



REF: VPL: SEC: AUG: 2021-22

Date: 13.08.2021

<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 25<sup>th</sup> 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 13.08.2021 and Submission of Unaudited Financial Results for the quarter ended 30<sup>th</sup> June, 2021.**

Dear Sir/Madam,

Please take note that the Board of Directors of the company in its meeting held today i.e 13<sup>th</sup> August, 2021, inter alia, has taken the following decisions.

1. Board approved the Unaudited Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 2021.

Pursuant to Regulation 30 read with Part A of Schedule III and 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 ended 30<sup>th</sup> June, 2021 together with Limited Review Report as approved by Board of Directors in its meeting held on 13-08-2021.

2. Board decided to hold the 41<sup>st</sup> Annual General Meeting (AGM) of the company on Wednesday, 29<sup>th</sup> September, 2021 at 11.00 am at Registered Office of the company at Vardhman Park, Chandigarh Road, Ludhiana.
3. Book closure shall be from Thursday, 23<sup>rd</sup> September, 2021 to Wednesday, 29<sup>th</sup> September, 2021 (both days inclusive) for the purpose of ensuing AGM of the Company.
4. The Company has fixed the Cut-off date on 22<sup>nd</sup> September, 2020 (end of day) for the purpose of determining the number of shareholders entitled to vote at the ensuing Annual General Meeting of the Company.

The meeting of Board of Directors commenced at 3.00 pm and concluded at 4.00 pm.

Thanking you,

Yours truly,

**For Vardhman Polytex Limited**

**Ajay K. Ratra**  
**Company Secretary**

Encl: as above

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 30th JUNE, 2021

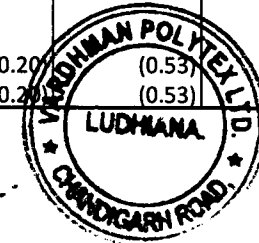
(Rs. In Lakh)

Sl. No	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		30th Jun 2021 Unaudited	31st Mar 2021 Audited	30th Jun 2020 Unaudited	31st March 2021 Audited	30th Jun 2021 Unaudited	31st Mar 2021 Audited	30th Jun 2020 Unaudited	31st March 2021 Audited
1	Revenue from operations	19,151.71	19,390.82	4,273.78	50,827.91	19,157.68	19,397.25	4,278.90	50,852.39
2	Other income	59.63	63.52	65.54	259.71	59.63	63.51	65.54	259.70
3	<b>Total Income (1+2)</b>	<b>19,211.34</b>	<b>19,454.34</b>	<b>4,339.32</b>	<b>51,087.62</b>	<b>19,217.31</b>	<b>19,460.76</b>	<b>4,344.44</b>	<b>51,112.09</b>
4	<b>Expenses</b>								
	A) Cost of material consumed	14,022.81	12,846.68	3,412.40	36,676.55	14,022.81	12,846.68	3,412.40	36,676.54
	B) Purchase of traded goods	-	-	-	69.56	-	0.01	-	69.56
	C) Changes in inventories of finished goods, stock in trade and work in progress	(1,445.21)	398.85	(171.06)	423.81	(1,445.21)	398.84	(171.06)	423.82
	D) Employee benefit expense	1,320.28	1,239.48	506.01	3,869.91	1,322.00	1,240.74	507.59	3,875.67
	E) Finance costs	1,521.32	1,604.90	1,535.47	5,900.79	1,521.31	1,604.90	1,535.47	5,900.78
	F) Depreciation and amortisation expense	348.72	355.35	366.93	1,453.66	351.71	358.27	369.69	1,465.23
	G) Power & Fuel Cost	1,675.63	1,526.60	541.43	5,029.98	1,675.63	1,526.60	541.43	5,029.98
	H) Other Expenditure	1,812.55	1,600.96	301.30	3,332.57	1,813.39	1,603.41	302.20	3,338.66
	<b>Total Expenses</b>	<b>19,256.10</b>	<b>19,572.82</b>	<b>6,492.48</b>	<b>56,756.83</b>	<b>19,261.64</b>	<b>19,579.45</b>	<b>6,497.72</b>	<b>56,780.24</b>
5	<b>Profit from operations before tax and exceptional items (3-4)</b>	<b>(44.76)</b>	<b>(118.48)</b>	<b>(2,153.16)</b>	<b>(5,669.21)</b>	<b>(44.34)</b>	<b>(118.69)</b>	<b>(2,153.28)</b>	<b>(5,668.15)</b>
6	Exceptional items : Income / (Loss)	-	-	-	-	-	-	-	-
7	<b>Profit/(Loss) before tax and after exceptional items (5-6)</b>	<b>(44.76)</b>	<b>(118.48)</b>	<b>(2,153.16)</b>	<b>(5,669.21)</b>	<b>(44.34)</b>	<b>(118.69)</b>	<b>(2,153.28)</b>	<b>(5,668.15)</b>
8	Tax expenses	-	-	-	-	0.39	0.38	-	1.52
9	<b>Net Profit/(Loss) after tax (7-8)</b>	<b>(44.76)</b>	<b>(118.48)</b>	<b>(2,153.16)</b>	<b>(5,669.21)</b>	<b>(44.73)</b>	<b>(119.07)</b>	<b>(2,153.28)</b>	<b>(5,669.67)</b>
	Other comprehensive income/ (loss), net of taxes	(15.27)	(8.53)	(17.52)	(61.09)	(15.27)	(8.53)	(17.52)	(61.09)
10	<b>Total Comprehensive Income/(Loss) for the period [Comprising Profit / (loss) for the period (after tax) and Other Comprehensive Income/(Loss) (after tax)]</b>	<b>(60.03)</b>	<b>(127.01)</b>	<b>(2,170.68)</b>	<b>(5,730.30)</b>	<b>(59.99)</b>	<b>(127.60)</b>	<b>(2,170.80)</b>	<b>(5,730.76)</b>
11	Paid-up equity share capital (Face value-Rs.10 per equity share)	2,229.10	2,229.10	2,229.10	2,229.10	2,229.10	2,229.10	2,229.10	2,229.10
	Reserves (excluding revaluation reserves)		(37,043.98)		(37,043.98)		(37,077.88)		(37,077.88)
	Earnings per share (of Rs.10 each) (for the period - not annualised)								
	- Basic (Rs.)	(0.20)	(0.53)	(9.66)	(25.43)	(0.20)	(0.53)	(9.66)	(25.43)
	- Diluted (Rs.)	(0.20)	(0.53)	(9.66)	(25.43)	(0.20)	(0.53)	(9.66)	(25.43)

*OTK*

*Rekha Lakshmi*

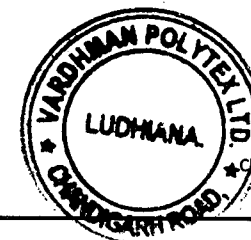
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Notes:

- 1 The above standalone and consolidated financial results for the quarter ended June,2021 were reviewed by the Audit Committee and thereafter have been adopted by the Board at its meeting held on August 13th, 2021. 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 financial results present a true and fair view of the company's affairs. These results have been reviewed by the Statutory Auditors of the Company.
- 2 Regarding the auditors qualification w.r.t. 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 as on 30.06.2021.
- 3 Due to various factors beyond the control of management/external factors, the company has incurred Losses to the tune of Rs 44.76 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 by way of One time settlement (OTS). Further two of the lenders namely Punjab National Bank & Jammu and Kashmir Bank and some operational creditors have filed applications under Insolvency and Bankruptcy Code 2016 with NCLT for initiating Corporate Insolvency Resolution Process (CIRP). The petitions have not been admitted so far.
- 4 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".
- 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 During the quarter ended 30 June, 2021, India experienced a second wave of COVID-19 resulting into subdued economic activities. While there is no material impact on the carrying amounts of the current assets of the Company, considering the uncertainties associated with COVID-19, the company will closely monitor any material changes to future economic conditions.
- 8 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.
- 9 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 August, 2021



For Vardhman Polytex Ltd.

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



## **ROMESH K. AGGARWAL & ASSOCIATES**

CHARTERED ACCOUNTANTS

Head Office – GT Road, Miller Ganj, Ludhiana-141003

Delhi Chandigarh Ludhiana

Phones: 2532920, 2534289

**Independent Auditor's Review Report On the Quarterly 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 unaudited standalone financial results of **Vardhman Polytex Limited** ("the Company") for the quarter ended June 30, 2021 ("the Statement") attached herewith, 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 Listing Regulations").
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 as amended 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 June 30, 2021. The same has not been addressed in the current period under audit. This matter was also qualified in all the previous limited review/audit reports submitted by us.
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. It contains any material misstatement.



6. We draw attention to Note 7 to the standalone financial results, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our conclusion is not modified in respect of this matter.

For Romesh K Aggarwal & Associates  
Chartered Accountants



M. No. 519347

Place - Ludhiana

Dated - August 13, 2021

UDIN - 21519347AAAAV5047



## **ROMESH K. AGGARWAL & ASSOCIATES**

CHARTERED ACCOUNTANTS

Head Office – GT Road, Miller Ganj, Ludhiana-141003

Delhi Chandigarh Ludhiana

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**Independent Auditor's Review Report On the Quarterly 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 of **Vardhman Polytex Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2021 ("the Statement"), 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 Listing Regulations").

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 \$ 160 USD as on June 30, 2021. The same has not been addressed in the current period under audit. This matter was also qualified in all the previous limited review/audit reports submitted by us.

