Vardhmān
Delivering Excellence. Since 1965.

VARDHMAN TEXTILES LIMITED

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Ref.VTXL:SCY:MAY:2017-18 **Dated:15-May-2017**

The Deputy General Manager, Corporate Relationship Deptt, Bombay Stock Exchange Limited, 1st 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**

SUB: Compliance under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the presentation made by Vardhman Textiles Limited at the Investor/ Analyst Meet of the Company held on Friday,12th May, 2017.

Kindly note and display the notice on your notice board for information of members of your exchange and general public.

Yours faithfully,
For VARDHMAN TEXTILES LIMITED

(RAJEEV THAPAR)
Chief Financial Officer

Vardhmān

Vardhman Textiles

Invested for the Long Haul

May 2017

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Snapshot

Vardhmān

The largest listed, integrated textile manufacturing company in India

- Dominant player across yarn, fabric and sewing threads
- Strong position in acrylic staple fibre and presence in garments
- 25 manufacturing facilities across India employing ~26,000+ people across the company and its subsidiaries

Market leadership in key product offerings

- Largest yarn manufacturer in India with a capacity of ~1mn spindles including 7,188 rotors
- Leading manufacturer & exporter of cotton yarn in India and leading manufacturer of piece dyed fabric
- The 2nd largest producer of sewing threads and the market leader in hand knitting yarn in India

Alliances with large global players

- VTL has forged global alliances with leading textile companies such as American & Efird (A&E) USA, Marubeni, Japan and Nisshinbo, Japan

Listing information : BSE/NSE	
CMP (INR) (31st March, 2017)	1,312.65
CMP (USD)	20.24
Market Cap (INR mn)	75,332.98
Market Cap (USD mn)	1161.65
Outstanding Equity Shares (mn)	57.39
Face value of equity (INR)	10
52 weeks high/low (INR)	1439/765
3-months average daily volume (NSE+BSE)	30,241
Bloomberg code	VTEX:IN
Free Float	38.00%
Sector	Textiles

Shareholding Pattern	**Mar-15**	**Mar 16**	**Mar 17**
Promoters	61.85%	62.21%	61.84%
Others	38.15%	37.79%	38.16%
Total	**100.00%**	**100.00%**	**100.00%**

Particulars	**FY15**	**FY16**	**FY17**
Total Revenue (INR mn)	69,522	60,058	65,583
Growth %	11.40%	-3.30%	9.20%
Net profit (INR mn)	4457	5,762	9,574
Margin %	6%	10%	15%
EPS (Basic)	64	100.89	163.1
% ROCE	19%	21%	25%
% RONW	12%	16%	23%
Net worth	33,753	39,999	42,732

% Returns	**6-mth**	**12-mth**	**24-mth**
VTL	23.21	69.7	142.43
BSE	6.3	16.88	5.95
BSE Mid Cap	7.06	32.75	47.8

**Including treasury stock held by VTL Investments*
All currency conversions in the presentation has been done at 1 US$ = INR 66

Corporate structure

Vardhman Textiles Limited (VTL)
1973
Yarn, Fabric
Revenue: Rs. 65.58bn# (US$ 1.01bn)
Listed on BSE, NSE

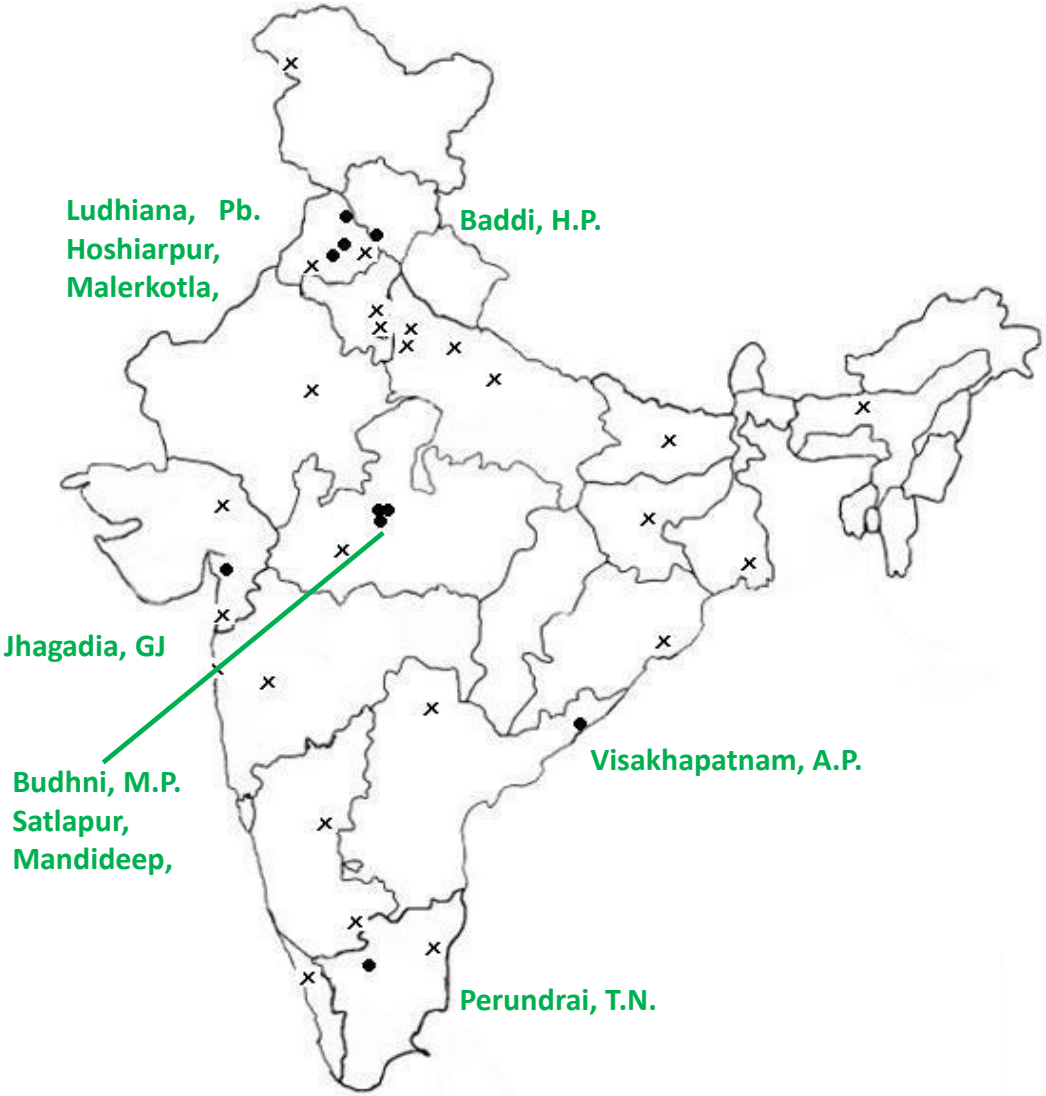
	Vardhman Yarns & Threads (VYTL)	Vardhman Acrylics (VAL)	VMT Spinning Co. (VMT)	VSS	VNG
VTL Stake	11%**	70.75%	89%	31%	51%
Business	RMG / Industrial / Speciality Threads	Acrylic Staple Fibre	100% Cotton Yarn	Special Steels	Garments
Capacity	41 TPD threads 71k spindles (captive)	20,000 TPA	46,320 spindles	Rolling 150,000 MTPA	1.8mn pieces
Revenue #	INR 7.28 bn (US$ 110.3 mn)	INR 3.93bn (US$ 60.59 mn)*	INR 1.93 bn (US$ 29.8 mn)	INR 7.58 bn (US$ 117.00 mn)	INR 58.33 mn (US$ 8.99mn)
Collaborations	A&E, USA	-	Marubeni, Japan	-	Nisshinbo, Japan
Market Status	Unlisted	Listed on NSE	Unlisted	Listed on BSE & NSE	Unlisted

*** Stake Sale Done*
 # Consol revenues as on 31st March 2017

All currency conversions in the presentation has been done at 1 US$ = INR 64.85

Group also has two investment companies VTL Investment Ltd and Vardhman Holdings Ltd. In the public domain other than the above companies, out of which Vardhman Holdings Limited is a listed company and VTL Investment is 100% subsidiary of VTL.

Manufacturing facilities & capacities



Yarn	• ~1mn Spindle- Punjab, Himachal & Madhya Pradesh
Fabric	• 1320 Looms – Himachal Pradesh & Madhya Pradesh
Processing	• 110 MMPA – Himachal Pradesh & Madhya Pradesh
Acrylic Fiber	• 20,000 TPA - Gujarat
Dyeing	• 71 TPD – Punjab & Himachal Pradesh
Sewing Threads	• 41 TPD – Punjab, Tamil Nadu & Himachal Pradesh
Steel	• 150,000 TPA (Rolling and Billets)
Garments	• 1.8mn Pieces p.a. - Punjab
Power Plant	• 50 MW – Madhya Pradesh

× Offices ● Manufacturing Facilities

Management Commentary on Key Businesses

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Integrated Textiles Business– from commodity to fashion

- Used technical tie-ups with well recognized global corporates from Japan and Korea to strengthen foundations of the Business.
- 1/3rd of total yarn production is exported, 1/3rd is sold domestically and remaining is used to feed the captive looms.
- Focus on automation and to further diversify customer base.
- De-risked business through value added and specialized products
- Capex of INR 3.04 bn was incurred in FY17 which consists of INR 1.64 bn in yarn business mainly on account of modernization & INR 1.16 bn done in fabric business mainly on account of new printing unit.

Value Added Products	
Compact Yarn	Fibre Dyed
Cotton Lycra	Gas Mercerized
Melange Yarn	Fancy Yarns
Cotton Dyed	Slub Yarns
PC Yarn Dyed	Acrylic Yarns
Yarn Dyed	Hand Knitted Yarns

Specialized Products	
Cotton Lyocell	Cotton Silk
Cotton Bamboo	Cotton Modal
Cotton Tencel	Cotton Viscose

Environment Friendly Products	
Organic Cotton	Fair Trade Yarn
Contamination Free Yarn	

Leadership in Hand-knit yarns – Testimony of emphasis on Value Added Products

- Market leader in hand-knit yarn category - 40% share of organized and 30% of total market
- Presence at ~1,800 retail outlets in 650 cities/towns across India with ~6.0 mn consumers
- Technology upgradation, new product development and innovative marketing strategies – keys to success
- 45 sub brands in various packaging categories under Vardhman knitting yarn umbrella brand.
- Staying in-vogue – new designs introduced every year depicting latest fashion trends
- Consumer/dealer friendly approach

Yarn Business

- Last year was a unique year because of demonetization . Since there was no money in circulation, farmers were forced to keep inventory of stock and therefore cotton prices shot up.
- Export from India to China has come down from 40-45% to 20-25%.
- Domestic Market consumption has increased 5-10%.
- Implementation of GST will bring boost to organized sector.
- The Spinning business will continue to have a tough year because of :

  -Significant capacity addition in China & various states in India still giving subsidy for spinning projects enhancing capacity in India as well.

  -A Peculiar cotton market .

  - The GST is expected to have positive impact for the organized yarn players but may face initial implementation/teething issues.

Fabrics Business Drives Growth

- In Vardhman, we work across the value chain from cotton to yarn to fabric which helps us to absorb the volatility in a better manner. Since there is captive consumption of yarn for making fabric so any increase in yarn prices will result into much better profitability in fabric.

- We have plugged the printing gap in our product portfolio which will make us one stop shop for our customers. Earlier some orders were not coming to us because of this gap. This will help in increasing the orders from existing customers on one hand & bringing new customers on the other hand.

- With our new printed fabric capabilities, we have entered the space of women's tops and expanded the range for men's shirts fabrics. We have entered into new segment of women tops. This entry will help us to attract new customers on one hand and getting new orders from existing customers as well. Also it will reduce volatility which arises due to cotton as manmade Fibre is used in this. It will also lead to diversification.

Fabrics Business Drives Growth

- We have undertaken Capex of Rs 116 Cr in FY 16-17 which is part of total capex in fabric of Rs 600 Cr which is ongoing since FY 15-16 . This was mainly on account of new printing unit in Baddi. The complete capex will increase our capacity in processed fabric from 115 mm to 155 mn & grey fabric capacity from 170 mm to 210 mm. The full year impact of this would be visible by FY 20.

- We intend to increase yarn dyed capacity from 18 mm to 30 mm , the full impact of which will be captured in FY 19.

- Globally China & Pakistan continue to be our strong competitors. The depreciation of Chinese currency & appreciation of Indian Currency has led to an adverse impact of 8-9% for India.

- We have weathered the demonetization storm in a efficient manner by substituting our domestic orders with export orders & preponing our export shipments .

Other segments steady with no major capex plans

Sewing Thread Business

- Vardhman continues to be the 2nd largest brand of specialized threads in India.
- In a strategic decision VTL has sold 40% stake to the Joint Venture partner American & Efird, Inc. USA (A&E). This is a win-win situation for both parties as A&E consolidates the threads business on its books and VTL focusses on growing its core businesses of yarn and fabric. The partnership continues as VTL will retains the 11% stake for a minimum period of 3 years.

Acrylic Fibers Business

- This plant, set up in collaboration with Marubeni & Japan Exlan of Japan continues to be a steady state operation but the business has traditionally been more volatile than the yarn and fabric business.
- The product finds use in manufacturing of hand knitted yarns, blankets, jerseys, sweater, saris, upholster, carpets etc. but given the small scale of the business in the global context and the low growth of the acrylic fibers business, there is no plan to expand capacity.

Garments Business

- Started as a forward integration strategy in a 51% JV with Nisshinbo Textiles Inc. for production of shirts (both for sale in India as well as exports to US, Europe & Japan), this business is now going through a difficult phase.
- VTL believes the risks and rewards in this business are very different from textiles and has no immediate plans to grow it.

Stake sale in Sewing Threads Business

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Deal Summary

- VTL has sold 22.8 million shares (~40% stake) in its subsidiary Vardhman Yarns and Threads Ltd (VYTL) to its US-based JV Partner American & Efrid Global LLC (A&E). Now after this transaction, A&E holds 89% of the equity stake in VYTL, up from its 49% stake, which it had acquired in 2008.
- The deal valued VYTL at an equity value of INR 9.9 bn as on March 16.
- The said transaction has resulted in a pre-tax cash inflow of INR 3.96 bn.
- VTL is having put option and A&E is having call option on the balance 11% stake in VYTL, to be exercised after 3 years.

Deal Rationale

- The business of sewing threads is a complex business and requires significant management time and attention. Incase the group chose to retain and grown the thread business the Yarn and Fabric growth might have been compromised. Therefore, the Board has taken a pragmatic and long term view of disinvesting in favor of A&E and concentrating on growing the core Yarn and Fabric Business.

Management views on global scenarios

Yarn v/s Fabric

- Spinning has low entry barriers but a large portion of the global capacity is old and inefficient, thereby leading to low utilization
- Given that there is over-capacity globally, return on capital expectations for investment in a new spinning unit are low
- However, returns tend to follow an upward sloping curve, as each year's capacity addition happens at a progressively higher cost, thereby enabling older entrants to have better conversion margin translating into higher returns on their historical cost
- Fabric per se has much greater entry barriers than Yarns, as the minimum capacity required to be competitive in the longer term entails an up front and additional infusion to fund initial losses before the business can be stabilized and a high utilization established.

Management views on global scenarios

The China Factor

- India has consistently remained at par with China when it comes to competitiveness in spinning and efficient players like VTL have in fact made considerable exports to China.
- But this year Chinese Govt is doing stock auction, which will have adverse effect as Chinese demand for yarn will reduce. This will result into lower yarn exports to China.
- China's advantage on Fabric has been reducing as labor costs rise and integrated players like VTL are able to compete effectively in the global market – this trend is expected to continue

The Vietnam and Bangladesh factor

- Bangladesh and Vietnam have clear advantages over other countries including India when it comes to garments and this is expected to continue until substantial labor reforms are put in place in India

Tactical Change In Cotton Procurement Policy

- Usually we procure good quality cotton during the cotton season & build inventory of 6-7 months as on 31.03.2017. But this time due to higher cotton prices, the procurement has been slow and we were holding 3-5 months of cotton as on 31.03.2017.
- Usually domestic cotton is priced 10-15 % cheaper than imported cotton but this time it was priced at 3-5% higher than imported cotton
- Due to the above reason we have imported 12 -15 % Of cotton instead of the usual 3-5 %. This will also improve realizations as imported cotton yarn is priced dearer in the market.
- As our share of imported cotton is on the rise, the exposure has been partially hedged on international commodity exchanges.

Overall growth vision

- **VTL will stick to its core competencies of textile manufacturing…**

  Why not garmenting… VTL believes that garmenting is a business with very different skillsets, risks and rewards and although it has undergone a learning curve towards building a profitable garments business, VTL believes that the current policy framework is not conducive to large scale garment manufacturers ; it is however not averse to taking a relook if and when the business environment for garmenting in India improves

  Why not branding / retailing.. VTL does not believe that branding/retailing is the logical extension to manufacturing. VTL believes that branding and apparel retailing are businesses with very different skillsets, risks and rewards and therefore is not planning to persue these businesses in the near term.

- Within textile manufacturing, to look at **increasing wallet share with large clients by expanding product offerings** over long term – VTL's vision is to become a one-stop shop for its large clients when it comes to all their yarn and fabric requirements

  Foray into printed fabrics a step in the right direction.. printed fabrics was a gap in the VTL's product offering which is in the process of being plugged, as capacity is being created for the same in a phased manner. VTL has commissioned the first phase of its printed line in Mar, 2016 which is now stabilized and has ramped up nicely.

  Will look for more strategic additions to product portfolio.. In addition to cotton yarn and blends, VTL may look at more synthetic and blended yarns, and addition to existing fabric processing capabilities in the future including expansion in Stretch Fabric etc.

Vardhman Special Steels Limited

- VSSL was incorporated in May 14,2010 as a public limited company under the provisions of Companies Act 1956 although the plant was in existence since 1973.

- Engaged in the manufacturing of billet, steel bars, rods & bright bars of various categories of Special & Alloy steels.

- About 4 % of the total production of the Company is exported.

- The plant is located in Ludhiana which consists of melting shop, rolling Mill & Bright Bar Shop.

- The plant has in house R&D & testing facilities to cater to demand of superior end users like Toyota , Suzuki, Nissan, Ford ,Hero Moto Corp etc.

- The product range consists of rolled black bar, Hexagonal, Peeled & Ground & Cold Drawn.

Steel Melt Shop

Rolling Mill

Bright Bar Shop

Issue of Rights Equity Shares in VSSL

We are in the process raising capital via Rights Issue. The salient details of the issue are as under.

- Right Issue in the ratio of 2:3 i.e. two equity shares for holding every 3 shares. In addition to this, 12 lakh Equity shares have been reserved for issuing to employees.
- The price has been fixed at Rs. 50 per Share.
- Issue was subscribed 1.35 times and allotment is under process.
- The total proceeds from the Issue will be Rs. 67.85 crores.
- The Debt Equity Ratio after the Issue will be less than One.

Management philosophy towards value creation

- Pursuit of well capitalized growth rather than excessively leveraged growth – VTL has always erred on the conservative side when it came to aggressive expansion funded by leverage which has helped it build a solid foundation and an inherently much stronger and sustainable business. Each time, it has focused on consolidation – both fiscal consolidation and operational efficiency before embarking on a major expansion. VTL believes that such a model will eventually lead to more sustainable value creation and will continue to follow this philosophy.

- Long term capital allocation to include organic as well as inorganic growth, given there could be bargain situations available – Historically, while VTL has demonstrated success in working with foreign equity partners, it has stopped short of pursuing acquisition-led growth. At this point however, VTL believes that the Group both has the balance sheet strength as well as the inclination to pursue inorganic opportunities, at the right price, as a number of good assets are under stress and potentially could offer good bargains.

- Key considerations for inorganic growth

  - Cost environment with respect to labor and power – VTL will avoid States where labor is in short supply; likewise power or work culture is a concern.

  - Additions to product offering basket for key existing customers – VTL will look for acquisitions which fit into the overall growth vision as explained in the previous slide.

Value creation roadmap

- Way Forward
  - Continued focus on sweating assets and cost efficiencies to drive ROCEs
  - Treasury stock to be used opportunistically to unlock value for shareholders. Currently, treasury stock of 4.29% (1.1 m & 1.6 m shares held by VTL Investments and Mahavir Shares Trust respectively) is worth INR 2.73 bn.
  - Utilizing the strong balance sheet to capitalize on inorganic opportunities in order to add value to shareholders
  - Restarting the capex cycle for growth & utilization of the cash generated by the company.
  - Progressively increasing cash distribution to shareholders, via dividend /buybacks to enhance ROE /ROCE.
  - Company to continue with low to comfortable levels of debt.

Advocacy In Government Policy

Vardhman has played a big role in formulating government policy.

The details are as follows:

- Mr. Sachit Jain being chairman of National Textile Committee of CII played a pivotal role in promoting Textile & Apparel industry. As a outcome of that, Government announced various incentives for apparel.
- We were able to save the threat of zero liquid discharge which is not prevalent in any other part of the world.
- Also Mr. Sachit Jain serving as Deputy Chairman of CII played a crucial role in bringing labor reforms.

Team & Culture Building

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Quality Circle Competition Organized at VTDC

VSSL Team won 1st Prize in 8th National Kaizen Competition by CICU

VAL awarded GOLD Award in State Level QC Competition

Some Other Cultural Events

SWASTH CORPORATE ABHIYAAN 2017

Women's day celebrations in the unit

Celebrated Rangoli Competition on the occasion of New Year Celebrations

Corporate Social Responsibility

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CSR Activities

Vardhman is a responsible Corporate Citizen and would continue to make a serious endeavor for a quality value addition and constructive contribution in building a healthy and better society through its CSR related initiatives .Some of the work done by Vardhman under CSR are :

- **Education** - In order to make govt schools as model schools, we have spent Rs 2.41 Cr in FY 16-17.
- **Healthcare -** Funds for medical equipments has been provided to various hospitals & medical facilities.
- **Waste Treatment-** Vardhman group actively pioneered the setting up of Nimbua Greenfield Punjab Limited. Its is a company dedicated to solid waste treatment, storage and disposal in state of Punjab, India.
- **Better Cotton Initiative** Vardhman Participated in Better Cotton Initiative in 2015-2016, which aims to transform cotton production by helping farmers in various aspects. Vardhman has become implementing partner with BCI in the Gujarat state in year 2015

Some CSR Clicks

Before Photograph

After Photograph

Donating an amount of Rs. 25 lakh to PGI, Chandigarh for poor patients

Before Photograph

After Photograph

Awards & Recognitions

Our company has been given various awards from Central Govt, state governments as well as various govt. bodies at various points of time for the outstanding works done in various fields.

Some of them are as follows:-

- Silver Award Received from Texprocil- Second highest export of cotton textile.
- Highest Tax Payer Award received from Govt of Punjab
- Udyog Ratna Received from PHD Chamber of Commerce & Industries by Our chairman Shri Paul Oswal.
- Our Chairman , Shri Paul Oswal has been awarded as one of the best CEO by Forbes magazine.
- Largest Producer of Cotton Yarn received from Ministry of Textiles.

Financials

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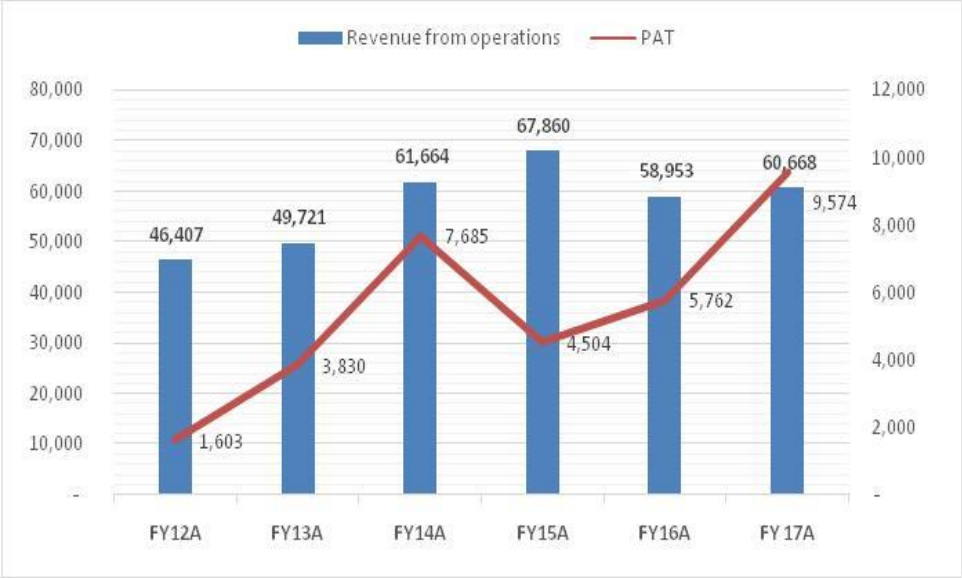
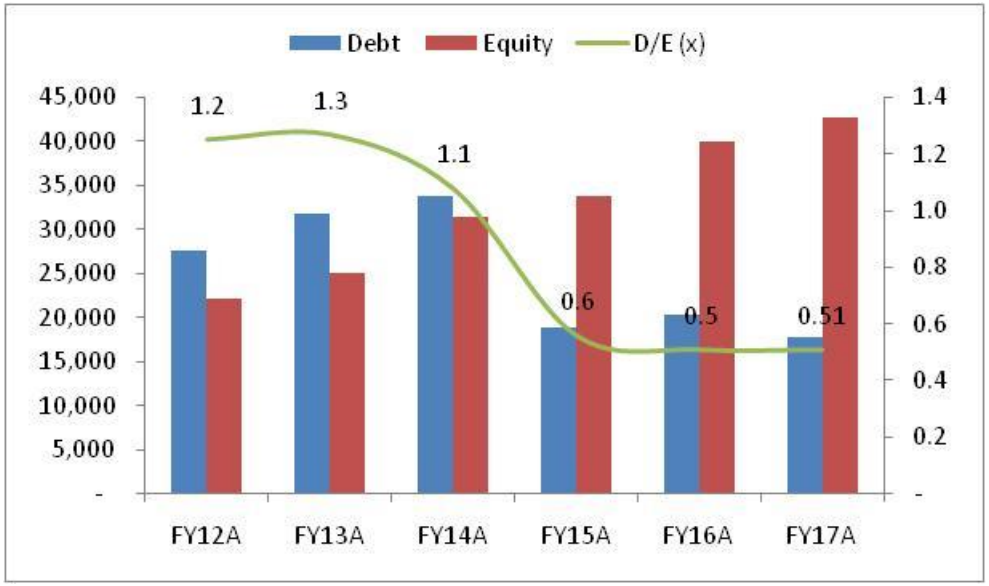
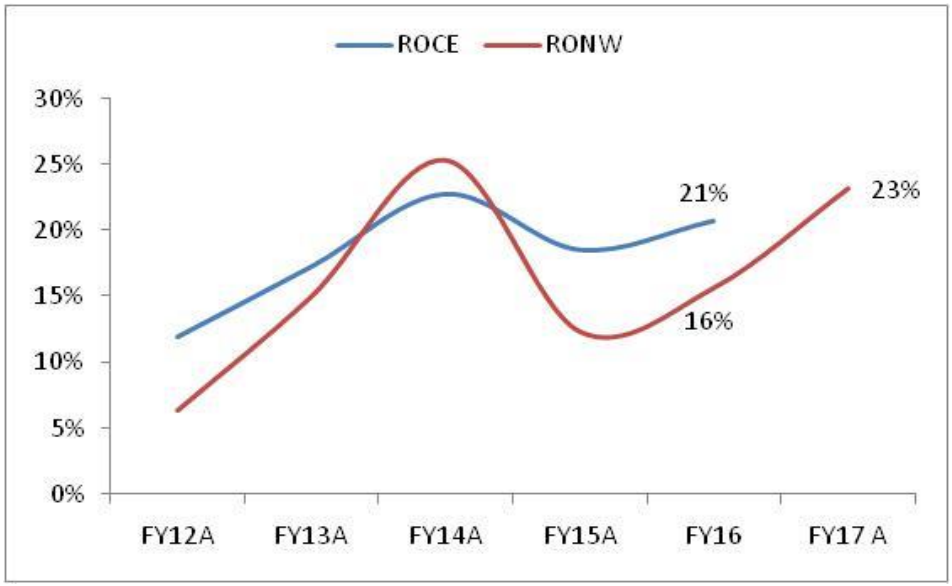
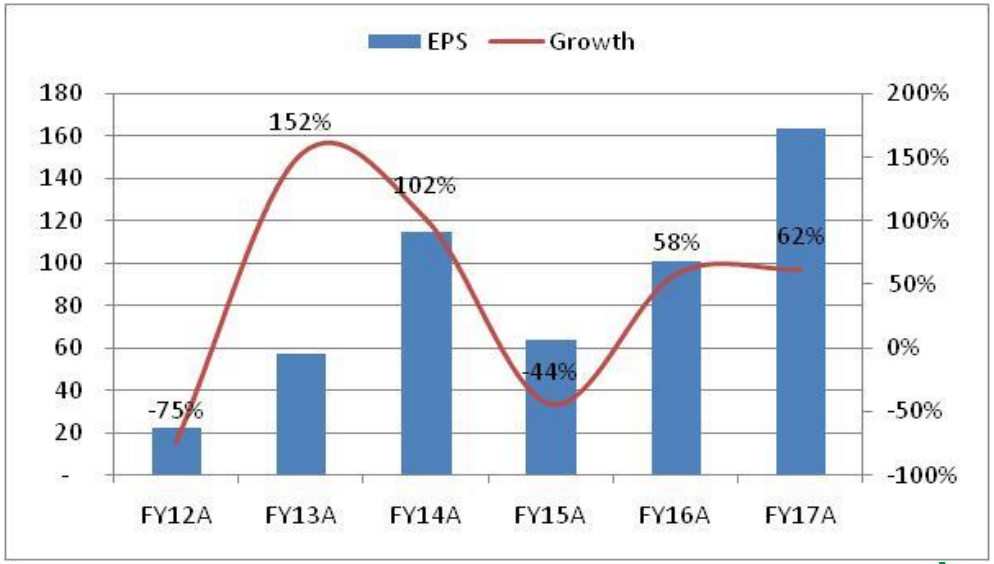
Key Financial Ratios- VTXL (Consolidated)









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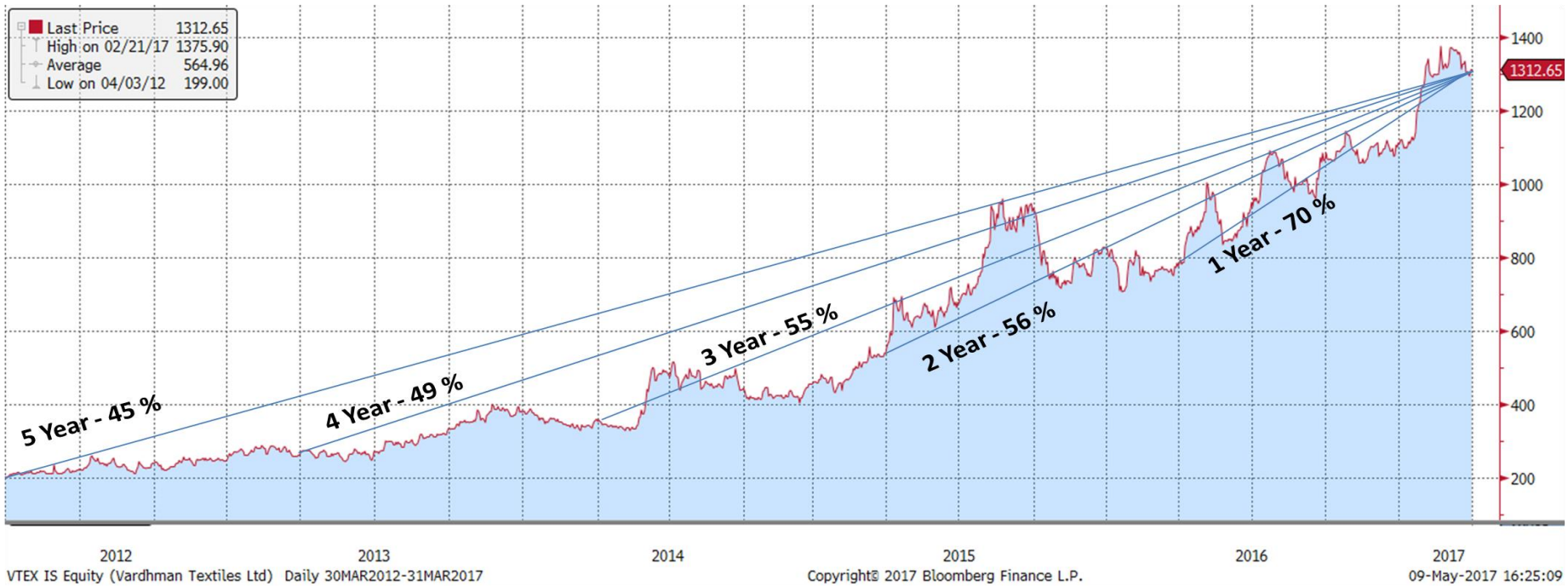
Key financials- VTXL (consolidated)

	INR Million				USD Million			
Particulars	FY 14	FY15	FY16	FY 17	FY14	FY15	FY16	FY 17
Total Revenues	62,403	69,522	60,058	65,583	962	1,072	926	1,011
EBITDA	15,342	12,793	12,868	17,174	237	197	198	265
Margin %	25%	18%	21%	26%	25%	18%	21%	26%
PBT	10,476	6,222	8,237	12,811	162	96	127	198
Margin %	17%	9%	14%	20%	17%	9%	14%	20%
PAT	7,655	4,457	5,762	9,574	118	69	89	148
Margin %	12%	6%	10%	15%	12%	6%	10%	15%
PAT After Minority Interest	7,183	4,002	6,146	9,814	111	62	95	151
Margin %	12%	6%	10%	15%	12%	6%	10%	15%
Net Worth	31,320	33,753	39,999	42,732	483	520	617	659
Total debt	33,727	26,402	26,302	22,384	520	407	406	345
Cash & Cash Equivalents	8,643	10,714	15,915	19,130	133	165	245	295

Most of the debt on the Company's books enjoys TUF scheme benefits and hence lower interest rates

All currency conversions in the presentation has been done at 1 US$ = INR 64.85
All figures are for Vardhman Textiles Ltd on consolidated basis

Historical Stock Returns(Annualised)-VTXL



CMP @ 09.05.2017 (INR)	1323
Returns over:	
5 Years	45%
4 Years	49%
3 Years	55%
2 Years	56%
1 Year	70%

Above Returns are Calculated as on 31.03.2017

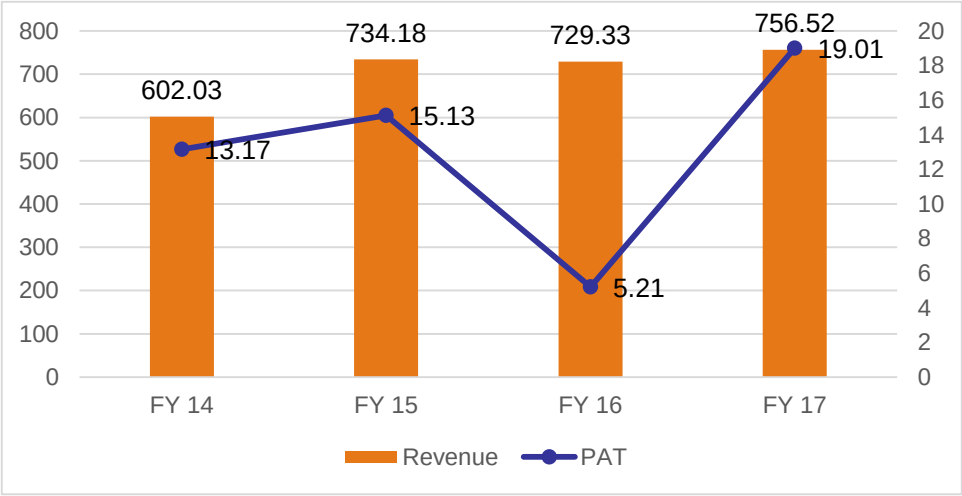
Key Financials- VSSL

Rs. In Crores				$ In million		
Particulars	FY'15	FY'16	FY'17	FY'15	FY'16	FY'17
Revenues	734.18	729.33	739.00	107.97	107.25	108.68
EBITDA	18.96	45.77	64.00	2.79	6.73	9.41
Margin %	2.58%	6.28%	8.66%	2.58%	6.28%	8.66%
PBDT	1.25	22.24	36.50	0.18	3.27	5.29
Margin %	0.17%	3.05%	4.87%	0.17%	3.05%	4.87%
PBT/PAT	-15.12	5.21	18.00	-2.22	0.77	2.65
Margin %	-2.06%	0.71%	2.44%	-2.06%	0.71%	2.44%
Net Worth	169.73	174.94	193.00	24.96	25.73	28.38
Net Debt	336.38	326.76	298.03	49.47	48.05	43.83
ROCE	3.75%	9.12%	13.03%	3.75%	9.12%	13.03%
CASH RONW	-0.74%	12.71%	18.91%	-0.74%	12.71%	18.91%
EPS - Basic	-8.15	2.81	9.70	-0.12	0.04	0.14
EPS- Dilluted	-8.15	2.81	9.70	-0.12	0.04	0.14

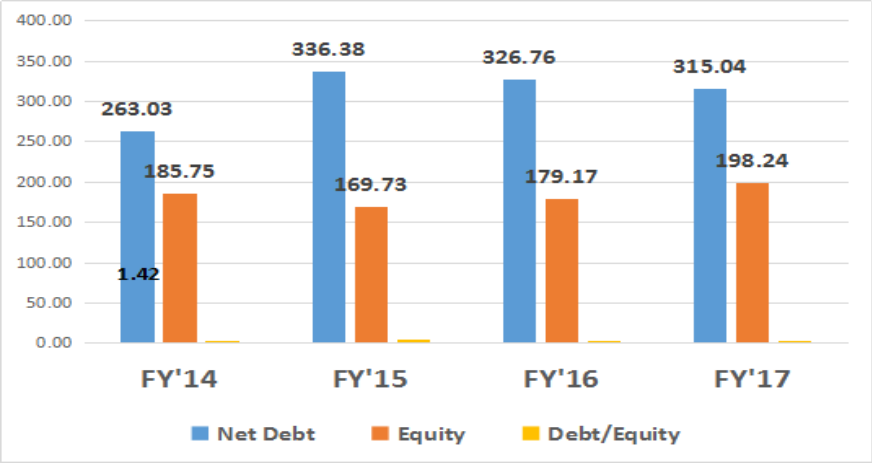
All currency conversions in the presentation has been done at 1 US$ = INR 68
All figures are for Vardhman Special Steels Ltd on consolidated basis.

Key Financial Ratios- VSSL

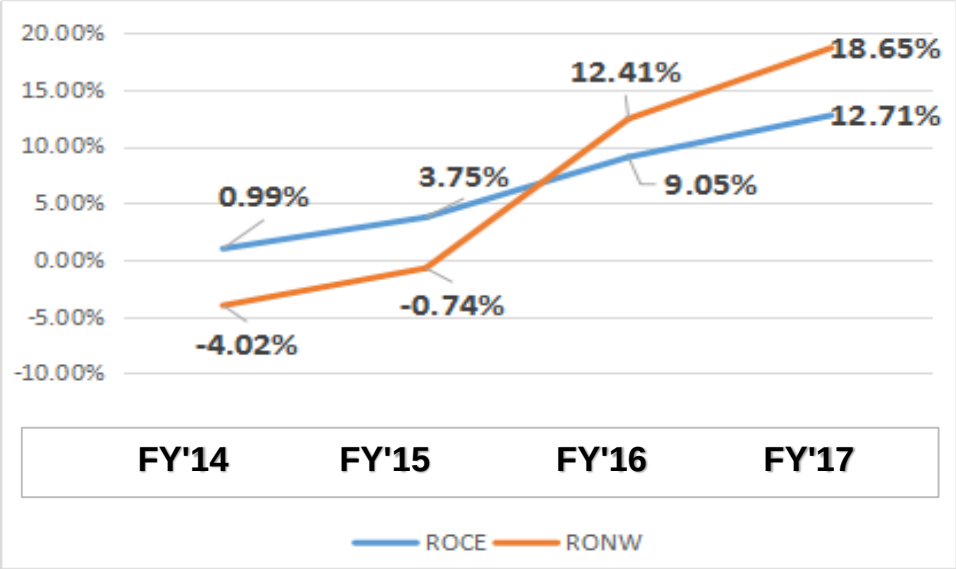
Bottom line growth over the years



Comfortable debt/equity



Return ratios*

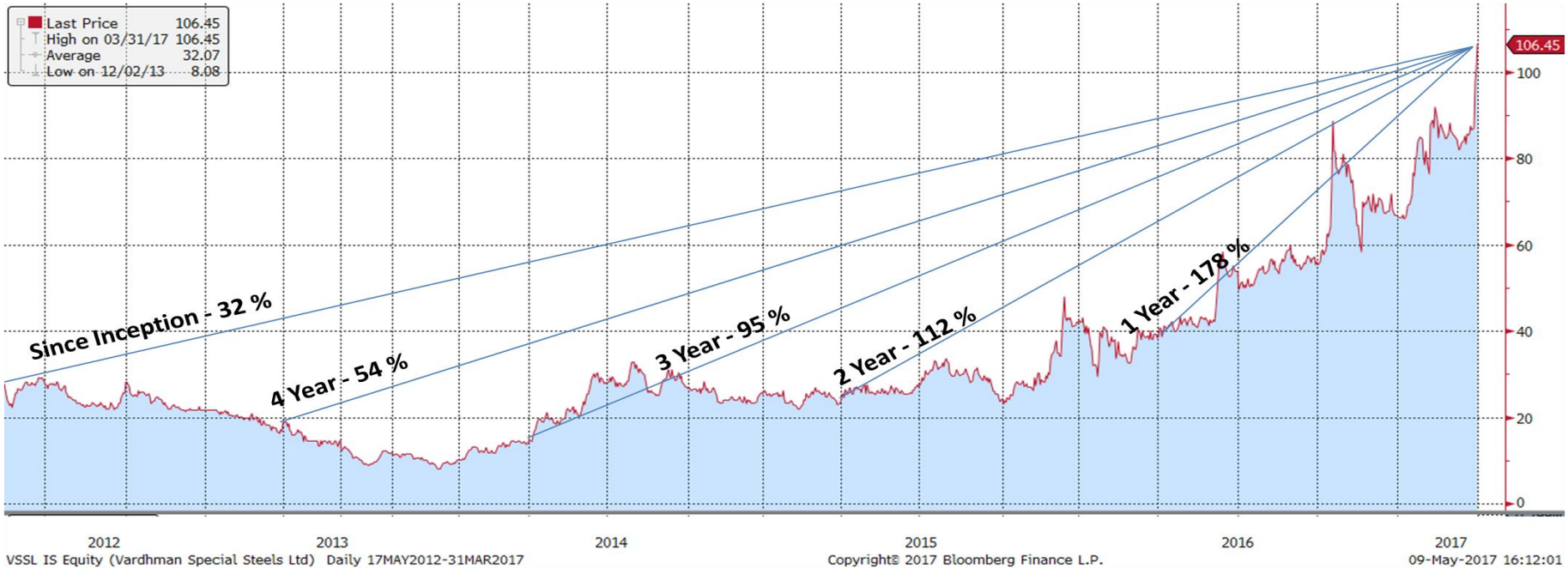


Net Debt means Long term Loans plus Short term Loans less Investments (Current & Non current).

****Capital Employed means Net Debt plus Net Worth.***

*****PAT has been considered for ROCE calculation.***
Cash Profit has been considered for RONW calculation.

Historical Stock Returns(Annualised)-VSSL



CMP @ 09.05.2017 (INR)	119
Returns over:	
Since Inception	32%
4 Years	54%
3 Years	95%
2 Years	112%
1 Year	178%

Above Returns are Calculated as on 31.03.2017

Annexures

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VTL management

Name	Designation	Details
S .P. Oswal	Chairman & Managing Director	▪ Is an M.Com. Gold Medalist from Punjab University Chandigarh and also holds directorships in 22 other companies ▪ Holds Directorships in Confederation of Indian Textile Industry and New Delhi Institute of Management. Conferred the Padma Bhushan Award for his contribution towards Trade and Industry.
Sachit Jain	Jt. Managing Director MD, VSS	▪ B.Tech from IIT (Delhi) and an MBA from IIM Ahmedabad ▪ Holds directorships in 21 other companies including Vardhman Acrylics Ltd., Vardhman Texgarments Limited, Vardhman Holdings Limited and VMT Spinning Company Ltd ▪ Chairman of the Audit Committee of Vardhman Yarns & Threads Limited , VMT Spinning Company Ltd and Vardhman Nisshinbo Garments Limited
Suchita Jain	Jt. Managing Director	▪ Masters in Commerce from Punjab University Chandigarh. Holds directorships in 13 other companies including Vardhman Holdings Limited
B K Choudhary	MD, Vardhman Acrylics Ltd.	▪ Director, Operations at Vardhman Fabrics Division, Managing Director in Vardhman Acrylics Limited ▪ Masters in Commerce from Meerut University and MBA from University of Jodhpur. ▪ Extensive experience within the group in project management and business operations
D L Sharma	MD ,VYTL	▪ Holds a B.Sc (Engineering) and MBA from Punjab Agricultural University, Ludhiana. ▪ Director in charge of Vardhman Nisshinbo Garments Limited
Neeraj Jain	Jt. Managing Director MD. VMT Spg. Co. Ltd.	▪ He is a Chartered Accountant and a Graduate in Commerce from Ludhiana. Has extensive experience in the finance and yarns businesses within the group. ▪ Heads yarn business for VTL ▪ Also holds directorships in Vardhman Apparels Limited, Vardhman Textile Components Limited and Vardhman Nisshinbo Garments Limited
IMJS Sidhu	President, Baddi Operations	▪ Overall charge over the units of the Company situated at Baddi ▪ B. Text from Technological Institute of Textiles & Sciences, Bhiwani. Has experience in Maintenance Management, Production Management and Quality Control & Assurance in the group.

Independent directors

Name	Designation	Details
Prafull Anubhai	Independent Director	▪ Holds degree in Bachelors of Commerce and B. Sc. (Economics) from London School of Economics ▪ Is associated with educational and research institutions like Indian Institute of Management (IIMA), Ahmedabad Education Society (AES), Ahmedabad University, CSTEP (Centre for Science Technology and Policy), ATIRA etc. and is the Chairman of the Board of Management of the Ahmedabad University. ▪ Is associated with Vardhman Textiles Limited since July 1980
Dr. Ashok Kumar Kundra	Independent Director	▪ Holds degree of Masters in Economics from the University of Punjab and a PhD from School of International Studies, Jawaharlal Nehru University ▪ Holds expertise in industrial policy, industrial administration and planning and corporate management ▪ Was also secretary to the Government of India, Ministry of Mines, Chairman Tariff Commission and ex-officio secretary to the Government of India, Department of Industrial Policy and Promotion, special secretary in the Ministry of Environment and Forests and principal advisor to the Planning Commission ▪ Is associated with Vardhman Textiles Limited since January 2009
Dr. Subash Khanchand Bijlani	Independent Director	▪ Holds the degrees of Doctor of Management, Maryland (USA), Bachelors in Science and Technology (Mechanical Engineering), Manchester U.K. ▪ Rich experience in the areas of industrial and operational management, strategic management and International management ▪ Is associated with Vardhman Textiles Limited since March 2005
Shravan Talwar	Independent Director	▪ Bachelor of Arts (Computational & Applied Math & Economics) from Rice University and MBA with distinction from Kellogg Business School of Northwestern University ▪ Extensive experience in the field of strategic planning, marketing and restructuring of business operations ▪ Is associated with Vardhman Textiles Limited since January 2010
Devendra Bhushan Jain	Independent Director	▪ Holds degree in B.Sc. from Bombay University ▪ Has an expertise in the field of marketing. ▪ Is associated with Vardhman Textiles Limited since August 2014
Rajender Mohan Malla	Independent Director	▪ Holds degree in Masters in Commerce, MBA (Finance), CAIIB. ▪ Eminent Banker having rich experience in banking and finance field. ▪ Is associated with Vardhman Textiles Limited since September, 2015.

Major global strategic alliances

Product	Alliance Partner	Year
Fibre and Yarn Dyeing	Nihon Sanmo, Japan *Technical collaboration for foray into yarn & fibre dyeing*	1992
Gassed Mercerized Yarns	Kyung Bang, South Korea *Technical collaboration for foray into gassed mercerized yarns*	1994
Cotton Yarns	Toho Rayon, Japan *Joint Venture for making customised yarns for the Japanese market*	1995
Acrylic Fibre (JV ended in 2009)	Exlan and Marubeni Corp, Japan *Technology contract for transfer of technology & Equipment supply contract for supply of proprietary and special plant and equipment*	1996
Fabric Dyeing & Finishing	Tokai Senko, Japan *Technical collaboration for forward integration into fabric processing*	1998
Sewing Threads	American & Efird (A&E) Inc., USA *Joint Venture*	2001
Cotton Yarns	Nisshinbo, Japan (*Technical collaboration)*	2002
Cotton Fabric	Nisshinbo, Japan (*Technical collaboration)*	2007
Garments	Nisshinbo, Japan (*Technical & Marketing collaboration)*	2009

VTL has forged major alliances with global players with an aim of forward integration and moving up the value chain

Government policies and regulations

- **TUFS** – A new scheme (A-TUFS) has been launched by the central government from 13th Jan, 2016. This provides a capital subsidy which is 15% of eligible machinery on garmenting, 10% on weaving, 10-15% on composite units depending on their composition. This is further subject to an overall ceiling of 20-30 crores depending on project type and subsidy previously availed under RR-TUFS.

- **State Subsidy** - Apart from the TUFS, some state governments also provide additional incentives. **Madhya Pradesh** Textile policy lays down a 5% interest subsidy for stand alone textile units whereas 7% interest subsidy on composite textile units on loans taken against TUFS compatible investments. **Gujarat** gives 7% subsidy on spinning and 5% on other than spinning for 5 years and **Maharashtra** reimburses whole of interest over and above the TUFS, subject to investment in specified backward districts

- **Environment Concerns** – As per the regulations the waste water has to be treated for any impurities before discharging it. Vardhman uses the treated water to irrigate the plantations within its facilities and we are putting up a RO facility in Budhni for water treatment.

- **Free Trade Agreements** – Bangladesh is one of the largest export market for Indian Trade. Under the Bangladesh FTA India has allowed Free trade of 61 items and most of them are related to textiles. This will impact negatively the small garment manufactures in India, but this in return can help the Fabric exporters in some way.

Thank You

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