



REF: VPL: SCY: NOV: 2016-17

Dated: 15.11.2016

NATIONAL STOCK EXCHANGE OF INDIA LTD, "Exchange Plaza" Bandra – Kurla Complex, Bandra (East), Mumbai- 400 051 Scrip Code: VARDMNPOLY	BOMBAY STOCK EXCHANGE LIMITED 25th Floor, P.J. Towers, Dalal Street, Fort, Mumbai- 400 001 Scrip Code: 514175
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SUBJECT: Submission of press release.

Dear Sir/ Madam,

In pursuant to Regulation 30, 47 and other relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that attached press release being submitted to media for the publication in the newspaper/display. You are requested to display the same on the notice board.

Thanking you,

Yours faithfully

For VARDHMAN POLYTEX LTD


KULDEEP SINGLA
(CHIEF FINANCIAL OFFICER)





PRESS RELEASE

VARDHMAN POLYTEX LIMITED (VPL) has reported the turnover of Rs. 212 Crs for the quarter ended Sept' 16 against the sequential qtr ended June '16 turnover of Rs. 199 Crs thereby registering the growth of 6.13% on QoQ basis.

Management is pleased to update improved performance of the company at EBIDTA level also, from Rs.18.71 Cr in Q1 FY17 to EBIDTA of Rs.20 Cr in Q2FY17.

Explicate Unaudited Q2FY17 Results

In Q1 FY17 the reported EBIDTA included Rs. 3.96 Cr of FCCB discount which does not appear in Q2 FY17, which clearly explicates improved performance of the company in Q2 FY17 at EBIDTA levels, Fair comparison after removal of the FCCB portion from EBIDTA reported in Q1FY17 would stand at Rs. 14.75 Cr & EBIDTA reported in Q2FY17 of Rs.20 Cr, Highlights 35.6% growth QoQ.

Management Commentary

The management strongly believes that the improved performance in the company is due to the partial shift in its product base from the core grey yarn to the value added yarns which include Melange yarns, Snow yarn, Neppy yarn, Compact yarn and Fancy yarns, having said that the complete impact of the change in product mix would take couple of more quarters as it is a gradual process. In order to achieve the correct product mix, modernization of the plants is underway and the company expects to complete the same in coming 3-4 Qtrs. This exercise will help the company attain up to 50% of the product mix in value added segment, which definitely will improve the margins and profitability of the company.

Another area where management is relentlessly working to improve the performance of the company is by reducing the Debt, Management is pleased to update that the conscious effort to reduce the debt has revived the fortunes of the company, Management would like to further update that your company reduced Rs.213 Cr of Debt in last 5 years from Rs. 442 Cr to Rs.229 Cr and our endeavor is to make the company more lean and profitable in coming years.

About the Company

The company is headed by Mr Ashok Oswal Chairman and Managing Director and day to day activities are look after by Mr Adish Oswal Executive Director of the company.

The company is having 195000 spindles and Due House of 15 TPD capacity

For any further clarification or query please contact Investor Relations Cell, Mr. Parvinder Singh
Mobile: +91 9814798374, Email: parvinder.singh@vpl.in.