



# Virat Industries Ltd.

**Corporate Head Office:**

74, Bajaj Bhavan, 226 Rajani Patel Marg,  
Nariman Point, Mumbai - 400 021 (India).

Tel Nos. (91-22) 2202 9346 / 2202 9347 / 4005 0278

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website : www.viratindustries.com

CIN 

|   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
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9<sup>th</sup> November,2017

Deputy, General Manager  
Stock Exchange ,Mumbai  
Corporate Relation Ship Department  
1st, Floor, New Trading Ring  
Rotunda Building,P J Tower  
Dalal Street, Fort  
Mumbai – 400 023

**RE : CODE No. 530521**

Fax No. 2272 1072

Dear Sir,

**Sub : Submission of Information**


The Board of Directors of the Company, in its Meeting held on 9<sup>th</sup> November,2017 and have considered and taken on record the Un Audited Financial Results for the Six Months ended 30<sup>th</sup> September'2017

Please find enclosed herewith the following :

- 1) Auditors Review Report for the Quarter ended 30<sup>th</sup> September'2017 duly signed by our Auditor M/s B.K.Khare & Co
- 2) Un Audited Financial Quarter Results as on 30<sup>th</sup> September'2017

You are requested to take the same on record.

Thanking you  
For Virat Industries Limited.

  
Adi F Madan  
Managing Director



**Regd. Office & Factory :**

A-1/2, GIDC Industrial Estate, Kabilpore, Navsari-396 424, Gujarat. (INDIA)  
Tel.:(91-2637) 265011 / 265022 / 325805 Fax:(91-2637) 265712 , Email: factory@viratindustries.com

**Auditor's Report on the Quarterly Financial Results of Virat Industries Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
Board of Directors  
Virat Industries Limited

1. We have reviewed the Standalone Ind AS financial results of Virat Industries Limited ("the Company") for the quarter ended September 30, 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The financial results for the quarter ended September 30, 2017 have been prepared on the basis of the interim financial statements which are the responsibility of the Company's management. Our responsibility is to issue a report on these financial results based on our review of such interim financial statements.
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 an analytical procedure 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. The financial results for the quarter ended September 30, 2016, included in the Statements, are based on the previously issued financial results of the Company, prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant Rules issued there under, which were reviewed by M/s. Deloitte Haskins & Sells Chartered Accountants, whose report dated November 10, 2016 expressed an unmodified opinion on those unaudited standalone financial results. Management has adjusted these results for the differences in the accounting principles adopted by the Company on transition to the Indian Accounting Standard ('IND AS') and presented a reconciliation of profit under IND AS of the corresponding quarter with the profit reported under previous GAAP, which have been approved by the Company's Board of Directors but have not been subjected to a limited review.

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India

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with generally accepted accounting standards in India and other recognised accounting practices and policies 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, or that it contains any material misstatement.

**For B. K. Khare & Co.,**  
**Chartered Accountants**  
Firm Registration No. 105102W

*Shirish Rahalkar*

**Shirish Rahalkar**  
**Partner**  
Membership No.111212



Mumbai, November 09, 2017



**VIRAT INDUSTRIES LIMITED**

Regd. Office: A-1/2, GIDC Industrial Estate, Kabilpore

Navsari – 396 424, Gujarat. CIN NO. : L29199GJ1990PLC014514

E-mail: factory@viratindustries Website : www.viratindustries.com

**Statement of Standalone Unaudited Financial Results for the Quarter and Half year Ended 30/09/2017**

(Rs. In lakh)

| Sr. No.             | Particulars  | 3 Months Ended | Preceding 3 Months Ended | Corresponding 3 Months Ended in the Previous Year | Half Year Ended | Half Year Ended | Previous Year Ended |
|---------------------|--|----------------|--------------------------|---|-----------------|-----------------|---------------------|
|                     |  | 30-09-2017     | 30-06-2017               | 30-09-2016  | 30-09-2017      | 30-09-2016      | 31-03-2017          |
| (Refer Notes Below) |  | Unaudited      | Unaudited                | Unaudited   | Unaudited       | Unaudited       | Audited             |
| <b>1</b>            | <b>Income From Operations</b>  |                |                          |   |                 |                 |                     |
| (a)                 | Revenue from Operations  | 869.72         | 919.23                   | 616.67  | 1,788.95        | 1,173.55        | 2,567.08            |
| (b)                 | Other Income   | 50.85          | 36.12                    | 68.46   | 86.98           | 113.46          | 157.80              |
|                     | <b>Total Income</b>  | <b>920.57</b>  | <b>955.35</b>            | <b>685.13</b>                                     | <b>1,875.93</b> | <b>1,287.01</b> | <b>2,724.88</b>     |
| <b>2</b>            | <b>Expenses :</b>  |                |                          |   |                 |                 |                     |
| (a)                 | Cost of materials consumed   | 347.98         | 366.40                   | 169.24  | 714.38          | 352.16          | 861.05              |
| (b)                 | Changes in inventories of finished goods, stock in trade and work in progress                        | (56.07)        | 7.75                     | 51.02   | (48.32)         | 8.35            | (77.25)             |
| (c)                 | Employee benefits expense  | 130.01         | 120.59                   | 105.08  | 250.60          | 210.61          | 436.26              |
| (d)                 | Finance Costs  | 2.61           | 2.96                     | 2.00  | 5.57            | 3.96            | 8.02                |
| (e)                 | Depreciation expenses  | 37.80          | 35.11                    | 27.30   | 72.91           | 54.41           | 136.01              |
| (f)                 | Other expenses   | 272.45         | 328.51                   | 185.81  | 600.95          | 376.73          | 856.96              |
|                     | <b>Total Expenses</b>  | <b>734.78</b>  | <b>861.32</b>            | <b>540.45</b>                                     | <b>1,596.09</b> | <b>1,006.22</b> | <b>2,221.05</b>     |
| <b>3</b>            | <b>Profit before tax for the period (1 - 2)</b>  | <b>185.79</b>  | <b>94.03</b>             | <b>144.68</b>                                     | <b>279.84</b>   | <b>280.79</b>   | <b>503.83</b>       |
| <b>4</b>            | <b>Tax Expenses</b>  |                |                          |   |                 |                 |                     |
| (a)                 | Current Tax  | 44.02          | 30.52                    | 38.98   | 74.54           | 73.53           | 135.24              |
| (b)                 | Deferred Tax   | 0.61           | (3.16)                   | (5.50)  | (2.55)          | (8.55)          | 16.18               |
| <b>5</b>            | <b>Profit after tax for the period</b>   | <b>141.16</b>  | <b>66.67</b>             | <b>111.20</b>                                     | <b>207.85</b>   | <b>215.81</b>   | <b>352.41</b>       |
| <b>6</b>            | <b>Other Comprehensive Income for the period</b>   |                |                          |   |                 |                 |                     |
| 6.a. (i)            | Items that will not be reclassified to profit or loss  |                |                          |   |                 |                 |                     |
| (ii)                | Income tax relating to items that will not be reclassified to profit or loss                         |                |                          |   |                 |                 |                     |
| 6.b. (i)            | Items that will be reclassified to profit or loss  | 1.05           | 0.98                     | 0.85  | 2.03            | 1.71            | 3.54                |
| (ii)                | Income tax relating to items that will be reclassified to profit or loss                             | (0.29)         | (0.27)                   | (0.29)  | (0.56)          | (0.59)          | (1.22)              |
| <b>7</b>            | <b>Total Comprehensive Income for the period (5 + 6)</b>   | <b>141.92</b>  | <b>67.38</b>             | <b>111.76</b>                                     | <b>209.32</b>   | <b>216.93</b>   | <b>354.73</b>       |
| <b>8</b>            | <b>Earning per share (of Rs. 10 each) (not annualised except for year ended) - Basic and Diluted</b> | <b>2.88</b>    | <b>1.37</b>              | <b>2.27</b>                                       | <b>4.25</b>     | <b>4.41</b>     | <b>7.21</b>         |
| <b>9</b>            | <b>Paid -up equity share capital (Rs. 10 each)</b>   | <b>492.33</b>  | <b>492.33</b>            | <b>492.33</b>                                     | <b>492.33</b>   | <b>492.33</b>   | <b>492.33</b>       |
| <b>10</b>           | <b>Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year</b>       |                |                          |   |                 |                 | <b>1,353.32</b>     |

**Notes:**

- The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted Ind AS from 1st April, 2017, and accordingly, these financial results (including for all the periods presented in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards) and statement of assets and liabilities have been prepared in accordance with the recognition and measurement principles in Ind AS 34 - Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- Duty saved on purchase of imported machinery under EPCG scheme has been recognised as Other Income during the period April-September 2017 Rs. 28.28 lakh (April-September 2016 Rs. 74.64 lakh).





- 3 Reconciliation of the financial results and equity to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarised as follows:

(Rs. In lakh)

| Particulars  | Notes | Standalone  |                 |                      |                         |
|--|-------|---|-----------------|----------------------|-------------------------|
|  |       | Profit Reconciliation                             |                 |                      | Equity Reconciliation   |
|  |       | Corresponding 3 Months Ended in the Previous Year | Half Year Ended | Previous, Year Ended | As at                   |
|  |       | 30-09-2016  | 30-09-2016      | 31-03-2017           | 31-03-2017<br>(Audited) |
| <b>Profit after tax/ Equity as reported under previous GAAP</b>  |       | 73.28   | 139.54          | 290.94               | 1,772.12                |
| Adjustments:-  |       |   |                 |                      |                         |
| Reversal of capitalisation of foreign currency differences attributable to Property Plant & Equipment (adjusted for depreciation thereon) etc., so as to recognize the carrying value of such assets in accordance with the respective IND AS, and reversal of foreign exchange differences arising from translation of long term foreign currency monetary items and accounted for in Foreign Currency Monetary Items Translation Difference Account, without availing of any exemption |       |   |                 |                      | (1.33)                  |
| Reclassification of actuarial loss / (gain), arising in respect of employee benefit schemes, to Other Comprehensive Income (OCI)   |       |   |                 |                      | 3.54                    |
| Exchange (loss)/gain on outstanding forward contract as the same is evaluated as Mark to Market Basis  |       | 5.72  | 5.72            | -                    |                         |
| Custom Duty on EPCG licenses capitalised as the same is evaluated as Government Grant  |       | 43.50   | 74.64           | 74.64                | 81.30                   |
| Depreciation impact on account of capitalisation of custom duty on EPCG licenses   |       | (0.37)  | (0.71)          | (6.14)               | -                       |
| Impact of Leasehold land decapitalised   |       | (0.02)  | (0.04)          | (0.08)               | -                       |
| Tax Adjustments  |       | (10.35)   | (2.21)          | (4.63)               | (6.43)                  |
| Profit after tax/equity as per IND AS  |       | 111.76  | 216.93          | 354.73               | 1,849.20                |
| Other Comprehensive Income (after tax)   |       | -   | -               | -                    | (3.54)                  |
| <b>Total Comprehensive income as per IND AS</b>  |       | <b>111.76</b>                                     | <b>216.93</b>   | <b>354.73</b>        | <b>1,845.66</b>         |





4 Statement of Assets and Liabilities (Ind AS)

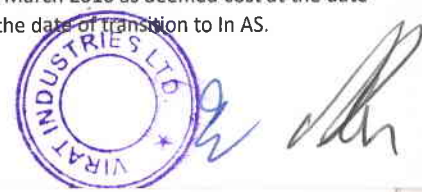
(Rs. in lakh)

| Particulars  | As at<br>30/09/2017<br>Unaudited | As at<br>31/03/2017<br>Audited |
|--|----------------------------------|--------------------------------|
| <b>(A) ASSETS</b>                                    |                                  |                                |
| <b>1 Non-current assets</b>                          |                                  |                                |
| Property, Plant and Equipment                        | 922.85                           | 876.96                         |
| Capital work-in-progress                             | 3.31                             | 3.31                           |
| Financial Assets                                     |                                  |                                |
| - Investments  | -                                | 25.00                          |
| - Loans  | 3.86                             | 0.68                           |
| - Other financial assets                             | 148.92                           | 28.80                          |
| Other non-current assets                             | 16.29                            | 22.60                          |
| <b>Total Non-Current Assets</b>                      | <b>1,095.23</b>                  | <b>957.35</b>                  |
| <b>2 Current assets</b>                              |                                  |                                |
| Inventories  | 779.94                           | 658.04                         |
| Financial Assets                                     |                                  |                                |
| - Trade receivables                                  | 494.71                           | 206.85                         |
| - Cash and cash equivalents                          | 83.31                            | 32.81                          |
| - Bank Balances other than Cash and Cash Equivalents | 27.28                            | 266.81                         |
| - Loans  | 2.66                             | 2.83                           |
| - Other financial assets                             | 1.78                             | 5.68                           |
| Other current assets                                 | 106.97                           | 57.33                          |
| <b>Total Current Assets</b>                          | <b>1,496.65</b>                  | <b>1,230.35</b>                |
| <b>Total Assets (1+2)</b>                            | <b>2,591.88</b>                  | <b>2,187.69</b>                |
| <b>(B) EQUITY AND LIABILITIES</b>                    |                                  |                                |
| <b>3 Equity</b>                                      |                                  |                                |
| Equity Share capital                                 | 492.33                           | 492.33                         |
| Other Equity   | 1,330.12                         | 1,353.34                       |
| <b>Total Equity</b>                                  | <b>1,822.45</b>                  | <b>1,845.67</b>                |
| <b>4 Non-current liabilities</b>                     |                                  |                                |
| Financial Liabilities                                |                                  |                                |
| - Borrowings   | 19.42                            | 19.22                          |
| Provisions   | 14.30                            | 11.04                          |
| Deferred tax liabilities (Net)                       | 25.40                            | 24.26                          |
| Other non-current liabilities                        | 2.00                             | 2.00                           |
| <b>Total Non - Current Liabilities</b>               | <b>61.12</b>                     | <b>56.52</b>                   |
| <b>5 Current liabilities</b>                         |                                  |                                |
| Financial Liabilities                                |                                  |                                |
| - Borrowings   | 160.15                           | -                              |
| - Trade payables                                     | 444.71                           | 222.68                         |
| - Other financial liabilities                        | 55.03                            | 44.87                          |
| Other current liabilities                            | 41.33                            | 12.20                          |
| Provisions   | 5.85                             | 4.51                           |
| Current Tax Liabilities (Net)                        | 1.24                             | 1.24                           |
| <b>Total Current Liabilities</b>                     | <b>708.31</b>                    | <b>285.50</b>                  |
| <b>Total Equity and Liabilities (3+4+5)</b>          | <b>2,591.88</b>                  | <b>2,187.69</b>                |

(i) Exemptions applied at transition

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. Ind AS 101 allows first-time adopters exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions in its standalone financial results:

Property, Plant and Equipment : The Company has not elected the option to regard carrying values as at 31 March 2016 as deemed cost at the date of transition. Accordingly the Company has elected to measure its items of Property, Plant & Equipment at the date of transition to In AS.





- (ii) Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability / asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss.
- (iii) Under previous GAAP, dividend payable (including tax thereon) is recognised as a liability in the period to which it relates. Under Ind AS, dividends to shareholders are recognised as liability (including tax thereon) when declared by the members in a general meeting.
- 5 The above results were approved by the Board of Directors at its meeting held on 09/11/2017. In compliance with regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Statutory Auditors of the Company have carried out limited review of the said results and issued an unqualified opinion thereon.
- 6 During the quarter Company received certain export incentives in the form of Rebate of State Levies (ROSL) pertaining to earlier year/periods. The amount of Rs. 41.52 lakh has been credited to statement of profit and loss in Revenue from operations.
- 7 The principal business of the Company is of manufacturing socks. All other activities of the Company revolve around its main business. Hence, there is only one primary reportable business segment as defined by IND AS 108 on "Operating Segments" prescribed as per Section 133 of the Companies Act, 2013.

For Virat Industries Limited

**Adi F. Madan**  
**Managing Director**  
**DIN : 00023629**  
Mumbai  
09-11-2017

