Vardhmān

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VARDHMAN ACRYLICS LIMITED

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Ref. VAL:SCY:NOV:2019-20 **Dated: 02.11.2019**

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

Scrip Code: VARDHACRLC

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, 2019 together with Limited Review Report as approved by Board of Directors in its meeting held on 2nd November, 2019.

The meeting of the Board of Directors commenced at 10:00 a.m. and concluded at 2.30 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 ACRYLICS LIMITED

Satin Katyal

(Satin Katyal)
Company Secretary

VARDHMAN ACRYLICS LIMITED LUDHIANA

VARDHMAN ACRYLICS LTD

Regd. Office : Chandigarh Road, Ludhiana-141010

Unaudited Financial Results for the Quarter and Half year ended 30th September, 2019

Corporate Identity Number (CIN): L51491PB1990PLC019212, PAN: AAACV7602E

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

Rs. In Crores

	Particulars	Quarter Ended 30th September ,2019	Quarter Ended 30th June ,2019	Quarter Ended 30th September ,2018	Half Year ended 30th Sept,2019	Half Year ended 30th Sept,2018	Year Ended 31st March, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Income From Operations**						
a)	Gross Sales/Income From Operations	82.72	86.28	117.48	169.00	216.91	391.96
b)	Other Operating Income	6.74	4.70	5.82	11.44	12.31	24.75
	Total Income from operations	**89.46**	**90.98**	**123.30**	**180.44**	**229.22**	**416.71**
2	**Expenses**						
a)	Cost of Materials Consumed	68.79	60.32	80.82	129.11	152.06	288.31
b)	Purchase of Stocks- In Trade	-	-	4.37	-	4.37	4.37
c)	Change in Inventories of Finished Goods, works -in progress and stock -in- trade	(6.90)	(8.77)	2.45	(15.67)	2.42	4.88
d)	Employee Benefits Expenses	3.90	3.69	3.67	7.59	7.20	14.57
e)	Depreciation and Amortisation Expense	1.31	1.30	1.21	2.61	2.42	5.40
f)	Power & Fuel	7.20	6.48	6.82	13.68	12.87	23.97
g)	Finance Cost	0.02	0.05	0.10	0.06	0.19	0.44
h)	Other Expenses	5.96	6.12	6.53	12.09	12.90	28.03
	Total Expenses	**80.28**	**69.19**	**105.97**	**149.47**	**194.43**	**369.98**
3	Profit/(Loss) before exceptional Items and Tax (1-2)	**9.18**	**21.79**	**17.33**	**30.97**	**34.79**	**46.73**
4	Exceptional Items	-	-	-	-	-	-
5	Profit/(Loss) before Tax (3 - 4)	**9.18**	**21.79**	**17.33**	**30.97**	**34.79**	**46.73**
6	**Tax Expense (Refer note no.3)**						
	Current Tax	0.59	5.79	4.20	6.38	8.45	12.33
	Deferred Tax	(2.08)	(0.79)	0.11	(2.87)	1.00	(0.09)
7	Net Profit/(Loss) after Tax (5 - 6)	**10.67**	**16.79**	**13.02**	**27.46**	**25.34**	**34.49**
8	Other Comprehensive income / (Loss)	-	-	-	-	-	(0.83)
9	Total Comprehensive income (7+8)	**10.67**	**16.79**	**13.02**	**27.46**	**25.34**	**33.65**
10	Paid-up Equity Capital (Face Value Rs. 10/- per share)	80.36	80.36	80.36	80.36	80.36	80.36
11	Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year						253.29
12	Earnings Per Share (of Rs. 10/- each) (in Rs.) (not annualized):						
	(a)Basic	1.33	2.09	1.62	3.42	3.15	4.29
	(b) Diluted	1.33	2.09	1.62	3.42	3.15	4.29

VARDHMAN ACRYLICS LIMITED LUDHIANA

VARDHMAN ACRYLICS LIMITED
BALANCE SHEET As at 30th September, 2019

(Rs. in Crores)

Particulars	As at 30th September, 2019 (Unudited)	As at 31st March 2019 (Audited)
ASSETS		
1 Non-current assets		
(a) Property, Plant and Equipment	49.23	51.59
(b) Capital work-in-progress	0.99	0.03
(c) Right of Use Asset (Refer Note-4)	11.55	-
(d) Intangible Assets	-	-
(e) Financial Assets		
-Investments	61.02	58.34
-Loans	0.00	0.00
-Others financial assets	-	-
(f) Other non-current Assets	0.47	11.98
Total of Non-current assets	123.26	121.94
2 Current assets		
(a) Inventories	78.96	76.37
(b) Financial Assets		
- Investments	206.53	225.62
-Trade receivables	15.69	15.60
-Cash and Cash Equivalents	33.60	2.50
- Loans	0.02	0.01
-Other financial assets	0.11	0.30
(c) Current tax assets (net)	-	-
(d) Other current assets	12.38	10.98
Total of Current assets	347.29	331.38
TOTAL OF ASSETS	470.55	453.32
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	80.36	80.36
(b) Other Equity	256.52	253.29
Total of Equity	336.88	333.66
Liabilities		
1 Non-current liabilities		
(a) Financial Liabilities		
-Borrowings	-	-
-Other financial liabilites	-	-
-Lease liability (Refer Note-4)	0.00	
(b) Provisions	0.49	0.51
(c) Deferred tax liabilities (Net)	16.73	19.60
(d) Other non-current liabilities	0.09	0.08
Total of Non-current liabilities	17.31	20.18
2 Current liabilities		
(a) Financial Liabilities		
-Borrowings	0.15	0.75
-Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	0.37	0.30
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises.	54.53	68.27
-Other financial liabilities	25.21	5.98
(b) Other current liabilities	5.55	1.04
(c) Provisions	0.10	0.10
(e) Current tax liabilities (net)	30.45	23.04
Total of Current liabilities	116.36	99.48
TOTAL OF EQUITY AND LIABILITIES	470.55	453.32

VARDHMAN ACRYLICS LIMITED LUDHIANA

VARDHMAN ACRYLICS LIMITED
Regd. Office : Chandigarh Road, Ludhiana-141010
Statement of Cash Flows for the six months ended September 30, 2019

(Rs. In Crores)

Particulars	Six Month Ended September 30, 2019 Unaudited	Six Month Ended September 30, 2018 Unaudited
Net cash flow from operating activities		
Net Profit before Tax	30.97	34.79
Operating profit before working capital changes	22.50	28.98
A) Net cash generated from operating activities	5.24	23.98
B) Net Cash from/(used) in Investing Activities	26.49	(12.50)
C) Net cash (used) in financing activities	(0.63)	(13.30)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	31.10	**(1.82)**
Add: Cash and cash equivalents as at beginning of the year	**1.77**	**4.09**
Cash and cash equivalents as at end of the period	**32.87**	**2.27**

VARDHMAN ACRYLICS LIMITED
LUDHIANA

VARDHMAN ACRYLICS LTD
Regd. Office : Chandigarh Road, Ludhiana-141010
Unaudited Financial Results for the Quarter and Half year ended 30th September, 2019
Corporate Identity Number (CIN): L51491PB1990PLC019212, PAN: AAACV7602E
Website:www.vardhman.com Email: secretarial.lud@vardhman.com

NOTES:

1. The Company has only one segment of Acrylic Fibre and accordingly, there is no reportable segment as required by Indian Accounting Standards (IndAS) - 108 "Operating Segment" notified by the Companies (Accounting Standards) Rules,2015.

2. The format for quarterly results is as prescribed in Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended , read with SEBI circular CIR/CFD/CMD1/44/2019 dated March 29, 2019.The financial results have been prepared in accordance with Indian accounting standards ("Ind AS") as prescribed under section 133 of the Companies Act,2013 read with relevant rules issued thereunder.

3-(i). Due to amendment in Income Tax Act,1961 vide Finance Act (No.2) dt.August 1,2019 the company has become eligible for effective corporate tax rate of 29.12% instead of 34.94% w.e.f current financial year.The company has taken the impact of this change in current quarter.

(ii).On 20th September 2019, the Government of India, vide the Taxation Laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay Corporate Tax at reduced rate of 25.17% w.e.f 01 April 2019, subject to certain conditions. The Company is currently in the process of evaluating this option.

4. Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability. Accordingly, comparatives for the quarters and half year ended September 30, 2018 and year ended March 31, 2019 have not been retrospectively adjusted. On transition, "Right of use asset" and a corresponding "Lease Liabilities" has been recognised as at April 1, 2019 but amount is negligible. Further, in respect of leases which were classified as operating leases, applying Ind AS 116, Rs. 11.63 crores has been reclassifed from "Other Assets" to "Right of Use Asset". The effect of this adoption is not material on the profit for the period and earnings per share.

5.The Board of Directors, in its meeting held on August 09, 2019 has approved a Scheme of Amalgamation (the "Scheme") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the 2013 Act, as per pooling of interest method, amongst the Company and its fellow subsidaries VMT Spinning Company Limited, VTL Investments Limited, and Vardhman Nisshinbo Garments Company Limited (Transferor companies) into Holding company, by the name of Vardhman Textiles Limited (Transferee company). The Appointed date for the scheme will be April 1, 2020. The Scheme is subject to necessary approval from members & creditors of all the companies invloved in the merger and other statutory approvals.

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

7. The Board of Directors has approved the above results in its meeting held on 02.11.2019. The results for quarter and half year ended 30th September 2019 have been reviewed by Statutory Auditors as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Date :02.11.2019
Place : Gurugram

B.K Choudhary
(Managing Director)

VARDHMAN ACRYLICS LIMITED
LUDHIANA

SCV & Co. LLP
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE QUARTERLY UNAUDITED FINANCIAL RESULTS OF VARDHMAN ACRYLICS LIMITED PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015, AS AMENDED

Review Report to
The Board of Directors
Vardhman Acrylics Limited

1. We have reviewed the accompanying statement of unaudited financial results of VARDHMAN ACRYLICS LIMITED ("the Company"), for the quarter and half year ended 30th September, 2019 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with SEBI circular No CIR/CFD/CMD1/44/2019 dated 29th March, 2019.

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

3. 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.

SCV & CO. LLP Chartered Accountants

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder 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 amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For SCV & Co. LLP
Chartered Accountants
FRN 000235N/N500089

SCV & CO. LLP Chartered Accountants

(Sanjiv Mohan)
Partner
M. No. 086066

Place: Gurugram
Date: 02nd November, 2019

UDIN No. - 19086066AAAAKM2367