

VARDHMAN TEXTILES LIMITED
(Formerly known as Mahavir Spinning Mills Limited)
Regd. Office : Chandigarh Road, Ludhiana-141010

Unaudited Financial Results for the Quarter and Nine Months ended 31st Dec, 2010

(Rs. In Crore)

Particulars	Quarter ended 31st Dec., 2010 (Unaudited)	Quarter ended 31st Dec., 2009 (Unaudited)	Nine months ended 31st Dec., 2010 (Unaudited)	Nine months ended 31st Dec., 2009 (Unaudited)	Year ended 31st March, 2010 (Audited)
1. Income					
(a) Net Sales/Income from Operations	996.38	699.21	2710.82	1986.45	2742.95
(b) Other Operating Income	13.57	6.24	31.99	18.31	22.38
Total Income (a+b)	1009.95	705.45	2742.81	2004.76	2765.33
2. Expenditure					
(a) (Increase)/Decrease in Stock in trade and work in progress	(47.66)	(24.11)	(90.32)	(43.21)	(54.09)
(b) Consumption of Raw Materials	492.77	350.55	1335.14	964.75	1343.56
(c) Purchase of Traded Goods	7.56	1.89	15.88	10.46	13.65
(d) Employees Cost	49.94	42.24	145.73	123.14	164.88
(e) Depreciation	58.50	55.41	174.01	163.18	220.88
(f) Other Expenditure	230.92	190.61	656.94	556.58	735.29
(g) Total (a to f)	792.03	616.59	2237.38	1774.90	2424.17
3. Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	217.92	88.86	505.43	229.86	341.16
4. Other Income	-	-	7.43	11.80	11.80
5. Profit before Interest and Exceptional Items (3+4)	217.92	88.86	512.86	241.66	352.96
6. Interest	26.35	22.32	75.29	62.54	86.73
7. Profit after Interest but before Exceptional Items (5-6)	191.57	66.54	437.57	179.12	266.23
8. Exceptional Items	-	-	(2.33)	-	20.79
9. Profit / (Loss) from ordinary activities before Tax (7+8)	191.57	66.54	435.24	179.12	287.02
10. Provision for Taxation					
-Current	54.50	13.75	95.00	25.00	56.75
-Deferred	1.50	5.00	10.00	16.00	16.51
-Fringe Benefit Tax	-	-	-	-	-
11. Net Profit (Loss) from ordinary activities after Tax (9-10)	135.57	47.79	330.24	138.12	213.76
12. Extraordinary Items	-	-	-	-	-
13. Net Profit (Loss) for the period (11+12)	135.57	47.79	330.24	138.12	213.76
14. Paid up Equity Share Capital (Face value : Rs. 10/- per share)	63.65	57.77	63.65	57.77	57.77
15. Reserves (Excluding Revaluation Reserve)					1,398.08
16. EPS (in Rs.) not annualised					
a) Before Extraordinary Items					
- Basic	21.98	8.27	55.90	23.91	37.00
- Diluted	21.98	7.30	55.90	21.10	31.83
b) After Extraordinary Items					
- Basic	21.98	8.27	55.90	23.91	37.00
- Diluted	21.98	7.30	55.90	21.10	31.83
17. Aggregate of Public Shareholding					
Number of Shares	24,818,359	18,936,007	24,818,359	18,936,007	18,936,007
Percentage of Shareholding	38.99%	32.78%	38.99%	32.78%	32.78%
18. Promoters and Promoter Group Shareholding					
a) Pledged / Encumbered					
Number of Shares	-	-	-	-	-
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
Percentage of Shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
Number of Shares	38,833,520	38,833,520	38,833,520	38,833,520	38,833,520
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage of Shares (as a % of the total share capital of the company)	61.01%	67.22%	61.01%	67.22%	67.22%



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Segmentwise Revenue Results And Capital Employed

(Rs. In Crore)

Particulars	Quarter ended 31st Dec., 2010 (Unaudited)	Quarter ended 31st Dec., 2009 (Unaudited)	Nine months ended 31st Dec., 2010 (Unaudited)	Nine months ended 31st Dec., 2009 (Unaudited)	Year ended 31st March, 2010 (Audited)
1. Segment Revenue					
Yarn	812.31	546.33	2149.42	1559.09	2141.12
Steel	97.56	69.90	280.94	172.05	254.61
Fabric	274.29	206.02	768.14	590.40	811.14
Unallocated	32.91	31.32	103.44	90.74	122.88
Total	1217.07	853.57	3301.94	2412.28	3329.75
Less: Inter Segment Revenue	220.69	154.36	591.12	425.83	586.80
Net Sales/Income from Operations	996.38	699.21	2710.82	1986.45	2742.95
2. Segment Results [Profit / (Loss) before tax and interest from each segment]					
Yarn	176.27	64.73	414.66	175.74	265.32
Steel	13.04	9.74	36.06	19.85	32.41
Fabric	30.15	18.09	59.55	41.33	58.21
Unallocated	5.17	(0.27)	12.93	1.60	(0.28)
Total	224.63	92.29	523.20	238.52	355.66
Less: (i) Interest	26.35	22.32	75.29	62.54	86.73
(ii) Net of Un-allocable expenditure/(Income)	6.71	3.43	10.34	(3.14)	2.70
Profit after interest but before exceptional items & tax	191.57	66.54	437.57	179.12	266.23
3. Capital Employed					
Yarn	2541.52	2138.09	2541.52	2138.09	2498.81
Steel	188.78	130.74	188.78	130.74	154.99
Fabric	905.46	840.44	905.46	840.44	862.74
Unallocated	1363.44	915.49	1363.44	915.49	756.49
Total	4999.20	4024.76	4999.20	4024.76	4273.03



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NOTES:

1. During the quarter, the Company raised approx. Rs. 200 crores by issuing 58,82,352 equity shares of Rs. 10/- each at a premium of Rs. 330/- per share through a QIP issue to QIBs in accordance with ICDR Regulations, 2009 pursuant to which the Equity Share Capital of the Company stand increased from Rs. 57.77 crores to Rs.63.65 crores.
2. In view of the significant uncertainties associated with the derivative options (taken for hedging of foreign currency exposure against exports), the ultimate outcome of which depends on future events which are not under the direct control of the company, the resultant gain/loss if any, on such open derivative options cannot be determined at this stage and has accordingly not been accounted for in the books of account.
3. During the quarter and period ended 31st Dec, 2010, the company has not provided for foreign exchange gains of Rs 0.13 crores and Rs 2.50 crores respectively arising on re-instatement of Foreign Currency Convertible Bonds (FCCBs) maturing in February 2011 while taking a conservative view in the matter and to avoid unnecessary fluctuations in the results from one quarter to another resulting due to change in the Foreign Exchange market.
4. Interest expense is net of interest income from deposits/bonds amounting to Rs. 4.44 crores & Rs. 7.51 crores for the quarter ended 31st Dec, 2010 & 2009 respectively and Rs. 9.24 crores & 22.60 crores for the period ended 31st Dec, 2010 & 2009 respectively.
5. The diluted Earnings Per Share (EPS) for the previous periods as mentioned in Point 16 above had been calculated strictly in accordance with the Accounting Standard (AS)-20 on 'Earnings per share' by taking into account any event of contingency which could have required conversion of loan in equity. However, there had not been any default on account whatsoever, which could require conversion of debt/loan into equity. Further, Basic Earnings Per Share (EPS) for the period under review has been calculated in accordance with AS-20 after taking into account the weighted average effect of fresh issue of equity shares through QIP.
6. The Company did not have any investors' complaint pending at the beginning of the quarter. The Company received 64 complaints during the quarter, all of which were disposed off and there were no complaints lying unresolved at the end of the quarter on 31st December, 2010.
7. Figures for previous periods have been recast/regrouped, wherever necessary to make them comparable.
8. The provision for current tax of previous periods has been recognised after considering Minimum Alternate Tax (MAT) Credit entitlement.
9. The Board of Directors has approved the above results in their meeting held on 2nd February, 2011 which have been reviewed by the Statutory Auditors in terms of Clause 41 of the Listing Agreement.

for Vardhman Textiles Limited

Sd/-

S.P.Oswal

Chairman & Managing Director

Place : New Delhi

Date : 02.02.2011

