



Vardhmān POLYTEX LIMITED

Corporate & Regd. Office: Vardhman Park, Chandigarh Road,
Ludhiana-141 123 Punjab (INDIA)

Phones: +91-161-6629888, 6629990, 2685301-305, Fax: +91-161-6629988

E-Mail- info@oswalgroup.com; Website: www.oswalgroup.com

CIN: L17122PB1980PLC004242

REF: VPL: SCY: NOV: 2015-16

Date: 10.11.2015

The Listing Department,
NATIONAL STOCK EXCHANGE OF INDIA LTD,
"Exchange Plaza"
Bandra – Kurla Complex,
Bandra (East),
Mumbai- 400 051
Scrip Code: VARDMNPOLY

The Listing Department,
BOMBAY STOCK EXCHANGE LIMITED
25th Floor,
P.J. Towers,
Dalal Street, Fort,
Mumbai- 400 001
Scrip Code: 514175

**SUBJECT: Un-audited Financial Result for the quarter/ half year ended
30.09.2015**

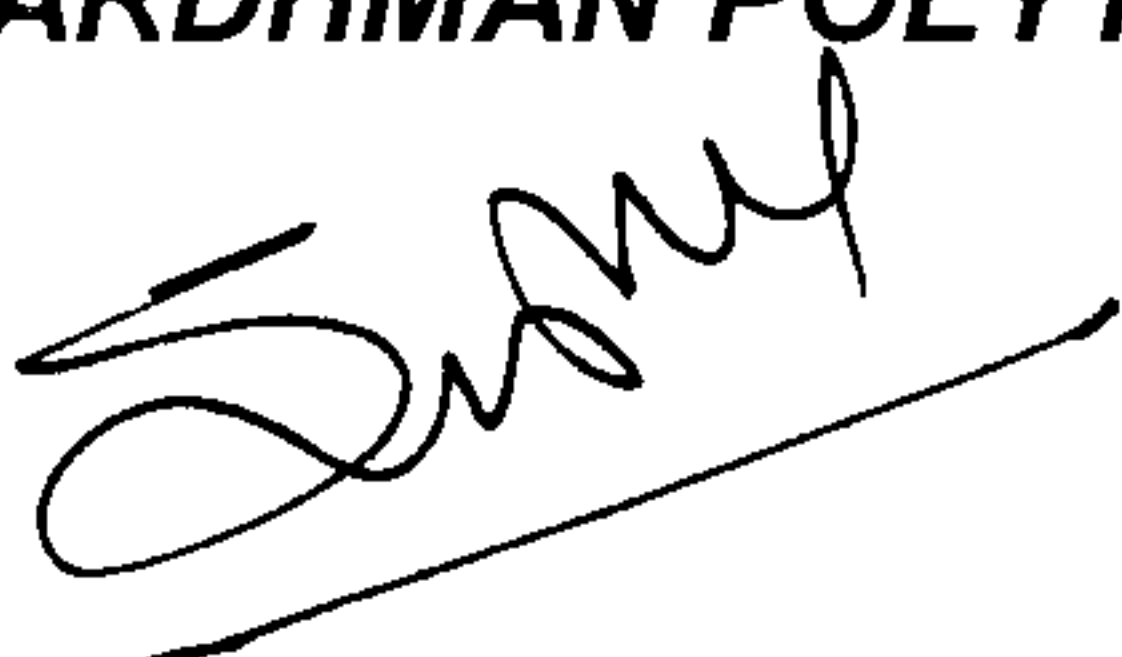
Dear Sir/ Madam,

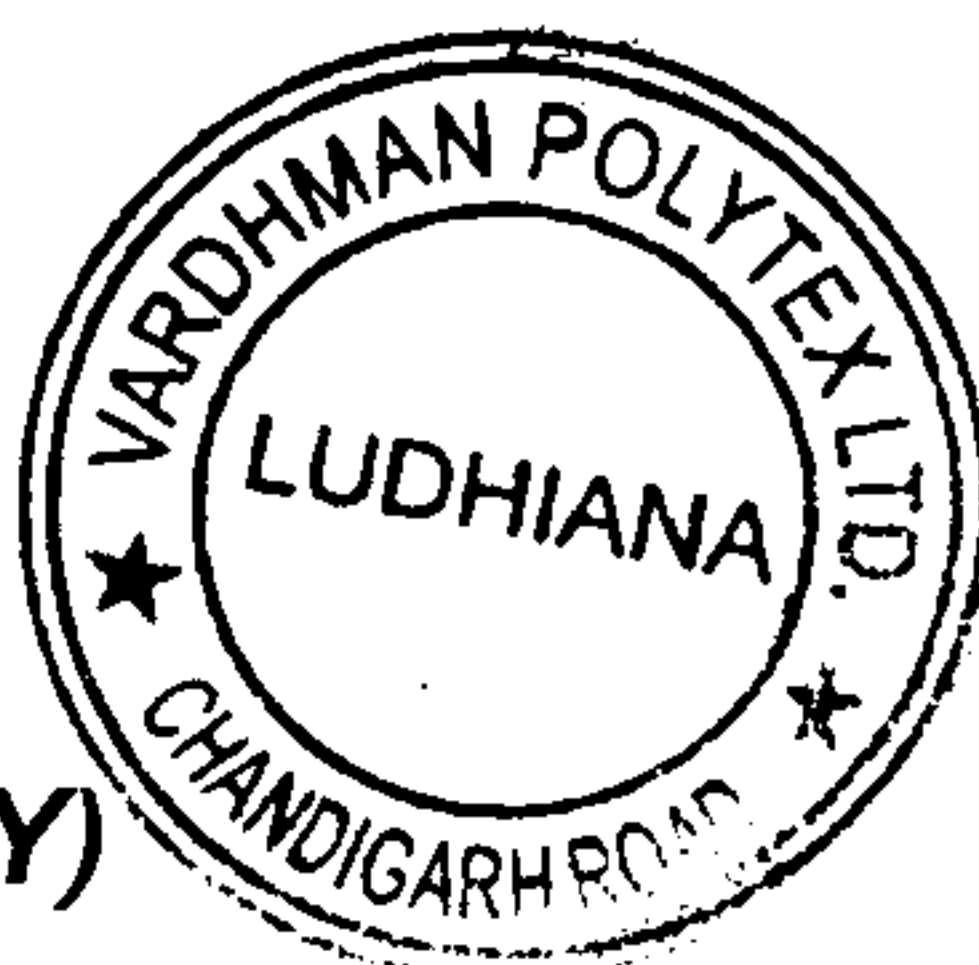
Pursuant to the Clause 41 of the Listing Agreement, we are enclosing herewith the Un-audited Financial Result for the quarter/ half year ended 30.09.2015 along with Limited Review report from the statutory auditors of the company. The same is considered and approved by the Board of Director's in their meeting held on dated 10.11.2015.

This is for your information & Record.

Yours faithfully

For VARDHMAN POLYTEX LTD


**SUSHIL SHARMA
(COMPANY SECRETARY)**



Enclosed: As Above

VARDHMAN POLYTEX LTD.

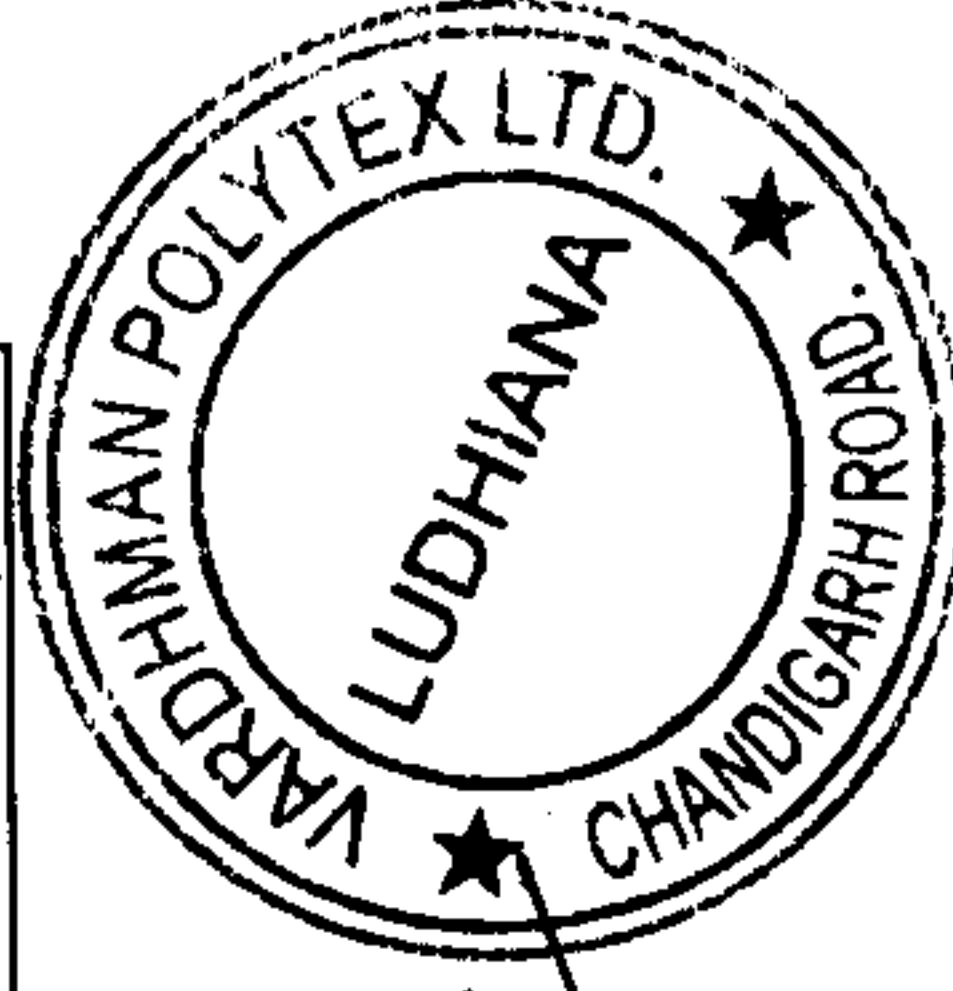
Regd. Office : Vardhman Park, Chandigarh Road, Ludhiana - 141 123

CIN: L17122PB1980PLC 004242, PHONES: 0161-2685301-04, 6629888, FAX : 6629888, E-Mail- info@oswalgroup.com, Web: www.oswalgroup.com

Unaudited Standalone Financial Results for the Quarter ended 30-09-2015

Part - I

Sr. No.	Particulars	For the quarter ended			For the half year ended		Rs. in Lacs
		30-09-2015 (Unaudited)	30-06-2015 (Unaudited)	30-09-2014 (Unaudited)	30-09-2015 (Unaudited)	30-09-2014 (Unaudited)	
1	Income from operations (a) Net Sales / Income from operations (Net of excise duty) (b) Other operating income	21,479.37 342.65	20,615.87 309.54	24,317.52 361.72	42,095.24 652.19	46,400.82 897.08	92523.11 1,717.58
	Total Income from operations (Net)	21,822.02	20,925.41	24,679.24	42,747.43	47,297.90	94,240.69
2	Expenses 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	13,682.74 791.18 166.19 1,415.64 723.33 4,295.07	14,807.46 3.93 (1,450.99) 1,439.30 752.45 4,124.52	16,760.44 478.03 960.29 1,361.03 869.45 4,189.18	28,490.20 795.11 (1,284.80) 2,854.94 1,475.78 8,419.59	33,704.60 650.04 (648.99) 2,743.62 1,666.36 8,259.32	63,492.38 1,206.35 1,041.20 5,450.30 3,238.57 17,142.77
	Total expenses	21,074.15	19,676.67	24,618.42	40,750.82	46,374.95	91,571.57
3	Profit/(Loss) from operations before other income, finance costs and exceptional items (1)-(2)	747.87	1,248.74	60.82	1,996.61	922.95	2,669.12
4	Other income	752.00	813.44	58.56	1,565.44	413.75	2,354.15
5	Profit/(Loss) from Ordinary activities before finance costs and exceptional items (3)+(4)	1,499.87	2,062.18	119.38	3,562.05	1,336.70	5,023.27
6	Finance Costs	1,670.43	1,760.88	1,996.24	3,431.31	3,971.80	7,255.20
7	Profit/(Loss) from Ordinary activities after finance costs but before exceptional items (5)-(6)	(170.56)	301.30	(1,876.87)	130.74	(2,635.10)	(2,231.93)
8	Exceptional items	-	-	-	-	-	3,585.01
9	Profit/(Loss) from Ordinary activities before tax (7)-(8)	(170.56)	301.30	(1,876.87)	130.74	(2,635.10)	(5,816.94)
10	Tax Expense	-	-	-	-	-	-
	Current tax	9.69	(217.75)	(837.93)	(208.06)	(1,157.94)	(2,936.74)
11	Profit/(Loss) from Ordinary activities after tax (9)-(10)	(180.25)	519.05	(1,038.94)	338.80	(1,477.16)	(2,880.20)
12	Extraordinary income (net of tax expense Rs. Nil)	-	-	-	-	-	-
13	Net Profit/(Loss) for the period (11)-(12)	(180.25)	519.05	(1,038.94)	338.80	(1,477.16)	(2,880.20)
14	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	2,232.54	2,232.54	1,985.24	2,232.54	1,985.24	2,232.54
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	10,629.81
16	(i) Earning per Share (Before Extraordinary items) (not annualised) (a) Basic (Rs.) (b) Diluted (Rs.) (ii) Earning per Share (After Extraordinary items) (not annualised) (a) Basic (Rs.) (b) Diluted (Rs.)	(0.81) (0.81) (0.81) (0.81) (0.81) (0.81)	2.33 2.33 2.33 2.33 2.33 2.33	(5.24) (4.66) (5.24) (4.66) (5.24) (4.66)	1.52 1.52 1.52 1.52 1.52 1.52	(7.45) (6.63) (7.45) (6.63) (7.45) (6.63)	3.43 3.43 (14.02) (14.02)



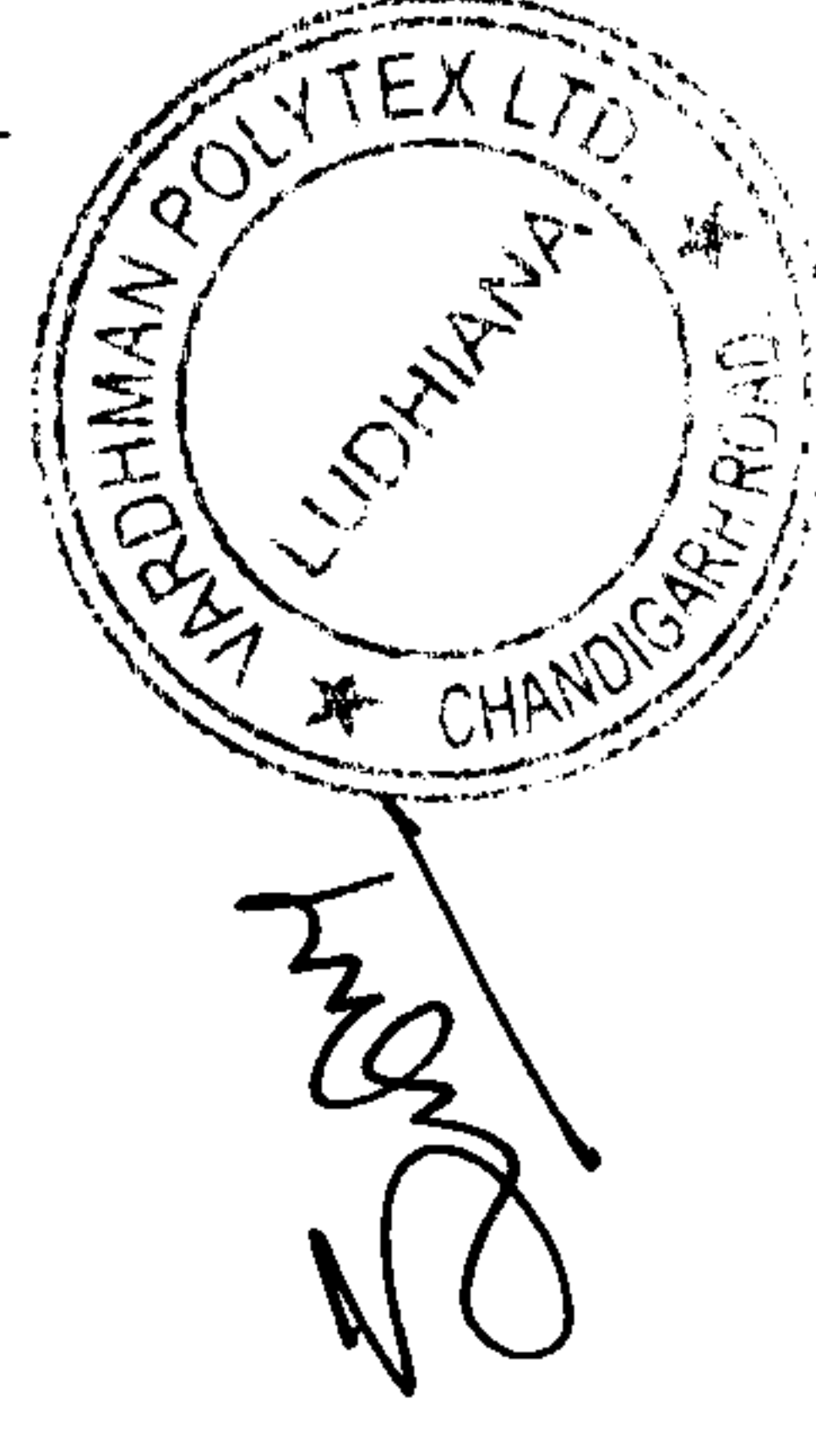
Part - II

Sr. No.	Particulars	For the quarter ended			For the half year ended		For the year ended
		30-09-2015 (Unaudited)	30-06-2015 (Unaudited)	30-09-2014 (Unaudited)	30-09-2015 (Unaudited)	30-09-2014 (Unaudited)	31-03-2015 (Audited)
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	-Number of shares	88,86,305	88,86,755	88,86,755	88,86,305	88,86,755	88,86,755
	-Percentage of Shareholding	39.87%	39.87%	44.84%	39.87%	44.84%	39.87%
2	Promoter and Promoter Group Shareholding						
	a) Pledged/ Encumbered						
	- Number of Shares	1,09,31,202	1,09,31,202	1,09,07,202	1,09,31,202	1,09,07,202	1,09,31,202
	- % of Shares (as a % of the total shareholding of promoter and promoter group)	81.55%	81.55%	99.78%	81.55%	99.78%	81.55%
	- % of Shares (as a % of the total share capital of Company)	49.04%	49.04%	55.04%	49.04%	55.04%	49.04%
	b) Non-Encumbered						
	- Number of Shares	24,73,450	24,73,000	24,000	24,73,450	24,000	24,73,000
	- % of Shares (as a % of the total shareholding of promoter and promoter group)	18.45%	18.45%	0.22%	18.45%	0.22%	18.45%
	- % of Shares (as a % of the total share capital of Company)	11.09%	11.09%	0.12%	11.09%	0.12%	11.09%

Particulars	Quarter ended 30-09-2015
B	
INVESTOR COMPLAINTS	
Pending at the beginning of the period	0
Received during the period	2
Disposed of during the period	2
Remaining unresolved at the end of the period	0

Notes:

- The financial results of the Company for the quarter ended 30th Sep, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 10th November, 2015 and the limited review of the same has been carried out by Statutory Auditors of the Company.
- Notional loss of Rs.18.23 lacs arising on account of foreign exchange differences on foreign currency monetary items including (FCCB) as required by "Accounting Standard - 11 - Effects of Change in Foreign Currency Rates", has not been accounted for during the current quarter due to wide fluctuation in Indian Rupees vis a vis foreign currencies. The same would be recognised in the annual financial results.
- 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. 2016. As per settled term, proportionate bonds will be cancelled against each installments made. Accordingly in current period, the company has accounted write back of the cancelled bonds. During the current quarter the Company has taken profit of Rs. 351 lacs on redemption of FCCB liability due for payment on 30th September 2015. The Company is paying this liability on a monthly basis starting 1st October 2015 and as per arrangement with the bankers.
- The Auditor's Qualification on the accounts for the year ended 31st March 2015 with respect of creating provision for write-off of investments in subsidiary company namely FM Hammerle Textiles Ltd (Formerly Known as Oswal F M Hammerle Textiles Ltd) has not been addressed. In view of continuous losses suffered by the company which has eroded 100% of the share capital, the company falls under "Sick Company" under the Sick Industrial and Companies (Special Provision) Act (SICA) of 1985 and has filed an application to Board for Industrial and Financial Reconstruction (BIFR). The subsidiary is now registered under BIFR, the Company has given advances to the tune of Rs. 3572.32 lacs.

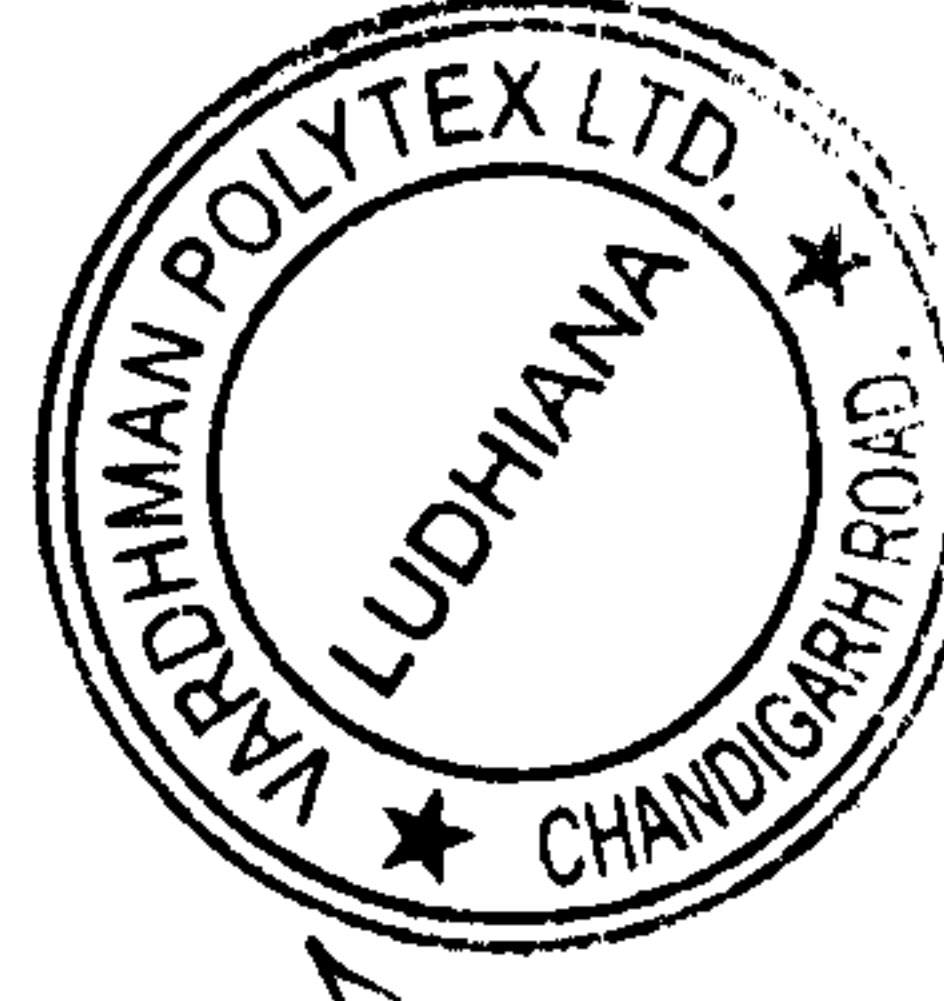


5	The company is developing the residential and commercial colony/project named as 'Vardhman Park', Chandigarh Road, Ludhiana - 141123.				Rs. in Lacs	
6	During the previous year ended March 31, 2015, the Company had transferred land used for real estate development from fixed assets into stock in trade. Accordingly Rs. 4,076.02 lacs were credited to 'Capital Reserve' being excess of collector rate over cost price. In the previous year ended 31.03.15 the company had transferred an amount of Rs. 1,025.85 lacs and during the current period ended 30 September 2015 an amount of Rs.670.76 lacs from Capital Reserve to the Statement of Profit and Loss being an amount in proportion to sales made. The auditor has also qualified in this respect. Disclosure in respect of project which falls under the Revised Guidance Note issued by the Institute of Chartered Accountants of India on "Accounting for Real Estate transactions (Revised 2012)" are as follow:				For the Period Ended 30th September 2015	For the Quarter Ended 30th June 2015
	DESCRIPTION					
	Amount of project revenue recognized as revenue during the year		649.92	191.56	458.36	
	Aggregate amount of costs incurred		840.99	297.24	543.75	
	Loss recognized to date		-191.07	-105.68	-85.39	
	Transfer from Capital Reserve		670.76	237.07	433.69	
	Profit recognized to date after adjustment of Capital Reserve		479.69	131.39	348.30	
	Amount of advances received		659.34	408.65	250.69	
	Amount of work-in-progress and value of inventories		2,862.05	2,862.05	2,934.29	

7 Segment Information :

Reporting on Segment Wise Revenues, Results and Capital Employed under Clause 41 of the Listing Agreement for the period ended 30th September 2015.

Particulars	Textile Business	Real Estate Business	Total
Segment Revenue			
Gross Revenue	42,097.51	649.92	42,747.43
Less: Excise duty	-	-	-
Less: Inter Segment Revenue	-	-	-
Net Segment Revenue	42,097.51	649.92	42,747.43
Segment Results			
Less: Finance Costs	2,187.67	479.69	2,667.36
Add: Other unallocable Income net of unallocable expenditure	-	-	3,431.31
Profit/(Loss) before tax	-	-	894.68
Tax Expense	-	-	130.74
Profit after tax	-	-	208.06
Segment Assets			338.80
Non Segment Assets	61,904.27	3,090.05	64,994.32
Total Assets			5,431.17
Segment Liabilities			70,425.49
Non Segment Liabilities	30,596.24	1,060.51	31,656.75
Total Liabilities			26,238.76
Segment Capital Employed			57,895.51
Depreciation	31,308.03	2,029.54	33,337.57
Capital Expenditure	-	-	1,475.78
			468.13



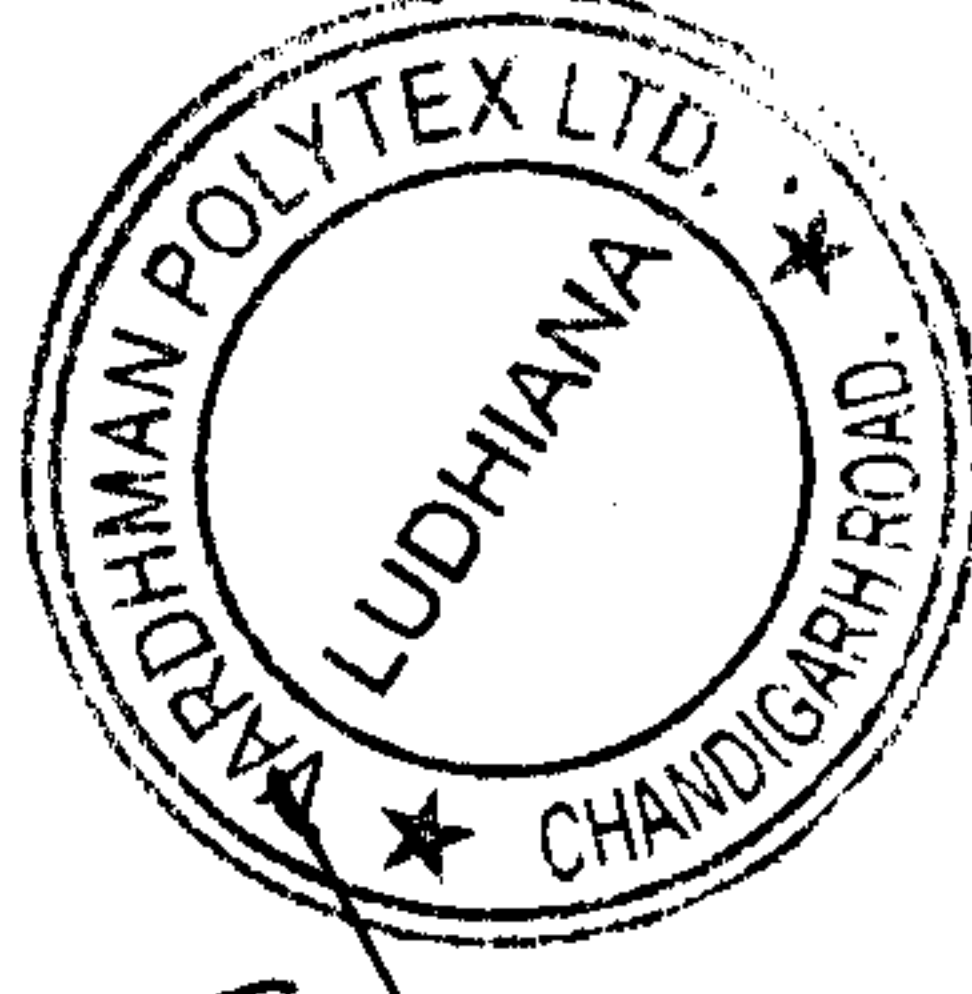
8 Figures for previous periods have been recast/regrouped wherever necessary.

Place : Ludhiana

Date : 10-11-2015

For Vardhman Polytex Ltd.
sd/-

(Ashok Kumar Oswal)
Chairman & Managing Director



Standalone Statement of Assets & Liabilities

Disclosure as required under Clause 41 of the listing Agreement as under:-

		Rs. in Lacs	
Sr. No.	Particulars	As at 30-09-2015 (Unaudited)	As at 31-03-2015 (Audited)
A	EQUITY AND LIABILITIES		
	1 SHAREHOLDER'S FUNDS		
	a) Share Capital	2,232.54	2,232.54
	b) Reserve & Surplus	10,297.44	10,629.81
	Sub total - Shareholders' funds	12,529.98	12,862.34
	2 Share application money pending allotment	0.00	0.00
	3 Non - Current Liabilities		
	(a) Long term borrowings	21,418.02	23,195.73
	(b) Other long term liabilities	129.19	71.51
	(c) Long term provisions	266.77	206.77
B	Sub total Non Current Liabilities	21,813.98	23,474.01
	4 Current Liabilities		
	(a) Short term borrowings	17,645.36	16,463.86
	(b) Trade payables	8,064.11	6,886.90
	(c) Other current liabilities	10,110.97	10,042.59
	(d) Short term provisions	261.09	488.80
	Sub total Current Liabilities	36,081.53	33,882.15
	TOTAL EQUITY AND LIABILITIES	70,425.49	70,218.49
	ASSETS		
	1 Non Current Assets		
	(a) Fixed Assets	25,185.21	26,194.95
	(b) Non Current Investments	9,149.56	9,149.56
	(c) Deferred tax assets (net)	5,224.23	5,016.18
	(d) Long term loans and advances	593.16	1,095.06
	(e) Other non current assets	2,444.37	2,570.67
	Sub Total Non Current Assets	42,596.53	44,026.41
	2 Current Assets		
	(a) Current Investments	18.34	31.94
	(b) Inventories	11,132.97	13,790.03
	(c) Trade receivables	6,142.53	5,251.99
	(d) Cash and Bank balances	858.61	1,420.64
	(e) Short term loans and advances	9,676.51	5,697.48
	Sub Total Current Assets	27,828.96	26,192.08
	TOTAL ASSETS	70,425.49	70,218.49

Place: Ludhiana

Date: 10-11-2015

For Vardhman Polytex Ltd.

sd/-




(Ashok Oswal)
Chairman & Managing Director

Limited Review Report for the quarter ended 30th September, 2015

To

The Board of Directors

Vardhman Polytex Limited

1. We have reviewed the accompanying statement of unaudited financial results along with notes thereon of **Vardhman Polytex Limited** ('the Company') for the quarter ended September 30, 2015 (the "Statement") being submitted by the company pursuant to the requirements of clause 41 of the Listing Agreement with Stock Exchanges in India except for the disclosures regarding 'Public Shareholding' and "Promoter and Promoter Group Shareholding" which have been traced from the disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the company's management and has been approved by the Board of Directors in their meeting held on November 10th, 2015. 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 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 statements 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) During the year ended March 31, 2015, the Company had transferred land used for real estate development from fixed assets into stock in trade explained in foot note number 6 of the financial results. This is at variance with Accounting Standard AS-2 'Valuation of Inventories' and Accounting Standard AS-10 'Accounting for Fixed Assets', specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This has resulted in overstating the reserves by an amount of Rs 2,379.41 lacs as on 30th September 2015 and overstating the current assets by Rs. 1,906.96 lacs as on September 30, 2015 and overstating of revenue by Rs. 5.06 lacs, overstating of cost of development by Rs.230.11 lacs and overstating other income by an amount of Rs. 237.07 lacs during the period ended September 30, 2015.

(b) The Company has not provided for foreign exchange differences on foreign currency monetary items as required by Accounting Standard AS-11 "Effect of Changes in Foreign Exchange Rates" amounting to Rs. 18.23 lacs for the period ended September 30, 2015 owing to the reasons as explained in foot no. 2 of the Statement of unaudited financial results. Due to this, loss for the period ended September 30, 2015 is understated by the same amount.

(c) No provision has been made for the investment and loans and advances made in one of the subsidiary company FM Hammerle Textiles Ltd. (Formerly known as Oswal FM Hammerle Textiles Ltd) explained in foot note number 4 of the financial results of Rs. 9,126.41 lacs and Rs. 3572.32 lacs respectively whose net worth has been completely eroded and having a loss of Rs. 13,020.97 lacs against share capital of Rs. 12,386.75 lacs as on March 31, 2015. 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). No provision has also been made on loans advance to subsidiary company FM Hammerle Textiles Ltd of Rs. 3572.32 lacs as on September 31, 2015. This has resulted in loss for the period ended September 30, 2015 is understated and investments, loans and advances and reserves and surplus being overstated by the same amount.

(d) The Company has taken profit of Rs. 351 lacs on redemption of FCCB liability due for payment on 30th September 2015 as explained in foot note 3. This has resulted in reduction of loss by Rs. 351 lacs.

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 of unaudited financial results 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 recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement 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 10, 2015