



REF: VPL: SEC: NOV: 2016-17

Date: 11.11.2016

The Listing Department,  
National Stock Exchange of India Ltd,  
"Exchange Plaza"  
Bandra- Kurla Complex,  
Bandra(East),  
Mumbai-400051  
Scrip Code: VARDMNPOLY

The Listing Department,  
Bombay Stock Exchange Limited  
25<sup>th</sup> Floor,  
P.J Towers  
Dalal Street Fort,  
Mumbai-400001  
Scrip Code:514175

**SUBJECT: Un-audited Financial Results for the Quarter/Half Year ended 30.09.2016**

Dear Sir/Madam,

Pursuant to the Regulation 33 and other applicable Regulations of the SEBI (LODR) Regulations, 2015, we are enclosing herewith the un-audited Financial Result for the quarter/half year ended 30.09.2016 along with Asset & Liability Statement and Limited Review Report from the Statutory Auditors of the Company. The same is considered and approved by the Board of Directors in their meeting held on dated 11.11.2016.

Kindly take the same in your records.

Thanking You,

Yours faithfully

For Vardhman Polytex Limited

  
Ashok Kumar Oswal  
(Chairman & Managing Director)

**Vardhman Polytex Ltd**

An Oswal Group Company

CIN: L17122PB1980PLC004242

**Corp. Office:** Vardhman Park,

Chandigarh Road Ludhiana - 141123

Punjab (India). Tel: +91-161-6629888

www.vpl.in

info@vpl.in

Unaudited Standalone Financial Results for the Quarter ended 30-09-2016

Sr. No.	Particulars	For the quarter ended			For the half year ended		For the year ended 31/03/2016 (Audited)
		30/09/2016 (Unaudited)	30/06/2016 (Unaudited)	30/09/2015 (Unaudited)	30/09/2016 (Unaudited)	30/09/2015 (Unaudited)	
1	<b>Income from operations</b> (a) Net Sales / income from operations (Net of excise duty) (b) Other operating income	21,010.09 231.95	19,593.13 285.14	21,479.37 342.65	40,603.22 517.09	42,095.24 652.19	86,514.78 1,293.32
	<b>Total income from operations (Net)</b>	<b>21,242.04</b>	<b>19,878.27</b>	<b>21,822.02</b>	<b>41,120.31</b>	<b>42,747.43</b>	<b>87,808.10</b>
2	<b>Expenses</b> a) Cost of materials consumed b) Purchase of stock in trade c) Changes in inventories of finished goods, work in progress and stock in trade d) Employee benefits expense e) Depreciation and amortisation expense f) Other expenses	13,989.97 1,326.13 (741.55)	12,956.88 1,268.96 (960.64)	13,682.74 791.18 166.19	26,946.85 2,595.09 (1,702.19)	28,490.20 795.11 (1,284.80)	56,188.33 3,806.95 162.84
	<b>Total expenses</b>	<b>20,021.30</b>	<b>19,059.46</b>	<b>21,074.15</b>	<b>39,060.76</b>	<b>40,750.82</b>	<b>84,913.10</b>
3	<b>Profit/(Loss) from operations before other income, finance costs and exceptional items (1)-(2)</b>	<b>1,220.74</b>	<b>838.81</b>	<b>747.87</b>	<b>2,059.55</b>	<b>1,996.61</b>	<b>2,895.00</b>
4	Other income	245.80	517.01	752.00	762.81	1,565.44	5,003.35
5	<b>Profit/(Loss) from Ordinary activities before finance costs and exceptional items (3)+(4)</b>	<b>1,466.54</b>	<b>1,355.81</b>	<b>1,499.87</b>	<b>2,822.36</b>	<b>3,562.05</b>	<b>7,898.35</b>
6	Finance Costs	1,431.12	1,321.90	1,670.43	2,753.02	3,431.31	6,996.71
7	<b>Profit/(Loss) from Ordinary activities after finance costs but before exceptional items (5)-(6)</b>	<b>35.42</b>	<b>33.91</b>	<b>(170.56)</b>	<b>69.34</b>	<b>130.74</b>	<b>901.64</b>
8	Exceptional Items	-	-	-	-	-	-
9	<b>Profit/(Loss) from Ordinary activities before tax (7)-(8)</b>	<b>35.42</b>	<b>33.91</b>	<b>(170.56)</b>	<b>69.34</b>	<b>130.74</b>	<b>901.64</b>
10	Tax Expense Current tax Deferred tax charge/(credit)	- - -	- - -	- - 9.69	- - -	- - (208.06)	- - -
11	<b>Profit/(Loss) from Ordinary activities after tax (9)-(10)</b>	<b>35.42</b>	<b>33.91</b>	<b>(180.25)</b>	<b>69.34</b>	<b>338.80</b>	<b>901.64</b>
12	Extraordinary income (net of tax expense Rs. Nil)	-	-	-	-	-	-
13	<b>Net Profit/(Loss) for the period (11)-(12)</b>	<b>35.42</b>	<b>33.91</b>	<b>(180.25)</b>	<b>69.34</b>	<b>338.80</b>	<b>901.64</b>
14	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	2,232.54	2,232.54	2,232.54	2,232.54	2,232.54	2,232.54
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	8,509.64
16.i	<b>Earning per Share (Before Extraordinary Items) (of Rs. 10/- each) (not annualised):</b>						
	(a) Basic	0.16	0.15	(0.81)	0.31	1.52	4.04
	(b) Diluted	0.16	0.15	(0.81)	0.31	1.52	4.04
16.ii	<b>Earning per Share (After Extraordinary Items) (of Rs. 10/- each) (not annualised):</b>						
	(a) Basic	0.16	0.15	(0.81)	0.31	1.52	4.04
	(b) Diluted	0.16	0.15	(0.81)	0.31	1.52	4.04



**Notes:**

- 1 The financial results of the Company for the quarter ended September 30, 2016 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 11th November, 2016 and the limited review of the same has been carried out by Statutory Auditors of the Company.
- 2 FCCB had fallen due for repayment on Feb 13, the same has been settled with the bondholders at discount, payment of which is to be made in installments, spread up to F. Y. ended 31 March, 2016. As per settled term, proportionate bonds will be cancelled against each installments made. The Company had credited profit of Rs. 396.44 lacs due on payment of FCCB liability to the statement of profit and loss for the quarter ended 30th June 2016. As on 30th September 2016 the FCCB liability is still outstanding. As per tentative terms the FCCB liability is now to be paid by 30th June 2017.
- 3 The Auditor's Qualification on the accounts for the year ended 31st March 2016 with respect of creating provision for write-off of investments & loans and advances in subsidiary company namely FM Hammerle Textiles Ltd (Formerly Known as Oswal F M Hammerle Textiles Ltd) and in another subsidiary company namely F.M. Hammerle Verwaltug GmbH, Austria has not been addressed. In view of continuous losses suffered by the subsidiary company namely FM Hammerle Textiles Ltd which has eroded 100% of the share capital. Accordingly a reference has been filed with Board for Industrial and Financial Reconstruction (BIFR).
- 4 During the quarter ended and six months ended September 30, 2016, the company has recognised gain of Rs. 48.33 lacs arising on account of exchange differences on foreign currency monetary items as required by "Accounting Standard-11-Effects of Change in Foreign Currency Rates". In the previous years, this impact was only taken as on 31st March of each year.
- 5 Due to sale of entire inventory of "Vardhman Park" during the previous year ended 31st March, 2016, there is no income from real estate segment during the current quarter ended September 30, 2016 and six months ended September 30, 2016. Hence, Segment reporting is not being provided.
- 6 Figures for previous periods have been recast/regrouped wherever necessary.

Place : Ludhiana

Date : 11-11-2016

For Vardhman Polytex Ltd.

sd/-

(Ashok Kumar Oswal)

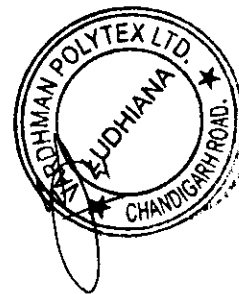
Chairman & Managing Director

DIN-00009403



**Standalone Statement of Assets & Liabilities**  
Disclosure as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sr. No.	Particulars	Rs. in Lakh	
		As at 30/09/2016 (Unaudited)	As at 31/03/2016 (Audited)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>SHAREHOLDER'S FUNDS</b>		
	a) Share Capital	2,232.54	2,232.54
	b) Reserve & Surplus	8,571.69	8,509.64
	<b>Sub total - Shareholders' funds</b>	10,804.23	10,742.18
2	<b>Share application money pending allotment</b>		
3	<b>Non - Current Liabilities</b>		
	(a) Long term borrowings	17,832.24	19,370.26
	(b) Other long term liabilities	10.27	
	(c) Long term provisions	30.17	213.08
	<b>Sub total Non Current Liabilities</b>	17,872.68	19,583.34
4	<b>Current Liabilities</b>		
	(a) Short term borrowings	17,884.46	16,633.35
	(b) Trade payables	7,248.67	6,372.62
	(c) Other current liabilities	9,958.32	9,142.43
	(d) Short term provisions	81.86	223.91
	<b>Sub total Current Liabilities</b>	35,173.31	32,372.31
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>63,850.22</b>	<b>62,697.83</b>
<b>B</b>	<b>ASSETS</b>		
1	<b>Non Current Assets</b>		
	(a) Fixed Assets	24,770.06	24,530.72
	(b) Non Current Investments	9,149.56	9,149.56
	(c) Deferred tax assets (net)	5,016.18	5,016.18
	(d) Long term loans and advances	1,298.81	1,470.43
	(e) Other non current assets	2,452.63	2,530.37
	<b>Sub Total Non Current Assets</b>	42,687.24	42,697.26
2	<b>Current Assets</b>		
	(a) Current Investments	18.34	18.34
	(b) Inventories	7,835.12	7,301.31
	(c) Trade receivables	8,174.07	7,411.89
	(d) Cash and Bank balances	25.31	613.43
	(e) Short term loans and advances	5,110.14	4,655.60
	<b>Sub Total Current Assets</b>	21,162.98	20,000.57
	<b>TOTAL ASSETS</b>	<b>63,850.22</b>	<b>62,697.83</b>



Place: Ludhiana  
Date: 11-11-2016  
For Vardhman Polytex Ltd. sd/

(Ashok Oswal)  
Chairman & Managing Director  
DIN-00009403

Limited Review Report for the quarter and six months ended September 30, 2016

**Review Report To**  
**The Board of Directors**  
**Vardhman Polytex Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Vardhman Polytex Limited ('the Company') for the quarter and six months ended September 30, 2016 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialed by us for identification purposes. This accompanying statement of unaudited financial results has been prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies in India. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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. (a) *The Company had credited profit of Rs. 396.44 lacs due on payment of FCCB liability to the statement of profit and loss for the quarter ended 30<sup>th</sup> June 2016. This profit should have been credited in the statement of profit and loss on payment of FCCB liability which is still outstanding as explained in foot note number 2 of the unaudited financial results. Due to this, profit for the quarter ended June 2016 and six months ended September 30, 2016 is overstated by the same amount.*  
(b) *No provision has been made on the investment & loans and advances made in case of following subsidiaries as explained in foot note number 3 of the unaudited financial results :-*
  - i) *In case of F.M. Hammerle Textiles Limited (Formerly known as Oswal FM Hammerle Textiles Ltd.), investment & loans and advances made of Rs. 9,126.41 lacs and Rs. 2,585.77 lacs respectively, whose net worth has been completely eroded having a loss of Rs.15,452.51 lacs against share capital of Rs.12,386.75 lacs as on March 31,2016;*
  - ii) *In case of F.M. Hammerle Verwaltung GmbH, Austria, investment & loans and advances made of Rs. 22.54 lacs and Rs. 257.26 lacs respectively, whose net worth has been completely eroded having a loss of Rs. 287.67 lacs against share capital of Rs. 22.54 lacs as on March 31, 2016.*

*This is at variance with Accounting Standard AS-13 'Accounting for Investments' specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014).*




**S KOTHARI MEHTA & CO**

*This has resulted in profit for the quarter and six months ended September 30, 2016 being overstated and investments, loans and advances and reserves and surplus being overstated by the same amount.*

4. Based on our review conducted as per para 2 above and *except for our qualification as per para 3 above*, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in all material respects in accordance with applicable Accounting Standards prescribed under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies 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 including the manner in which it is to be disclosed or that it contains any material misstatement.

**For S.S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 000756N

  
**Sunil Wahal**  
Partner  
Membership No. 087294



Place: New Delhi  
Date: November 11, 2016

