



Vardhmān

Delivering Excellence. Since 1965.

VARDHMAN TEXTILES LIMITED

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Ref. VTXL:SCY:AUG:2019-20

Dated: 13.08.2019

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 ended 30th June, 2019 together with Limited Review Report as approved by Board of Directors in its meeting held on 13th August, 2019.

The meeting of the Board of Directors commenced at 9:30 a.m. and concluded at 1:30 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 TEXTILES LIMITED


(SANJAY GUPTA)
Company Secretary

YARNS | FABRICS | THREADS | GARMENTS | FIBRES | STEELS

PAN NO.: AABCM4692E CIN: L17111PB1973PLC003345
WWW.VARDHMAN.COM

VARDHMAN TEXTILES LIMITED

Registered Office : Chandigarh Road, Ludhiana-141010

Standalone Unaudited financial results for the quarter ended June 30, 2019

Corporate Identity Number (CIN): L17111PB1973PLC003345, PAN: AABCM4692E

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

(Rs. In Crores)

S.No.	Particulars	Quarter Ended June 30, 2019	Quarter Ended March 31, 2019	Quarter Ended June 30, 2018	Year Ended March 31, 2019
		Unaudited	Audited (Refer Note No.7)	Unaudited	Audited
I.	Revenue from operations	1,558.32	1,654.28	1,580.75	6,414.58
II.	Other income	31.03	83.01	23.92	218.20
III.	Total income from operations (I+II)	1,589.35	1,737.29	1,604.67	6,632.78
IV.	Expenses				
	Cost of materials consumed	833.62	813.47	798.85	3,264.50
	Purchase of stock- in trade	18.71	17.18	10.46	50.08
	Change in inventories of finished goods, works -in progress and stock -in- trade	(24.13)	77.95	27.06	1.73
	Employee benefits expense	135.73	134.66	125.45	519.86
	Finance cost	36.36	30.18	32.88	117.84
	Depreciation and amortisation expense	72.45	63.45	59.00	241.48
	Power and fuel	178.39	171.94	153.00	665.90
	Other expenses	189.41	189.81	195.07	780.99
	Total Expenses	1,440.54	1,498.64	1,401.77	5,642.38
V.	Profit before tax (III-IV)	148.81	238.65	202.90	990.40
VI.	Tax expense				
	Current tax	31.41	69.47	43.72	242.91
	Deferred tax	13.88	4.62	13.40	51.61
VII.	Profit after tax (V-VI)	103.52	164.56	145.78	695.88
VIII.	Other Comprehensive Income/(Expenditure)	0.03	(1.04)	0.41	0.19
IX.	Total Comprehensive income (VII+VIII)	103.55	163.52	146.19	696.07
X.	Earnings Per Share (in Rs.) (not annualized)				
	(a) Basic	18.01	28.63	25.38	121.13
	(b) Diluted	17.85	28.34	25.13	119.97
XI.	Paid up Equity Share Capital (Face value per share Rs.10)	57.49	57.48	57.44	57.48



VARDHMAN TEXTILES LIMITED

Registered Office : Chandigarh Road, Ludhiana-141010

NOTES:

- 1 The Company is primarily in the business of manufacturing and sales of textile products (i.e., Yarns and Fabrics). The Chief Operating Decision Maker (CODM), The Chairman & Managing Director, performs a detailed review of the operating results, makes decisions about the allocation of resources based on the analysis of the various performance indicators of the Company as a whole. Therefore, there is only one operating segment namely, "Textiles".
- 2 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 ended June 30, 2018 and March 31, 2019 and year ended March 31, 2019 have not been retrospectively adjusted. On transition, "Right of use asset" of Rs. 0.15 crore and a corresponding "Lease Liabilities" of Rs. 0.15 crore has been recognised as at April 1, 2019. Further, in respect of leases which were classified as operating leases, applying Ind AS 17, Rs. 8.45 crores has been reclassified 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.
- 3 These results have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.
- 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 NCDs 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.
These NCDs are secured by way of a first pari passu charge over the immovable and movable fixed assets of the Company and it should have fixed asset cover of more than 1.05 times of outstanding amount of NCDs.
- 5 During the quarter ended June 30, 2019, the Company has issued 14,400 equity shares under Employee Stock Options Scheme at Rs. 815 per share. As a result of above, the paid up equity share capital of the Company has increased from Rs. 57.48 crores to Rs. 57.49 crores.
- 6 Financial Results has been reviewed by the Audit Committee at its meeting held on August 12, 2019 and approved by the Board of Directors at its meeting held on August 13, 2019. The limited review as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, has been completed by the Statutory Auditors.
- 7 The figures for the quarter ended March 31, 2019 are the balancing figures between the audited figures in respect of full year ended March 31, 2019 and unaudited figures upto nine months ended December 31, 2018.
- 8 The Board of Directors, in its meeting held on August 13, 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 (Transferee Company) and its subsidiaries VMT Spinning Company Limited, Vardhman Acrylics Limited, VTL Investments Limited, and Vardhman Nisshinbo Garments Company Limited (Transferor companies) . 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 involved in the merger and other statutory approvals.

For Vardhman Textiles Limited

**Place : Ludhiana
Date : August 13, 2019**



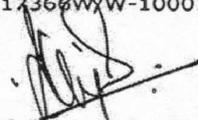
**S.P. Oswal
Chairman & Managing Director**

INDEPENDENT AUDITOR'S 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 Standalone Unaudited Financial Results of **VARDHMAN TEXTILES LIMITED** ("the Company"), for the quarter ended June 30, 2019 ("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 amended.
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 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
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 aforesaid Indian Accounting Standard 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 DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Rajesh Kumar Agarwal
Partner

(Membership No. 105546)
UDIN: 19105546AAAABM3473



GURUGRAM, AUGUST 13, 2019

Vardhman Textiles Limited
Registered Office : Chandigarh Road, Ludhiana-141010
Consolidated Financial Results for the Quarter ended June 30, 2019
Corporate Identity Number (CIN): L17111PB1973PLC003345, PAN: AACBM4692E
Website:www.vardhman.com Email: secretarial.lud@vardhman.com

(Rs. In crores)

S.No	Particulars	Quarter Ended June 30, 2019	Quarter Ended March 31, 2019	Quarter Ended June 30, 2018	Year Ended March 31, 2019
		Unaudited	Audited (Refer note no.6)	Unaudited	Audited
I.	Revenue from operations	1,650.36	1,763.41	1,699.97	6,877.92
II.	Other income	32.72	92.96	27.27	222.72
III.	Total income (I+II)	1,683.08	1,856.37	1,727.24	7,100.64
IV.	Expenses				
	Cost of materials consumed	896.56	870.43	876.22	3,573.75
	Purchase of stocks- in trade	2.05	7.24	-	12.92
	Change in inventories of finished goods, Works -in progress and stock -in- trade	(37.56)	90.31	30.05	9.06
	Employee benefits expenses	146.28	143.89	132.25	550.23
	Finance cost	37.25	30.05	33.72	119.65
	Depreciation and amortisation expense	76.02	67.14	61.94	254.02
	Power and fuel	189.88	182.42	163.93	709.14
	Other expenses	202.57	205.64	205.32	829.06
	Total Expenses	1,513.05	1,597.12	1,503.43	6,057.83
V	Share of Profit/(Loss) of Associates and/or Joint Venture	2.53	1.85	5.01	15.93
VI.	Profit before tax (III-IV+V)	172.56	261.10	228.82	1,058.74
VII.	Tax expense				
	Current tax	38.60	72.99	49.61	264.01
	Deferred tax	12.97	6.10	16.47	54.18
VIII.	Profit for the period (VI-VII)	120.99	182.01	162.74	740.55
IX.	Other Comprehensive Income/(Expenditure), net of tax	0.03	(1.76)	0.41	(0.56)
X.	Total Comprehensive Income/(Expenditure) for the period (X+XI)	121.02	180.25	163.15	739.99
XI.	Profit for the period attributable to :				
	Owners of the Company	116.08	179.39	159.13	730.71
	Non Controlling Interest	4.91	2.62	3.61	9.84
		120.99	182.01	162.74	740.55
XII.	Other Comprehensive Income for the period attributable to :				
	Owners of the Company	0.03	(1.73)	0.41	(0.56)
	Non Controlling Interest	-	(0.03)	-	-
		0.03	(1.76)	0.41	(0.56)
XIII	Total Comprehensive Income for the period attributable to :				
	Owners of the Company	116.11	177.66	159.54	730.15
	Non Controlling Interest	4.91	2.59	3.61	9.84
		121.02	180.25	163.15	739.99
XIV.	Earnings Per Share (in Rs) (not annualized):				
	(a)Basic	20.55	33.51	28.20	129.45
	(b) Diluted	20.36	33.17	27.92	128.19
XV.	Paid up equity share capital (face value per share Rs.10)	56.49	56.48	56.44	56.48



VARDHMAN TEXTILES LIMITED

Consolidated Financial Results for the Quarter ended June 30, 2019

Registered Office : Chandigarh Road, Ludhiana-141010

Statement of Segment Information

(Rs. In Crores)

Particulars	Quarter Ended June 30, 2019	Quarter Ended March 31, 2019	Quarter Ended June 30, 2018	Year Ended March 31, 2019
	Unaudited	Audited (Refer note no.6)	(Unaudited)	Audited
I. Segment Revenue				
Textiles	1,589.62	1,703.16	1,625.02	6,577.51
Acrylic Fibre	86.28	78.87	99.45	391.96
Total	1,675.90	1,782.03	1,724.47	6,969.47
Less : Inter Segment Revenue	25.54	18.62	24.50	91.55
Net sales/income from operations	1,650.36	1,763.41	1,699.97	6,877.92
II. Segment Results				
Profit before tax & interest from each segment				
Textiles	194.51	253.27	246.50	1,082.55
Acrylic Fibre	17.25	7.70	14.52	28.51
Total	211.76	260.97	261.02	1,111.06
Less : (a) Interest	37.25	30.05	33.72	119.65
(b) Other un-allocable expenditure / (income) (Net of un-allocable (income)/expenditure)	4.48	(28.33)	3.49	(51.40)
Add: Share of Profit/(Loss) of Associates and/or Joint Venture	2.53	1.85	5.01	15.93
Total Profit before tax	172.56	261.10	228.82	1,058.74
Tax expenses	51.57	79.09	66.08	318.19
Net Profit after tax	120.99	182.01	162.74	740.55
Less: Non Controlling Interest	4.91	2.62	3.61	9.84
Net Profit after taxes, non controlling interest and Share of profit of Associates and/or Joint Venture	116.08	179.39	159.13	730.71
III. Segment Assets				
Textiles*	6,904.19	7,124.50	5,835.73	7,124.50
Acrylic Fibre	147.31	146.00	172.53	146.00
Total Segment Assets	7,051.50	7,270.50	6,008.26	7,270.50
Un-allocated	1,711.98	1,745.72	2,061.00	1,745.72
Total Assets	8,763.48	9,016.22	8,069.26	9,016.22
IV. Segment Liabilities**				
Textiles	523.55	523.63	509.37	523.63
Acrylic Fibre	60.04	75.97	109.98	75.97
Total Segment Liabilities	583.59	599.60	619.35	599.60
Un-allocated	97.88	111.12	103.91	111.12
Total Liabilities	681.47	710.72	723.26	710.72
* Includes Capital Work in Progress and Capital Advances	511.18	308.60	234.46	308.60
**excludes borrowings, deferred tax liabilities				



VARDHMAN TEXTILES LIMITED

Consolidated Financial Results for the Quarter ended June 30, 2019

Registered Office : Chandigarh Road, Ludhiana-141010

NOTES :

1. The consolidated financial results includes result of all its - (i) Subsidiaries - viz Vardhman Acrylics Limited, VMT Spinning Company Limited, VTL Investments Limited, and Vardhman Nisshinbo Garments Company Limited (Joint Venture upto January 22, 2019) and (ii) Associates - viz Vardhman Yarns and Threads Limited, Vardhman Special Steels Limited and Vardhman Spinning and General Mills Limited.

2 Effective April 1, 2019, the Group 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 ended June 30, 2018 and March 31, 2019 and year ended March 31, 2019 have not been retrospectively adjusted. On transition, "Right of use asset" of Rs. 0.15 crore and a corresponding "Lease Liabilities" of Rs. 0.15 crore has been recognised as at April 1, 2019. Further, in respect of leases which were classified as operating leases, applying Ind AS 17, Rs. 20.23 crores has been reclassified 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.

3. These results have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

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 NCDs 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. These NCDs are secured by way of a first pari passu charge over the immovable and movable fixed assets of the Company and it should have fixed asset cover of more than 1.05 times of outstanding amount of NCDs.

5. During the quarter ended June 30, 2019, the Company has issued 14,400 equity shares under Employee Stock Options Scheme at Rs. 815 per share. As a result of above, the paid up equity share capital of the Company has increased from Rs. 56.48 crores to Rs. 56.49 crores.

6 The figures for the quarter ended March 31, 2019 are the balancing figures between the audited figures in respect of full year ended March 31, 2019 and unaudited figures upto nine months ended December 31, 2018.

7. Financial Results has been reviewed by the Audit Committee at its meeting held on August 12, 2019 and approved by the Board of Directors at its meeting held on August 13, 2019. The limited review as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, has been completed by the Statutory Auditors.

8. The Board of Directors, in its meeting held on August 13, 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 (Transferee Company) and its subsidiaries VMT Spinning Company Limited, Vardhman Acrylics Limited, VTL Investments Limited, and Vardhman Nisshinbo Garments Company Limited (Transferor companies) . 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 involved in the merger and other statutory approvals.



For Vardhman Textiles Limited

S.P Oswal

Chairman and Managaing Director

Place : Ludhiana

Date: August 13, 2019

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED 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") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of its associates for the quarter ended June 30, 2019 ("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 amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent'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 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Name of the Entity	Relationship
Vardhman Acrylics Limited	Subsidiary company
VMT Spinning Company Limited	Wholly owned subsidiary company
VTL Investments Limited	Wholly owned subsidiary company
Vardhman Nisshinbo Garments Company Limited	Wholly owned subsidiary company
Vardhman Yarn and Threads Limited	Associate company
Vardhman Special Steels Limited	Associate company
Vardhman Spinning and General Mills Limited	Associate company

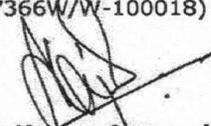
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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.
6. We did not review the interim financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial results reflects total revenue of Rs. 90.97 crores for the quarter ended June 30, 2019, total net profit after tax of Rs. 16.79 crores for the quarter ended June 30, 2019 and total comprehensive income of Rs. 16.79 crores for the quarter ended June 30, 2019. The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. 0.30 crore for the quarter ended June 30, 2019 and total comprehensive income of Rs. 0.30 crore for the quarter ended June 30, 2019, as considered in the Statement, 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 conclusion 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 and the procedures performed by us as stated in paragraph 3 above.

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

7. The consolidated unaudited financial results includes the interim financial results of three subsidiaries which have not been reviewed / audited by their auditors, whose interim financial results reflects total revenue of Rs. 62.68 crores for the quarter ended June 30, 2019, total profit after tax of Rs. 1.59 crores for the quarter ended June 30, 2019 and total comprehensive income of Rs. 1.59 crores for the quarter ended June 30, 2019. The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. 2.23 crores for the quarter ended June 30, 2019 and total comprehensive income Rs. 2.23 crores for the quarter ended June 30, 2019 as considered in the Statement, in respect of two associates based on their interim financial information / financial results which have not been reviewed / audited by their auditors. According to the information and explanations given to us by the Management, these interim financial information / financial results are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial results certified by the Management.

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


Rajesh Kumar Agarwal
Partner

(Membership No. 105546)

UDIN: 19105546 AAAAABNS293


GURUGRAM, AUGUST 13, 2019