



REF: VPL: SEC: NOV: 2019-20

Date: 13.11.2019

<p>The Listing Department, National Stock Exchange of India Ltd "Exchange Plaza" Bandra-Kurla Complex, Bandra (East), Mumbai-400051</p> <p>Scrip Code: VARDMNPOLY</p>	<p>The Listing Department, BSE Limited 25th Floor, P.J Towers Dalal Street Fort, Mumbai-400001</p> <p>Scrip Code: 514175</p>
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SUBJECT: Outcome of Board meeting held on 13.11.2019 and Submission of Unaudited Financial Results for the quarter/half year ended 30th September, 2019.

Dear Sir/Madam,

Pursuant to Regulation 30 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we, hereby, inform you that the Board of Directors of the Company at its meeting held today i.e on Wednesday, 13th November, 2019 has, inter alia, approved Unaudited Financial Results (both Standalone & Consolidated) of the Company for the quarter/ half year ended 30th September, 2019 alongwith Limited Review Report thereon as received from the Statutory Auditors of the company.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we are enclosing herewith Unaudited Financial Results (both Standalone & Consolidated) of the Company for the quarter/ half year ended 30th September, 2019 together with Limited Review Report thereon.

The meeting of Board of Directors commenced at 5.30 pm and concluded at 6.30 pm.

Kindly take the above on your record.

Thanking you,
Yours truly,

For Vardhman Polytex Limited

Ajay K. Ratra
Company Secretary

VARDHMAN POLYTEX LTD.

Regd. Office : 'Vardhman Park, Chandigarh Road, Ludhiana - 141123'

CIN: L17122PB1980PLC 004242, PHONES: 0161-2685301-04, 6629888, FAX : 6629988, E-Mail- info@vpl.in, Web: www.vpl.in

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED AND HALF YEAR 30th SEP, 2019

(Rs. In Lakh)

Sl. No	Particulars	Standalone						Consolidated							
		Quarter ended			Half ended			Year ended	Quarter ended			Half ended			Year ended
		30th Sep 2019	30th June 2019	30th Sep 2018	30th Sep 2019	30th Sep 2018	31st March 2019	30th Sep 2019	30th June 2019	30th Sep 2018	30th Sep 2019	30th Sep 2018	30th Sep 2019	31st March 2019	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Revenue from operations	9,777.22	20,445.11	20,094.59	30,222.33	39,459.09	81,055.79	9,783.38	20,450.07	20,099.51	30,233.45	39,468.83	81,075.31		
2	Other income	73.80	66.40	86.11	140.20	151.49	287.33	73.80	66.40	86.11	140.20	151.50	287.36		
3	Total Income (1+2)	9,851.02	20,511.51	20,180.70	30,362.53	39,610.58	81,343.12	9,857.18	20,516.47	20,185.62	30,373.65	39,620.33	81,362.67		
4	Expenses														
	A) Cost of material consumed	7,138.35	16,210.85	15,150.01	23,349.20	28,813.51	58,748.97	7,138.36	16,210.85	15,150.00	23,349.21	28,813.51	58,748.98		
	B) Purchase of traded goods	63.70	21.14	452.14	84.84	930.91	2,185.47	63.70	21.14	452.14	84.84	930.91	2,185.47		
	C) Changes in inventories of finished goods, stock in trade and work in progress	295.75	(140.08)	(287.21)	155.67	(222.88)	880.24	295.74	(140.08)	(287.22)	155.66	(222.88)	862.68		
	D) Employee benefit expense	875.73	1,508.14	1,577.43	2,383.87	2,903.56	5,706.95	876.77	1,509.51	1,577.42	2,386.28	2,903.56	5,706.96		
	E) Finance costs	1,534.48	1,425.28	1,486.92	2,959.76	3,037.48	5,974.75	1,534.48	1,425.28	1,486.92	2,959.76	3,037.48	5,974.74		
	F) Depreciation and amortisation expense	378.38	454.03	460.40	832.41	919.88	1,831.17	379.42	457.60	469.49	837.02	931.64	1,837.63		
	H) Power & Fuel Cost	979.26	1,903.74	2,108.88	2,882.99	4,020.05	7,802.51	979.26	1,903.74	2,108.88	2,882.99	4,020.05	7,802.51		
	G) Other Expenditure	700.98	979.84	1,218.79	1,680.82	3,114.35	5,639.39	703.03	980.46	1,219.39	1,683.49	3,115.56	5,641.82		
	Total Expenses	11,966.63	22,362.94	22,167.36	34,329.56	43,516.86	88,769.45	11,970.76	22,368.50	22,177.04	34,339.25	43,529.83	88,760.79		
5	Profit from operations before tax and exceptional items (3-4)	(2,115.61)	(1,851.43)	(1,986.66)	(3,967.03)	(3,906.28)	(7,426.33)	(2,113.58)	(1,852.03)	(1,991.42)	(3,965.60)	(3,909.50)	(7,398.12)		
6	Exceptional items	-	-	-	-	-	-	-	-	-	-	-	-		
7	Profit before tax and after exceptional items (5-6)	(2,115.61)	(1,851.43)	(1,986.66)	(3,967.03)	(3,906.28)	(7,426.33)	(2,113.58)	(1,852.03)	(1,991.42)	(3,965.60)	(3,909.50)	(7,398.12)		
8	Tax expense	-	-	-	-	-	0.34	0.34	0.36	0.68	0.71	1.42			
9	Net Profit after tax (7-8)	(2,115.61)	(1,851.43)	(1,986.66)	(3,967.03)	(3,906.28)	(7,426.33)	(2,113.92)	(1,852.37)	(1,991.77)	(3,966.28)	(3,910.21)	(7,399.53)		
	Other comprehensive income/ (loss), net of tax	(15.76)	(15.76)	(8.55)	(31.52)	(17.10)	(63.05)	(15.76)	(15.76)	(8.55)	(31.52)	(17.10)	(63.05)		
10	Total Comprehensive Income for the period [Comprising Profit / (loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(2,131.37)	(1,867.19)	(1,995.21)	(3,998.55)	(3,923.38)	(7,489.39)	(2,129.68)	(1,868.13)	(2,000.32)	(3,997.80)	(3,927.31)	(7,462.58)		
11	Paid-up equity share capital (Face value-Rs.10 per equity share)	2,229.10	2,232.54	2,232.54	2,229.10	2,232.54	2,232.54	2,229.10	2,232.54	2,232.54	2,229.10	2,232.54	2,232.54		
	Reserves (excluding revaluation reserves)	-	-	-	-	-	(41,401.84)	-	-	-	-	-	(41,435.06)		
	Earnings per share (of Rs.10 each) (for the period - not annualised)														
	- Basic (Rs.)	(9.49)	(8.31)	(8.91)	(17.80)	(17.52)	(33.32)	(9.48)	(8.31)	(8.94)	(17.79)	(17.54)	(33.20)		
	- Diluted (Rs.)	(9.49)	(8.31)	(8.91)	(17.80)	(17.52)	(33.32)	(9.48)	(8.31)	(8.94)	(17.79)	(17.54)	(33.20)		



Notes:

- 1 The above standalone and consolidated financial results for the quarter and half year ended September 30, 2019 were reviewed by the Audit Committee and thereafter have been adopted by the Board at its meeting held on November 13th, 2019. The company has prepared the financial results in accordance with Indian Accounting Standards (IND AS) as prescribed under section 133 of the companies Act, 2013 read with relevant rules issued thereunder and SEBI's circulars, and the management has exercised necessary due diligence to ensure that the unaudited financial results present a true and fair view of the company's affairs.
- 2 Regarding the auditors qualification for the year ended March 31, 2017 with respect to repayment of FCCB liability, the repayment of the same has been delayed due to liquidity crisis and additional liability, if any on this account, will be booked as and when finalised. The qualification still stands.
- 3 Due to various factors beyond the control of management/external factors, the company has suffered losses to the tune of Rs 2115.61 lakh during the current quarter. The company had defaulted on payment of its debt obligations to various lenders leading to its borrowing being classified as NPA by the banks. The company has requested bankers for resolution of its accounts. However, despite net worth having been fully eroded, the Management is of the view that the company is an operative company. In view of the same, the financial statements have been prepared on a "going concern basis". Further two of the lenders namely Punjab National Bank & Jammu and Kashmir Bank have filed application under Section 7 of Insolvency and Bankruptcy Code 2016 with NCLT for initiating Corporate Insolvency Resolution Process (CIRP). The petitions have not been admitted so far.
- 4 The Group has assessed the impact of Ind As 116 - "Leases" effective April 1, 2019 and it has found that there is no impact to be recognised in the books of accounts.
- 5 The consolidated financial results include results of F.M. Hammerle Verwaltung GmbH, Austria.
- 6 The company has entered into arrangement with few vendors from whom company is purchasing raw material and in turn processing the same to the finished output, which is sold back to them.
- 7 The business of company falls within a single primary segment Viz, Textile and hence, the disclosure requirement of IND-AS 108 'Operating segment' is not applicable.
- 8 Figures relating to previous period have been regrouped/rearranged, where necessary to make them comparable with those of the current period

Place : Ludhiana
Date : 13th NOVEMBER 2019



For Vardhman Polytext Ltd

(Adish Oswal)
Chairman and Managing Director
(DIN 00009710)

STATEMENT OF ASSETS AND LIABILITIES FOR THE HALF YEAR ENDED SEPTEMBER 30,2019

(Rs in Lakhs)

S.No.	Particulars	STANDALONE		CONSOLIDATED	
		As at Sep 30, 2019	As at March 31, 2019	As at Sep 30, 2019	As at March 31, 2019
		Unaudited	Audited	Unaudited	Audited
I	ASSETS				
1	Non-current assets				
	a) Property, plant and equipment	19,795.23	20,607.00	19,827.49	20,643.91
	b) Investment Property	490.30	495.22	490.36	495.25
	c) Capital work-in-progress	13.19	-	13.19	-
	d) Other intangible assets	5.60	5.96	5.58	5.95
	e) Financial assets				
	i) Investments	23.15	23.15	0.62	0.62
	ii) Loans	-	-	-	-
	iii) Other financial assets	-	-	-	-
	f) Trade receivable	350.46	115.99	350.46	115.99
	g) Deferred tax assets (net)	5,016.18	5,016.18	5,016.18	5,016.18
	h) Other non-current assets	695.44	671.71	695.44	671.71
	Total Non Current Assets	26,389.55	26,935.21	26,399.32	26,949.61
2	Current assets				
	a) Inventories	2,186.28	2,061.37	2,186.29	2,061.37
	b) Financial assets				
	i) Investments	-	-	-	-
	ii) Trade and other receivables	596.29	854.77	596.29	854.77
	iii) Cash and cash equivalents	17.92	19.41	17.92	19.69
	iv) Bank balances other than above	7.73	7.73	7.73	7.73
	v) Loans	10.60	12.14	10.60	12.14
	vi) Other financial assets	24.08	28.92	25.30	29.75
	c) Current tax assets	280.06	276.29	280.06	276.29
	d) Other current assets	2,080.42	2,180.78	2,080.42	2,180.78
	Total Current Assets	5,203.38	5,441.41	5,204.61	5,442.52
	TOTAL ASSETS	31,592.93	32,376.62	31,603.93	32,392.13
II	EQUITY AND LIABILITIES				
1	EQUITY				
	a) Equity share capital	2,229.10	2,232.54	2,229.10	2,232.54
	b) Other equity	(45,400.39)	(41,401.84)	(45,432.88)	(41,435.06)
	c) Preference Share Capital	-	-	-	-
	Total Equity	(43,171.29)	(39,169.30)	(43,203.78)	(39,202.52)
2	LIABILITIES				
	Non-current liabilities				
	a) Financial liabilities				
	i) Borrowings	611.98	656.00	611.98	656.00
	b) Long term provisions	69.48	57.47	69.48	57.47
	c) Other non-current liabilities	0.53	0.53	0.53	0.53
	Total Non Current Liabilities	681.99	714.00	681.99	714.00
3	Current liabilities				
	a) Financial liabilities				
	i) Borrowings	47,784.84	43,874.31	47,784.87	43,874.31
	ii) Trade payables				
	a) Due to Micro & Small Enterprises	3,973.25	4,422.51	4,007.45	4,463.07
	b) Due to Others	21,948.15	22,029.58	21,957.41	22,037.75
	iii) Other financial liabilities	133.04	262.57	133.04	262.57
	b) Other current liabilities	242.95	242.95	242.95	242.95
	c) Short term provisions				
	Total Current Liabilities	74,082.23	70,831.92	74,125.72	70,880.65
	TOTAL EQUITY AND LIABILITIES	31,592.93	32,376.62	31,603.93	32,392.13

For Vardhman Polytex Ltd.

(Adish Oswal)

Chairman and Managing Director
DIN 00009710



Place : Ludhiana

Date : 13th November 2019

VARDHMAN POLYTEX LTD.

Regd. Office : 'Vardhman Park, Chandigarh Road, Ludhiana - 141123'

CIN: L17122PB1980PLC 004242, PHONES: 0161-2685301-04, 6629888, FAX : 6629988, E-Mail- info@vpl.in, Web: www.vpl.in

Cash flow statement for the Half year ended September 30,2019

(Rs in Lakhs)

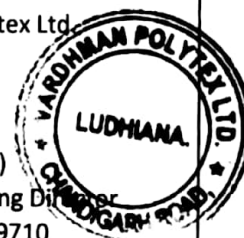
Particulars	STANDALONE		CONSOLIDATED	
	As at Sep 30, 2019	As at March 31, 2019	As at Sep 30, 2019	As at March 31, 2019
	Unaudited	Audited	Unaudited	Audited
Net Cash generated from Operating Activities				
Net profit before tax	(3,967.03)	(7,426.33)	(3,966.30)	(7,398.12)
Operating Profit before Working Capital changes	(216.83)	647.04	(211.50)	(7,560.61)
A) Net cash (used in)/ generated from Operating Activities	(1,210.76)	6,345.90	(1,211.09)	13,388.97
B) Net Cash (used)/from Investing Activities	(8.98)	(84.54)	(8.98)	11,357.91
C) Net Cash (used)/from Financing Activities	1,218.25	(6,402.47)	1,218.29	(25,108.75)
Net Increase/(Decrease) in cash & cash equivalents (A+B+C)	(1.48)	(141.11)	(1.77)	(361.86)
Add:Cash and cash equivalents as at 1st April (Opening Balance)	27.14	168.25	27.42	389.28
Cash and cash equivalents as at 31st March (Closing Balance)	25.65	27.14	25.65	27.42

Place : Ludhiana
Date : 13th November 2019

For Vardhman Polytex Ltd.

(Adish Oswal)

Chairman and Managing Director
DIN 00009710





ROMESH K. AGGARWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Head Office - 101, STREET No. 2, BALAJI COLONY, FARIDKOT- 151203

Branch Office - G.T. ROAD, MILLER GANJ, LUDHIANA-141003

Phones: 2532920, 2534289.

Independent Auditor's Review Report On the Quarterly and year to date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors,
Vardhman Polytex Ltd.

1. We have reviewed the accompanying statement of unaudited consolidated financial results ("the Statement") of **Vardhman Polytex Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and half year September 30, 2019, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and disclosure requirements) Regulations, 2015 as amended ("the Regulation"), read with SEBI circular no. CIR/CFD/CMD 1 /44/2019 dated March 29, 2019.
 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. A review of interim financial information consists of making inquiries, primarily of persons 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 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 F.M. Hammerle Verwaltung GmbH, Austria.
 5. The group had credited profit of Rs 396.44 lacs due on payment of FCCB liability to the statement of profit & loss during the period ending March 31, 2017. This profit should have been credited in the statement of profit & loss on payment of FCCB liability which is still outstanding to the tune of 554,160 USD as on September 30, 2019. The same has not been addressed in the current period under audit.



6. Based on our review conducted and procedures performed as stated in paragraph 3, except for the effect of our observation stated in Para 5 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.


7. The subsidiary Company is located outside India whose quarterly financial statement and other financial information have been prepared in accordance with the accounting principles generally accepted in their respecting country. These financial results are unaudited and have been furnished to us by the management. The company's management has converted the above mentioned financial statement and other financial information of such subsidiary company located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary company located outside India is based solely on the unaudited financial statements and the conversion adjustments prepared by the management of the Company and reviewed by us.

Our opinion on the unaudited quarterly and half yearly consolidated financial results is not modified in respect of the above matter with respect to our reliance on the work done and reports of the other auditors.

For Romesh K Aggarwal & Associates

Chartered Accountants

FRN - 000711N


Ruchir Singla

Partner

M. No. 519347

Place - Ludhiana

Dated - November 13, 2019

UDIN - 19519347AAAAAT8148



ROMESH K. AGGARWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Head Office - 101, STREET No. 2, BALAJI COLONY, FARIDKOT- 151203

Branch Office - G.T. ROAD, MILLER GANJ, LUDHIANA-141003

Phones: 2532920, 2534289.

Independent Auditor's Review Report On the Quarterly and year to date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors,
Vardhman Polytex Ltd.

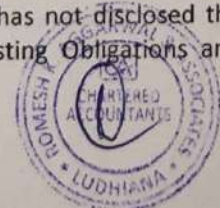
1. We have reviewed the accompanying statement of standalone financial results of **Vardhman Polytex Limited** ("the Company") for the quarter and half year ended September 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and disclosure requirements) Regulations, 2015 as amended ("the Regulation"), read with SEBI circular no. CIR/CFD/CMD 1 /44/2019 dated March 29, 2019.

2. This Statement which is the responsibility of the Company's Management and approved by the 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. 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.

4. The company had credited profit of Rs 396.44 lacs due on payment of FCCB liability to the statement of profit & loss during the period ending March 31, 2017. This profit should have been credited in the statement of profit & loss on payment of FCCB liability which is still outstanding to the tune of 554,160 USD as on September 30, 2019. The same has not been addressed in the current period under audit.

5. Based on our review conducted as above, except for the effect of our observation stated in Para 4 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Romesh K Aggarwal & Associates
Chartered Accountants

FRN - 000711N



Ruchir Singla

Partner

M. No. 519347

Place - Ludhiana

Dated - November 13, 2019

UDIN - 19519347AAAAAS5763