



08.08.2023

<p>The Listing Department, National Stock Exchange of India Limited "Exchange Plaza", C-1, Block-G, Bandra - Kurla Complex, Bandra (E), Mumbai - 400051</p> <p>SCRIP CODE: VARDMNPOLY</p>	<p>The Listing Department, BSE Limited 25th 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 08.08.2023

Dear Sir/ Madam,

In compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the board of directors of the company at its meeting held today i.e., Tuesday, 8th August, 2023 has, inter alia approved the Un-audited Financial Results for the quarter ended 30th June, 2023 alongwith the Limited Review Report thereon as received from the Statutory Auditor of the company.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we are enclosing herewith the Unaudited Financial Results of the Company for the quarter ended 30th June, 2023 together with Limited Review Report thereon.

The meeting of Board of Directors commenced at 03:30 PM and concluded at 04:45 PM.

This is for your information and record please.

Thanking you,

Yours truly,
For Vardhman Polytex Limited

Ajay K. Ratra
Company Secretary

Encl: As above

VARDHMAN POLYTEX LTD.

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STATEMENT OF FINANCIAL RESULTS FOR QUARTER ENDED 30th JUNE, 2023

(Rs. In Lakh)

Sl. No	Particulars	Quarter ended			Year ended
		30th Jun	31st Mar	30th Jun	31st Mar
		2023 Unaudited	2023 Audited	2022 Unaudited	2023 Audited
1	Revenue from operations	13,553.41	16,313.98	25,835.41	61,551.04
2	Other income	1,978.92	243.10	212.08	615.82
3	Total Income (1+2)	15,532.33	16,557.08	26,047.49	62,166.86
4	Expenses				
	A) Cost of material consumed	12,267.09	13,975.75	17,453.99	46,825.84
	B) Purchase of Stock in Trade	-	-	3,624.13	4,088.19
	C) Changes in inventories of finished goods, stock in trade and work in progress	(959.69)	507.98	495.98	2,126.15
	D) Employee benefit expense	1,138.55	1169.45	1,307.93	4,518.37
	E) Finance costs	1,283.14	1268.66	1,200.51	5,340.09
	F) Depreciation and amortisation expense	274.17	289.75	321.24	1,219.39
	G) Power & Fuel Cost	1,265.67	1300.74	1,482.35	4,462.72
	H) Other Expenditure	158.44	885.64	1,201.88	3,156.60
	Total Expenses	15,427.37	19,397.97	27,088.01	71,737.35
5	Profit from operations before tax and exceptional items (3-4)	104.96	(2,840.89)	(1,040.52)	(9,570.49)
6	Exceptional items : Income / (Loss)	-	2,052.09	-	9,719.63
7	Profit/(Loss) before tax and after exceptional items (5-6)	104.96	(788.80)	(1,040.52)	149.14
8	Tax expenses	-	-	-	-
9	Net Profit/(Loss) after tax (7-8)	104.96	(788.80)	(1,040.52)	149.14
	Other comprehensive income/ (loss), net of taxes	(5.95)	(12.48)	(3.78)	(23.81)
10	Total Comprehensive Income/(Loss) for the period [Comprising Profit / (loss) for the period (after tax) and Other Comprehensive Income/(Loss) (after tax)]	99.01	(801.28)	(1,044.30)	125.33
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
	Other Equity	-	(38,459.77)	-	(38,459.77)
	Earnings per share (of Rs.10 each) (for the period - not annualised)				
	- Basic (Rs.)	0.47	(3.54)	(4.67)	0.67
	- Diluted (Rs.)	0.46	(3.54)	(4.67)	0.67

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[Signature]




Notes:

- 1 The above financial results for the Quarter 30th June,2023 were reviewed by the Audit Committee and thereafter have been adopted by the Board at its meeting held on 8th Aug., 2023. 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.
- 2 Regarding the Auditors qualification w.r.t. repayment of FCCB liability, the Company has settled the matter with Axis bank where in a payment plan has been agreed (Final payment date being 30th September 2024) and the company is making payment as per the plan. The qualification still stands as on 30.06.2023.
- 3 The company has settled its debt with all of the lender banks by way of OTS/assignment. Full payment to the respective banks settled by way of OTS has been already made. The remaining banks have assigned their respective shares to Phoenix ARC (Sole lender) through Assignment Agreements. The company is in the process of signing an agreement with Phoenix ARC Private Limited specifying the repayment schedule and exact outstanding balances of the banks who have assigned their debt to ARC. In the absence of an agreement, the company has been booking interest based on the last recorded sanction letter issued by the respective banks in 2013 during the CDR process.
- 4 All the applications previously filed by few operational creditors with NCLT under IBC have been withdrawn except for one operational creditor, whose full payment has been made and the application is likely to be withdrawn shortly.
- 5 During the current quarter, on 27th June, 2023, 1,30,00,000 Warrants have been allotted to the non-promoters on preferential basis at price of Rs. 40.50 per warrant with a right to the warrant holders to apply for and be allotted Equity Share of the face value of Rs. 10/- each of the Company at a premium of Rs. 30.50/- per share for each Warrant within a period of 18 months from the date of allotment of the Warrants. An amount equivalent to 25% of the Warrant Issue Price has been received upfront as required under SEBI (ICDR) Regulations.
- 6 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.
- 7 The company has entered into arrangement with few vendors from whom company is purchasing raw materials and in turn processing the same to the finished output, which is sold back to them.
- 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.
- 10 The figures of last quarter of previous year were the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the previous financial year. The reduction in 'Other Expenditure' is mainly on account of reversal of provisions no longer required.

Place : Ludhiana
Date : 08.08.2023



For Vardhman Polytex Ltd.


(Adish Oswal)
Chairman and Managing
(DIN 00009710)



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 REVIEW OF INTERIM FINANCIAL RESULTS

To
The Board of Directors,
Vardhman Polytex Ltd.

1. We have reviewed the accompanying statement of unaudited financial results of **Vardhman Polytex Limited** ("the Company") for the quarter ended June 30, 2023 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 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 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 specified under Section 143(10) of the Companies Act, 2013 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.
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. As per Note No.2 of the accompanying Financial Results, the Company has settled the matter with Axis bank where in a payment plan has been agreed (Final payment date being 30th September 2024) and the company is making payment as per the plan. 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 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Romesh K Aggarwal & Associates
Chartered Accountants

FRN - 090711N

Ruchir Singla

Partner

M. No. 519347

Place - Ludhiana

Dated – August 8, 2023

UDIN - 23519347BGXRSO7822

