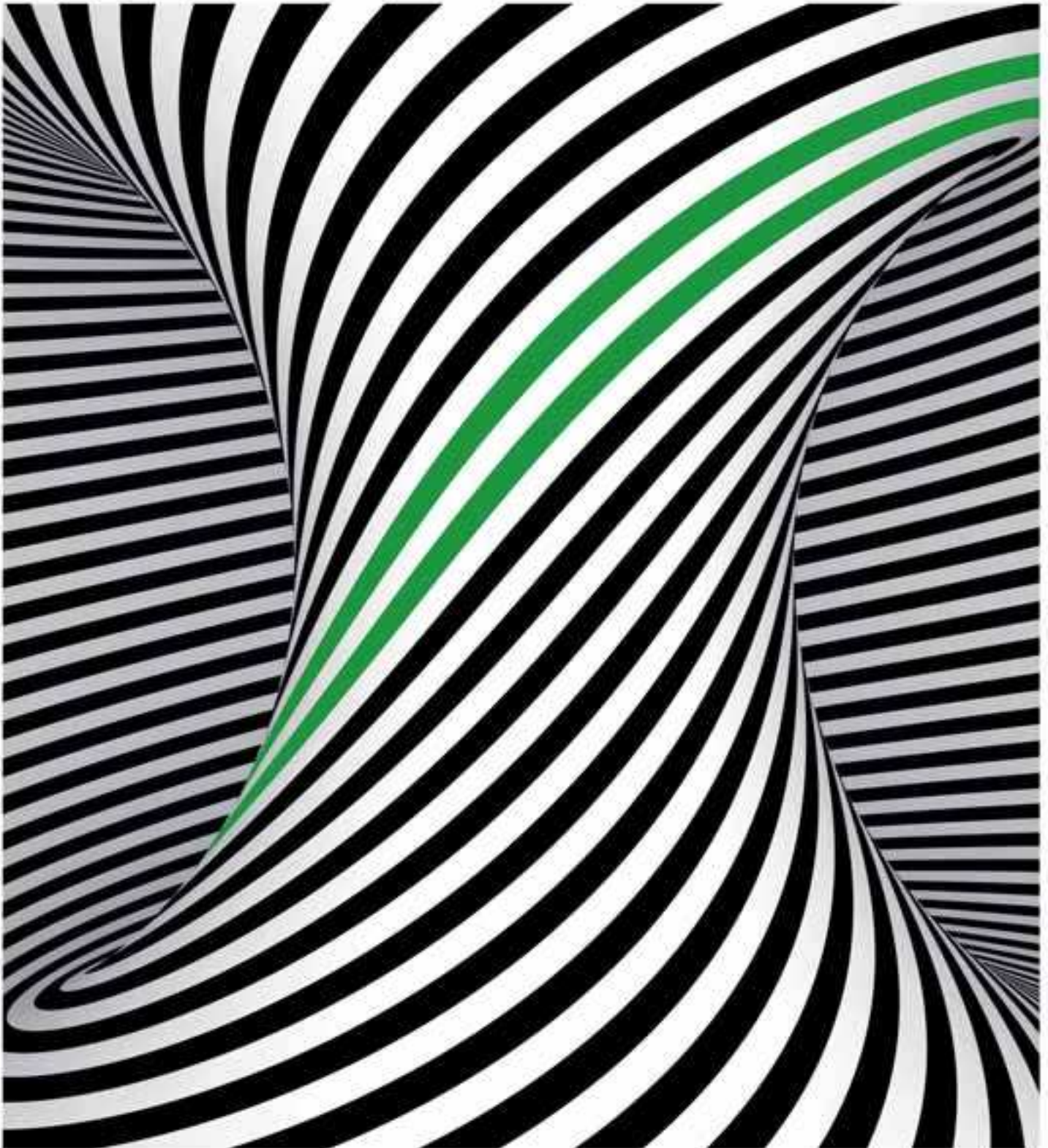


# FOCUSED

VARDHMAN TEXTILES LIMITED | ANNUAL REPORT 2013-14



AT VARDHMAN, WE HAVE  
BEEN ENGAGED IN A  
NUMBER OF INITIATIVES  
OVER THE DECADES.

INCREASING OUR CAPACITY.  
WIDENING OUR PORTFOLIO.  
ENHANCING OUR QUALITY.  
STRENGTHENING OUR  
SOURCING.

WE HAVE DONE ALL  
THIS AND MORE WITH A  
SINGULAR **FOCUS**.

TO ENRICH AND DELIGHT  
OUR STAKEHOLDERS.

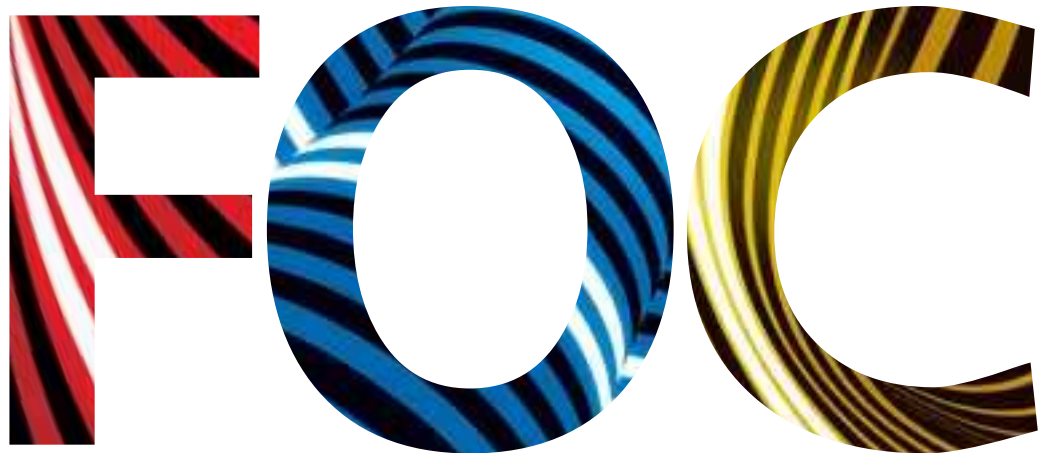
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# VARDHMAN TEXTILES LIMITED.



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## **Leader**

One of the leading textile companies in India.

## **'AA' rated**

One of the few 'AA' rated companies in the Indian textile industry.

(Source: CRISIL)

**Fully-integrated** textile player.

**Present** across the textile value chain from yarn to fabric.

**Market** products across 58 countries; 38.35% of our 2013-14 revenues were derived from international geographies.

# USED

**Enjoy** technical tie-ups with global leaders (Japan and Korea) for specialised yarns and fabrics.

**Headquartered** in Ludhiana (India); our equity shares are listed on the Bombay and National Stock Exchanges.

**₹5,037<sup>cr</sup>**

Enterprise value  
(March 31, 2014)

**61.85%**

Promoter holding  
(March 31, 2014)

**23.38%**

Institutional holding  
(March 31, 2014)

**26,000<sup>+</sup>**

Team size  
(March 31, 2014)

**₹5,171<sup>cr</sup>**

Net revenue from  
operations (2013-14)

**13**

Manufacturing  
units across India

## LONG-TERM COMMITMENT

Investing in the business with initiatives directed at long-term sustainability

## VISION

Engaged in processes, practices and products today which may become the industry norm tomorrow

## CONTINUOUS LEARNING AND INNOVATION

Focused on a continuous raising of the bar

## CONSERVATIVE

Committed to prudent counter-cyclical investments that strengthen competitiveness

## DISCIPLINED APPROACH

Enjoy an outcome of predictability across most things derived out of a culture of discipline

## PASSION FOR SERVICE

Passionate belief that the sale begins only after the product has been sold

## KNOWLEDGE INVESTMENT

Focused on knowledge building, stimulation, retention and sharing

## RELATIONSHIP FOCUS

Engaged in multi-decade partnerships with employees, customers, vendors and collaborators

## ETHICAL CITIZEN

Committed to comprehensive governance - in intent, thought and action

# FOCUS BRINGS A DISTINCTIVE MINDSET...



## PREFERENCE

Earned the reputation of a preferred partner among globally-respected textile majors and brands

## GROWTH

Demonstrated sincerity in our endeavour to be an outlier - in good times and bad

## PREMIUM

Earned premium on our products, a watermark of our brand acceptability

## RESPECT

Earned respect as a statesman of the textile industry – in India and across the globe

## REDUCED RISK

Institutionalised sustainability in an otherwise cyclical sector

## AWARDS

Received numerous excellence awards at a number of forums

# FOCUS GENERATES DIFFERENTIATED RESULTS.





**FOCUSED...**

# ON LONG-TERM COMMITMENT



## 12-in-20

VARDHMAN GROUP'S  
REVENUES HAVE GROWN  
12 TIMES IN 20 YEARS  
IN A HIGH-CAPEX, LOW-  
RETURN SECTOR.

CONTINUED

**A**t Vardhman, everything that we do is subjected to a rigorous one-line filter: 'Will what we intend to do be sustainable across the long term?'

The result of this multi-decadal prism is that we are one of the leading textile manufacturers in India.

### Multi-capacity

Vardhman is convinced that however unfashionable it sounds, we would continue to do what we have always done – manufacture yarns and fabrics – with a difference. We would manufacture the widest range, the premium varieties, the best quality and the ones with the most sophisticated applications. And within this range would lie our 'value chain' as opposed to the flavour of the season.

Vardhman is driven by strategic thinking. And on some occasions opportunities arise out of its strategy. The result is that it not only awaits good times; its prudential thinking often makes those good times a reality.

### Multi-cycle investment

There is another feature in which our long-termism is visibly reflected – our consistent capacity investments. Our focussed industry approach means we invest continuously, irrespective of good and bad cycles. Our aggregate experience and resident sectoral wisdom provides us with the confidence to generate positive results over an extended period with an ability to ride out the downtrend with comfort.

This long-term approach is reflected in our investment outlays. The Company invested about ₹3958.75 crore during FY06-14 when the global economy passed through its most challenging slowdown in eight decades. This expansion enhanced the Company's spinning capacity 1.98x – from

4,77,920 spindles (March 31, 2006) to 9,33,331 spindles (March 31, 2014); concurrently, the Company expanded its weaving capacity from 432 looms (March 31, 2006) to 1,320 looms. The result: revenues from the spinning business increased at a CAGR of 16% during FY06-14; fabric business revenues grew at a CAGR of 25% during the same period.



# 25%

Fabric business revenues grew at a CAGR of 25% during FY 2006-14.