



# Vardhman

Delivering Excellence. Since 1965.

## VARDHMAN SPECIAL STEELS LIMITED

CHANDIGARH ROAD  
LUDHIANA-141010, PUNJAB  
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E: secretarial.lud@vardhman.com

Ref. VSSL:SCY:MAY:2019-20

Dated: 04.05.2019

The Deputy General Manager, Corporate Relationship Deptt, Bombay Stock Exchange Limited, 1 <sup>st</sup> Floor, New Trading Ring, Rotunda Building, P.J Towers, Dalal Street, Fort, <b>MUMBAI-400001.</b> Scrip Code: 534392	The National Stock Exchange of India Ltd, "Exchange Plaza, Bandra-Kurla Complex, Bandra (East), <b>MUMBAI-400 051</b>  Scrip Code: VSSL
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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 Audited Financial Results of the Company for the financial year ended 31<sup>st</sup> March, 2019 together with Auditors' Report as approved by Board of Directors in its meeting held on 4<sup>th</sup> May, 2019.

The Report of Auditors is with unmodified opinion with respect to the Audited Financial Results of the Company for the financial year ended 31<sup>st</sup> March, 2019.

The meeting of the Board of Directors commenced at 12:00 noon and concluded at 5.00 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 SPECIAL STEELS LIMITED

  
(SONAM TANEJA)  
Company Secretary

YARNS | FABRICS | THREADS | GARMENTS | FIBRES | **STEELS**

**VARDHMAN SPECIAL STEELS LIMITED**

Regd. Office Vardhman Premises, Chandigarh Road, Ludhiana-141010

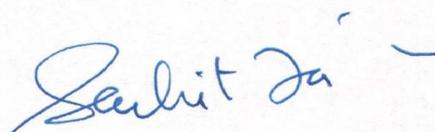
Corporate Identity Number (CIN): L27100PB2010PLC033930, PAN: AADCV4812B

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

Statement of Audited Financial Results for the quarter and year ended 31 March 2019

(Rs. in crores)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2019 (Audited)	31.12.2018 (Unaudited)	31.03.2018 (Audited)	31.03.2019 (Audited)	31.03.2018 (Audited)
1	Revenue from operations	243.25	312.52	231.36	1,120.76	877.89
2	Other income	0.54	0.40	2.29	1.87	6.10
3	<b>Total Income (1+2)</b>	<b>243.79</b>	<b>312.92</b>	<b>233.65</b>	<b>1,122.63</b>	<b>883.99</b>
4	<b>Expenses:</b>					
	a) Cost of materials consumed	210.62	235.67	147.63	799.27	488.90
	b) Excise duty on sales	-	-	-	-	18.93
	c) Purchase of stock in trade	3.12	17.11	-	34.88	-
	d) Changes in inventories of finished goods, stock -in- trade and works -in progress	(73.10)	(60.01)	(20.44)	(162.43)	(19.22)
	e) Employee benefits expense	12.49	12.64	12.20	51.30	46.73
	f) Finance costs	6.60	6.54	5.91	23.65	21.43
	g) Depreciation and amortisation expenses	6.08	6.20	6.31	23.92	21.51
	h) Other expenses					
	- Power and fuel expense	31.84	32.19	27.99	132.35	127.81
	- Store and spares consumed	30.83	32.56	28.02	126.98	80.72
	- Others	16.82	20.38	18.76	70.57	72.09
	<b>Total expenses</b>	<b>245.30</b>	<b>303.28</b>	<b>226.38</b>	<b>1,100.49</b>	<b>858.90</b>
5	Profit before income tax (3-4)	(1.51)	9.64	7.27	22.14	25.09
6	Tax expenses/(income)	(1.36)	3.43	0.06	(0.07)	0.06
7	Net Profit after income tax (5-6)	(0.15)	6.21	7.21	22.21	25.03
8	<b>Other comprehensive income/(Loss)</b>					
	(A) (i) Item that will not be reclassified to profit or loss	(0.01)	(0.09)	(0.30)	(0.29)	(0.30)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.00	0.03	-	0.10	-
	(B) (i) Item that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
9	<b>Total comprehensive income for the period (7+8)</b>	<b>(0.16)</b>	<b>6.15</b>	<b>6.91</b>	<b>22.02</b>	<b>24.73</b>
10	Earnings per equity share (in Rs.) (not annualised):					
	(a) Basic	(0.04)	1.74	2.16	6.22	7.91
	(b) Diluted	(0.04)	1.74	2.15	6.19	7.88
11	Paid-up equity capital (Face Value Rs. 10/- per share)	35.76	35.70	35.70	35.76	35.70
12	Reserve (excluding revaluation reserves)				326.23	303.62
	See accompanying notes to the audited financial results					



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Statement of Assets and Liabilities

(Rs. in crores)

Particulars	As at 31 March 2019 (Audited)	As at 31 March 2018 (Audited)
<b>I. ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	279.53	249.27
(b) Capital work-in-progress	32.57	6.99
(c) Other intangible assets	0.30	0.29
(d) Financial assets		
-Loans	0.69	1.42
(e) Deferred tax assets (net)	14.23	9.73
(f) Current tax assets (net)	2.12	-
(g) Other non-current assets	14.07	20.86
<b>Total non-current assets</b>	<b>343.51</b>	<b>288.56</b>
<b>Current assets</b>		
(a) Inventories	313.22	158.60
(b) Financial assets		
-Investments	0.01	8.16
-Trade receivables	187.26	194.55
-Cash and cash equivalents	0.28	7.49
-Loans	1.03	1.02
-Other financial assets	7.78	5.92
(c) Current tax assets (net)	-	0.36
(d) Other current assets	36.24	11.99
<b>Total current assets</b>	<b>545.82</b>	<b>388.09</b>
<b>TOTAL ASSETS</b>	<b>889.33</b>	<b>676.65</b>
<b>II. EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	35.76	35.70
(b) Other equity	326.23	303.62
<b>Total equity</b>	<b>361.99</b>	<b>339.32</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
- Borrowings	135.13	101.46
- Other financial liabilities	0.14	-
(b) Provisions	1.01	0.85
(c) Other non-current liabilities	0.25	0.02
<b>Total non-current liabilities</b>	<b>136.53</b>	<b>102.33</b>
<b>Current liabilities</b>		
(a) Financial Liabilities		
-Borrowings	186.81	118.50
-Trade payables		
i. Due to micro, small and medium enterprises	3.37	-
ii. Other trade payables	160.13	60.61
-Other financial liabilities	36.89	52.25
(b) Other current liabilities	3.08	3.02
(c) Provisions	0.53	0.62
<b>Total current liabilities</b>	<b>390.81</b>	<b>235.00</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>889.33</b>	<b>676.65</b>

Seehit Ja -

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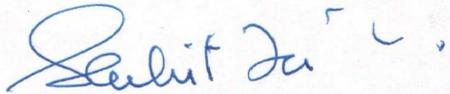
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Statement of Audited Financial Results for the quarter and year ended 31 March 2019

**Notes:**

- 1 The above Audited Financial Results as reviewed by the Audit Committee have been approved at the meeting of the Board of Directors held on 4 May 2019. The unmodified audit report of the Statutory Auditors is being filed with the BSE and NSE. For more details, visit the Investor section of the Company's website at www.vardhmansteel.com and Financial Results at Corporate section of www.bseindia.com and www.nseindia.com.
- 2 The Company is engaged in the single operating segment "Steel".
- 3 Revenue from operations for the year ended 31 March 2019 is not comparable with corresponding previous period since the same is net of Goods and Service Tax ('GST') whereas excise duty formed part of revenue from operations till 30 June 2017.
- 4 The Company is eligible for incentives under the Mega Project Policy of the Punjab State Government for its expansions completed up to 31 March 2016. Though the plant has been commissioned in earlier years but the benefits have not been considered till date as the same is pending for sanction by appropriate authority as stipulated in the aforesaid policy. During the current quarter, a corrigendum has been issued on certain specific incentive. However, the concerned authority is yet to formalise/ audit the amount of incentive as may be eligible to the Company basis which no benefits have been considered in these annual financial results.
- 5 Effective 01 April 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method which is applied to contracts that were not completed as of 01 April 2018. Accordingly, the comparatives have not been retrospectively adjusted. There is no effect on adoption of Ind AS 115 on the annual financial results.
- 6 The figures for the last quarter ended 31 March 2019 and the corresponding quarter ended in the previous year, as reported in these annual financial results, are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the of the relevant financial year. Also, the figures upto the end of the third quarter had only been reviewed and not subject to audit.

For and on behalf of the Board of Directors of  
**Vardhman Special Steels Limited**



**Sachit Jain**  
Vice Chairman & Managing Director

Date : 4 May 2019

Place: Ludhiana, Punjab

# B S R & Co. LLP

Chartered Accountants

Unit No. A505A,  
5th Floor, Elante Offices,  
Plot No.178-178A, Industrial Area,  
Phase -1, Chandigarh-160002

Telephone + 91 172 664 4000  
Fax + 91 172 664 4004

## Independent Auditor's Report on the Statement of Audited Results of Vardhman Special Steels Limited pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015

To  
Board of Directors of Vardhman Special Steels Limited

We have audited the accompanying annual financial results of Vardhman Special Steels Limited ('the Company') for the year ended 31 March 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that figures for the last quarter ended 31 March 2019 and the corresponding quarter ended in the previous year as reported in these annual financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These annual financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these annual financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by Management. We believe that our audit provides a reasonable basis for our opinion.

The financial results for the quarter ended 30 June 2018, quarter and year ended 31 March 2018, included in the financial results were reviewed/audited by the predecessor auditor of the Company, whose report dated 11 August 2018 and 27 April 2018 respectively expressed unmodified opinions, and have been furnished to us and have been relied upon by us for the purpose of our audit of these annual financial results. Our conclusion is not modified in respect of these matters.

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and



- (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the year ended 31 March 2019.

*For B S R & Co. LLP*  
*Chartered Accountants*  
Firm's Registration No.:101248W/W-100022



**Adhir Kapoor**

*Partner*

Membership No.: 098297

Place: Ludhiana  
Date: 4 May 2019