Vardhmān
Delivering Excellence. Since 1965.

VARDHMAN TEXTILES LIMITED

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Ref.VTXL:SCY:JUN:2021-22 **Dated: 17-Jun-2021**

To,
Listing Compliance Department,
National Stock Exchange of India Limited
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

Sub: Clarification for Financial results

Dear Sir/ Madam

This is in reference to your e-mail dated June 16, 2021 on the above captioned subject matter. In this regard, we would like to inform you that due to some technical hitch while consolidating the PDF files the system left two-three pages of the Consolidated Auditor's Report from consolidation which remained unnoticed while uploading the same on Neaps.

Now, complete results including Auditor's Report (both Standalone and Consolidated) for the Financial Year/ Quarter ended 31st March, 2021 are enclosed herewith.

You may kindly take the same on your records.

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, 2021
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, 2021	Quarter Ended December 31, 2020	Quarter Ended March 31, 2020	Year Ended March 31, 2021	Year Ended March 31, 2020
		Unaudited (Refer Note No.11)	Unaudited	Unaudited (Refer Note No.11)	Audited	Audited
I.	Revenue from operations	1,816.69	1,666.88	1,491.17	5,787.64	6,325.15
II.	Other income	45.55	51.76	39.85	189.47	171.98
III.	**Total income from operations (I+II)**	**1,862.24**	**1,718.64**	**1,531.02**	**5,977.11**	**6,497.13**
IV.	**Expenses**					
	Cost of materials consumed	904.26	840.77	767.12	2,999.62	3,332.63
	Purchase of stock- in trade	6.91	18.17	7.55	46.59	52.05
	Change in inventories of finished goods,works -in progress and stock - in- trade	(55.77)	21.38	(15.85)	61.62	(50.30)
	Employee benefits expense	161.53	142.44	131.70	549.86	550.98
	Finance cost	27.70	23.31	34.65	111.43	132.54
	Depreciation and amortisation expense	88.61	88.12	84.81	350.13	319.21
	Power and fuel	175.84	162.87	165.98	565.70	710.28
	Other expenses	265.64	230.30	225.15	825.00	846.73
	Total Expenses	**1,574.72**	**1,527.36**	**1,401.11**	**5,509.95**	**5,894.12**
V.	**Profit/(Loss) before tax (III-IV)**	**287.52**	**191.28**	**129.91**	**467.16**	**603.01**
VI.	**Tax expense**					
	Current tax	64.30	38.24	30.28	102.54	129.66
	Deferred tax	8.38	8.65	(33.43)	14.21	(72.14)
VII.	**Profit/(Loss) after tax (V-VI)**	**214.84**	**144.39**	**133.06**	**350.41**	**545.49**
VIII.	**Other Comprehensive Income/(Expenditure)**	4.55	-	(3.35)	4.55	(3.26)
IX.	**Total Comprehensive income/(Expenditure) (VII+VIII)**	**219.39**	**144.39**	**129.71**	**354.96**	**542.23**
X.	**Earnings Per Share (in Rs.) (not annualized)**					
	(a) Basic	37.32	25.10	23.13	60.91	94.86
	(b) Diluted	37.14	24.93	22.97	60.53	94.16
XI.	Paid up Equity Share Capital (Face value per share Rs.10)	57.56	57.52	57.52	57.56	57.52
XII.	Paid up Debt Capital*				544.80	499.80
XIII.	Other Equity				5,974.95	5,608.69
XIV.	Capital Redemption Reserve				6.26	6.26
XV.	Debenture Redemption Reserve				57.62	57.62
XVI.	Net Worth**				6,032.51	5,666.21
XVII.	Debt Equity Ratio***				0.35	0.39
XVIII.	Debt Service Coverage Ratio****				2.09	2.72
XIX.	Interest Service Coverage Ratio*****				8.33	6.98

* Paid up Debt Capital comprises of listed debentures only.
** Net Worth = Equity share capital + other equity
*** Debt equity ratio = Total Debt/Net Worth
**** Debt service coverage ratio (DSCR) = (EBDIT-Current Tax)/(Gross Interest+Scheduled principal repayment of Long term Debts)
***** Interest service coverage ratio (ISCR) = (EBDIT-Current Tax)/Gross Interest

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED
Regd. Office : Chandigarh Road, Ludhiana-141010

Standalone Balance Sheet as at March 31, 2021 (Rs. In Crores)

Sr. No.	Particulars	Audited March 31 ,2021	Audited March 31 ,2020
	ASSETS		
1	**Non-current assets**		
	(a) Property, plant and equipment	3,389.40	3,470.54
	(b) Capital work-in-progress	73.92	139.42
	(c) Right of Use Asset	8.63	8.76
	(d) Intangible assets	1.69	1.82
	(e) Financial assets		
	-Investments	552.43	558.20
	-Loans	1.31	1.48
	-Other financial assets	173.93	5.19
	(f) Other non-current assets	64.65	63.11
	Total Non-current assets	**4,265.96**	**4,248.52**
2	**Current assets**		
	(a) Inventories	2,624.20	2,506.16
	(b) Financial assets		
	-Investments	318.90	473.29
	-Trade receivables	986.60	794.81
	-Cash and cash equivalents	31.17	148.46
	-Bank Balance other than above	35.27	3.25
	-Loans	63.27	29.72
	-Other financial assets	50.02	11.03
	(c) Current tax assets (net)	-	65.82
	(d) Other current assets	563.21	445.47
	(e) Assets held-for-sale	0.15	0.15
	Total current assets	**4,672.79**	**4,478.16**
	Total Assets	**8,938.75**	**8,726.68**
	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity share capital	57.56	57.52
	(b) Other equity	5,974.95	5,608.69
	Total equity	**6,032.51**	**5,666.21**
	Liabilities		
1	**Non-current liabilities**		
	(a) Financial liabilities		
	-Borrowings	1,296.60	1,266.14
	-Other financial liabilities	2.81	3.98
	-Lease liability	0.16	0.15
	(b) Provisions	15.26	14.45
	(c) Deferred tax liabilities (net)	239.54	225.32
	(d) Other non-current liabilities	17.52	19.32
	Total Non-current liabilities	**1,571.89**	**1,529.36**
2	**Current liabilities**		
	(a) Financial Liabilities		
	-Borrowings	550.12	723.02
	-Trade payables		
	(i) Total outstanding dues of micro enterprises and small enterprises	13.87	27.23
	(ii) Total outstanding dues of trade payables other than micro enterprises and small enterprises.	233.09	264.69
	-Other financial liabilities	443.24	441.19
	(b) Provisions	2.57	2.46
	(c) Current tax liabilities (net)	11.17	-
	(d) Other current liabilities	80.29	72.52
	Total Current liabilities	**1,334.35**	**1,531.11**
	Total Equity and Liabilities	**8,938.75**	**8,726.68**

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED

STANDALONE CASH FLOW STATEMENT
for the year ended March 31, 2021

(Rs. In Crores)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	467.16	603.01
Adjustments for:		
Finance costs	97.67	121.21
Fair valuation gain on investment	(35.63)	(38.13)
Subsidy from Government	(27.54)	(16.27)
Interest income	(26.89)	(27.29)
Dividend on investments	(5.65)	(31.39)
Net gain on sale / discarding of property, plant and equipment	(0.65)	(4.50)
(Profit)/Loss on sale of Investments (Net)	(17.61)	(19.82)
Provision no longer required written back (net)	(6.57)	(1.66)
Assets written off	1.82	2.37
Bad debt written off	0.37	6.18
Allowances for doubtful trade receivables and advances written back (net)	-	(2.85)
Depreciation and amortisation	350.13	319.21
Share options outstanding account	2.16	0.97
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets :-		
Trade receivables	(184.22)	(41.28)
Inventories	(118.04)	(64.03)
Loans (Current)	(33.55)	4.87
Loans (Non-current)	0.17	(0.76)
Other assets (Current)	(89.80)	(29.61)
Others financial assets (Current)	(36.07)	47.76
Others financial assets (Non Current)	(165.44)	3.46
Other assets (Non-current)	(3.50)	9.15
Adjustments for increase / (decrease) in operating liabilities :-		
Trade payables	(38.39)	53.22
Provisions (Non Current)	0.81	3.59
Provisions (Current)	0.11	(0.33)
Others financial liabilities (Current)	(49.33)	43.88
Others financial liabilities (Non-Current)	(1.16)	(0.35)
Other liabilities (Non-current)	0.37	0.76
Other liabilities (Current)	2.90	10.64
Cash generated from operations	**83.63**	**952.02**
Income taxes paid	(27.08)	(100.84)
Net cash generated by operating activities	**56.55**	**851.18**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments	(552.39)	(392.34)
Proceeds from sale Investments	765.63	505.96
Interest received	20.67	27.22
Payment for purchase of property, plant and equipment, capital work in progress and other intangible assets	(235.35)	(640.96)
Bank balances not considered as cash and cash equivalents	(32.02)	0.18
Proceeds from disposal of property, plant and equipment	3.29	6.60
Dividend on subsidiaries, associates and other investments	5.65	31.39
Net cash used in investing activities	**(24.52)**	**(461.95)**

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED

STANDALONE CASH FLOW STATEMENT
for the year ended March 31, 2021

(Rs. In Crores)

	Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)
C	**CASH FLOW FROM FINANCING ACTIVITIES***		
	Proceeds from equity share capital/share application	9.19	3.43
	Proceeds from borrowings (non-current)	325.00	357.00
	Repayment of borrowings (non-current)	(218.01)	(253.34)
	Repayment of borrowings (current) (net)	(172.89)	(145.66)
	Corporate dividend tax paid	-	(17.76)
	Dividends on equity share capital paid	(0.29)	(100.80)
	Lease Payments made	-	(1.52)
	Finance costs paid	(92.32)	(119.53)
	Net cash used in financing activities	**(149.32)**	**(278.19)**
	Net increase / (decrease) in cash and cash equivalents	**(117.29)**	**111.03**
	Cash and cash equivalents at the beginning of the year	148.46	37.43
	Cash and cash equivalents at the end of the year	**31.17**	**148.46**

* There are no non cash changes arising from financing activities

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 The Company has made repayment of Commercial Papers on their respective due dates. The details of Commercial Papers repaid during the year ended March 31,2021, are as follows:-

ISIN No	ISIN Type	Rating	Due Date of payment	Actual Date of Repayment	Redemption Amount (Rs. In Crores)
INE825A14882	Fresh issued	Crisil A1+	June 23, 2020	June 23, 2020	250.00
INE825A14890	Fresh issued	Crisil A1+	July 22, 2020	July 22, 2020	200.00
INE825A14908	Fresh issued	Crisil A1+	March 30, 2021	March 30, 2021	250.00
INE825A14908	Fresh issued	Crisil A1+	March 30, 2021	March 30, 2021	150.00

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 NCD's 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 December 18, 2020. The NCDs shall be 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, 2021 is 2.14 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 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 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 08-September 2020.

CRISIL has assigned a rating of AA+ with Stable outlook to the said NCDs of the Company on December 18, 2020. 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, 2021 is 2.14 times.

(c) Details of due dates of non-convertible debentures amounting Rs.544.80 Crores as follows:-

						Previous Due Dates		Next Due Date	
S.No	ISIN Number	Particulars	Whether Secured/Unsecured	Rating	Amount (Rs. In crores)	Principal	Interest	Principal	Interest
1	INE825A07050	1500 7.69% Series B NCDs of Rs. 10 Lacs each	Secured	Crisil AA+Stable	150.00	-	September 08, 2020	September 08, 2021	September 08, 2021
2	INE825A07068	1998 7.75% Series C NCDs of Rs. 10 Lacs each	Secured	Crisil AA+Stable	199.80	-	September 08, 2020	September 08, 2022	September 08, 2021
3	INE825A07076	1950 6.83% NCDs of Rs. 10 Lacs each	Secured	Crisil AA+Stable	195.00	-	-	June 01, 2023	June 01, 2021

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED

Registered Office : Chandigarh Road, Ludhiana-141010

5 Financial Results has been reviewed by the Audit Committee at its meeting held on May 24, 2021 and approved by the Board of Directors at its meeting held on May 25, 2021 .The statutory auditors have expressed an unmodified opinion on the aforesaid results.

6 On account of COVID-19 pandemic, the Government of India had imposed a complete nation-wide lockdown on March 24, 2020 leading to temporarily shut down of company's manufacturing facilities and operations for some period during first quarter. Since then the Government of India progressively relaxed lockdown conditions and has allowed industry to resume its operations. Hence results of year ended 31st March 2021 are not comparable with corresponding year ended 31st March 2020 . The Company has made assessment of its liquidity position for the current year and the recoverability and carrying value of its assets comprising property, plant and equipment, right of use assets, investments, inventories and trade receivables. The Company has considered internal and external sources of information for making said assessment. On the basis of said assessment, the Company expects to recover the carrying amount of these assets and no material adjustments is required in the financial results. 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 was carrying substantial stock of cotton at the start of the Financial Year 2020-21. Amidst Covid situation, 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 Expense' for the quarter and the year ended 31st March, 2021 include loss (including Mark to Market loss) of Rs 3.34 cr and Rs 87.90 cr respectively on these derivative contracts.

8 The Board of Directors, in its meeting held on May 27, 2020 had approved a Scheme of Amalgamation (the "Scheme") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the 2013 Act, as per pooling of interest method, amongst the Company (Transferee Company) and its subsidiaries VMT Spinning Company Limited and Vardhman Nisshinbo Garments Company Limited (Transferor companies) . The Appointed date for the scheme will be April 1, 2020. The Scheme is subject to necessary statutory approvals.

9 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 . Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective.

10 During the year ended March 31, 2021, the Company has issued 43,800 equity shares under Employee Stock Options Scheme at Rs. 815 per share. As a result of above, the paid up equity share capital of the Company has increased from Rs. 57.52 crores to Rs. 57.56 crores.

11 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.

12 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, 2021	1580.54 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.

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED

Registered Office : Chandigarh Road, Ludhiana-141010

Annexure B1

S. No.	Particulars	Details
1	Incremental borrowing done in FY 2020-2021 (a)	325 Crores
2	Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	81.25 Crores
3	Actual borrowings done through debt securities in FY (c)	195 Crores
4	Shortfall in the mandatory borrowing through-debt securities, if any (d) = (b) - (c)	-
5	Reasons for short fall, if any, in mandatory borrowings through debt securities	-

The Company will take the requisite measures as stipulated within the timelines prescribed in the SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144.

13 The Board of directors has recommended a dividend of Rs. 17.50 per share on fully paid up equity shares of the company.

For Vardhman Textiles Limited

VARDHMAN TEXTILES LIMITED LUDHIANA

S.P. Oswal
Chairman & Managing Director

Place : Ludhiana
Date : May 25, 2021

Deloitte
Haskins & Sells LLP

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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, 2021 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2021 (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, 2021" 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, 2021:

i. is presented in accordance with the requirements of Regulation 33 (and Regulation 52) 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 and total comprehensive income 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, 2021

With respect to the Standalone Financial Results for the quarter ended March 31, 2021, 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, 2021, 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 (and Regulation 52) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Deloitte Haskins & Sells LLP Chartered Accountants

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2021

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, 2021 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, 2021 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, 2021 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 (and Regulation 52) 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.

Deloitte Haskins & Sells LLP
Chartered Accountants

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2021

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2021 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 (and Regulation 52) of 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.

Deloitte Haskins & Sells LLP
Chartered Accountants

- 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, 2021

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2021 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 11 of the Statement, the figures for the corresponding quarter ended March 31, 2020 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, 2019. We have not issued a separate limited review report on the results and figures for the quarter ended March 31, 2020. Our report on the Statement is not modified in respect of this matter

Deloitte Haskins & Sells LLP
Chartered Accountants

Deloitte
Haskins & Sells LLP

- The Statement includes the results for the Quarter ended March 31, 2021 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: 21105546AAAACU3669)

Place: New Delhi
Date: May 25, 2021

Vardhman Textiles Limited
Registered Office : Chandigarh Road, Ludhiana-141010
Consolidated Financial Results for the quarter and year ended March 31, 2021
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, 2021	Quarter Ended December 31, 2020	Quarter Ended March 31, 2020	Year Ended March 31, 2021	Year Ended March 31, 2020
		Unaudited (Refer note no.11)	Unaudited	Unaudited (Refer note no.11)	Audited	Audited
I.	Revenue from operations	1,947.07	1,750.10	1,595.76	6,139.87	6,735.00
II.	Other income	47.40	56.75	41.43	201.56	174.47
III.	**Total income (I+II)**	**1,994.47**	**1,806.85**	**1,637.19**	**6,341.43**	**6,909.47**
IV.	**Expenses**					
	Cost of materials consumed	970.65	880.74	830.45	3,188.63	3,604.19
	Purchase of stocks- in trade	3.85	0.14	6.74	5.13	9.01
	Change in inventories of finished goods,Works -in progress and stock -in- trade	(62.13)	23.18	(16.15)	66.70	(58.25)
	Employee benefits expenses	173.63	152.09	143.43	590.11	595.93
	Finance cost	28.41	23.25	34.79	113.32	135.27
	Depreciation and amortisation expense	91.85	91.61	88.16	363.81	333.22
	Power and fuel	186.63	174.17	176.30	606.63	754.87
	Other expenses	280.28	243.04	229.86	868.83	891.90
	Total Expenses	**1,673.17**	**1,588.22**	**1,493.58**	**5,803.16**	**6,266.14**
V	**Share of Profit/(Loss) of Associates**	11.09	9.56	4.18	20.63	12.14
VI.	**Profit/(Loss) before tax (III-IV+V)**	**332.39**	**228.19**	**147.79**	**558.90**	**655.47**
VII.	**Tax expense**					
	Current tax	75.40	44.40	35.16	123.63	144.34
	Deferred tax	6.81	8.94	(36.23)	12.80	(79.84)
VIII.	**Profit/(Loss) after tax (VI-VII)**	**250.18**	**174.85**	**148.86**	**422.47**	**590.97**
IX.	**Other Comprehensive Income/(Expenditure)**	4.75	-	(3.71)	4.75	(3.63)
X.	**Total Comprehensive Income/(Expenditure) (VIII+IX)**	**254.93**	**174.85**	**145.15**	**427.22**	**587.34**
XI.	**Profit/(Loss) for the period attributable to :**					
	Owners of the Company	243.47	170.52	145.71	409.91	577.52
	Non Controlling Interest	6.71	4.33	3.15	12.56	13.45
		250.18	**174.85**	**148.86**	**422.47**	**590.97**
XII.	**Other Comprehensive Income/ (expenditure) for the period attributable to :**					
	Owners of the Company	4.60	-	(3.63)	4.60	(3.54)
	Non Controlling Interest	0.15	-	(0.08)	0.15	(0.08)
		4.75	**-**	**(3.71)**	**4.75**	**(3.63)**
XIII	**Total Comprehensive Income/ (expenditure) for the period attributable to :**					
	Owners of the Company	248.07	170.52	142.08	414.51	573.97
	Non Controlling Interest	6.86	4.33	3.07	12.71	13.37
		254.93	**174.85**	**145.15**	**427.22**	**587.34**
XIV.	**Earnings Per Share (in Rs)** (not annualized):					
	(a)Basic	43.05	30.17	25.78	72.52	102.22
	(b) Diluted	42.83	29.97	25.60	72.07	101.45
XV.	Paid up equity share capital (face value per share Rs	56.56	56.52	56.52	56.56	56.52
XVI.	Paid up Debt Capital*				544.80	499.80
XVII.	Other equity				6,417.31	5,991.35
XVIII.	Capital Redemption Reserve				40.43	40.43
XIX.	Debenture Redemption Reserve				57.62	57.62
XX.	Net Worth**				6,473.87	6,047.87
XXI.	Debt Equity Ratio***				0.33	0.37
XXII.	Debt Service Coverage Ratio****				2.30	2.78
XXIII.	Interest Service Coverage Ratio*****				3.06	7.24

* Paid up Debt Capital comprises of listed debentures only
** Net Worth = Equity share capital + Reserves attributable to owners of equity
*** Debt equity ratio = Total Debt/Other equity attributable to owners of the company
**** Debt service coverage ratio (DSCR) = (EBDIT-Current Tax)/(Gross Interest+Scheduled principal repayment of Long term Debts)
***** Interest service coverage ratio (ISCR) = (EBDIT-Current Tax)/Gross Interest

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED
Consolidated Balance Sheet as at March 31, 2021 (Rs. In Crores)

S.No.	Particulars	Audited March 31 ,2021	Audited March 31 ,2020
	ASSETS		
1	**Non-current assets**		
	(a) Property, Plant and Equipment	3,504.35	3,593.24
	(b) Capital work-in-progress	77.96	141.64
	(c) Right to Use Asset	19.96	20.24
	(d) Intangible Assets	2.26	2.45
	(e) Goodwill	12.50	12.50
	(f) Financial Assets		
	-Investment in associates	129.31	114.33
	-Investments	437.55	458.20
	-Loans	1.37	1.48
	-Other financial assets	173.98	63.03
	(g) Other non-current assets	65.53	63.87
	Total Non-current assets	**4,424.77**	**4,470.98**
2	**Current assets**		
	(a) Inventories	2,796.05	2,681.05
	(b) Financial Assets		
	-Investments	507.67	572.38
	-Trade receivables	1,038.62	821.00
	-Cash and cash equivalents	92.64	214.85
	-Bank balance other than above	118.86	65.04
	-Loans	1.34	2.82
	-Other financial assets	54.76	13.36
	(c) Current tax assets (net)	-	42.33
	(d) Other current assets	592.12	469.56
	(e) Assets held-for-sale	0.15	0.15
	Total Current assets	**5,202.21**	**4,882.54**
	TOTAL ASSETS	**9,626.98**	**9,353.52**
	EQUITY AND LIABILITIES		
1	**Equity**		
	(a) Equity Share capital	56.56	56.52
	(b) Other Equity	6,417.31	5,991.35
	(c) Non controlling interest		
	- Equity Share capital	23.44	23.44
	- Other Equity	109.76	97.20
	Total Equity	**6,607.07**	**6,168.51**
	Liabilities		
2	**Non-current liabilities**		
	(a) Financial Liabilities		
	-Borrowings	1,296.60	1,266.14
	-Other financial liabilities	2.81	3.98
	-Lease liability	0.16	0.15
	(b) Provisions	16.96	16.17
	(c) Deferred tax liabilities (Net)	256.91	243.49
	(d) Other non-current liabilities	17.83	19.58
	Total Non-current liabilities	**1,591.27**	**1,549.51**
3	**Current liabilities**		
	(a) Financial Liabilities		
	-Borrowings	551.63	736.92
	-Trade payables		
	(i) Total outstanding dues of micro enterprises and small enterprises	14.72	27.76
	(ii) Total outstanding dues of trade payables other than micro enterprises and small enterprises.	284.54	329.45
	-Other financial liabilities	453.74	460.86
	(b) Provisions	2.70	2.62
	(c) Current tax liabilities (Net)	37.20	0.62
	(d) Other current liabilities	84.11	77.27
	Total Current liabilities	**1,428.64**	**1,635.50**
	TOTAL EQUITY AND LIABILITIES	**9,626.98**	**9,353.52**

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED
Regd. Office : Chandigarh Road, Ludhiana-141010
Consolidated Statement of Cash Flows for the year ended March 31, 2021

(Rs. In Crores)

	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	558.90	655.47
Adjustments for:		
Share of profit of associates	(20.63)	(12.14)
Finance costs	98.98	123.13
Fair valuation gain on investment	(40.97)	(43.17)
Subsidy from Government	(27.58)	(16.31)
Interest income	(34.41)	(26.51)
Dividend on current investments	(0.01)	(16.19)
Net gain on sale / discarding of property, plant and equipment	(0.69)	(4.76)
(Profit)/Loss on sale of Investments (Net)	(22.69)	(33.38)
Provision no longer required written back(Net)	(6.90)	(1.86)
Amortisation of processing charges	0.70	0.09
Asset written off	1.92	2.44
Bad debt written off	0.51	6.20
Allowances for doubtful trade receivables and advances	-	(2.71)
Depreciation and amortisation expense	363.81	333.22
Share options outstanding account	2.15	0.97
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets :-		
Trade receivables	(218.13)	(21.41)
Inventories	(115.00)	(70.80)
Loans (Current)	1.48	14.87
Loans (Non-current)	0.11	(0.75)
Other assets (Current)	(96.49)	(27.03)
Other assets (Non-current)	(3.59)	20.19
Others financial assets (Current)	(33.17)	56.02
Others financial assets (Non Current)	(107.65)	(53.97)
Adjustments for increase / (decrease) in operating liabilities :-		
Trade payables and other liabilities	(51.05)	43.50
Provisions (Non Current)	0.79	3.81
Provisions (Current)	0.08	(0.33)
Others financial liabilities (Current)	(46.58)	37.20
Others financial liabilities (Non-Current)	(1.16)	(0.35)
Other liabilities (Non-current)	0.42	0.83
Other liabilities (Current)	11.50	(3.53)
Cash generated from operations	**214.65**	**962.75**
Income taxes paid	(46.27)	(113.33)
Net cash generated by operating activities	**168.38**	**849.41**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments	(743.81)	(473.72)
Proceeds from sale of investments	892.83	763.23
Interest received	22.88	26.36
Payment for purchase of property, plant and equipment, capital work in progress and other intangible assets	(243.02)	(657.01)
Bank balances not considered as cash and cash equivalents	(53.82)	(61.24)
Proceeds from disposal of property, plant and equipment	3.39	7.16
Dividend on associates, other investments	5.65	16.19
Net cash used in investing activities	**(115.90)**	**(379.02)**

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED
Regd. Office : Chandigarh Road, Ludhiana-141010
Consolidated Statement of Cash Flows for the year ended March 31, 2021

(Rs. In Crores)

C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Equity Share capital/Share Application	9.19	3.42
	Proceeds from borrowings (non-current)	325.00	357.00
	Repayment from borrowings (non-current)	(228.92)	(264.53)
	Repayment of borrowings (current)	(185.28)	(149.50)
	Corporate dividend tax paid	-	(21.89)
	Dividends on equity share capital paid	(0.29)	(98.97)
	Capital Subsidy received	-	(0.01)
	Finance costs paid	(94.39)	(121.11)
	Net cash generated/(used) in financing activities	**(174.69)**	**(295.59)**
	Net increase / (decrease) in cash and cash equivalents	**(122.21)**	**174.80**
	Cash and cash equivalents at the beginning of the year	214.85	40.05
	Cash and cash equivalents at the end of the year	**92.64**	**214.85**

VARDHMAN TEXTILES LIMITED LUDHIANA

VARDHMAN TEXTILES LIMITED
Consolidated Financial Results for the quarter and year ended March 31, 2021
Registered Office : Chandigarh Road, Ludhiana-141010

Statement of Segment Information

(Rs. In Crores)

Particulars	Quarter Ended March 31, 2021	Quarter Ended December 31, 2020	Quarter Ended March 31, 2020	Year Ended March 31, 2021	Year Ended March 31, 2020
	(Unaudited) (Refer Note no.11)	(Unaudited)	(Unaudited) (Refer Note no.11)	(Audited)	(Audited)
I. Segment Revenue					
Textiles	1,865.17	1,687.94	1,529.35	5,926.24	6,478.92
Acrylic Fibre	104.73	80.88	83.37	280.19	334.37
Total	**1,969.90**	**1,768.82**	**1,612.72**	**6,206.43**	**6,813.29**
Less : Inter Segment Revenue	22.83	18.72	16.96	66.56	78.29
Net Revenue from operations	**1,947.07**	**1,750.10**	**1,595.76**	**6,139.87**	**6,735.00**
II. Segment Results					
Profit/(loss) before tax & interest from each segment					
Textiles	333.56	211.91	157.58	568.07	700.23
Acrylic Fibre	27.78	15.90	5.13	43.06	24.89
Total	**361.34**	**227.81**	**162.71**	**611.13**	**725.12**
Less : (a) Interest	28.41	23.25	34.79	113.32	135.27
(b) Other un-allocable expenditure / (income) (Net of un-allocable (income)/expenditure)	11.63	(14.07)	(15.69)	(40.46)	(53.48)
Add: Share of Profit/(Loss) of Associates	11.09	9.56	4.18	20.63	12.14
Total Profit/(loss) before tax	**332.39**	**228.19**	**147.79**	**558.90**	**655.47**
Tax expenses	82.21	53.34	(1.07)	136.43	64.50
Net Profit/(loss) after tax	**250.18**	**174.85**	**148.86**	**422.47**	**590.97**
Less: Non Controlling Interest	6.71	4.33	3.15	12.56	13.45
Net Profit/(Loss) after taxes, non controlling interest and Share of profit/(loss) of Associates	**243.47**	**170.52**	**145.71**	**409.91**	**577.52**
III. Segment Assets					
Textiles*	7,867.03	7,091.14	7,543.28	7,867.03	7,543.28
Acrylic Fibre	127.08	119.03	125.70	127.08	125.70
Total Segment Assets	**7,994.11**	**7,210.17**	**7,668.98**	**7,994.11**	**7,668.98**
Un-allocated	1,632.87	1,768.98	1684.54	1,632.87	1,684.54
Total Assets	**9,626.98**	**8,979.15**	**9,353.52**	**9,626.98**	**9,353.52**
IV. Segment Liabilities**					
Textiles	493.88	601.28	565.11	493.88	565.11
Acrylic Fibre	49.19	35.22	60.48	49.19	60.48
Total Segment Liabilities	**543.07**	**636.50**	**625.59**	**543.07**	**625.59**
Un-allocated	87.75	25.28	95.15	87.75	95.15
Total Liabilities	**630.82**	**661.78**	**720.74**	**630.82**	**720.74**
* Includes Capital Work in Progess and Capital Advances	98.03	101.36	163.64	98.03	163.64
**excludes borrowings, deferred tax liabilities					

VARDHMAN TEXTILES LIMITED LUDHIANA

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

NOTES :

1. The consolidated financial results includes result of all its - (i) Subsidiaries - viz Vardhman Acrylics Limited, VMT Spinning Company Limited, VTL Investments Limited, and Vardhman Nisshinbo Garments Company 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. The Parent Company has made the repayment of Commercial Papers on their respective due dates. The details of Commercial Papers repaid during the year ended March 31,2021, are as follows:-

ISIN No	ISIN Type	Rating	Due Date of payment	Actual Date of Repayment	Redemption Amount (Rs. In Crores)
INE825A14882	Fresh issued	Crisil A1+	June 23, 2020	June 23, 2020	250.00
INE825A14890	Fresh issued	Crisil A1+	July 22, 2020	July 22, 2020	200.00
INE825A14908	Fresh issued	Crisil A1+	March 30, 2021	March 30, 2021	250.00
INE825A14908	Fresh issued	Crisil A1+	March 30, 2021	March 30, 2021	150.00

4 (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 NCD's 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 December 18, 2020. The NCDs shall be 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 as at March 31,2021 is 2.14 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 quarter ended September 30,2020 1,500 7.59% Series A NCDs of Rs.10 lacs each amounting to Rs.150 Cr were redeemed on 08-September 2020.

CRISIL has assigned a rating of AA+ with Stable outlook to the said NCDs of the Company on December 18, 2020. 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 as at March 31,2021 is 2.14 times.

(c) 'Details of due dates of non-convertible debentures amounting Rs.544.80 Crores as follows:-

						Previous Due Dates		Next Due Date	
S.No	ISIN Number	Particulars	Whether Secured/ Unsecured	Rating	Amount (Rs. In crores)	Principal	Interest	Principal	Interest
1	INE825A07050	1500 7.69% Series B NCDs of Rs. 10 Lacs each	Secured	Crisil AA+Stable	150.00	-	September 08, 2020	September 08, 2021	September 08, 2021
2	INE825A07068	1998 7.75% Series C NCDs of Rs. 10 Lacs each	Secured	Crisil AA+Stable	199.80	-	September 08, 2020	September 08, 2022	September 08, 2021
3	INE825A07076	1950 6.83% NCDs of Rs. 10 Lacs each	Secured	Crisil AA+Stable	195.00	-	-	June 01, 2023	June 01, 2021

5.'On account of COVID-19 pandemic, the Government of India had imposed a complete nation-wide lockdown on March 24, 2020 leading to temporarily shut down of company's manufacturing facilities and operations for some period during first quarter. Since then the Government of India progressively relaxed lockdown conditions and has allowed industry to resume its operations. Hence results of year ended 31st March 2021 are not comparable with corresponding year ended 31st March 2020 . The Group has made assessment of its liquidity position for the current year and the recoverability and carrying value of its assets comprising property, plant and equipment, right of use assets, investments, inventories and trade receivables. The Group has considered internal and external sources of information for making said assessment. On the basis of said assessment, the Group expects to recover the carrying amount of these assets and no material adjustments is required in the financial results. 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.

VARDHMAN TEXTILES LIMITED LUDHIANA

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

6. The Parent Company was carrying substantial stock of cotton at the start of the Financial Year 2020-21. Amidst Covid situation, it was thought prudent to hedge the same partially against price fluctuation. Accordingly, the Parent Company had entered into derivative contracts at an international Commodity Exchange. 'Other Expense' for the quarter and the year ended 31st March, 2021 include loss (including Mark to Market loss) of Rs 3.34 Cr and Rs 87.90 Cr respectively on these derivative contracts.

7. Financial Results has been reviewed by the Audit Committee at its meeting held on May 24, 2021 and approved by the Board of Directors at its meeting held on May 25, 2021. The statutory auditors have expressed an unmodified opinion on the aforesaid results.

8. The Board of Directors, in its meeting held on May 27, 2020 had approved a Scheme of Amalgamation (the "Scheme") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the 2013 Act, as per pooling of interest method, amongst the Company (Transferee Company) and its subsidiaries VMT Spinning Company Limited and Vardhman Nisshinbo Garments Company Limited (Transferor companies). The Appointed date for the scheme will be April 1, 2020. The Scheme is subject to necessary statutory approvals.

9. 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. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective.

10.'During the year ended March 31, 2021, the Company has issued 43,800 equity shares under Employee Stock Options Scheme at Rs. 815 per share. As a result of above, the paid up equity share capital of the Company has increased from Rs. 56.52 crores to Rs. 56.56 crores.

11.'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.

12. 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, 2021	1580.54 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.

Annexure B1

S. No.	Particulars	Details
1	Incremental borrowing done in FY 2020-2021 (a)	325 Crores
2	Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	81.25 Crores
3	Actual borrowings done through debt securities in FY (c)	195 Crores
4	Shortfall in the mandatory borrowing through-debt securities, if any (d) = (b) - (c)	-
5	Reasons for short fall, if any, in mandatory borrowings through debt securities	-

The Company will take the requisite measures as stipulated within the timelines prescribed in the SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144.

13. The Board of directors has recommended a dividend of Rs. 17.50 per share on fully paid up equity shares of the company.

For Vardhman Textiles Limited

VARDHMAN TEXTILES LIMITED LUDHIANA

S.P. Oswal
Chairman and Managing Director

Place : Ludhiana
Date : May 25, 2021

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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, 2021 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2021 (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, 2021 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, 2021, ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 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, 2021:

i. includes the results of the following entities:

Name of the Entity	Relationship
Vardhman Textiles Limited	Parent
VMT Spinning Company Limited	Wholly owned subsidiary company
VTL Investments Limited	Wholly owned subsidiary company
Vardhman Nisshinbo Garments Company 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 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, 2021.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2021

With respect to the Consolidated Financial Results for the quarter ended March 31, 2021, 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, 2021, 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, 2021

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, 2021 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, 2021, 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, 2021 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 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, 2021

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2021 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.

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- 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 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, 2021

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2021 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 11 of the Statement, the figures for the corresponding quarter ended March 31, 2020 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, 2019. We have not issued a separate limited review report on the results and figures for the quarter ended March 31, 2020. Our report on the Statement is not modified in respect of this matter.

- The Statement includes the results for the Quarter ended March 31, 2021 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 four subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 798.13 Crores as at March 31, 2021 and total revenues of Rs. 188.12 Crores and Rs. 561.34 Crores for the quarter and year ended March 31, 2021 respectively, total net profit after tax of Rs 29.50 Crores and Rs. 58.95 Crores for the quarter and year ended March 31, 2021 respectively and total comprehensive income of Rs 29.70 Crores and Rs. 59.15 Crores for the quarter and year ended March 31, 2021 respectively and net cash outflows of Rs. 4.84 Crores for the year ended March 31, 2021, as considered in the Statement. The consolidated financial results also includes the Group's share of profit after tax of Rs 10.63 Crores and Rs. 20.33 Crores for the quarter and year ended March 31, 2021 respectively and total comprehensive income of Rs 11.09 Crores and Rs. 20.63 Crores for the quarter and year ended March 31, 2021 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

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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: 21105546AAAACV9886)

Place: New Delhi
Date : May 25, 2021