Vardhmān

Delivering Excellence. Since 1965.

VARDHMAN TEXTILES LIMITED

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LUDHIANA-141010, PUNJAB
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E: secretarial.lud@vardhman.com

Ref. VTXL:SCY:MAY:2022-23 **Dated: 21-May-2022**

The National Stock Exchange of India Ltd,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East),
MUMBAI-400 051
Scrip Code: VTL

SUB: DISCLOSURE UNDER REGULATION 30 & 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

Dear Sir,

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 Audited Financial Results of the Company for the financial year ended 31st March, 2022 together with Auditors' Report as approved by Board of Directors in its meeting held on 21st May, 2022.

The Report of Auditors is with unmodified opinion with respect to the Audited Financial Results of the Company for the financial year ended 31st March, 2022.

The meeting of the Board of Directors commenced at 10:30 a.m. and concluded at 01:00 p.m.

Kindly note and display the notice on your notice board for the information of the members of your exchange and general public.

Thanking you,

Yours faithfully,
For VARDHMAN TEXTILES LIMITED

VARDHMAN TEXTILES LIMITED LUDHIANA

(SANJAY GUPTA)
Company Secretary

VARDHMAN TEXTILES LIMITED

Registered Office : Chandigarh Road, Ludhiana-141010

Standalone financial results for the quarter and year ended March 31, 2022

Corporate Identity Number (CIN): L17111PB1973PLC003345, PAN: AABCM4692E

Website:www.vardhman.com Email: secretarial.lud@vardhman.com

(Rs. In Crores)

S.No.	Particulars	Quarter Ended March 31, 2022	Quarter Ended December 31, 2021	Quarter Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
		Unaudited (Refer Note-13)	Unaudited	Unaudited (Refer Note-13)	Audited	Audited
I.	Revenue from operations	2,641.97	2,520.91	1,865.18	9,386.10	5,926.23
II.	Other income	48.11	231.06	44.99	385.26	188.16
III.	**Total income from operations (I+II)**	**2,690.08**	**2,751.97**	**1,910.17**	**9,771.36**	**6,114.39**
IV.	**Expenses**					
	Cost of materials consumed	1,473.35	1,300.50	931.47	4,796.53	3,084.65
	Purchase of stock- in trade	0.33	0.08	1.28	0.43	2.26
	Change in inventories of finished goods,works -in progress and stock -in- trade	(128.77)	(114.72)	(58.91)	(397.81)	67.27
	Employee benefits expense	186.27	186.02	169.28	713.93	574.66
	Finance cost	28.84	21.23	28.02	99.53	112.78
	Depreciation and amortisation expense	90.85	91.00	90.51	362.10	358.39
	Other expenses	604.16	538.74	454.10	2,010.90	1,430.32
	Total Expenses	**2,255.03**	**2,022.85**	**1,615.75**	**7,585.61**	**5,630.33**
V.	**Profit/(Loss) before tax (III-IV)**	**435.05**	**729.12**	**294.42**	**2,185.75**	**484.06**
VI.	**Tax expense**					
	Current tax	117.11	155.45	61.80	521.03	103.49
	Deferred tax	(4.74)	(10.36)	8.50	(12.72)	13.83
VII.	**Profit/(Loss) after tax (V-VI)**	**322.68**	**584.03**	**224.12**	**1,677.44**	**366.74**
VIII.	**Other Comprehensive Income/(Expenditure)**	6.52	-	4.72	6.52	4.72
IX.	**Total Comprehensive income/(Expenditure) (VII+VIII)**	**329.20**	**584.03**	**228.84**	**1,683.96**	**371.46**
X.	**Earnings Per Share (in Rs.) (not annualized) (Refer note 16)**					
	(a) Basic	11.17	20.25	7.79	58.16	12.75
	(b) Diluted	11.16	20.19	7.75	58.00	12.67
XI.	Paid up Equity Share Capital (Face value per share Rs.2)	57.77	57.69	57.56	57.77	57.56
XII.	Paid up Debt Capital *	394.80	394.80	544.80	394.80	544.80
XIII.	Other Equity	7,481.35	7,003.68	6,080.98	7,481.35	6,080.99
	* Paid up Debt Capital comprises of listed debentures only.					

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VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED
Regd. Office : Chandigarh Road, Ludhiana-141010
Standalone Balance Sheet as at March 31, 2022

(Rs. In Crores)

Sr. No.	Particulars	As at March 31 ,2022 Audited	As at March 31 ,2021 Audited
	ASSETS		
1	**Non-current assets**		
	(a) Property, plant and equipment	3,425.75	3,457.51
	(b) Right of Use Asset	8.50	8.63
	(c) Capital work-in-progress	241.02	77.75
	(d) Intangible assets	1.44	1.82
	(e) Financial assets		
	-Investments	964.29	494.30
	-Loans	0.95	1.32
	-Other financial assets	154.28	173.98
	(f) Other non-current assets	162.40	65.03
	Total Non-current assets	**4,958.63**	**4,280.34**
2	**Current assets**		
	(a) Inventories	2,806.67	2,735.59
	(b) Financial assets		
	-Investments	493.59	318.90
	-Trade receivables	1,310.68	1,023.54
	-Cash and cash equivalents	62.06	36.05
	-Bank Balance other than above	53.89	35.27
	-Loans	1.92	1.30
	-Other financial assets	143.32	48.72
	(c) Other current assets	745.12	583.89
	(d) Assets held-for-sale	0.17	0.15
	Total current assets	**5,617.42**	**4,783.41**
	Total Assets	**10,576.05**	**9,063.75**
	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity share capital	57.77	57.56
	(b) Other equity	7,481.35	6,080.99
	Total equity	**7,539.12**	**6,138.55**
	Liabilities		
1	**Non-current liabilities**		
	(a) Financial liabilities		
	-Borrowings	921.06	1,296.60
	-Lease liability	0.17	0.16
	-Other financial liabilities	5.40	2.81
	(b) Provisions	15.98	16.38
	(c) Deferred tax liabilities (net)	229.78	242.48
	(d) Other non-current liabilities	16.42	17.72
	Total Non-current liabilities	**1,188.81**	**1,576.15**
2	**Current liabilities**		
	(a) Financial Liabilities		
	-Borrowings	1059.25	835.21
	-Trade payables		
	(i) Total outstanding dues of micro enterprises and small enterprises	29.98	14.33
	(ii) Total outstanding dues of trade payables other than micro enterprises and small enterprises.	318.63	243.69
	-Other financial liabilities	306.39	164.00
	(b) Other current liabilities	109.25	82.65
	(c) Provisions	2.77	2.62
	(d) Current tax liabilities (net)	21.85	6.55
	Total Current liabilities	**1,848.12**	**1,349.05**
	Total Equity and Liabilities	**10,576.05**	**9,063.75**

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VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED
Regd. Office : Chandigarh Road, Ludhiana-141010
Standalone Cash Flow Statement
for the year ended March 31, 2022

(Rs. In Crores)

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	2,185.75	484.06
Adjustments for:		
Finance costs	80.88	100.64
Fair valuation gain on investment	(42.62)	(35.63)
Subsidy from Government	(1.74)	(27.58)
Interest income	(24.77)	(28.65)
Dividend on investments	(176.21)	(5.65)
Net gain on sale / discarding of property, plant and equipment	(5.35)	(0.66)
(Profit)/Loss on sale of Investments (Net)	(24.83)	(18.12)
Provision no longer required written back (net)	(5.52)	(6.68)
Amortisation of processing charges	-	-
Assets written off	5.82	1.82
Bad debt written off	1.17	0.37
Allowances for doubtful trade receivables and advances written back (net)	14.99	(0.03)
Depreciation and amortisation	362.10	358.39
Share options outstanding account	0.84	2.16
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets :-		
Trade receivables	(303.30)	(208.39)
Inventories	(71.08)	(112.71)
Loans	(0.25)	28.61
Other assets (Current)	(152.60)	(89.15)
Others financial assets (Current)	(93.03)	(36.07)
Others financial assets (Non Current)	0.21	(165.45)
Other assets (Non-current)	(43.26)	(3.50)
Adjustments for increase / (decrease) in operating liabilities :-		
Trade payables	96.10	(40.16)
Provisions (Non Current)	(0.40)	0.81
Provisions (Current)	0.15	0.11
Others financial liabilities (Current)	105.73	(49.33)
Others financial liabilities (Non-Current)	2.60	(1.16)
Other liabilities (Non-current)	0.36	0.37
Other liabilities (Current)	26.06	(0.59)
Cash generated from operations	**1,937.80**	**147.83**
Income taxes paid (net of refund received)	(507.90)	(32.44)
Net cash generated by operating activities	**1,429.90**	**115.40**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments	(1,042.66)	(552.39)
Proceeds from sale of Investments	465.51	766.14
Interest received	16.70	20.69
Payment for purchase of property, plant and equipment, capital work in progress and other intangible assets	(516.49)	(242.68)
Bank balances not considered as cash and cash equivalents	7.36	(32.02)
Proceeds from disposal of property, plant and equipment	10.71	3.52
Dividend on subsidiaries, associates and other investments	176.21	5.65
Net cash used in investing activities	**(882.66)**	**(31.09)**

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VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED
Regd. Office : Chandigarh Road, Ludhiana-141010
Standalone Cash Flow Statement
for the year ended March 31, 2022

(Rs. In Crores)

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
C . CASH FLOW FROM FINANCING ACTIVITIES*		
Proceeds from equity share capital/share application	12.82	9.19
Proceeds from borrowings (non-current)	87.95	325.00
Repayment of borrowings (non-current)	(282.28)	(228.26)
Proceeds/(Repayment) of borrowings (current) (net)	42.83	(211.10)
Dividends on equity share capital paid	(296.43)	(0.29)
Finance costs paid	(86.12)	(93.33)
Net cash used in financing activities	**(521.23)**	**(198.79)**
Net increase / (decrease) in cash and cash equivalents	**26.01**	**(114.48)**
Cash and cash equivalents at the beginning of the year	36.05	150.53
Cash and cash equivalents at the end of the year	**62.06**	**36.05**

* There are no non cash changes arising from financing activities

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VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED

Registered Office : Chandigarh Road, Ludhiana-141010

Notes to Standalone Financial Results:

1 The Financial Results has been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and SEBI's circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016 as amended from time to time.

2 The Company is primarily in the business of manufacturing and sales of textile products (i.e., Yarns and Fabrics). The Chief Operating Decision Maker (CODM), the Chairman & Managing Director, performs a detailed review of the operating results, take decisions about the allocation of resources based on the analysis of the various performance indicators of the Company as a whole. Therefore, there is only one operating segment namely, "Textiles".

3 Other income for the quarter ended December 31, 2021 and year ended March 31, 2022 includes the dividend received from subsidiary companies amounting to Rs.167.13 crores.

4 (a) The Company had issued secured, rated listed Redeemable Non-convertible Debentures (NCDs) aggregating to Rs. 195.00 Crores for cash at par on private placement basis on June 1, 2020. The NCDs are listed at the BSE Limited and repayable at the end of 36 months from the date of allotment and have a yield of 6.83% per annum payable on June 1 on annual basis.

CRISIL has assigned a rating of AA+ with Stable outlook to the said NCDs of the Company on November 23, 2021. The NCDs are secured by way of a first pari passu charge over the immovable and movable fixed assets of the Company and it should have fixed asset cover of more than 1.25 times of outstanding amount of NCDs. The Fixed Asset coverage ratio as on March 31, 2022 is 2.47 times and Asset cover as on March 31, 2022 is 2.43 times.

(b) The Company had also issued secured, rated listed Redeemable Non-convertible Debentures (NCDs) aggregating to Rs. 499.80 crores for cash at par on private placement basis on September 8, 2017. The NCDs are listed at the BSE Limited and comprise of three series repayable in third, fourth and fifth years and have an overall yield of 7.69% per annum. During the current year ended March 31, 2022 1,500 7.69% Series B NCDs of Rs.10 lacs each amounting to Rs.150 Cr were redeemed on September 08, 2021 and during the previous year ended March 31, 2021 1,500 7.59% Series A NCDs of Rs.10 lacs each amounting to Rs.150 Crores were redeemed on September 8, 2020.

CRISIL has assigned a rating of AA+ with Stable outlook to the said NCDs of the Company on November 23, 2021. These NCDs are secured by way of a first pari passu charge over the immovable and movable fixed assets of the Company and it should have fixed asset cover of more than 1.05 times of outstanding amount of NCDs. The Fixed Asset coverage ratio as on March 31, 2022 is 2.47 times and Asset cover as on March 31, 2022 is 2.43 times.

5 Financial Results have been reviewed by the Audit Committee at its meeting held on May 20, 2022 and approved by the Board of Directors at its meeting held on May 21, 2022. The statutory auditors have expressed an unmodified opinion on the aforesaid results.

6 The Company's operations and financial results for the year ended March 31, 2022 and the corresponding year ended March 31, 2021 are not comparable as the results of the previous year were impacted by COVID-19 pandemic and the consequent lockdown announced by the Central / State Governments, due to which the operations were suspended for part of the year ended March 31, 2021.

The company has considered the possible effects that may result from the COVID-19 pandemic in the preparation of these audited financial results, including but not limited to the assessment of liquidity position and recoverability of carrying value of its assets comprising inventories and trade receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company has, at the date of approval of these audited financial results, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. Given the uncertainties associated with nature, condition and duration of COVID-19, the company will closely monitor any material changes arising out of the future economic conditions and its impact on the business of the company.

7 The Company is carrying substantial stock of cotton and hence it was thought prudent to hedge the same partially against price fluctuation. Accordingly, the Company had entered into derivative contracts at an international Commodity Exchange. 'Other Expenses' include below mentioned amounts on these derivative contracts:

Rs. In crores

Particulars	Quarter Ended March 31, 2022	Quarter Ended December 31, 2021	Quarter Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Cotton hedging derivative loss/ (gain) (including marked to market gain/loss)	63.09	4.14	3.34	67.07	87.90

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VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED

Registered Office : Chandigarh Road, Ludhiana-141010

8 The Code on Social Security 2020 has been notified in the Official Gazette on 29th September 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are published.

9 The new scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) was introduced by Ministry of Commerce and Industry vide notification dated August 17, 2021 for eligible exported goods. Accordingly the Company has recognised the benefit of RoDTEP e-Scrips of Rs.19.69 crores pertaining to eligible export sales for the period from January 1, 2021 to March 31, 2021.

10 During the year ended March 31, 2022, the Company has issued 2,10,250 equity shares having face value Rs.10 per share under Employee Stock Options Scheme out of which 84,450 shares having face value of Rs.10 per share were issued in current quarter at Rs. 815 per share. As a result of above, the paid up equity share capital of the Company has increased from Rs. 57.56 crores to Rs. 57.77 crores.

11 During the current year, the company has paid the interim dividend of Rs. 34 per share on fully paid up equity shares of the company.

12 The scheme of Amalgamation(scheme) between the Company ("Transferee Company") and two of its wholly owned subsidiaries viz. VMT Spinning Company Limited and Vardhman Nisshinbo Garments Company Limited (together referred to as "Transferor Companies") as approved by the National Company Law Tribunal has become effective w.e.f. the Appointed Date i.e. April 01, 2020 on completion of all the required formalities on May 14, 2022.

The scheme envisages transfer of all properties, rights, powers, liabilities and duties of the Transferor Companies to the Transferee Company.

Pursuant to the Scheme, during the current quarter and year ended March 31, 2022, the amalgamation has been accounted under the 'pooling of interests' method in accordance with the "Ind AS 103 Business Combinations" and the assets, liabilities and reserves of the Transferor Companies have been accounted for at their book value, in the books of the Transferee Company. The paid up share capital of the Transferor Companies has been cancelled with the Transferee Company's investment in the Transferor Companies.

The net assets (before inter-company elimination) taken over as at April 01, 2020 amounted to Rs. 140.32 crores. Other Equity of the transferor companies (net of adjustments to give effect of merger) transferred as at April 01, 2020 amounted to Rs. 89.53 Crores.

The standalone financial results for the quarter ended March 31, 2021, quarter ended December 31, 2021 and year ended March 31, 2021 have been restated to give effect to the amalgamation. Consequent to this restatement, the profit after tax for the quarter ended March 31, 2021, quarter ended December 31, 2021 and year ended March 31, 2021 is higher by Rs.9.27 crores, Rs. 14.09 crores and Rs. 16.33 crores respectively and other comprehensive income for the quarter ended March 31, 2021, quarter ended December 31, 2021 and year ended March 31, 2021 is higher by Rs. 0.17 crores, Rs. Nil crores and Rs. 0.17 crores respectively.

13 The figures for the quarter ended March 31 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto 31st December.

14 The disclosure as per SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26 November 2018 applicable to Large Corporate Borrowers are as follows:

Annexure A

S. No.	Particulars	Details
1	Name of the Company	Vardhman Textiles Limited
2	CIN	L17111PB1973PLC003345
3	Outstanding borrowing of company as on 31st March, 2022	1341.77 Crores*
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	CRISIL AA+Stable
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	Bombay Stock Exchange

We confirm that we are a Large Corporate as per the applicability criteria given under the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26,2018.

*Outstanding borrowing of company as on 31st March, 2022 does not includes the External Commercial Borrowing and short term borrowings.

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VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED

Registered Office : Chandigarh Road, Ludhiana-141010

Annexure B1

S. No.	Particulars	Details
1	2-year block period	FY: 2021-22 FY: 2022-23
2	Incremental borrowing done in FY 2021-2022 (T) (a)	87.95 crores
3	Mandatory borrowing to be done through issuance of debt securities (T) (b) = (25% of a)	21.99 crores
4	Actual borrowings done through debt securities in FY (T) (c)	Nil
5	Shortfall in the borrowing through debt securities, if any, for FY 2020-21 (T-1) carried forward to FY 2021-22 (T) (d)	N.A.
6	Quantum of (d), which has been met from (c) (e)	Nil
7	Shortfall, if any, in the mandatory borrowing through debt securities for FY 2021-22 (T) {after adjusting for any shortfall in borrowing for FY 2020-21 (T-1) which was carried forward to FY 2021-22 (T)} (f)= (b)-[(c)-(e)] {If the calculated value is zero or negative, write "nil"}	21.99 crores

Details of penalty to be paid, if any, in respect to previous block (all figures in Rs crore):

S. No.	Particulars	Details
1	2-year block period (Specify financial years)	FY 2020-21 FY 2021-22
2	Amount of fine to be paid for the block, if applicable Fine = 0.2% of {(d)-(e)}	N.A.

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VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED

Registered Office : Chandigarh Road, Ludhiana-141010

15 Relevant information as required pursuant to regulation 52(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, in respect of Non Convertible Debentures, are as follows:

(a)

S.No.	Particulars	Quarter Ended March 31, 2022	Quarter Ended December 31, 2021	Quarter Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
(i)	Operating Margin (%) (Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA)/ Total Income from Operations)	20.62%	30.57%	21.62%	27.09%	15.62%
(ii)	Net Profit Margin (%) (Net Profit after tax/ Total Income from Operations)	12.00%	21.22%	11.73%	17.17%	6.00%
(iii)	Interest Service Coverage Ratio (in times) (EBITDA-Current Tax)/Gross Interest	15.17	32.31	12.53	21.36	7.55
(iv)	Debt service coverage ratio (DSCR) (in times)* (Net profit after tax+Depreciation/amortizations +Finance cost)/(Finance cost+Scheduled principal repayment of Long term Debts)	3.05	4.38	3.46	3.79	2.11
(v)	Bad Debts to Account Receivable Ratio (%)* (Bad debts/Trade Receivables)	0.18%	0.00%	0.01%	0.07%	0.00%
(vi)	Debtors Turnover ratio (in days)* (Trade receivables/Revenue from operations X No. of days in period)	45	46	49	51	63
(vii)	Inventory Turnover ratio (in days)* (Inventory/Revenue from operations X No. days in a period)	96	97	132	109	168

* Annualised

(b)

S.No.	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
(i)	Debt equity ratio (in times) (Total Debt (excluding lease liabilities)/ Total Equity)	0.26	0.35
(ii)	Current Ratio (in times) (Current Assets/Current Liabilities)	3.04	3.55
(iii)	Current Liability Ratio (in times) (Current Liabilities/Total Liabilities)	0.61	0.46
(iv)	Total Debt to total assets (in times) (Total Debt (excluding lease liabilities)/Total Assets)	0.19	0.24
(v)	Long Term Debt to Working Capital (in times) (Long term borrowings (including current maturities of long term debt and excluding lease liabilities)/(Current Assets-Current Liabilities)	0.37	0.46
(vi)	Net Worth (Rs. in Crores)	7539.12	6138.55
(vii)	Capital Redemption Reserve (Rs. in Crores)	12.26	12.26
(viii)	Debenture Redemption Reserve (Rs. in Crores)	57.62	57.62

Deloitte Haskins & Sells LLP Chartered Accountants

VARDHMAN TEXTILES LIMITED LUDHIANA

16 During the current year, the equity shares of the Company have been sub-divided from existing face value of Rs. 10/- per equity shares into 5 equity shares having face value of Rs. 2 per equity share based on approval by the shareholders through their Postal Ballot dated 11th March, 2022 . The Record Date for effecting this sub-division of equity share was March 26, 2022. Accordingly, basic and diluted earnings per equity share for previous periods have been computed on the basis of number of equity shares after sub-division.

For Vardhman Textiles Limited

Place : Ludhiana
Date : May 21, 2022

Deloitte Haskins & Sells LLP Chartered Accountants

VARDHMAN TEXTILES LIMITED LUDHIANA

S.P. Oswal
Chairman & Managing Director

Deloitte Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
VARDHMAN TEXTILES LIMITED

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2022 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2022 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2022" of Vardhman Textiles Limited ("the Company"), being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2022:

i. is presented in accordance with the requirements of Regulation 33, Regulation 52 and Regulation 54) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit/loss and total comprehensive income / loss and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2022

With respect to the Standalone Financial Results for the quarter ended March 31, 2022, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2022, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33, Regulation 52 and Regulation 54 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.

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2022

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2022 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2022 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2022 that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33, Regulation 52 and Regulation 54 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2022

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2022 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33, Regulation 52 and Regulation 54 of the Listing Regulations.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2022

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2022 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 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 SAs specified under section 143(10) of the Act 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.

Other Matters

- As stated in Note 13 of the Statement, the figures for the corresponding quarter ended March 31, 2021 are the balancing figures between the annual audited figures for the year then ended and the published year to date figures for the 9 months period ended December 31, 2020. We have not issued a separate limited review report on the results and figures for the quarter ended March 31, 2021. Our report on the Statement is not modified in respect of this matter.

- The Statement includes the results for the Quarter ended March 31, 2022 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

Our report on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner
(Membership No. 105546)
(UDIN: 22105546AJISBM5504)

Place: Gurugram
Date: May 21, 2022

Vardhman Textiles Limited
Registered Office : Chandigarh Road, Ludhiana-141010
Consolidated Financial Results for the quarter and year ended March 31, 2022
Corporate Identity Number (CIN): L17111PB1973PLC003345, PAN: AABCM4692E
Website:www.vardhman.com Email: secretarial.lud@vardhman.com

(Rs. In crores)

S.No	Particulars	Quarter Ended March 31, 2022	Quarter Ended December 31, 2021	Quarter Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
		Unaudited (Refer note no.12)	Unaudited	Unaudited (Refer note no.12)	Audited	Audited
I.	Revenue from operations	2,707.11	2,603.18	1,947.07	9,622.34	6,139.87
II.	Other income	48.44	63.62	47.40	224.51	201.56
III.	**Total income (I+II)**	**2,755.55**	**2,666.80**	**1,994.47**	**9,846.85**	**6,341.43**
IV.	**Expenses**					
	Cost of materials consumed	1,503.29	1,377.74	970.65	4,964.04	3,188.63
	Purchase of stocks- in trade	2.22	-	3.85	2.33	5.13
	Change in inventories of finished goods,Works -in progress and stock -in- trade	(107.60)	(138.45)	(62.13)	(405.66)	66.70
	Employee benefits expenses	190.38	189.89	173.63	729.06	590.11
	Finance cost	28.97	21.48	28.41	99.72	113.32
	Depreciation and amortisation expense	92.19	92.36	91.85	367.51	363.81
	Other expenses	619.58	554.60	466.91	2,058.66	1,475.46
	Total Expenses	**2,329.03**	**2,097.62**	**1,673.17**	**7,815.66**	**5,803.16**
V	**Share of Profit/(Loss) of Associates**	11.57	9.33	11.09	39.69	20.63
VI.	**Profit/(Loss) before tax (III-IV+V)**	**438.09**	**578.51**	**332.39**	**2,070.88**	**558.90**
VII.	**Tax expense**					
	Current tax	117.00	159.22	70.52	527.96	118.75
	Deferred tax	0.52	(12.22)	7.25	(8.31)	13.24
VIII.	**Profit/(Loss) after tax (VI-VII)**	**320.57**	**431.51**	**254.62**	**1,551.23**	**426.91**
IX.	**Other Comprehensive Income/(Expenditure)**	6.80	-	4.75	6.80	4.75
X.	**Total Comprehensive Income/(Expenditure) (VIII+IX)**	**327.37**	**431.51**	**259.37**	**1,558.03**	**431.66**
XI.	**Profit/(Loss) for the period attributable to :**					
	Owners of the Company	322.12	428.59	247.91	1,546.89	414.35
	Non Controlling Interest	(1.54)	2.92	6.71	4.34	12.56
		320.58	**431.51**	**254.62**	**1,551.23**	**426.91**
XII.	**Other Comprehensive Income/ (expenditure) for the period attributable to :**					
	Owners of the Company	6.78	-	4.60	6.78	4.60
	Non Controlling Interest	0.02	-	0.15	0.02	0.15
		6.80	**-**	**4.75**	**6.80**	**4.75**
XIII	**Total Comprehensive Income/ (expenditure) for the period attributable to :**					
	Owners of the Company	328.89	428.59	252.51	1,553.67	418.95
	Non Controlling Interest	(1.52)	2.92	6.86	4.36	12.71
		327.37	**431.51**	**259.37**	**1,558.03**	**431.66**
XIV.	**Earnings Per Share (in Rs)** (not annualized):					
	(a)Basic	11.35	15.12	8.77	54.58	14.67
	(b) Diluted	11.33	15.08	8.72	54.42	14.56
XV.	Paid up equity share capital (face value per share Rs.2)	56.84	56.69	56.56	56.84	56.56
XVI.	Paid up Debt Capital*	394.80	394.80	544.80	394.80	544.80
XVII.	Other equity	7,646.92	7,322.93	6,411.70	7,646.92	6,411.70

* Paid up Debt Capital comprises of listed debentures only

Deloitte Haskins & Sells LLP Chartered Accountants

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED
Registered Office : Chandigarh Road, Ludhiana-141010

Statement of Segment Information

(Rs. In Crores)

Particulars	Quarter Ended March 31, 2022	Quarter Ended December 31, 2021	Quarter Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
	(Unaudited) (Refer Note no.12)	(Unaudited)	(Unaudited) (Refer Note no.12)	(Audited)	(Audited)
I. Segment Revenue					
Textiles	2,641.97	2,520.91	1,865.17	9,386.10	5,926.23
Acrylic Fibre	100.20	102.16	104.73	303.33	280.19
Total	**2,742.17**	**2,623.07**	**1,969.90**	**9,689.43**	**6,206.42**
Less : Inter Segment Revenue	35.06	19.89	22.83	67.09	66.55
Net Revenue from operations	**2,707.11**	**2,603.18**	**1,947.07**	**9,622.34**	**6,139.87**
II. Segment Results					
Profit/(loss) before tax & interest from each segment					
Textiles	478.88	589.99	333.56	2,144.46	568.07
Acrylic Fibre	(8.98)	9.93	27.78	4.39	43.06
Total	**469.90**	**599.92**	**361.34**	**2,148.85**	**611.13**
Less : (a) Interest	28.97	21.48	28.41	99.72	113.32
(b) Other un-allocable expenditure / (income) (Net of un-allocable (income)/expenditure)	14.39	9.28	11.63	17.94	(40.46)
Add: Share of Profit/(Loss) of Associates	11.57	9.33	11.09	39.69	20.63
Total Profit/(loss) before tax	**438.11**	**578.51**	**332.39**	**2,070.88**	**558.90**
Tax expenses	117.52	147.00	77.77	519.65	131.99
Net Profit/(loss) after tax	**320.59**	**431.51**	**254.62**	**1,551.23**	**426.91**
Less: Non Controlling Interest	(1.54)	2.92	6.71	4.34	12.56
Net Profit/(Loss) after taxes, non controlling interest and Share of profit/(loss) of Associates	**322.13**	**428.59**	**247.91**	**1,546.89**	**414.35**
III. Segment Assets					
Textiles*	8,672.57	8,329.58	7,867.03	8,672.57	7,867.03
Acrylic Fibre	143.95	193.33	127.08	143.95	127.08
Total Segment Assets	**8,816.52**	**8,522.91**	**7,994.11**	**8,816.52**	**7,994.11**
Un-allocated	2,162.58	2,197.22	1,622.83	2,162.58	1,622.83
Total Assets	**10,979.10**	**10,720.12**	**9,616.94**	**10,979.10**	**9,616.94**
IV. Segment Liabilities**					
Textiles	705.41	683.43	493.88	705.41	493.88
Acrylic Fibre	55.46	108.43	49.19	55.46	49.19
Total Segment Liabilities	**760.87**	**791.86**	**543.07**	**760.87**	**543.07**
Un-allocated	144.84	150.84	82.89	144.84	82.89
Total Liabilities	**905.71**	**942.70**	**625.96**	**905.71**	**625.96**
* Includes Capital Work in Progess and Capital Advances	315.39	268.99	98.03	315.39	98.03

** excludes borrowings, deferred tax liabilities

Deloitte Haskins & Sells LLP Chartered Accountants

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED
Consolidated Balance Sheet as at March 31, 2022

(Rs. In Crores)

S.No.	Particulars	Audited March 31 ,2022	Audited March 31 ,2021
	ASSETS		
1	**Non-current assets**		
	(a) Property, Plant and Equipment	3,469.99	3,504.35
	(b) Capital work-in-progress	241.21	77.96
	(c) Right to Use Asset	19.68	19.96
	(d) Intangible Assets	1.89	2.26
	(e) Goodwill	2.46	2.46
	(f) Financial Assets		
	-Investment in associates	159.96	129.31
	-Investments	910.73	437.55
	-Loans	0.95	1.37
	-Other financial assets	154.53	173.98
	(g) Other non-current assets	162.44	65.53
	Total Non-current assets	**5,123.84**	**4,414.73**
2	**Current assets**		
	(a) Inventories	2,882.29	2,796.05
	(b) Financial Assets		
	-Investments	620.37	507.67
	-Trade receivables	1,321.24	1,038.62
	-Cash and cash equivalents	66.63	92.64
	-Bank balance other than above	55.08	118.86
	-Loans	2.09	1.34
	-Other financial assets	143.51	54.76
	(c) Other current assets	763.88	592.12
	(d) Assets held-for-sale	0.17	0.15
	Total Current assets	**5,855.26**	**5,202.21**
	TOTAL ASSETS	**10,979.10**	**9,616.94**
	EQUITY AND LIABILITIES		
1	**Equity**		
	(a) Equity Share capital	56.84	56.56
	(b) Other Equity	7,646.92	6,411.70
	(c) Non controlling interest		
	- Equity Share capital	23.44	23.44
	- Other Equity	114.10	109.76
	Total Equity	**7,841.30**	**6,601.46**
	Liabilities		
2	**Non-current liabilities**		
	(a) Financial Liabilities		
	-Borrowings	921.06	1,296.60
	-Other financial liabilities	5.41	2.81
	-Lease liability	0.17	0.16
	(b) Provisions	15.98	16.96
	(c) Deferred tax liabilities (Net)	249.06	257.35
	(d) Other non-current liabilities	16.42	17.83
	Total Non-current liabilities	**1,208.10**	**1,591.71**
3	**Current liabilities**		
	(a) Financial Liabilities		
	-Borrowings	1,061.97	835.57
	-Trade payables		
	(i) Total outstanding dues of micro enterprises and small enterprises	31.15	14.72
	(ii) Total outstanding dues of trade payables other than micro enterprises and small enterprises.	364.42	284.54
	-Other financial liabilities	312.18	169.80
	(b) Other current liabilities	111.38	84.11
	(c) Provisions	3.33	2.70
	(d) Current tax liabilities (Net)	45.27	32.33
	Total Current liabilities	**1,929.70**	**1,423.77**
	TOTAL EQUITY AND LIABILITIES	**10,979.10**	**9,616.94**

Deloitte Haskins & Sells LLP Chartered Accountants

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED
Regd. Office : Chandigarh Road, Ludhiana-141010
Consolidated Statement of Cash Flows for the year ended March 31, 2022

(Rs. In Crores)

		Year ended March 31, 2022	Year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	2,070.88	558.90
	Adjustments for:		
	Share of profit of associates	(39.69)	(20.63)
	Finance costs	80.70	98.98
	Fair valuation gain on investment	(46.24)	(40.97)
	Subsidy from Government	(1.74)	(27.58)
	Interest income	(27.13)	(34.41)
	Dividend on current investments	(0.10)	(0.01)
	Net gain on sale / discarding of property, plant and equipment	(5.39)	(0.69)
	(Profit)/Loss on sale of Investments (Net)	(32.15)	(22.69)
	Provision no longer required written back(Net)	(5.91)	(6.90)
	Asset written off	5.82	1.92
	Bad debt written off	1.30	0.51
	Allowances for doubtful trade receivables and advances	14.99	-
	Depreciation and amortisation expense	367.51	363.81
	Share options outstanding account	0.84	2.15
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets :-		
	Trade receivables	(298.91)	(218.13)
	Inventories	(86.24)	(115.00)
	Loans	(0.33)	1.59
	Other assets (Current)	(171.76)	(96.49)
	Other assets (Non-current)	(42.80)	(3.59)
	Others financial assets (Current)	(93.03)	(33.17)
	Others financial assets (Non Current)	25.94	(107.65)
	Adjustments for increase / (decrease) in operating liabilities :-		
	Trade payables and other liabilities	102.21	(51.05)
	Provisions (Non Current)	(0.98)	0.79
	Provisions (Current)	0.63	0.08
	Others financial liabilities (Current)	105.74	(46.58)
	Others financial liabilities (Non-Current)	2.61	(1.16)
	Other liabilities (Non-current)	0.25	0.42
	Other liabilities (Current)	34.80	11.50
	Cash generated from operations	**1,961.83**	**213.95**
	Income taxes paid (net of refund)	(517.25)	(46.27)
	Net cash generated by operating activities	**1,444.58**	**167.68**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of investments	(1,104.27)	(743.81)
	Proceeds from sale of investments	615.63	892.83
	Interest received	24.91	22.88
	Payment for purchase of property, plant and equipment, capital work in progress and other intangible assets	(519.07)	(243.02)
	Bank balances not considered as cash and cash equivalents	63.78	(53.82)
	Proceeds from disposal of property, plant and equipment	10.69	3.39
	Dividend on associates, other investments	9.14	5.65
	Net cash used in investing activities	**(899.19)**	**(115.89)**

Deloitte Haskins & Sells LLP Chartered Accountants

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED
Regd. Office : Chandigarh Road, Ludhiana-141010
Consolidated Statement of Cash Flows for the year ended March 31, 2022

			(Rs. In Crores)
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Equity Share capital/Share Application	12.82	9.19
	Proceeds from borrowings (non-current)	87.95	325.00
	Repayment of borrowings (non-current)	(282.28)	(228.23)
	Proceeds/(Repayment) of borrowings (current)	45.21	(185.28)
	Dividends on equity share capital paid	(349.15)	(0.29)
	Finance costs paid	(85.95)	(94.39)
	Net cash generated/(used) in financing activities	**(571.40)**	**(174.00)**
	Net increase / (decrease) in cash and cash equivalents	**(26.01)**	**(122.21)**
	Cash and cash equivalents at the beginning of the year	92.64	214.85
	Cash and cash equivalents at the end of the year	**66.63**	**92.64**

VARDHMAN TEXTILES LIMITED LUDHIANA

Deloitte Haskins & Sells LLP Chartered Accountants

VARDHMAN TEXTILES LIMITED

Registered Office : Chandigarh Road, Ludhiana-141010

Notes to Consolidated financial results:

1 The consolidated financial results includes result of all its - (i) Subsidiaries - viz Vardhman Acrylics Limited, VTL Investments Limited and (ii) Associates - viz Vardhman Yarns and Threads Limited, Vardhman Special Steels Limited and Vardhman Spinning and General Mills Limited herein referred to as "The Group".

2 The Financial Results has been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and SEBI's circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016 as amended from time to time.

3 (a) The Parent Company had issued secured, rated listed Redeemable Non-convertible Debentures (NCDs) aggregating to Rs. 195.00 Crores for cash at par on private placement basis on June 1, 2020. The NCDs are listed at the Bombay Stock Exchange of India (BSE) and repayable at the end of 36 months from the date of allotment and have a yield of 6.83% per annum payable on 01-June on annual basis.

CRISIL has assigned a rating of AA+ with Stable outlook to the said NCDs of the Company on November 23, 2021. The NCDs are secured by way of a first pari passu charge over the immovable and movable fixed assets of the Company and it should have fixed asset cover of more than 1.25 times of outstanding amount of NCDs. The Fixed Asset coverage ratio as on March 31, 2022 is 2.47 times and Asset Cover as on March 31, 2022 is 2.43 times.

(b) The Parent Company had also issued secured, rated listed Redeemable Non-convertible Debentures (NCDs) aggregating to Rs. 499.80 crores for cash at par on private placement basis on September 8, 2017. The NCDs are listed at the Bombay Stock Exchange of India (BSE) and comprise of three series repayable in third, fourth and fifth years and have an overall yield of 7.69% per annum. During the current year ended March 31, 2022 1,500 7.69% Series B NCDs of Rs.10 lacs each amounting to Rs.150 Cr were redeemed on September 8, 2021 and during the previous year ended March 31,2021 1,500 7.59% Series A NCDs of Rs.10 lacs each amounting to Rs.150 Cr were redeemed on September 8, 2020.

CRISIL has assigned a rating of AA+ with Stable outlook to the said NCDs of the Company on November 23, 2021. These NCDs are secured by way of a first pari passu charge over the immovable and movable fixed assets of the Company and it should have fixed asset cover of more than 1.05 times of outstanding amount of NCDs. The Fixed Asset coverage ratio as on March 31, 2022 is 2.47 times and Asset Cover as on March 31, 2022 is 2.43 times.

4 Financial Results have been reviewed by the Audit Committee at its meeting held on May 20, 2022 and approved by the Board of Directors at its meeting held on May 21, 2022. The statutory auditors have expressed an unmodified opinion on the aforesaid results.

5 The Group's operations and financial results for the year ended March 31, 2022 and the corresponding year ended March 31, 2021 are not comparable as the results of the previous year were impacted by COVID-19 pandemic and the consequent lockdown announced by the Central / State Governments, due to which the operations were suspended for part of the year ended March 31, 2021.

The group has considered the possible effects that may result from the COVID-19 pandemic in the preparation of these audited financial results, including but not limited to the assessment of liquidity position and recoverability of carrying value of its assets comprising inventories and trade receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the group has, at the date of approval of these audited financial results, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. Given the uncertainties associated with nature, condition and duration of COVID-19, the group will closely monitor any material changes arising out of the future economic conditions and its impact on the business of the group.

6 The Parent Company is carrying substantial stock of cotton and hence it was thought prudent to hedge the same partially against price fluctuation. Accordingly, the Company had entered into derivative contracts at an international Commodity Exchange. 'Other Expenses/Other income' include below mentioned amounts on these derivative contracts:

Rs. In crores

Particulars	Quarter Ended March 31, 2022	Quarter Ended December 31, 2021	Quarter Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Cotton hedging derivative loss/ (gain) (including marked to market gain/loss)	63.09	4.14	3.34	67.07	87.90

7 The scheme of Amalgamation(scheme) between the Company ("Transferee Company") and two of its wholly owned subsidiaries viz. VMT Spinning Company Limited and Vardhman Nisshinbo Garments Company Limited (together referred to as "Transferor Companies") as approved by the National Company Law Tribunal has become effective w.e.f. the Appointed Date i.e. April 01, 2020 on completion of all the required formalities on May 14, 2022.

8 The Code on Social Security 2020 has been notified in the Official Gazette on 29th September 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are published.

9 The new scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) was introduced by Ministry of Commerce and Industry vide notification dated August 17, 2021 for eligible exported goods. Accordingly the Company has recognised the benefit of RoDTEP e-Scrips of Rs.19.69 crores pertaining to eligible export sales for the period from January 1, 2021 to March 31, 2021.

10 During the year ended March 31, 2022, the Parent Company has issued 2,10,250 equity shares having face value of Rs.10 per share under Employee Stock Options Scheme out of which 84,450 shares were issued in current quarter at Rs. 815 per share. As a result of above, the paid up equity share capital of the Company has increased.

11 During the current year, the parent company has paid the interim dividend of Rs. 34 per share on fully paid up equity shares of the company.

12 The figures for the quarter ended March 31 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto 31st December.

13 'The disclosure as per SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26 November 2018 applicable to Large Corporate Borrowers are as follows:

Annexure A

S. No.	Particulars	Details
1	Name of the Company	Vardhman Textiles Limited
2	CIN	L17111PB1973PLC003345
3	Outstanding borrowing of company as on 31st March, 2022	1341.77 Crores*
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	CRISIL AA+Stable
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	Bombay Stock Exchange

We confirm that we are a Large Corporate as per the applicability criteria given under the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26,2018.

*Outstanding borrowing of company as on 31st March, 2022 does not includes the External Commercial Borrowing and short term borrowings.

Annexure B1

S. No.	Particulars	Details
1	2-year block period	FY: 2021-22 FY: 2022-23
1	Incremental borrowing done in FY 2021-2022 (T) (a)	87.95 crores
2	Mandatory borrowing to be done through issuance of debt securities (T) (b) = (25% of a)	21.99 crores
3	Actual borrowings done through debt securities in FY (T) (c)	Nil
4	Shortfall in the borrowing through debt securities, if any, for FY 2020-21 (T-1) carried forward to FY 2021-22 (T) (d)	N.A.
5	Quantum of (d), which has been met from (c) (e)	Nil
6	Shortfall, if any, in the mandatory borrowing through debt securities for FY 2021-22 (T) {after adjusting for any shortfall in borrowing for FY	21.99 crores

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VARDHMAN TEXTILES LIMITED LUDHIANA

Details of penalty to be paid, if any, in respect to previous block (all figures in Rs crore):

S. No.	Particulars	Details
1	2-year block period (Specify financial years)	FY 2020-21 FY 2021-22
2	Amount of fine to be paid for the block, if applicable Fine = 0.2% of {(d)-(e)}	N.A.

14 Relevant information as required pursuant to regulation 52(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, in respect of Non Convertible Debentures, are as follows:

(a)

S.No.	Particulars	Quarter Ended March 31, 2022	Quarter Ended December 31, 2021	Quarter Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
(i)	Operating Margin (%) (Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA)/ Total Income from Operations)	19.88%	25.61%	22.14%	25.37%	16.01%
(ii)	Net Profit Margin (%) (Net Profit after tax/ Total Income from Operations)	11.63%	16.18%	12.77%	15.75%	6.73%
(iii)	Interest Service Coverage Ratio (in times) (EBITDA-Current Tax)/Gross Interest	14.87	24.39	13.06	19.76	7.91
(iv)	Debt service coverage ratio (DSCR) (in times)* (Net profit after tax+Depreciation/amortizations +Finance cost)/(Finance cost+Scheduled principal repayment of Long term Debts)	2.96	3.29	3.73	3.49	2.26
(v)	Bad Debts to Account Receivable Ratio (%)* (Bad debts/Trade Receivables)	0.22%	0.00%	0.01%	0.08%	0.00%
(vi)	Debtors Turnover ratio (in days)* (Trade receivables/Revenue from operations X No. of days in period)	44	46	48	50	62
(vii)	Inventory Turnover ratio (in days)* (Inventory/Revenue from operations X No. days in a period)	96	98	129	109	166

* Annualised

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VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED

Registered Office : Chandigarh Road, Ludhiana-141010

(b)	S.No.	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
	(i)	Debt equity ratio (in times) (Total Debt (excluding lease liabilities)/ Total Equity)	0.25	0.32
	(ii)	Current Ratio (in times) (Current Assets/Current Liabilities)	3.03	3.65
	(iii)	Current Liability Ratio (in times) (Current Liabilities/Total Liabilities)	0.61	0.47
	(iv)	Total Debt to total assets (in times) (Total Debt (excluding lease liabilities)/Total Assets)	0.18	0.22
	(v)	Long Term Debt to Working Capital (in times) (Long term borrowings (including current maturities of long term debt and excluding lease liabilities)/(Current Assets-Current Liabilities)	0.35	0.42
	(vi)	Net Worth (Rs. in Crores)	7703.76	6468.26
	(vii)	Capital Redemption Reserve (Rs. in Crores)	40.43	40.43
	(viii)	Debenture Redemption Reserve (Rs. in Crores)	57.62	57.62

15 During the current year, the equity shares of the parent company have been sub-divided from existing face value of Rs. 10/- per equity shares into 5 equity shares having face value of Rs. 2 per equity share based on approval by the shareholders through their Postal Ballot dated 11th March, 2022 . The Record Date for effecting this sub-division of equity share was March 26, 2022. Accordingly, basic and diluted earnings per equity share for previous periods have been computed on the basis of number of equity shares after sub-division.

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VARDHMAN TEXTILES LIMITED LUDHIANA

For Vardhman Textiles Limited

S.P. Oswal
Chairman & Managing Director

Place : Ludhiana
Date : May 21, 2022

Deloitte Haskins & Sells LLP

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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
VARDHMAN TEXTILES LIMITED

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2022 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2022 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2022 of **VARDHMAN TEXTILES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of associates for the quarter and year ended March 31, 2022, ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the other auditors on separate financial statements of subsidiaries and associates referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2022:

i. includes the results of the following entities:

Name of the Entity	Relationship
Vardhman Textiles Limited	Parent
VTL Investments Limited	Wholly owned subsidiary company
Vardhman Acrylics Limited	Subsidiary company
Vardhman Yarns and Threads Limited	Associate Company
Vardhman Special Steels Limited	Associate Company
Vardhman Spinning and General Mills Limited	Associate Company

ii. is presented in accordance with the requirements of Regulation 33, Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2022.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2022

With respect to the Consolidated Financial Results for the quarter ended March 31, 2022, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2022, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 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, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2022

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2022 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2022, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2022 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group including its associates in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33, Regulation 52 and Regulation 54 of the Listing Regulations.

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The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2022

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2022 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33, Regulation 52 and Regulation 54 of the Listing Regulations.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.

- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results, entities within the Group and its associates to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2022

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2022 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 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 SAs specified under section 143(10) of the Act 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.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

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.

Other Matters

- As stated in Note 12 of the Statement, the figures for the corresponding quarter ended March 31, 2021 are the balancing figures between the annual audited figures for the year then ended and the published year to date figures for the 9 months period ended December 31, 2020. We have not issued a separate limited review report on the results and figures for the quarter ended March 31, 2021. Our report on the Statement is not modified in respect of this matter.

- The Statement includes the results for the Quarter ended March 31, 2022 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.

- We did not audit the financial statements of two subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 357.32 Crores as at March 31, 2022 and total revenues of Rs. 121.19 Crores and Rs. 343.48 Crores for the quarter and year ended March 31, 2022 respectively, total net profit after tax of Rs 7.99 Crores and Rs. 34.74 Crores for the quarter and year ended March 31, 2022 respectively and total comprehensive income of Rs 8.28 Crores and Rs. 35.03 Crores for the quarter and year ended March 31, 2022 respectively and net cash outflows of Rs. 16.78 Crores for the year ended March 31, 2022, as considered in the Statement. The consolidated financial results also includes the Group's share of profit after tax of Rs 11.53 Crores and Rs. 39.51 Crores for the quarter and year ended March 31, 2022 respectively and total comprehensive income of Rs 11.60 Crores and Rs. 39.69 Crores for the quarter and year ended March 31, 2022 respectively, as considered in the Statement, in respect of three associates whose financial statements have not been audited by us. These financial statements have been audited/ reviewed, as applicable,

by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner
(Membership No. 105546)
(UDIN: 22105546AJISDK4904)

Place: Gurugram
Date : May 21, 2022