



Vardhmān POLYTEX LIMITED

Corporate & Regd. Office : 341, K-1, Mundian Khurd, P.O. Sahabana,
Chandigarh Road, Ludhiana-141123 Punjab (INDIA)

Phone : +91-161-6629888, 6629990, 2685301-305

Fax : +91-161-6629988

E-mail : info@oswalgroup.com

REF: VPL: SCY: FEB: 2013-14

Dated: 14.02.2014

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/ Nine months ended 31.12.2013

Dear Sir/ Madam,

Pursuant to the Clause 41 of the Listing Agreement, we are enclosing herewith the Un-audited Financial Result for the Quarter/ Nine months ended 31.12.2013 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 14.02.2014

This is for your information & Record.

Thanking you,

Yours faithfully
For VARDHMAN POLYTEX LTD

SUSHIL SHARMA
COMPANY SECRETARY

Enclosed: As Above

VARDHMAN POLYTEX LTD.

Regd. Office : 341K-1, Mundian Khurd, P.O. Sahabana, Chandigarh Road, Ludhiana - 141 123

UNAUDITED FINANCIAL RESULTS FOR THE

PERIOD ENDED 31st DECEMBER 2013

Part - I Sr. No.	Particulars	Quarter Ended			Year to date			Year ended 31st Mar 2013
		31st Dec 2013	30th Sep 2013	31st Dec 2012	31st Dec 2013	31st Dec 2012	31st Dec 2012	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations							
	(a) Net Sales / income from operations	23456.35	23183.04	20390.24	67220.56	56505.92	77633.89	
	(Net of excise duty)							
	(b) Other operating income	367.39	406.53	228.34	1112.66	676.06	987.79	
	Total Income from operations (Net)	23823.74	23589.57	20618.58	68333.22	57181.98	78621.68	
2	Expenses							
	a) Cost of materials consumed	16491.39	15886.22	12855.43	46521.26	38240.76	51643.77	
	b) Purchase of stock in trade	--	--	17.00	--	48.35	48.35	
	c) Changes in inventories of finished goods, work in progress and stock in trade	331.98	(705.53)	598.74	(1517.79)	(1464.35)	(1013.49)	
	d) Employee benefits expense	1402.77	1430.91	1085.90	4149.56	3174.18	4589.78	
	e) Depreciation and amortisation expense	796.77	806.80	915.09	2402.48	2755.38	3660.07	
	f) Other expenses	3978.50	4501.58	4045.27	12443.27	11423.48	15104.81	
	g) Total expenses	23001.41	21919.98	19517.43	63998.78	54177.80	74033.29	
3	Profit/(Loss) from Operations before other income, finance costs and exceptional items (1)-(2)	822.33	1669.59	1101.15	4334.44	3004.18	4588.39	
4	Other Income	847.91	815.38	93.68	1790.74	575.19	934.68	
5	Profit/(Loss) from Ordinary activities before finance costs and exceptional items (3)+(4)	1670.24	2484.97	1194.83	6125.18	3579.37	5523.07	
6	Finance Costs	1611.81	1787.36	1731.06	5252.37	5297.23	6028.24	
7	Profit/(Loss) from Ordinary activities after finance costs but before exceptional items (5)-(6)	58.43	697.61	(536.23)	872.81	(1717.86)	(505.17)	
8	Exceptional Items			(1067.53)		(1067.53)		
9	Profit/(Loss) from Ordinary activities before tax (7)-(8)	58.43	697.61	531.30	872.81	(650.33)	(505.17)	
10	Tax Expense	(115.00)	(99.00)	25.80	(190.00)	(211.00)	(622.23)	
11	Profit/(Loss) from Ordinary activities after tax (9)-(10)	173.43	796.61	505.50	1062.81	(439.33)	117.06	
12	Extraordinary income (net of tax expense)							
13	Net Profit/(Loss) for the period (11) + (12)	173.43	796.61	505.50	1062.81	(439.33)	117.06	
14	Paid up Equity Share Capital	1985.25	1787.75	1627.75	1985.25	1627.75	1787.75	
	(Face Value of Rs. 10/- each)							
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	--	--	--	--	--	8439.94	
16	i) Earning per Share (Before Extraordinary Items)							
	(In Rs) (not annualised)							
	(a) Basic	0.95	4.46	3.11	5.91	(2.70)	0.72	
	(b) Diluted	0.95	4.39	3.11	5.91	(2.70)	0.72	
	ii) Earning per Share (After Extraordinary Items)							
	(In Rs) (not annualised)							
	(a) Basic	0.95	4.46	3.11	5.91	(2.70)	0.72	
	(b) Diluted	0.95	4.39	3.11	5.91	(2.70)	0.72	



[Handwritten signature]

Part - II

Sr. No.	Particulars	Quarter Ended			Year to date			Year ended
		31st Dec 2013	30th Sep 2013	31st Dec 2012	31st Dec 2013	31st Dec 2012	31st Mar 2013	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
A	PARTICULARS OF SHAREHOLDING							
1	Public Shareholding							
	-Number of shares	8910505	8910505	8910655	8910505	8910655	8910655	
	-Percentage of Shareholding	44.96%	49.94%	54.86%	44.96%	54.86%	49.94%	
2	Promoter and Promoter Group Shareholding							
	a) Pledged/ Encumbered							
	- Number of Shares	8932202	7484877	151154	8932202	151154	5286821	
	- % of Shares (as a % of the total shareholding of promoter and promoter group)	81.89%	83.79%	2.06%	81.89%	2.06%	59.19%	
	- % of Shares (as a % of the total share capital of Company)	45.07%	41.95%	0.93%	45.07%	0.93%	29.63%	
	b) Non-Encumbered							
	- Number of Shares	1975250	1447575	7181148	1975250	7181148	3645481	
	- % of Shares (as a % of the total shareholding of promoter and promoter group)	18.11%	16.21%	97.94%	18.11%	97.94%	40.81%	
	- % of Shares (as a % of the total share capital of Company)	9.97%	8.11%	44.21%	9.97%	44.21%	20.43%	
B	INVESTOR COMPLAINTS	Quarter ended 31.12.2013						
	Pending at the beginning of the Quarter	--						
	Received during the Quarter	1						
	Disposed of during the Quarter	1						
	Remaining unresolved at the end of the Quarter	--						

Notes:

- The financial Results of the Company for the quarter ended 31st December 2013 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14th February 2014 and the limited review of the same has been carried out by Statutory Auditors of the Company.
- Due to unprecedented devaluation in local currency during the period, notional loss of Rs. 357.41 lacs arising on account of foreign exchange differences on foreign currency monetary items included (FCCB) has not been accounted for during the period as required by Accounting Standard - 11 "Effects of Changes in foreign exchange rates". The same would be recognised at the end of the accounting year.
- 2% FCCB has 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 FY2016. As per the settled terms, proportionate bonds will be cancelled against each payment made. Accordingly in current quarter on cancelled bonds, company has accounted for the profit.
- The Auditor's Qualification on the accounts for the year ended 31st March 2013 with respect of creating provision for write-off of investments in subsidiary company namely M/s Oswal Industrial Enterprise (P) Ltd. has not been addressed, as the subsidiary company has started reviving by generating positive earnings since last three years.
- As the company's business activity falls within a single primary business segment viz. "Textile", the disclosure requirement of Accounting Standard (AS - 17) on 'Segment reporting' is not applicable.
- Figures for previous periods have been recast/regrouped wherever necessary.

For Vardhman Polytex Ltd.
sd/-

Place: Ludhiana
Date: 14.02.2014

(Ashok Kumar Oswal)
Chairman & Managing Director

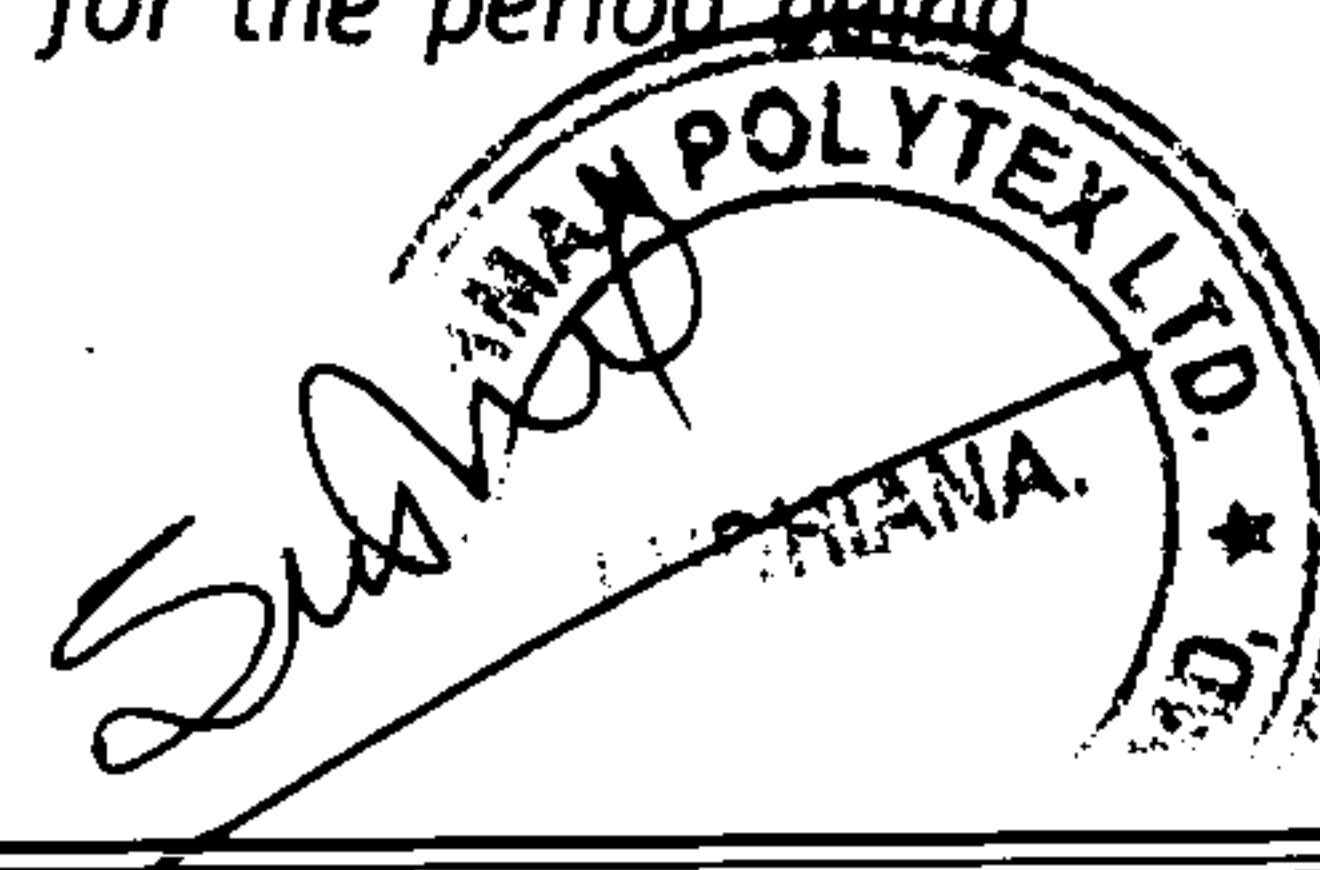


LIMITED REVIEW REPORT

To
The Board of Directors
Vardhman Polytex Limited,
Ludhiana.

1. We have reviewed the accompanying statement of unaudited financial results of **Vardhman Polytex Limited** (the 'Company') for the quarter ended December 31, 2013 (the "statement") being submitted by the Company pursuant to the requirements of clause 41 of the Listing Agreement with Stock Exchanges 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. The statement of quarterly financial results has been prepared from interim financial statements which are the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying, attention is drawn to:
The Company has made investment in the equity shares of its subsidiary company **Oswal F. M. Hammerle Textiles Limited** of Rs. 9126.41 lacs whose net worth is partly eroded. We understand from the management that the investment is long term strategic in nature and the erosion in net worth is due to slump in textile sector; this being a temporary phenomenon, the net worth will be revived in the near future.
4. (a) *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. 357.41 Lacs for the quarter ended December 31, 2013 owing to the reasons as explained in foot note no.2 of the Statement of unaudited financial results. Due to this, profit for the quarter ended December 31, 2013 is overstated by the same amount.*

(b) *The Company had made an investment of Rs. 4996.00 lacs in one of the wholly owned subsidiary companies **Oswal Industrial Enterprises Private Limited**. On this investment, provision for diminution in value of Rs. 495.00 lacs has already been created in the earlier years. On the balance amount of Rs. 4501.00 lacs no further provision has been made although the net worth is substantially eroded due to the subsidiary company having accumulated losses of Rs.4425.76 lacs against share capital of Rs.5005.00 lacs as on March 31, 2013. This is at variance with Accounting Standard AS-13 'Accounting for Investments' notified under the provisions of the Companies Act, 1956, which according to a clarification issued by the Ministry of Corporate affairs continue to be applicable for the purpose of the Companies Act, 2013, resulting in profit for the period being overstated by the same amount.*



5. *Subject to clause 4 and read with clause 3 above and based on our review conducted as above, nothing further 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 AS – 25 'Interim Financial Reporting' notified under the provisions of the Companies Act, 1956, which according to a clarification issued by the Ministry of Corporate affairs continue to be applicable for the purpose of the Companies Act, 2013, 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



(Arun K. Tulsian)
Partner
Membership No. 089907

Place : New Delhi
Date : February 14, 2014

