



VARDHMAN TEXTILES LIMITED

Regd. & Corporate Office : Chandigarh Road, Ludhiana - 141 010, Punjab (INDIA)

Phones : (0161) 2228943-48; Fax : (0161) 2220766

PAN No. : AABCM4692E; CIN : L17111PB1973PLC003345

E-mail : secretarial.lud@vardhman.com; Website : www.vardhman.com

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

SUB : INTIMATION REGARDING PRESS RELEASE.

Sir,

We are enclosing herewith a copy of Press Release titled "**VARDHMAN TEXTILES LTD. DECLARES Q2 RESULTS**" which will be disseminated shortly.

The Press Release is self-explanatory.

Thanking you,

Yours faithfully,
For VARDHMAN TEXTILES LIMITED

(KARAN KAMAL WALIA)
Company Secretary

PRESS RELEASE

VARDHMAN TEXTILES DECLARES Q2 RESULTS

Ludhiana, November 7, 2014

Vardhman Textiles Limited has earned a net profit of Rs. 91.70 crore in the quarter ended 30th September, 2014. The net profit registered a decline of 48.43% as compared to the profits of corresponding period last year that stood at Rs. 177.81 crore. The net profits of the quarter are also lower as compared to immediately preceding quarter ended 30th June, 2014 (Rs. 106.27 crore). The net profits for half year ended 30th September, 2014 are Rs. 197.97 crore compared to Rs. 322.31 crore in corresponding period last year, a decline of 38.58%.

The EBITDA margin is down at 17.59% during quarter ended on 30th September, 2014 as against 27.08% of corresponding period. This decline in the margins over the corresponding period last year is essentially due to higher cotton prices in India and lower prices of yarn because of lower export of cotton yarn from India.

Besides, pursuant to the enactment of the Companies Act, 2013 w.e.f 1st April, 2014, the Company had to recalculate the remaining useful life of fixed assets in accordance with provisions of Schedule II to the new Act which increased the depreciation and amortisation expense by Rs. 33.15 crores and curtailed the profits of the Company to that extent.

However, the Net Sales of the Company has increased from Rs. 1,279.51 crore for the quarter ended 30th September, 2013 to Rs. 1,487.54 crore for the quarter ended 30th September, 2014, an increase of about 16.26% due to capacity expansions in yarn and fabric businesses by the Company during Financial year 2013-14 whose full impact is coming in current year.

