ratio (DSCR) = (EBDIT)/(Gross Interest+Scheduled Principal Repayment of Long term Debts)

**** Interest service coverage ratio (ISCR) = (EBDIT)/Gross Interest

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| Particulars | Quarter ended September 30, 2017 (Unaudited) | Quarter ended June 30, 2017 (Unaudited) | Quarter ended September 30, 2016 (Unaudited) | Half year ended September 30, 2017 (Unaudited) | Half year ended September 30, 2016 (Unaudited) | Year ended March 31, 2017 (Audited) |
|---|--|---|---|---|---|---|
| I. Segment Revenue | | | | | | |
| Textiles | 1443.57 | 1520.07 | 1,421.11 | 2,963.64 | 2,859.33 | 5,828.48 |
| Acrylic Fibre | 91.99 | 67.54 | 102.56 | 159.53 | 207.80 | 367.84 |
| Total | 1535.56 | 1,587.61 | 1,523.67 | 3,123.17 | 3,067.13 | 6,196.32 |
| Less : Inter Segment Revenue | 12.50 | 20.01 | 29.46 | 32.51 | 100.73 | 166.36 |
| Net sales/income from operations | 1,523.06 | 1,567.60 | 1,494.21 | 3,090.66 | 2,966.40 | 6,029.96 |
| II. Segment Results | | | | | | |
| Profit before tax & interest from each segment | | | | | | |
| Textiles | 174.20 | 189.77 | 323.64 | 363.96 | 572.41 | 1,070.39 |
| Acrylic Fibre | 8.33 | 12.46 | 19.43 | 20.79 | 42.59 | 57.50 |
| Total | 182.53 | 202.23 | 343.07 | 384.75 | 615.00 | 1,127.89 |
| Less : (a) Interest | 27.60 | 27.20 | 31.66 | 54.80 | 65.90 | 128.65 |
| (b) Other un-allocable expenditure / (income) | (12.74) | (8.56) | (282.73) | (21.31) | (296.20) | (318.71) |
| (Net of un-allocable income/expenditure) | | | | | | |
| Total Profit Before Tax including Income from Associates and joint Venture | 167.67 | 183.59 | 594.14 | 351.26 | 845.30 | 1,317.95 |
| III. Segment Assets | | | | | | |
| Textiles | 4945.57 | 5253.51 | 4,722.58 | 4,945.57 | 4,722.58 | 5,145.24 |
| Acrylic Fibre | 403.35 | 377.90 | 423.44 | 403.35 | 423.44 | 391.86 |
| Unallocated | 2423.76 | 1902.54 | 2,772.36 | 2,423.76 | 2,772.36 | 1,979.45 |
| Total | 7,772.68 | 7,533.95 | 7,918.38 | 7,772.68 | 7,918.38 | 7,516.55 |
| IV. Segment Liabilities* | | | | | | |
| Textiles | 530.68 | 553.38 | 440.18 | 530.68 | 440.18 | 491.13 |
| Acrylic Fibre | 69.34 | 47.97 | 47.12 | 69.34 | 47.12 | 74.98 |
| Unallocated | 49.30 | 27.49 | 39.59 | 49.30 | 39.59 | 55.45 |
| Total | 649.32 | 628.84 | 526.89 | 649.32 | 526.89 | 621.56 |

*excludes borrowings



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NOTES:

1. During the first quarter of financial year 2017-18 the management had reviewed the useful life of general plant and machinery and had re-estimated that useful life of such plant and machinery should be 10 years instead of 7.5 years. Accordingly, necessary accounting changes have been done prospectively w.e.f 1st April 2017 as per Ind-AS-8 and Ind-AS-16. The depreciation expense charged for the quarter ended June 30, 2017 and quarter ended September 30, 2017 would have been higher by Rs 24.10 Crores and 25.56 Crores respectively had the Company continued with previously estimated useful life for general plant and 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 and General Mills Limited.
 3. Other Income for the quarter and half Year ended 30th September 2016 along with Year ended 31st March, 2017 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. 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).
 5. 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 08.11.2017. The results for quarter and Half Year ended 30th September 2017 have been reviewed by Statutory Auditors as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 6. The Company has issued secured, rated listed Redeemable Non-convertible Debentures (NCDs) aggregating to Rs. 499.80 Crores for cash at par on private placement basis on September 8, 2017. The NCD's are listed at the Bombay Stock Exchange of India (BSE) and comprise of three series repayable in third, fourth and fifth years and have an overall yield of 7.69% per annum. CRISIL has assigned a rating of AA+ with Stable outlook to the said NCDs of the Company on August 18, 2017. The NCDs shall be secured by way of a first pari passu charge over the immovable and movable fixed assets of the Company and it should have asset cover of more than 105% of outstanding amount of NCDs.
- Details of Due dates for the payment of interest and repayment of the principal of NCD's are as follows:

| Particulars | Due Date | |
|---|--------------------|-------------------|
| | Interest | Principal |
| 1500 7.59% Series A NCD's of Rs. 10 Lacs each | September 10, 2018 | September 8, 2020 |
| 1500 7.69% Series B NCD's of Rs. 10 Lacs each | September 10, 2018 | September 8, 2021 |
| 1998 7.75% Series C NCD's of Rs. 10 Lacs each | September 10, 2018 | September 8, 2022 |

7. During the quarter ended September 30, 2017 the Company has acquired 11.66 % equity shares of VMT Spinning Company Limited (VMT). Accordingly VMT has become a wholly owned subsidiary of the Company.
8. The Company was holding its own 15,98,741 equity shares of Rs.10 each through Mahavir Share Trust (The Trust). During the quarter ended September 30, 2017 700000 equity shares have been sold by the Trust for a consideration of Rs. 83.66 Crore. Accordingly the paid up equity share capital of the Company has increased from Rs.55.93 crore to Rs.56.63 Crores.
9. On May 10, 2017 the Board of Directors had proposed final dividend of Rs.15 per equity share for the year ended March 31, 2017 which has been approved by the Shareholders in the Annual General Meeting dated September 22, 2017 and paid during the quarter.
10. During the half year ended September 30, 2017 company has subscribed to 38,83,333 equity shares of Vardhman Special Steels Limited offered through Right Issue at a price of Rs.50 per share amounting to Rs.19.41 Crores.
11. Figures for previous periods/year have been recast/regrouped, wherever necessary to make them comparable.

for Vardhman Textiles Limited

Sd/-
Chairman & Managing Director

Place : Ludhiana
Date : 08-11-2017

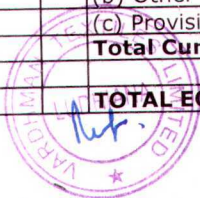


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VARDHMAN TEXTILES LIMITED
Unaudited Balance Sheet as at September,30 2017

(Rs. In crores)

| | Particulars | As at September 30, 2017 | As at March 31, 2017 |
|----------|--|--------------------------------|-------------------------|
| | ASSETS | | |
| 1 | Non-current assets | | |
| | (a) Property, Plant and Equipment | 2,519.26 | 2,571.32 |
| | (b) Capital work-in-progress | 74.43 | 49.03 |
| | (c) Goodwill | 12.50 | 12.54 |
| | (d) Other Intangible Assets | 4.89 | 6.74 |
| | (f) Financial Assets | | |
| | -Investments | 953.28 | 858.75 |
| | -Investment in associates and joint ventures | 100.65 | 75.17 |
| | -Loans | 0.65 | 0.62 |
| | -Others financial assets | 2.08 | 2.05 |
| | (g) Other assets | 101.21 | 78.39 |
| | Total Non-current assets | 3,768.95 | 3,654.61 |
| 2 | Current assets | | |
| | (a) Inventories | 1,384.40 | 1,752.81 |
| | (b) Financial Assets | | |
| | -Investments | 1,291.43 | 934.40 |
| | -Trade receivables | 879.72 | 733.50 |
| | -Cash and cash equivalents | 50.54 | 42.29 |
| | -Bank Balance other than above | 4.01 | 2.36 |
| | -Loans | 30.10 | 29.71 |
| | -Other financial assets | 27.40 | 34.44 |
| | (c) Current tax assets (net) | 22.35 | 21.26 |
| | (d) Other assets | 313.78 | 311.17 |
| | Total Current assets | 4,003.73 | 3,861.94 |
| | TOTAL ASSETS | 7,772.68 | 7,516.55 |
| | EQUITY AND LIABILITIES | | |
| | Equity | | |
| | (a) Equity Share capital (See Note 8) | 55.63 | 54.91 |
| | (b) Other Equity | 4,488.81 | 4,218.32 |
| | (c) Non-controlling interests | | |
| | - Equity Share capital | 23.44 | 25.63 |
| | - Other Equity | 82.74 | 86.56 |
| | Total Equity | 4,650.62 | 4,385.42 |
| | Liabilities | | |
| 1 | Non-current liabilities | | |
| | (a) Financial Liabilities | | |
| | -Borrowings (See Note-6) | 1,159.55 | 742.70 |
| | -Other financial liabilities | 0.23 | 0.49 |
| | (b) Provisions | 8.25 | 9.69 |
| | (c) Deferred tax liabilities (Net) | 258.78 | 271.19 |
| | (d) Other liabilities | 22.85 | 21.03 |
| | Total Non-current liabilities | 1,449.66 | 1,045.10 |
| 2 | Current liabilities | | |
| | (a) Financial Liabilities | | |
| | -Borrowings | 675.20 | 1,066.32 |
| | -Trade payables | 213.76 | 245.15 |
| | -Other financial liabilities | 638.05 | 617.87 |
| | (b) Other liabilities | 140.23 | 152.04 |
| | (c) Provisions | 5.17 | 4.65 |
| | Total Current liabilities | 1,672.41 | 2,086.03 |
| | TOTAL EQUITY AND LIABILITIES | 7,772.68 | 7,516.55 |



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INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF VARDHMAN TEXTILES LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **VARDHMAN TEXTILES LIMITED** ("the Parent"), its subsidiaries and its share of the profits of its associates and joint venture (the Parent, its subsidiaries and its share in its associates and joint venture constitute "the Group") for the Quarter and half year ended September 30, 2017 and the Consolidated Unaudited Balance Sheet as at September 30, 2017 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement 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 Statement is 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.



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3. The Statement includes the results of the following entities

| Name of the Entity | Relationship |
|---|---------------------------------|
| VMT Spinning Company Limited | Wholly owned subsidiary company |
| Vardhman Acrylics Limited | Subsidiary company |
| VTL Investments Limited | Wholly owned subsidiary company |
| Vardhman Yarns and Threads Limited | Associate company |
| Vardhman Special Steels Limited | Associate company |
| Vardhman Spinning and General Mills Limited | Associate company |
| Vardhman Nisshimbo Garments Company Limited | Joint venture |

4. We did not review the interim financial results of one subsidiary included in the consolidated financial results, whose interim financial results reflect total assets of Rs. 403.35 crores as at September 30, 2017, total revenues of Rs. 92.21 crores and Rs. 159.90 crores respectively for the quarter and six months ended September 30, 2017, and total profit after tax of Rs. 5.04 crores and Rs. 11.95 crores respectively for the quarter and six months ended September 30, 2017, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of profit after tax of Rs. 1.90 crores and Rs. 2.70 crores respectively for the quarter and six months ended September 30, 2017, as considered in the consolidated financial results, in respect of one associate, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate, is based solely on the reports of the other auditors.

Our report on the Statement is not modified in respect of these matters.

5. The consolidated financial results includes the interim financial results of two subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total assets of Rs. 232.81 crores as at September 30, 2017, total revenue of Rs. 62.28 crores and Rs. 114.53 crores for the quarter and six months ended September 30, 2017, and total profit after tax of Rs. 4.30 crores and Rs.5.77 crores respectively for the quarter and six months ended September 30, 2017, as considered



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in the consolidated financial results. The consolidated financial results also includes the Group's share of profit after tax of Rs. 1.54 crores and Rs. 3.37 crores respectively for the quarter and six Months ended September 30, 2017, as considered in the consolidated financial results, in respect of two associates and one joint venture based on their interim financial results which have not been reviewed by their auditors.

6. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above and except for the possible effects of the matter described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated July 5th 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. The comparative financial information of the Parent for the quarter and half year ended September 30, 2016 and for the year ended March 31, 2017 prepared in accordance with Indian Accounting Standards ("Ind AS") included in this Statement have been reviewed/audited by the predecessor auditor. The report of the predecessor auditor on these comparative financial information expressed an unmodified opinion / conclusion.

Our report is not modified in respect of these matters.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

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Ludhiana, November 8, 2017


Rajesh Kumar Agarwal
Partner
(Membership No. 105546)



Ref.no. 2918/SBICTCL/DT/2017-18

Date: 8th November, 2017

To,
VARDHMAN TEXTILES LIMITED
Vardhman Premises,
Chandigarh Road, Ludhiana

Kind Attention: Mr. Diwakar Sood

Sub:-Certificate u/r 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, for NCDs aggregating to Rs 499.80 Crores by Vardhman Textiles Ltd ("Issuer"), for the half year ended 30th September, 2017.

Dear Sir/ Madam,

We are acting as Debenture Trustee for the captioned Debenture Issue. Pursuant to Regulation 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, ('Regulations') we state that we have taken note of the disclosures made by the Issuer under Regulation 52(4) of the Regulations.

Yours faithfully,
For SBICAP Trustee Company Limited

Authorised Signatory