Vardhman
Delivering Excellence. Since 1965.

VARDHMAN TEXTILES LIMITED

CHANDIGARH ROAD
LUDHIANA-141010, PUNJAB
T: +91-161-2228943-48
F: +91-161-2601 048
E: secretarial.lud@vardhman.com

Ref. VTL:SCY:AUG:2024-25 **Dated: 28-Aug-2024**

BSE Limited, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, MUMBAI-400001. **Scrip Code: 502986**	The National Stock Exchange of India Ltd, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), MUMBAI-400 051 **Scrip Code: VTL**

Dear Sir,

SUB: ANNUAL REPORT (F.Y. 2023-24) OF THE COMPANY, NOTICE CONVENING 51ST ANNUAL GENERAL MEETING, BOOK CLOSURE DATES & E-VOTING INFORMATION

Pursuant to applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the 51st Annual General Meeting ('AGM') of the Members of the Company will be held on Thursday, 19th September, 2024 at 11:30 a.m. through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), in compliance with the relevant circulars issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI').

The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 7th September, 2024 to Saturday, 14th September, 2024 (both days inclusive) for the purpose of AGM and dividend. The dividend, if declared at the AGM, will be paid electronically within a week from the conclusion of AGM.

Further, the Company has fixed Thursday, 12th September, 2024 as the cut-off date to ascertain the eligibility of Members entitled to cast their vote electronically on all the resolutions to be passed at the AGM. The Company has engaged the services of Central Depository Services (India) Limited ('CDSL') to provide the e-Voting facility. The remote e-Voting schedule is as under:

Commencement of remote e-Voting	September 16, 2024 (09:00 am onwards)
End of remote e-Voting	September 18, 2024 (upto 05:00 pm)

Pursuant to Regulation 34(1) of the Listing Regulations, please find enclosed the Annual Report (F.Y. 2023-24) alongwith the Notice convening the 51st AGM of the Company. The said documents are also available on the website of the Company at www.vardhman.com.

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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

Sanjay Gupta

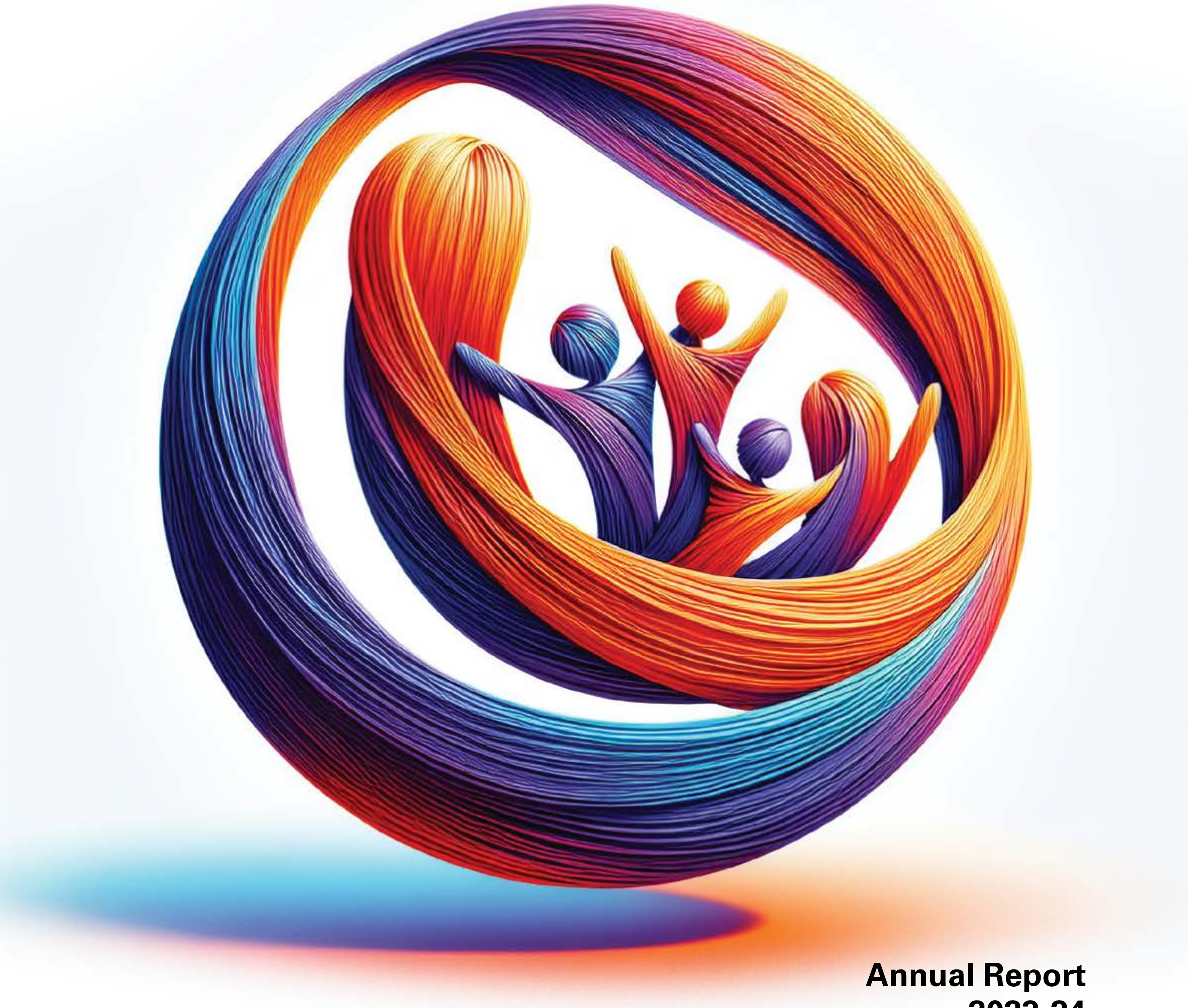
Digitally signed by Sanjay Gupta
DN: c=IN, o=Personal, postalCode=141010, l=Ludhiana, st=Punjab, street=House no . 1883 Sector 32-a Chandigarh Road, ludhiana, Punjab India- 141010-, title=3668, 2.5.4.20=124bad9891b98bc1c230ebad1a3f92123370292ebb19fd0cd2aded21fd129d95, serialNumber=f90871601590b53e4e52bd5cbc80df08eb5fd927c6f81aa06bcbf1aed41af6ab, email=sanjaygupta@vardhman.com, cn=Sanjay Gupta
Date: 2024.08.28 19:30:49 +05'30'

(SANJAY GUPTA)
Company Secretary

Vardhman

Delivering Excellence. Since 1965.

Crafting Stories with Every Thread



Annual Report 2023-24

Vardhman Textiles Ltd.

In this year's report

9,299 ₹ **Crore**
Total Revenue

1,292 ₹ **Crore**
EBITDA

13.41%
EBITDA Margin

608 ₹ **Crore**
Profit After Tax

6.31%
Profit After Tax Margin

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

For more details visit
www.vardhman.com

Crafting stories with every thread

In an ever-evolving industry scenario, we continue to perform with resilience, innovation and commitment to quality, crafting exciting stories of excellence with every thread.

For over five decades, we have invested in upgrading our infrastructure and processes, upskilling our people and delivering products that exceed diverse customer expectations. By blending cutting-edge technology with innovation, we delight our customers and exceed their expectations, while swiftly adapting to market dynamics.Agility and sustainability are deeply embedded in our processes, and we are making strategic investments in renewable energy to decarbonise our operations and contribute to a cleaner, greener future for all stakeholders.

Being India's largest vertically integrated textile manufacturer, our commitment towards all our stakeholders runs deep in our business strategies to create holistic value and enrich lives.

About us

With over five decades of expertise, we proudly stand as India's largest vertically integrated textile manufacturer, boasting a turnover exceeding a billion dollars. Our operations, which span the entire spectrum from product development to manufacturing, are a testament to our relentless commitment to excellence. By continuously setting new standards and benchmarking against global best practices, we consistently surpass customer expectations and sharpen our competitive edge.

Our impressive production capacity includes 1.23 million spindles and 180 million metres of processed fabric annually. This capacity allows us to cater to the dynamic needs of our valued customers with a diverse range of high-quality yarn and fabric. Additionally, we provide direct employment to around 25,000 people, reflecting our significant contribution to the industry and the economy.

Vision

Rooted in Values, Creating World-Class Textiles

Mission

Vardhman Group as a world-class textile organisation aims at producing diverse range of products for the global textiles market.

We seek to achieve customer delight through excellence in manufacturing and customer service, based on a creative combination of state-of-the-art technology and human resources. We understand and bear our responsibility as a good corporate citizen.

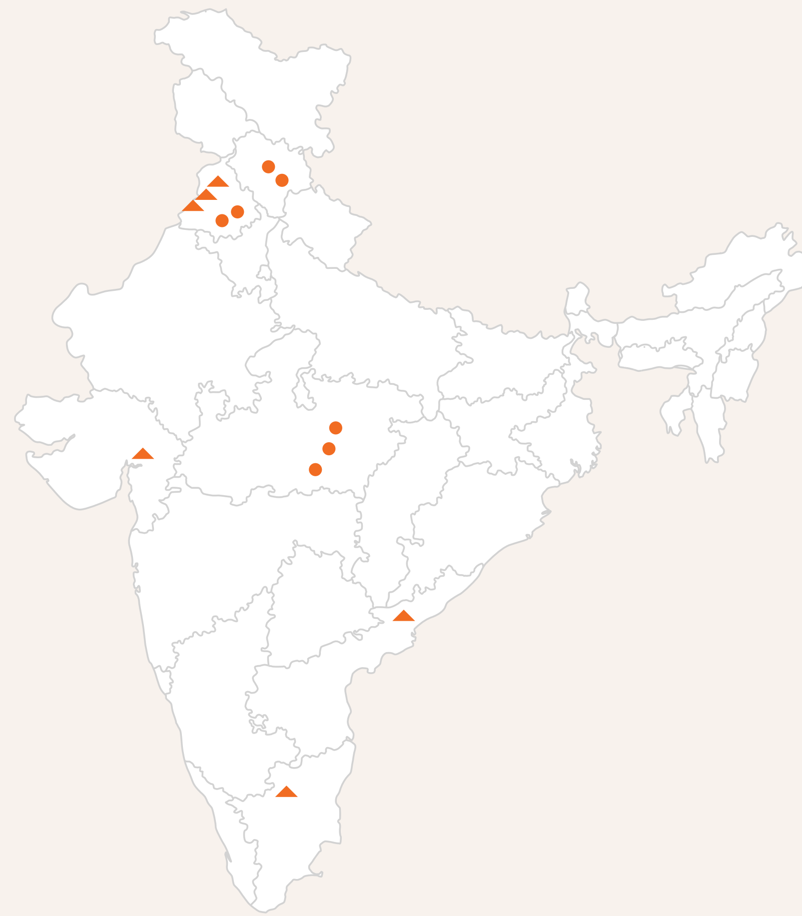
Values

- **Understand, engage, and deliver with total customer focus in all operational areas**
- **Ensure the best quality through latest technology, well-structured and standardised work practices**
- **Faith in individual potential and respect for human values**
- **Anticipate change and encourage innovation**
- **Be a responsible corporate citizen and positively contribute to the society that we live in**

Goal

To make maximum utilisation of resources to innovate, diversify, integrate, and build a dynamic enterprise.

Geographic presence



Fabric Units
- Baddi, Himachal Pradesh
- Budhni, Madhya Pradesh

Yarn & Dyeing Units
- Ludhiana, Punjab
- Malerkotla, Punjab
- Baddi, Himachal Pradesh
- Mandideep, Madhya Pradesh
- Satlapur, Madhya Pradesh
- Budhni, Madhya Pradesh

Subsidiaries & Associates

Fibre Unit
- Jhagadia, Gujarat

Steel Unit
- Ludhiana, Punjab

Sewing Thread Units
- Hoshiarpur, Punjab
- Ludhiana, Punjab
- Perundurai, Tamil Nadu
- Vizag, Andhra Pradesh

Map not to scale. Only for representation purpose.

Vardhman at a glance

Over 5 decades of experience in the textile industry

15
State-of-the-art manufacturing facilities

60+
Countries, global presence

1.23 million
Spindle count – largest in the country

Leading
manufacturer and exporter of cotton yarn in India

Largest
manufacturer of hand-knitting yarn in the country

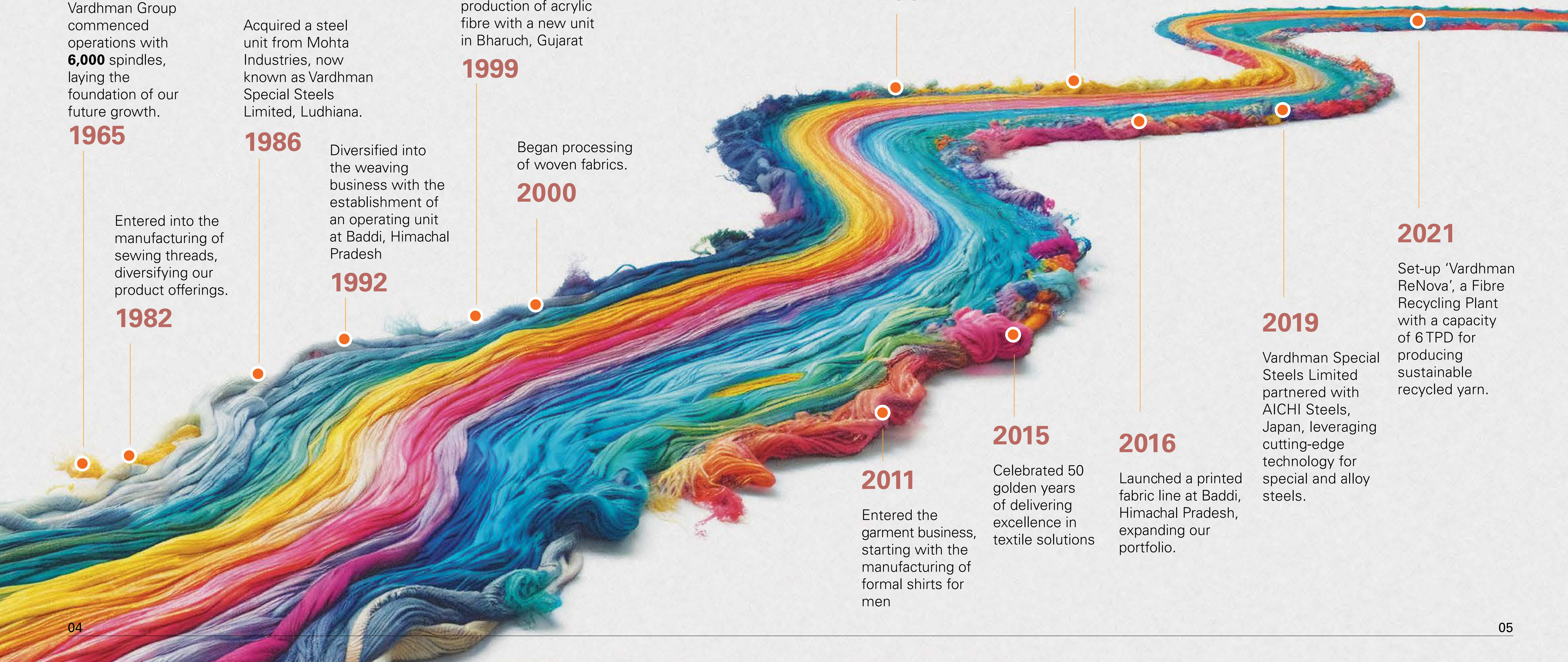
180 million meters per annum
Fabric Processing capacity

30 million meters per annum
Printing line capacity

Leaders
In bi-stretch fabric

Our journey

In an industry as dynamic and demanding as textiles, we have thrived by adapting with agility and executing with excellence. Our journey is marked by significant milestones that reflect our resilience, innovation and commitment to quality.



1965

Vardhman Group commenced operations with **6,000** spindles, laying the foundation of our future growth.

1982

Entered into the manufacturing of sewing threads, diversifying our product offerings.

1986

Acquired a steel unit from Mohta Industries, now known as Vardhman Special Steels Limited, Ludhiana.

1992

Diversified into the weaving business with the establishment of an operating unit at Baddi, Himachal Pradesh

1999

Ventured into the production of acrylic fibre with a new unit in Bharuch, Gujarat

2000

Began processing of woven fabrics.

2007

Established our first composite plant with spinning, weaving and fabric processing facilities at Budhi, Madhya Pradesh.

2011

Entered the garment business, starting with the manufacturing of formal shirts for men

2013

Increased spindle capacity to 1 million, achieving the highest spindle count in the country.

2015

Celebrated 50 golden years of delivering excellence in textile solutions

2016

Launched a printed fabric line at Baddi, Himachal Pradesh, expanding our portfolio.

2019

Vardhman Special Steels Limited partnered with AICHI Steels, Japan, leveraging cutting-edge technology for special and alloy steels.

2021

Set-up 'Vardhman ReNova', a Fibre Recycling Plant with a capacity of 6 TPD for producing sustainable recycled yarn.

Sound financials

Revenue
(₹ in Crore)

9,299

FY 2023-24	9,299
FY 2022-23	9,841
FY 2021-22	9,386
FY 2020-21	5,926
FY 2019-20	6,325

EBITDA
(₹ in Crore)

1,292

FY 2023-24	1,292
FY 2022-23	1,478
FY 2021-22	2,647
FY 2020-21	955
FY 2019-20	1,055

EBITDA
(%)

13.41

FY 2023-24	13.41
FY 2022-23	14.73
FY 2021-22	27.09
FY 2020-21	15.62
FY 2019-20	16.23

PAT
(₹ in Crore)

608

FY 2023-24	608
FY 2022-23	749
FY 2021-22	1,677
FY 2020-21	367
FY 2019-20	545

PAT
(%)

6.31

FY 2023-24	6.31
FY 2022-23	7.47
FY 2021-22	17.16
FY 2020-21	6.00
FY 2019-20	8.40

Net Worth
(₹ in Crore)

8,805

FY 2023-24	8,805
FY 2022-23	8,293
FY 2021-22	7,539
FY 2020-21	6,139
FY 2019-20	5,666

Return on Net Worth
(%)

6.91

FY 2023-24	6.91
FY 2022-23	9.03
FY 2021-22	22.25
FY 2020-21	5.97
FY 2019-20	9.57

Dividend per share
(in ₹)

4.00**

FY 2023-24	4.00**
FY 2022-23	3.50**
FY 2021-22	-
FY 2020-21	51.50*
FY 2019-20	-

Book value per share
(in ₹)

304.46

FY 2023-24	304.46
FY 2022-23	286.86
FY 2021-22	260.99
FY 2020-21	209.60
FY 2019-20	197.02

* Including Interim Dividend of Rs. 34/- per equity share
**On face value of Rs. 2/- per share

Chairman's message

"

Our commitment to sustainability goes beyond energy consumption. We are also focused on reducing our water usage, minimizing waste and promoting sustainable practices across our supply chain.

Dear Shareholders,

The occasion of presenting you the annual report for the financial year FY 2023-24 is also an opportunity for me to share with you our perspective on the global economic conditions, its impact upon textile industry and our response as a textile company. The year has been a year of challenges for us. Being export oriented industry, textile industry's performance is subject to the global market conditions, which have been difficult due to geopolitical conditions in the FY 2023-24 and situation has not much changed thereafter.

Nevertheless, the domestic economy of India remained resilient to global upheavals to great extents in terms of moderate inflation, and stable fiscal and monetary policy. The real GDP growth of above 8% in FY 2023-24 against about 7% growth in FY 2022-23 has kept the general confidence level high in the Indian economy. Economic Survey of India projects 6.5-7% GDP in the ensuing financial year FY 2024-25. This is based on healthy projection of the manufacturing sector keeping in view 'China plus One' approach of the global community. Further, it is expected that private sector may also follow the capex buoyancy shown by public sector in India in last couple of years.

Textile industry

The Indian textile industry has been growing organically and is, presently, estimated at about USD 165 billion, which is projected to grow to about USD 350 billion by 2030. These projections are based on export of about USD 100 billion of textile and clothing (T&C). This scenario offers scope for growth/ opportunities in the textile industry. Though, challenges emanating from the prevailing geopolitical conditions may act as head-winds.

"

Vardhman has consistently followed a prudent policy of harmonious relations with all stakeholders including employees.

Business update-Yarns

The year was quite volatile in terms of cotton and yarn prices. With lower cotton prices and slower demand, the international prices of cotton yarn remained under pressure. Further, increased differential in international cotton prices and domestic cotton prices also squeezed the margins of domestic spinning Industry. Cotton being the key raw material for our Company has profound influence on our margins. In India we are not free to import cotton as there is an import duty of 11% for cotton. Unremarkably, the prices of cotton in the international markets have dropped down drastically. This will make our prices, based on Minimum Support Price (MSP) of Govt. of India, uncompetitive. If this phenomenon persists, the Industry may face formidable challenges. We earnestly hope that Govt. may take appropriate decision to keep the Industry competitive. The spinning capacity utilization in India was about 70% only during the year. As a natural corollary of above factors, the profit margins remain lower as compared to the previous year.

Nevertheless, there is no directional impact on the future outlook of the cotton yarn business as we intend to invest ₹ 1,000 crore+ for technology upgradation, balancing equipment for optimisation and limited expansion.

Business update-Fabrics

The fabric business has performed better in line with our expectations and market conditions and has seen 85-90% capacity utilization. We would like to apprise you that your management has decided to expand its fabric division by venturing into technical textiles with an initial investment of approx. ₹ 300 crore apart from normal modernisation projects undertaken by the Company. Recognising the global shift towards non-cotton material, your Company will manufacture about 15 lac meters/ month of fabric having usage in sportswear, active wears and other industrial and defence applications. This strategic move will diversify our product portfolio and give us a competitive edge, allowing us to cater to a broader range of customer needs and preferences. We intend to increase this capacity gradually, linked with market feedback coming from consumers.

Commitment to Sustainability and Green Energy

With environment, health and safety becoming new addition in customer expectations/ demand interwoven with product's technical and value proposition, a great emphasis is given on sustainability of our operations in aforesaid areas.

Sustainability is at the heart of our strategy. We are committed to increase the share of green energy in our operations. Currently, green power makes up about 2.5% of our total energy consumption, and we aim to raise this to 35-40% within the next couple of years through investments in solar and wind energy projects. These initiatives are a testament to our dedication to environmental stewardship and operational efficiency.

Our commitment to sustainability goes beyond energy consumption. We are also focused on reducing our water usage, minimizing waste and promoting sustainable practices across our supply chain. By integrating sustainability into every aspect of our operations, we are not only protecting the environment but also creating long-term value for our stakeholders.

Human Resources

Vardhman has consistently followed a prudent policy of harmonious relations with all stakeholders including employees. Talent identification and development is vital to the success of any organisation. We have always earmarked reasonable budget for this and always believe in giving opportunity to the young aspirants. Our policies are integrated with our business goals.

While the global business environment is challenging due to geopolitical reasons well known to all and thus, having some concerns for immediate future business environment in exports as well as domestic market, we are hopeful for the bright future of the textile industry in India and continue to work hard to strive for sailing during difficult times and prepare for new opportunities through operational excellence, technological upgradation, scaling up and connect with customers to create value for them on continuous basis.

Sincerely,

Shri Paul Oswal
Chairman

Business model

Input

Robust Financials

We strategically allocate financial resources to run our business efficiently, effectively manage financial risks and optimise capital costs.

8,805
Net Worth
(₹ in Crore)

1,790
Total Debt
(₹ in Crore)

Innovation

Our expertise and in-depth market knowledge empower us to develop innovative solutions and strengthen our market position.

44+
Spent towards R&D in the past 5 years
(₹ in Crore)

Community Welfare

To operate profitably and sustainably, we forge strong partnerships with key stakeholders across the business value chain and within our communities.

84+
Spent towards CSR in the past 5 years
(₹ in Crore)

Manufactured Excellence

Utilising state-of-the-art manufacturing facilities, we produce high-quality products that are both affordable and accessible to consumers worldwide.

15
Manufacturing units

2,428 +
CAPEX in the past 5 years
(₹ in Crore)

Human Resource

Our employees' expertise, knowledge, motivation, and conduct are crucial in achieving and advancing our business goals.

24,929
Permanent Employees

33.79%
Permanent Women in Workforce

Environment Stewardship

We aim to maximise the efficient use of natural resources, minimise waste generation and reduce our environmental impact.

3
ETPs

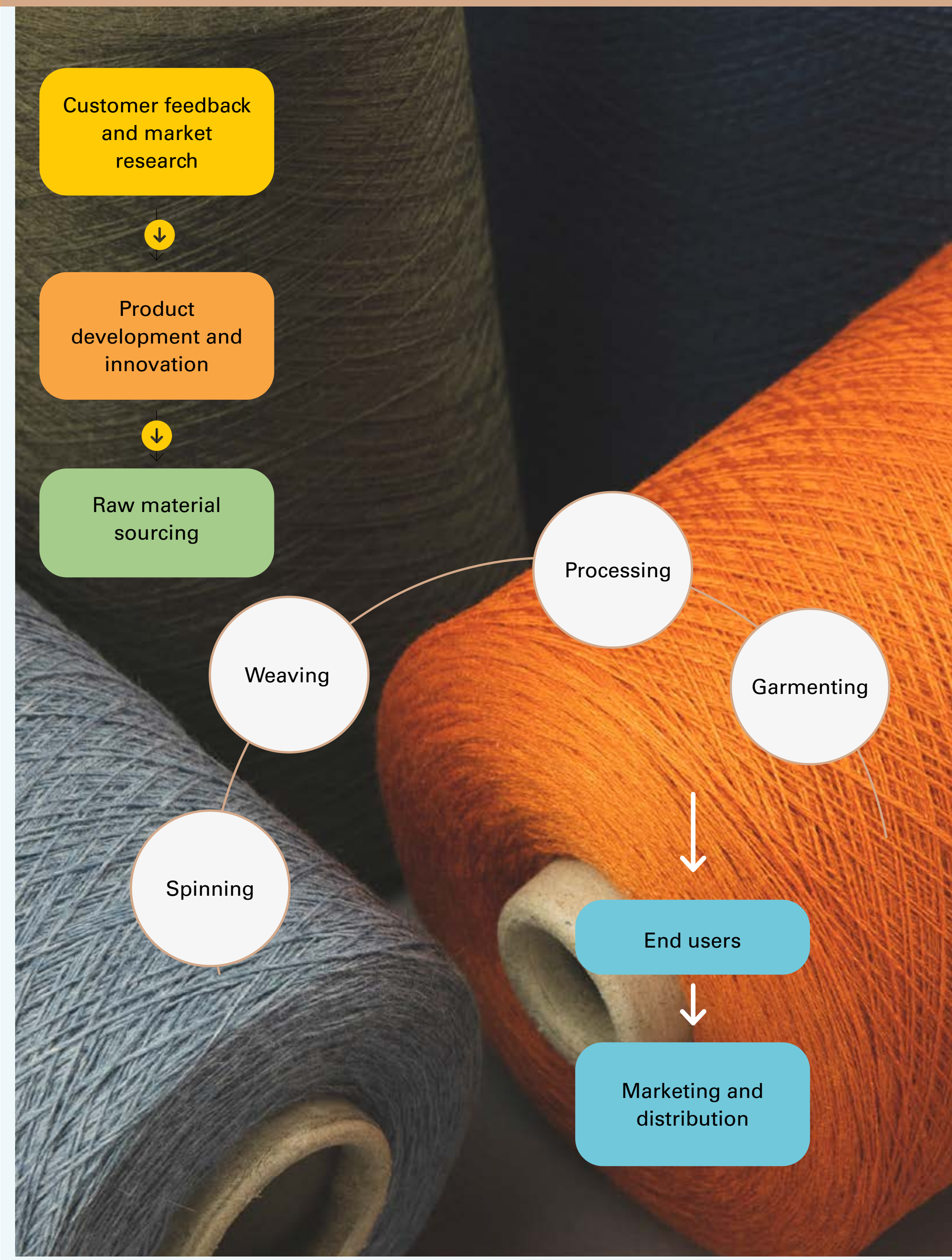
9
STPs

2
ZLDs

2
Biogas Plants

19.9 MW
Renewable energy capacity

Value creation process



Output

Robust Financials

9,299
Revenue
(₹ in Crore)

1,292
EBITDA
(₹ in Crore)

608
PAT
(₹ in Crore)

21.01
EPS
(₹)

Manufactured Excellence

180
Fabric processing capacity
(million meters per annum)

1.23 million
Spindle count

30
Printing line capacity
(million meters per annum)

2.0
Shirt manufacturing capacity
(million pcs per annum)

Human Resource

6,955
Training Programs

Social and Relationship Capital

1,12,635
CSR Beneficiaries

Natural capital

37.69 lac
Energy saved
(in kWH)

2.13
Water recycled
(in million KLD)

290.44 lac
Renewable energy produced
(in kWH)

Our businesses

YARN

Vardhman stands as a leader in the manufacturing and export of premium yarns, renowned for our superior product quality and customised offerings that meet diverse customer needs. By leveraging cutting-edge spinning technology from industry leaders, we consistently exceed customer expectations while maintaining stringent production control and swiftly adapting to market changes.

Our extensive range includes specialised greige, dyed and recycled sustainable yarns in various materials like cotton, polyester, acrylic, viscose, and specialized fibres, along with blends. This diverse portfolio allows us to cater to a wide array of customer requirements. We prioritise traceability, ensuring that our fibres, sourced both domestically and internationally, align perfectly with customer preferences.

At Vardhman, innovation is at the heart of our operations. Recognising sustainability as the future of textiles, we started manufacturing recycled yarns in India. By aligning with emerging trends, we ensure a sustainable future for the industry while continuing to deliver exceptional quality and value to our customers.

1.23 million
Spindle count

5,868 ₹ Crore
Revenue from yarn in FY24 (excluding internal transfers)

Our yarn portfolio

Speciality yarns

- Core spun yarn
- Slubs
- Cellulosic
- Vortex yarn (PC, Viscose and Melange)
- Special blended yarn
- Sustainable yarn

Acrylic, fancy and hand knitting yarns

- Grey acrylic
- Dyed acrylic
- Fancy spun yarn
- Fancy structured yarn
- Hand knitting yarn

Dyed yarns

- Packaged dyed yarn
- Mélange / Heather yarn (Brand Rangoli)
- Gassed mercerised yarn

Grey yarns

- Polyester cotton yarn
- Cotton yarn
- Compact yarn

Initiatives

- Enhance our polyester recycling efforts through the adoption of advanced textile-to-textile recycling technologies.
- Increase the procurement of cotton from vulnerable and marginalized communities as well as rain-fed areas, fostering sustainable sourcing practices that support both social equity and environmental sustainability.
- Implement drip irrigation systems in BCI projects to optimize water usage and improve crop yields, contributing to more sustainable cotton farming practices.

FABRICS

As one of India's largest vertically integrated fabric suppliers, we specialise in manufacturing high-quality fabrics for tops, bottoms and outerwear in the apparel segment. Our products cater to major retailers and highly discerning markets worldwide.

1,550
Looms

180 million metres per annum
Fabric processing capacity

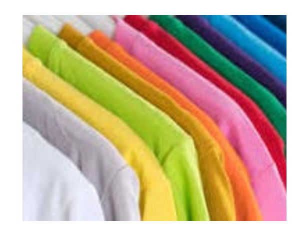
3,123 ₹ Crore
Revenue from Fabric in FY24

Our facilities feature a mix of advanced European and Japanese machinery and technologies, enabling us to handle a vast range of products from 60 GSM to 400 GSM. We specialize in manufacturing fabrics suitable for tops, bottoms and outerwear across kids, men and women categories. Our capabilities extend to piece-dyed, yarn-dyed and printed fabrics, catering to both casual and formal wear.

Did you know?

We have a Fabric Development Centre, staffed with a team of specialised engineers covering fibre-to-fabric science, passionately focuses on product development and innovation, continually enhancing our product offerings.

Products

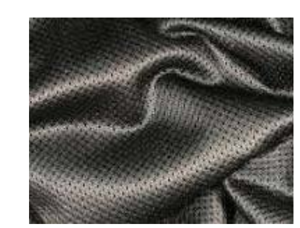

Piece Dyed


Yarn-Dyed


Prints


Fibre Blends


Weave


Speciality Finishes

GARMENTS

Our garment unit prioritises buyer satisfaction, emphasising on quality, functionality and comfort in the production of formal and casual shirts. We employ advanced techniques, such as liquid ammonia treatment baking machines, to create specially finished products like Post Cure shirts, ensuring excellence in every piece.

2.0 million
Shirt manufacturing capacity (Pcs. per annum)

Vardhman Apparels outlook has always been to satisfy our customers with high quality shirts with our state of the art infrastructure and equipments accompanied by our innovative product that we offer our customers as a futuristic approach.

Our prerogative is to produce world class garments both for the international and domestic brands, offering wide range of products in all blends.

Vardhman Apparels mission is always to emphasize on quality produced, timely delivery and innovative products.

Products Range

- 100% Cotton
- Poly cotton
- Cotton stretch or cotton lycra
- Linen
- Cotton modal
- Cotton tencel
- Cotton viscose
- Melange

Key-notes

- USP of Pre-cure and Post-Cure taped shirts (Full & Partial tape shirts).
- Jaza's opta cut- software application for fabric optimization.
- Jaza's Opta plan- for sequential planning in the form of a TNA.
- Jaza's Opta Floor- digital solution for real-time for data tracking and reports of manufacturing processes.
- CAD System.
- Automated Spreading machine.
- Pinning tables for structured fabric.
- State of the art Kannegiesser.
- Latest high-speed sewing machines.
- Japanese (Naomoto) Steam press.
- Body press Kannegiesser.
- Baking machine for curing post-cure shirts.
- Jeanologia e-flow technology, zero discharge in-house wash plant.

112 ₹ Crore
Revenue from garments

15,47,982
Number of garments produced

Strengths that set us apart

Ensuring Consistency

Our extensive quality inspections, conducted by skilled specialists, along with well-defined quality management systems and thorough batch documentation, ensure consistency within and across batches. We standardise raw materials such as cotton, dyes and chemicals throughout the manufacturing process. With the use of digital and programmatic controls, our cutting-edge equipment and technology deliver reliable results with every batch.

Flexible Production

Our diverse product range offers customers unparalleled flexibility in selection. Our production capacity is strategically designed to enhance speed and adaptability. We maintain a higher weaving capacity to support fabric processing and a higher spinning capacity to support weaving. This surplus capacity at the back end ensures manoeuvrability and machine availability, allowing us to meet varying customer demands efficiently.

Comprehensive Traceability

Our in-house operations, from spinning to processing guarantee comprehensive and irrefutable traceability. For customers purchasing BCI Cotton, we can trace it back to the farm/gin. This traceability facilitates root cause analysis, enhances operational efficiency, and supports quality control measures.

Agile Manufacturing

We efficiently deliver technical and business solutions through integrated manufacturing and robust system interlinking. Maintaining a single point of contact from fibre to finish ensures quick decision-making and provides consumers with a comprehensive view of the production results. This approach ensures total transparency and allows for swift course adjustments and mid-course alterations.

Organisational Reliability

Our cutting-edge infrastructure and planning enable us to distribute products globally. Coordinated production planning throughout the industrial chain ensures machine availability and timely output. Vardhman's reliability is further enhanced by progressive people practices, ongoing training, and strict safety standards. Our extensive warehouses improve adaptability to external disruptions.

Commitment to Sustainability

Our integrated supply chain allows for accurate and reliable measurement of environmental and social impacts across all production stages. This enables the implementation of effective and efficient sustainability initiatives. We promote a healthy workplace, environmental stewardship, social upliftment and responsible value creation through these initiatives.


E
S
G

Environment

At Vardhman, we are committed to enhancing our performance across all areas while expanding our business activities to provide better returns for our shareholders. We invest in talent and technology to consistently reduce our environmental footprint, reflecting our dedication to sustainability.

Our environmental strategy focuses on the careful management and conservation of natural resources, guided by both short- and long-term goals. We utilise advanced technologies to reduce our ecological footprint and prioritise energy efficiency throughout our supply chain, progressing towards a net-zero future—a testament to the successful implementation of our strategies.

Our key focus area

- Water management
- Energy efficiency
- Green chemistry
- Waste management

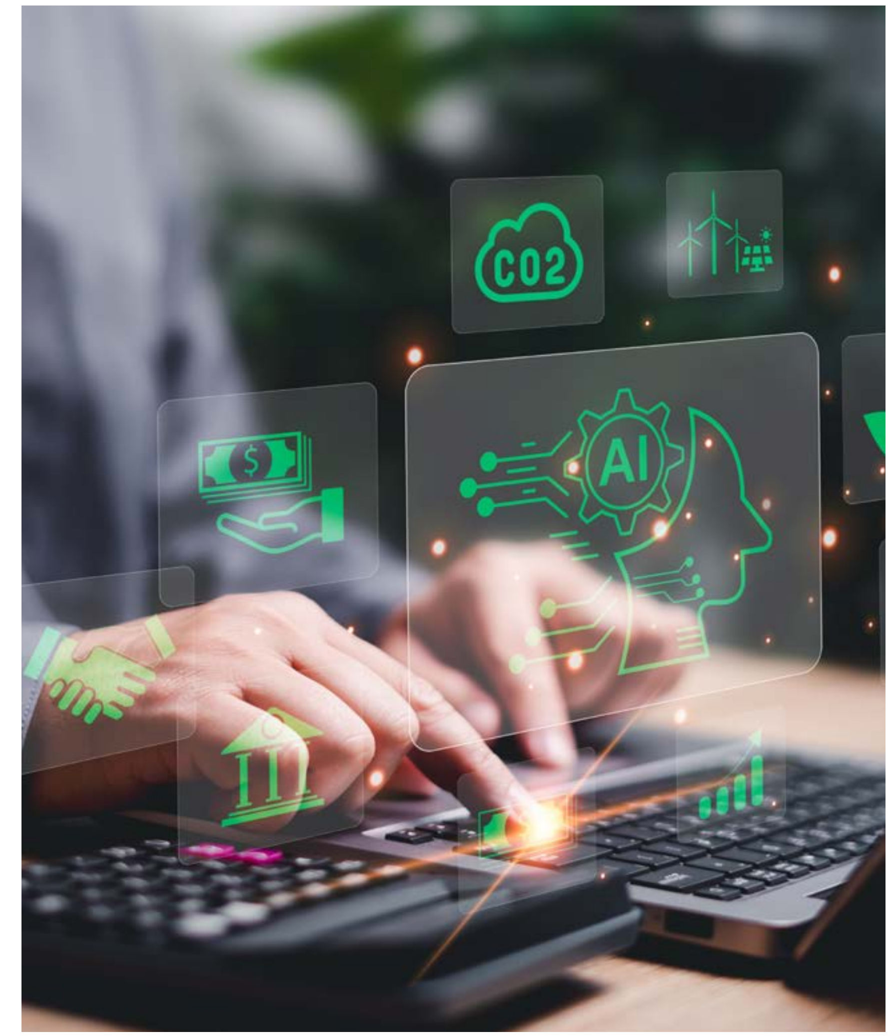
Did you know?

We have been recognised for our commitment to sustainability with two prestigious awards at Sustainability 4.0:

- Challenger's award
- Process Sector and Jury Special Mention Award for Water-Saving Initiatives

Energy and Emission Management

Our effective energy and emission management highlights our dedication to sustainability, cost efficiency, and energy resilience. Through comprehensive efforts to reduce greenhouse gas emissions, achieve cost savings, and strengthen energy security, we demonstrate our dedication to a sustainable future.



Energy and Emission Management at Vardhman focuses on

- Cutting Greenhouse Gases (GHG) Emissions
- Moving towards green energy through generation of solar/ wind energy
- Moving towards sustainability by replacing inefficient equipments with energy efficient equipments

Through our regular energy audits, we systematically identify opportunities for energy conservation across our diverse facilities. To further enhance our environmental impact, we are increasingly integrating renewable energy sources into our energy mix, complementing our focus on energy reduction.

Our active participation in the Perform, Achieve & Trade (PAT) initiative shows that we strive to reduce our specific energy consumption. These collective efforts reflect our dedication to a greener, more efficient energy model, positively impacting both our environment and operational performance.

37.69 Lac kWH
Energy saving achieved

8
Units registered under PAT

19.9 MW
Installed solar energy capacity

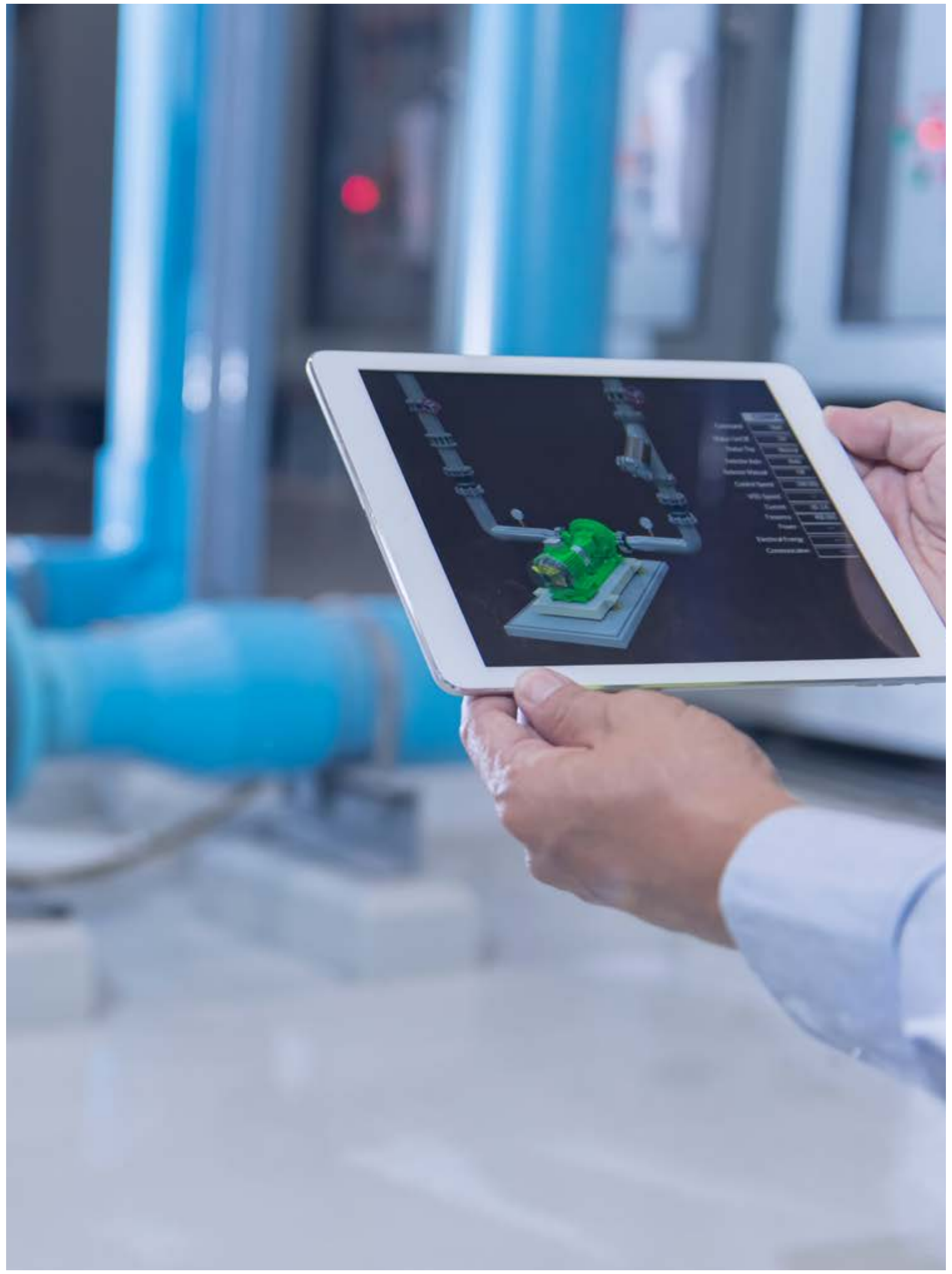
Water Management

At Vardhman Textiles, water conservation is a cornerstone of our operations. We leverage advanced technologies such as Reverse Osmosis (RO) and Eco-coagulation systems to effectively recycle and treat wastewater, enhancing our water reuse capabilities. We have continuously invested in Rainwater Harvesting Systems (RWH) focusing on groundwater recharge. The reuse of treated sewage water (STP) in both primary and secondary applications further reduces our reliance on external water sources. These comprehensive strategies ensure the efficient use of water across our facilities, highlighting our commitment to sustainable practices and responsible resource management.

Installed a 500 KLD RO system to attain 100% utilization of STP water at Arihant Spinning Mills, a unit in Punjab.

100% reuse of STP treated water in processing plant at Vardhman Fabrics.

Upgrade existing STP with MBBR technology for maximum utilization of treated water in flushing, cleaning and gardening.



Total water treatment capacity

15,000 KLD
ETP

5,195 KLD
STP

Sewage Treatment Plants

9
STPs

5,195 KLD
STPs Capacity

0.93 million KL
Water treated at STPs

Effluent treatment plants

3
ETPs

15,000 KLD
ETPs Capacity

3.05 million KL
Water treated at ETPs

Zero liquid discharge units

2
ZLDs

10,400 KLD
ZLDs Capacity

2.13 million KL
Water treated at ZLDs

Common effluent treatment plant

1
CETP

12,000 KLD
CETP Capacity

3.25 million KL
Effluent/Sewage treated at CETP

Our Collaborations

The CO2 Reduction Program with UNIQLO

Higg FEM

Green Chemistry and Sustainable Chemicals

Green chemistry principles are increasingly crucial in the dyeing and textile industries, where chemicals play a significant role throughout the production process. By adopting green chemistry practices, we aim to enhance the sustainability of our operations and reduce the environmental impact of textile manufacturing.

In alignment with our commitment to sustainability and environmental stewardship, Vardhman is dedicated to integrating green chemistry principles into our operations. Our approach to sustainable chemical management encompasses the use of chemicals that are environmentally responsible and safe for human health. This commitment is reflected in our adherence to rigorous standards and certifications, including those outlined by the Manufacturing Restricted Substances List (MRSL) and the Restricted Substances List (RSL).

Did you know?

- All the dyes and chemicals at Vardhman are GOTS-certified
- Finished fabric is Oeko-Tex Class-I certified
- All manufacturing units are

  ISO 14001 certified for the Environmental Management System

  ISO 45001 certified for Occupational Health and Safety Management System
- Adopted Green chemistry supports techniques like cold pad-batch dyeing or waterless dyeing that reduce the amount of water and chemicals needed.
- Utilization of E-Control advanced dyeing techniques and formulations that eliminate the need for salt in the dyeing process.

Key collaborations

CHEM-IQSM

CleanChain

ZDHC InCheck

ZDHC InCheck - Monthly uploads of our chemical inventory to the ZDHC platform to ensure compliance with the MRSL.

CHEM-IQSM - Identified and removed potentially harmful chemicals from our manufacturing process

CleanChain - Gives customers, accurate and complete visibility into our chemical inventories

Waste Management and Recycling Practices

Our waste management strategy focuses on reduction, reuse, recycle and proper disposal of waste. By prioritizing these practices, we not only protect the environment for future generations but also ensure regulatory compliance and enhance cost competitiveness. We implement a comprehensive approach to waste management that includes multi-material recycling of plastics, wood, cardboard, e-waste and scrap effectively minimizing landfill waste and environmental impact. We manage chemical containers, empty barrels and waste oil through authorized recyclers and co-processors, adhering to regulatory standards and mitigating pollution risks. Through these efforts, Vardhman contributes to a circular economy, promoting responsible resource management and reducing our overall environmental footprint.

We maintain specialised facilities across our group for handling hazardous waste, e-waste and scrap, adhering to all relevant regulatory standards. Our efforts to minimise plastic usage include innovative packaging methods and heightened reuse of HDPE sheets.

Initiatives

- Sludge Dryer-for Sludge reduction Eco-Coagulation System for colour reduction from dye house waste water.
- 100% plastic recycling though recycler engagement.
- ReNova plant- Textile waste to new Fibre.

Social

At Vardhman, we view our business as a catalyst for creating prosperity that extends beyond our shareholders to positively impact our employees, marginalised communities and the local communities where we operate.

Our Employees

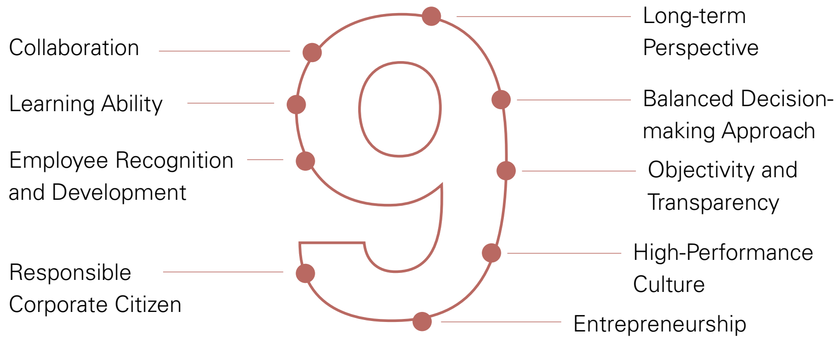
We consider our employees as our most valued asset, integral to achieving our goals and realising our vision. They are the fundamental pillars of our growth, contributing their talent, skills, attributes and knowledge to shape our future. Their dedication and expertise are reflected in the quality of our products and services.

We are committed to nurturing an environment where our employees can thrive. We invest in their professional development, offer opportunities for advancement and provide a supportive workplace that values their contributions.

24,929
Total Permanent Workforce

8,423
Permanent Female Workforce

Nine key attributes



Talent Management

At Vardhman, we support a culture that nurtures young talent and cultivates future leaders. Our approach encourages entrepreneurship through an open communication system that flows seamlessly from top to down. We systematically identify and develop leaders from within the organisation, with many senior and top management roles filled by our own talented employees.

To support their growth, we provide structured on-the-job training and offer opportunities for education at esteemed management institutes both in India and internationally. This commitment to continuous learning ensures that our emerging leaders are well-prepared to take on greater responsibilities and drive our organisation forward.

Learning and Development

We are dedicated to equipping our employees with the skills and knowledge necessary to excel in their roles. Our comprehensive training programs include induction, functional orientation and attitudinal training, ensuring that every employee has a strong foundation for success. Regular workshops on best and emerging practices keep our team up to date with industry advancements. Our Quality Circles play a crucial role in enhancing analytical and problem-solving abilities, earning Vardhman, numerous national and international awards.

6,955
Training programs

Vardhman Training and Development Centre

Our centre offers a comprehensive range of programs covering managerial, functional, technical, cultural, skill-based, interpersonal and motivational areas. We provide experiential learning opportunities focused on team building, effective communication, creativity, delegation, time management, resource utilisation and leadership skills, alongside our traditional learning programs. The centre also features sports and recreational facilities along with a well-equipped library to support holistic development.

Manav Vikas Kendra

Our MVK training centres are dedicated to providing attitudinal, behavioural, and functional training for both new and experienced workers. Serving as mentors and counsellors, these centres emphasise professional discipline and are equipped with modern technology, infrastructure and experienced trainers to ensure effective learning and growth.

Diversity and Inclusion

We encourage gender diversity throughout our organisation, with women playing integral roles across all functions, including machinery, R&D, quality management, design and leadership. Ensuring women's safety is paramount, and we maintain a strict no-tolerance policy for harassment. Our Sexual Harassment Committee, supported by top management, is dedicated to addressing all concerns with utmost seriousness, creating a safe and supportive environment for all employees.

33.79%
Permanent Women Workforce

P.A.C.E

The P.A.C.E. program (Personal Advancement and Career Enhancement) is designed to support women in the global apparel industry by addressing their unique challenges. Through this initiative, we empower female workers with enhanced knowledge, skills, communication, and time management capabilities, encouraging economic independence and confident decision-making.

Employee engagement

We actively engage our employees through various activities such as book clubs, sports events and celebrations. High engagement levels are crucial for talent retention, customer loyalty, organisational performance and stakeholder value. Our commitment to creating a high-performance work environment is marked by strong employee engagement and continuous efforts to keep our team motivated and involved.

Employee Wellbeing

We prioritise health and safety by embedding risk assessment into all decision-making processes and addressing hazards promptly. Our robust safety systems include comprehensive manuals, emergency preparedness plans and rigorous training programs covering material handling, firefighting, chemical safety, and regular drills.

- Comprehensive Induction Training
- Ongoing Safety Education
- Collaborative Safety Committees
- Regular Health Monitoring
- Mandatory Protective Equipment
- Detailed Safety Manuals

Additionally, we provide nutritious meals from automated kitchens and maintain clean, fully equipped washrooms across all units. The top three performing units are awarded annually to encourage healthy competition. Each unit also features a fully operational health centre with a qualified doctor and medical attendant.

Community Empowerment

At Vardhman Textiles, we believe that being a responsible member, community development is essential to our success and we strive to empower and promote inclusive growth. We approach this objective with the same level of expertise and care as we bring to our business endeavours. Through numerous initiatives, we have fostered a strong, symbiotic relationship with our host communities, built on trust, respect and mutual benefit. Our goal is to leave a lasting legacy for the communities we serve.

Our focus areas include:

- Education
- Healthcare
- Rural Development
- Sports, Arts and Culture

Education

At Vardhman Textiles, we believe that education is the foundation stone for a bright future. It is the catalyst for personal growth, socio-economic development and employment opportunities. With investments in high-quality education, we empower individuals to take control of their lives and have a tangible impact on the society. We aim to create a positive ripple effect, driving progress for generations to come.

Key Highlights (Cumulative)

86,024
Students benefitted

5,085
Students desks provided

6
States covered

110
Toilet blocks constructed

258
Classrooms constructed

301
Aganwadis supported

187
Schools covered

1,139
Computer systems provided

Vardhman School Development Program (VSDP)

Our mission is to bridge the educational gap, particularly for marginalised communities. Our 'VSDP' initiative focuses on enhancing the infrastructure of government schools, providing students with access to modern classrooms, separate restrooms for girls and boys, as well as essential amenities such as clean drinking water and digital resources.

Financial Support for Advanced Computation Facility

We have had the privilege of supporting Panjab University for the establishment of an advanced Computer utilisation facility, aimed at strengthening the start-up ecosystem. This support has enabled the development of modern laboratories and classrooms, with a particular emphasis on emerging fields such as Artificial Intelligence (AI). The creation of this AI Data Centre is anticipated to have a profound impact on both Panjab University and the local start-up community.

₹ 1 crore
Contributed


A cheque of ₹ 1 crore provided by Mr. S.P. Oswal, CMD to Vice-Chancellor of Panjab University

Digital Education Initiative

We upgraded the technological infrastructure of esteemed institutions like Sri Aurobindo College and Sri Aurobindo Public School, equipped them with modern computer labs and smart classrooms. Additionally, we extended our support to twenty government schools in Ludhiana by providing them with projectors to enhance student learning and teacher effectiveness.

Equipped fifteen government schools in Ludhiana, Punjab, with advanced projectors to enhance educational resources

Supporting Higher Education at SACCM

We supported Sri Aurobindo College of Commerce and Management (SACCM) in Ludhiana by initiating the construction of new academic blocks "Dept. of Computer Science and Applications." This effort demonstrates our commitment to augmenting educational infrastructure, thereby broadening access to quality higher education and reinforcing our dedication to community development.

Construction of new block – "Dept. of Computer Science and Applications" at SACCM, Ludhiana

Mr. Ram Kumar Chaudhary, MLA, laying Foundation stone of Govt. Senior Sec. School, Baddi

Examination Hall Construction

We have undertaken construction of examination hall at Government Senior Secondary School, Baddi, Himachal Pradesh. This initiative has significantly enhanced the school's infrastructure, providing students a conducive space to sit for their exams.

₹ 40 lac
Contributed

Infrastructure Enhancement at Government Primary School, Mandheri

We are currently undertaking infrastructure development initiatives at the Government Primary School in Mandheri, Mandideep District, Raisen, Madhya Pradesh. This project includes the construction of two new classrooms to accommodate the increasing student enrolment, the establishment of an Anganwadi Bhawan for early childhood education and the installation of a new toilet facility to enhance hygiene standards for students and staff.

₹ 54 lac
Contributed

Foundation laying ceremony at Government High School, Tilendi (MP)

Expansion Project at Government High School, Tilendi

We have initiated work for the construction of four new classrooms at the Government High School in Tilendi, District Raisen, Madhya Pradesh. This expansion aims to address the growing demand for education. This will provide an enhanced learning environment. The project also includes the construction of a new toilet facility, ensuring improved hygiene and sanitation standards for the benefit of the school community.

₹ 70 lac
Contributed

Early Literacy Programme Support

We supported the Organisation of Early Literacy Programme (OELP) by funding Mohallah Learning Centres, which have since been successfully transitioned to government schools with enhanced safety measures. In Ajmer, Rajasthan, OELP has engaged children in foundational learning, while also placing a strong emphasis on community engagement, capacity building for the field team and leveraging of technology for effective outreach, parental involvement and fostering holistic development in rural communities.

1,600
Students benefitted (upto FY24)

Water Facilities - Installed water coolers and RO systems in Government schools across Punjab, Madhya Pradesh and Himachal Pradesh for safe drinking water.

Desk Benches - Provided 350 single desk benches to schools in Punjab and Madhya Pradesh for improved seating facilities.

Washroom Construction - Constructed 9 washrooms and 5 modular toilets in Punjab and Ludhiana to enhance sanitation.

Auro Vidhya Mandir Support - Supported the construction of a residential building at Auro Vidhya Mandir, Ketchla (Orissa), to improve educational infrastructure.

School Expansion - Constructed 20 classrooms and a toilet block at Government Primary School, Lohara, Ludhiana, to enhance learning environments.

GCETT Collaboration - Funded a smart classroom and textile equipment at the Government College of Engineering and Textile Technology, Serampore.

IAS Academy Partnership - Supported the construction of a dedicated coaching floor at SAMKALP IAS Academy, Panchkula, Haryana, for preparation of IAS, PCS, HCS and other Government competitive exams.

Project Nandini

We initiated Project Nandini to raise awareness about menstrual hygiene management among adolescent girls from disadvantaged backgrounds, where access to guidance on managing menstruation and understanding associated with biological changes is often limited. As a part of this initiative, we are providing awareness programmes on MHM and have installed sanitary napkin vending machines and incinerators in school washrooms.

We organise community events such as **Gyan Vigyan Mela,** which act as platforms for promoting education, health and overall well-being among rural communities. These events offer essential information on menstrual hygiene, while also addressing the broader health and educational needs of the community.

Project Nandini - Gyan Vigyan Mela on MHM organized in slum areas of Baddi, HP

52,400
Adolescent girls benefitted (upto FY24)

Impact in Himachal Pradesh

Since its launch in ten government schools in Baddi, Himachal Pradesh, our project has expanded its reach, positively impacting girls from economically disadvantaged backgrounds. With a remarkable 90% success rate, it has significantly improved menstrual hygiene awareness and practices in areas with limited information.

Expansion in Madhya Pradesh

Project NANDINI has extended its reach to seven villages and seven government schools of Budhni, Madhya Pradesh. The initiative includes awareness sessions, sanitary pad distribution and the installation of vending machines and incinerators, promoting menstrual hygiene and dignity for rural women and girls.

Healthcare

As part of our Corporate Social Responsibility initiatives, we periodically provide advanced medical equipment and financial support to government and charitable hospitals near our manufacturing units, assisting them to provide healthcare services to low-income patients.

Key Highlights (Cumulative)

5
States covered

1
Union Territory

7,45,892
Individuals benefited

78 Health Camps
Benefitting

135 Villages
Individuals benefited

₹ 28.8 crore
Contributed for enhancing healthcare delivery capabilities

₹ 46.6 crore
Contributed for treatment of economically disadvantaged patients and advance medical research

Organized blood donation camp in Ludhiana, Punjab

Blood Donation Drive and Artificial Limb Distribution

In partnership with Rehras Sewa Society, we hosted a blood donation camp that drew enthusiastic participation from donors across Punjab, Himachal Pradesh and Madhya Pradesh. The generous donations will support patients in need, contributing to vital medical care and making a profound impact on communities across the region.

751
Donors

Through the distribution of specially designed artificial limbs, we transformed the lives of individuals with disabilities, significantly enhancing their mobility, independence and overall well-being. This initiative not only improved their quality of life but also promoted inclusion and dignity, enabling them to lead a more fulfilling life.

44
Designed Artificial Limbs Provided

Mr. S.P. Oswal distributing artificial limbs to the needy handicaps

Enhancing Healthcare Infrastructure

We made significant strides in advancing healthcare infrastructure through the inauguration of an advanced tissue engineering lab at AIIMS Bhopal, boosting medical research and treatment. Additionally, we extended financial support to institutions like PGI Chandigarh and Mandke Foundation, facilitating innovative treatments like FMT capsules for Inflammatory Bowel Disease. Financial contribution provided to Christian Medical College & Hospital in Ludhiana to support cancer treatment for economically weaker patients.

We donated a comprehensive range of medical equipment to the District Hospital in Narmadapuram, including a dental OPG machine, stretchers, computers and UPS. This donation has significantly bolstered diagnostic and treatment capabilities, introducing advanced dental services and improving overall patient care for the region's residents, especially those from underprivileged backgrounds.

Inauguration of 3D Bio Printer at Cell & Tissue Engineering Lab at All India Institute of Medical Science (AIIMS), Bhopal

Donated medical equipment to the District hospital in Narmadapuram, Budhni, MP

Advanced Ultrasound for 'Ek Noor Neki Da Hospital'

We have made a valuable contribution to 'Ek Noor Neki Da Hospital' in Alamgir, Ludhiana, by providing a Colour Doppler Ultrasound Machine, equipped with various imaging probes, a thermal printer and UPS. This donation is expected to augment the hospital's diagnostic capabilities, leading to improved patient care in the community.

Medical Support for PGI Chandigarh Students

We are providing medical students at PGI Chandigarh with essential resources on Laboratory and Clinical Haematology. This initiative supports aspiring healthcare professionals in their academic journey and fosters clinical skills necessary to excel in their future careers.

Upgrading BMT Ward at CMC Ludhiana

We are supporting the enhancement of the Bone Marrow Transplant (BMT) Ward at CMC Ludhiana by supplying critical medical equipment and materials. This contribution upgrades the ward's infrastructure and capabilities, ensuring advanced treatment and care for patients with complex conditions.

Enhancing Patient Care at Civil Hospital Baddi

With the aim to enhance patient comfort and diagnostic capabilities, we are donating Fowler Beds and an Ultrasound Machine to Civil Hospital Baddi. This initiative addresses the healthcare needs of the local community.

Provided Ultrasound Machine to 'Ek Noor Neki Da Hospital' in Alamgir, Ludhiana

Rural Health Check-Up Camps in HP, MP, and PB

We organised health check-up camps to provide essential healthcare services in rural areas across Punjab, Himachal Pradesh and Madhya Pradesh. These camps offer crucial medical check-ups and treatments to those with limited access.

Organized health check-up camp in Mandideep, Satlapur

Medical Equipment for Government Hospitals in Ludhiana

Digital X-Ray Machines	2
ECG Machines	12
Labour Bed	1
Steel Almirahs	2
Semi Auto Analysers	2
Microscope	1
Inverters	2
Shed for Laundry Area	1

Rural Development

Our community development initiatives encompass a wide range of activities including electrification, safe drinking water, hygiene practices and skill development. Our programmes have had tangible impacts such as installation of solar street lights, hand pumps and bore wells as well as the construction of toilets and shelters at bus stops. These initiatives have successfully bridged access gaps, enhanced dignity and empowered individuals to become self-reliant.

Key Highlights (Cumulative)

1,61,900
Villagers benefitted

780
Solar lights installed

40
Hand pumps installed

22
Bore wells installed

8
Ponds renovated

Project Pragati

Project Pragati, part of the Better Cotton initiative, is a programme dedicated to improving the livelihoods of cotton farmers through sustainable agriculture, enhanced livelihood opportunities and community development. Our mission is to foster agricultural innovation, empower environmental stewardship and ensure long-term success of cotton-growing communities. By adopting agricultural practices, we aim to

- Promote eco-friendly agricultural practices
- Enhance the livelihood of farmers
- Support the growth and resilience of cotton-growing communities

Modern Agricultural Training - We educate farmers on modern practices, sustainable techniques and efficient water management to improve yields and promote eco-friendly methods.

Health Awareness Initiatives - We promote personal hygiene, sanitation and preventive healthcare to enhance community well-being.

Empowering Women and Children- We support skill development for women, educational programmes for children and initiatives for gender equality and social inclusion.

Supporting Cotton Research - We fund CITI-CDRA to develop better cotton varieties, enhance crop resilience and promote sustainable farming.

Project PRAGATI- A better Cotton Initiative for cotton growing farmers in Gujarat region

Celebrating Sports, Arts and Culture

Our initiatives in sports, arts and culture are designed to nurture talent, preserve culture and ignite community pride. Through our support of diverse cultural and artistic endeavours, we power individuals, enrich lives and ensure the continuation of cherished traditions.

Harmonizing Heritage

Sangeet Sankalp Saptah at SAPTAK Festival

Through 'Sangeet Sankalp Saptah' at the SAPTAK Annual Music Festival, we support the training and promotion of Indian Classical Music. This initiative not only honours the legacy of this timeless art form but also provides a platform for artists to showcase their talent.

Literary Lights

Bhopal Literature and Art Festival

Through our sponsorship of the Bhopal Literature and Art Festival, we help advance the vibrant literary and artistic community in the region. This initiative creates a platform for authors and artists to share their talent and enrich the city's cultural landscape.

Financial support for organizing Bhopal Literature and Art Festival

Preserving Traditions

Shoolini Fair Festival, Solan

Our support for the Shoolini Mela Committee enables us to preserve the rich cultural heritage of Himachal Pradesh, celebrating the vibrant folk traditions, customs and sports that define this region. Through this event, we contribute to the perpetuation of local culture, foster community pride and promote cross-cultural understanding.

ENT Block, Bhagwan Mahavir Hospital, Jamui, Bihar

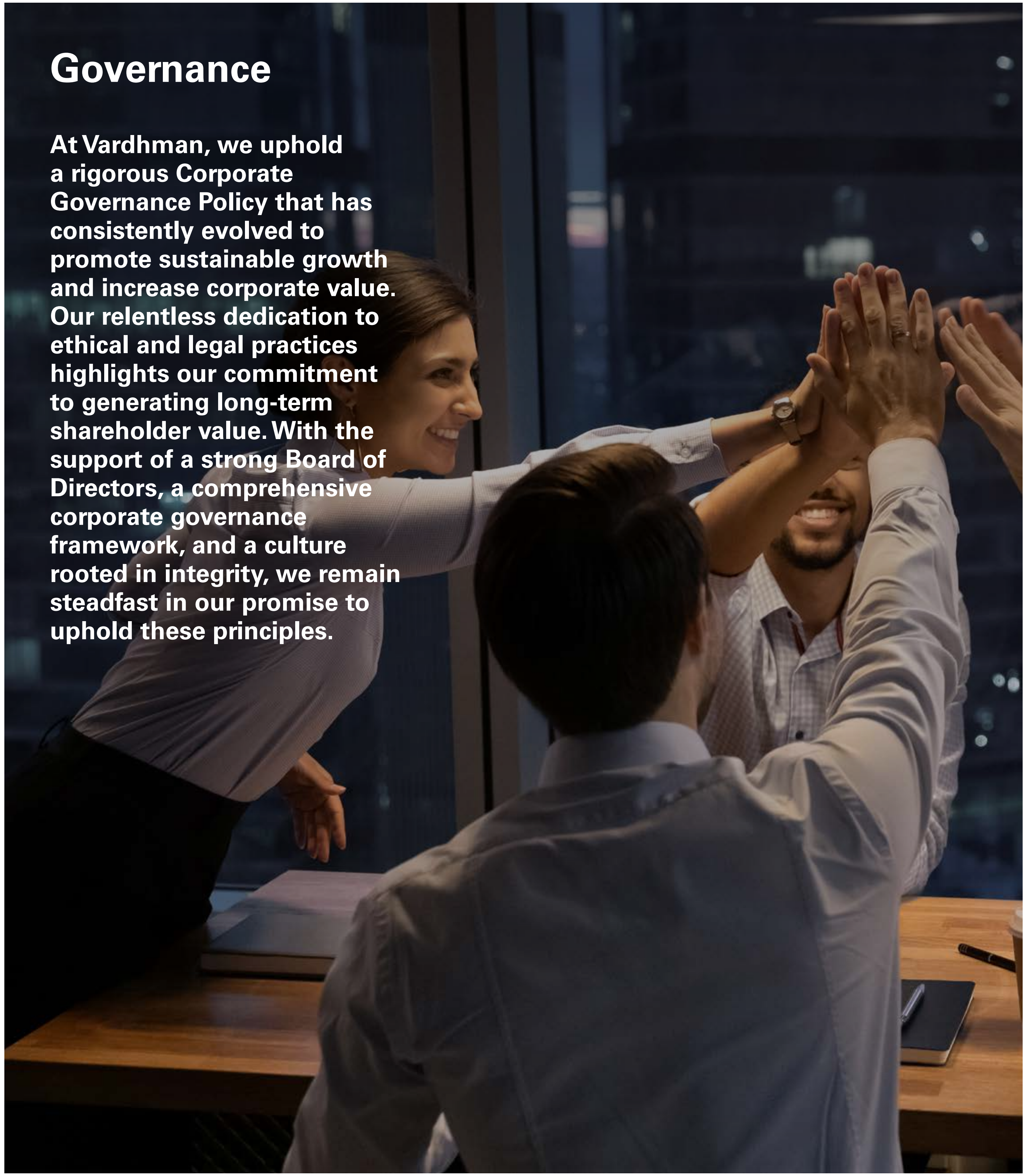
- **Elevator Facility:** Improves patient accessibility to specialised ENT services
- **82 KVA DG Set:** Ensures uninterrupted healthcare services with reliable backup power

Honouring Heroes

Armed Forces Flag Day Funds (AFFDF)

Our contribution to the AFFDF demonstrates our deep gratitude and respect for the selfless sacrifices made by armed forces personnel and their families. By supporting this noble cause we try to make a difference in the lives of ex-servicemen, widows and their dependents, providing them with various welfare programmes, including financial aid, healthcare and education.

Supported Armed Forces Flag Day Funds (AFFDF) to run a large number of welfare schemes for Ex-Servicemen (ESM) martyrs, widows and their dependents



Governance

At Vardhman, we uphold a rigorous Corporate Governance Policy that has consistently evolved to promote sustainable growth and increase corporate value. Our relentless dedication to ethical and legal practices highlights our commitment to generating long-term shareholder value. With the support of a strong Board of Directors, a comprehensive corporate governance framework, and a culture rooted in integrity, we remain steadfast in our promise to uphold these principles.

Our committees

The Board has established several committees to fulfil statutory tasks and obligations as mandated by various laws. These committees conduct thorough assessments of procedures and policy implementation to oversee essential business operations. They meet regularly to execute their assigned responsibilities, providing strategic advice and support that enhances the Board's decision-making process.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. CSR Committee
5. Risk Management Committee

Our Policies

We establish clear principles and standards for our employees and stakeholders, serving as a decision-making framework that ensures fairness in our operations. These well-communicated policies foster a positive business culture. To promote ethical and transparent conduct, the Board has developed and implemented comprehensive codes, policies, charters and practices throughout the organisation.

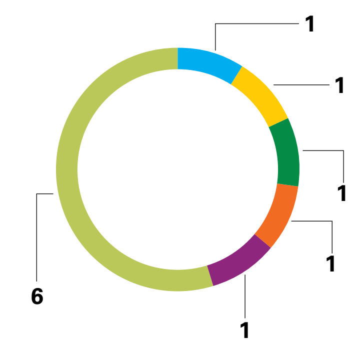
- Materiality of Events Policy
- Whistle Blower policy
- Anti Sexual Harassment Policy
- Dividend Distribution Policy
- Corporate Social Responsibility Policy
- EHS Policy
- Risk Management Policy
- Related Party Transaction Policy
- Nomination & Remuneration Policy
- Child Labour Prohibition Policy

More policies on
https://www.vardhman.com/Investors/CompanyInformation/BOD#BOD

Board of Directors

Our Board consists of eleven directors, including both independent and executive/non-executive members. This diverse group brings extensive expertise in key areas relevant to our strategic goals. Their collective knowledge covers the textiles industry, business consulting, marketing, international business, sustainability and more. This diverse expertise enables us to navigate complex challenges and drive sustainable growth.

Board Composition



- Chairman and Managing Director
- Vice-Chairperson and Joint Managing Director
- Joint Managing Director
- Executive Director
- Non-Executive Director
- Independent Director

Board Diversity

8 3

- Male
- Female

Board of Directors

Mr. Shri Paul Oswal

aged 82 years, is the Chairman and Managing Director of our Company. He holds a Master's degree in Commerce (Gold Medalist) from Panjab University, Chandigarh, and has over 57 years of experience in the Textiles Industry. Under his leadership, Vardhman Group has achieved significant growth in its textile business. In recognition of his contributions to the Trade and Industry, he has been conferred with Padma Bhushan award by the Govt. of India.

Mrs. Suchita Jain

aged 56 years is the Vice-Chairperson and Joint Managing Director of our Company. She holds a degree in Master's in Commerce from Panjab University, Chandigarh and has over 31 years of experience in the Textile Industry. She played an instrumental role in starting Fabric manufacturing (both grey and processed).

Mr. Neeraj Jain

aged 57 years, is the Joint Managing Director of our Company. He holds a Bachelor's degree in Commerce and is a qualified Chartered Accountant. With more than 32 years of experience in finance and the yarn business within the group, he brings a wealth of expertise to his role.

Ms. Sagrika Jain

aged 29 years is an Executive Director of our Company. She holds a Bachelor's degree in Science (Eco. & Finance Hons.) from University of Bristol, UK. After completing B.Sc., she worked for two years with Arpwood Capital, Mumbai, a renowned Investment Bank in India. She then joined Vardhman Textiles Limited, gaining experience at various levels over time. She has also completed her Master of Business Administration (MBA) from London Business School, London. During her Masters, she had the opportunity to work with renowned companies like Amazon, Munich (Germany).

Mr. Prafull Anubhai

aged 86 years is an Independent Director of our Company. He holds a Bachelor's Degree in Commerce and a B.Sc. (Economics Honours) from London University. As a Business Consultant with over 51 years of experience, he is also associated with educational and research institutions like the Indian Institute of Management (IIM, Ahmedabad).

Mr. Udeypaul Singh Gill

aged 70 years, is one of the Independent Directors of our Company. He holds a Bachelor's Degree in B.Sc. (Honours) Economics and a Master's Degree in Business Administration from Punjab Agricultural University, Ludhiana. With rich experience and insight of the Global Textile Industry. his key strengths include sustainability, digitalisation, environment, health & safety, mergers and acquisitions, business model enhancement, restructuring & turnaround, banking and international counter trade, etc.

Mr. Sachit Jain

aged 58 years, is the Non-Executive Non-Independent Director of our Company. He holds a Degree in B. Tech (Electrical) from IIT, New Delhi and MBA (Gold Medalist) from IIM (Ahmedabad). He has also studied Financial Management from Stanford, USA. He began his professional career with Hindustan Lever in 1989 before he joined the Vardhman Group. He has a rich experience of over 34 years in the Textile and Steel Industry.

Mr. Suresh Kumar

aged 68 years, is an Independent Director of our Company. Mr. Suresh Kumar has done Master's in Social Policy & Planning from London School of Economics, University of London and is also a Post-graduate in Commerce from Delhi University, Delhi. Mr. Kumar is a former Chief Principal Secretary to the Chief Minister, Punjab. As a member of the Indian Administrative Service (IAS), he has held key positions at various levels of State/Central Government. His core experience lies in the formulation and implementation of public policies and programmes.

Dr. Prem Kumar

aged 71 years, is an Independent Director of our Company. Dr. Prem Kumar has done Master's in Economics from the Panjab University, Chandigarh followed by M. Phil and Ph.D. from Guru Nanak Dev University, Amritsar. Dr. Kumar is a strategist and innovative leader in conceiving, organising and managing enterprises in multiple domains. He is well regarded as a thought leader and speaker on formulating and implementing corporate strategies, knowledge and innovation management systems. Apart from having a rich experience in working with the industry, Dr. Kumar has been closely associated with policy making process at the State and Central Government level. Presently, Dr. Kumar is the Executive Director of Munjal BCU Centre of Innovation and Entrepreneurship.

Mrs. Harpreet Kang

aged 50 years, is one of the Independent Directors of our Company. She holds Master's Degree in Journalism from College of Humanities, Punjab Agricultural University, Ludhiana. She has also done an Advance Business Program in International Business and International Marketing from Harvard University, USA. Presently, she is the Dean of International Affairs, the PCTE Group of Institutes.

Mr. Atul Khosla

aged 53 years, is one of the Independent Directors of our Company. He holds a degree in B.Tech from the Indian Institute of Technology, Kanpur and has done MBA from JBIMS, University of Mumbai, India. He is a career researcher, academician & management consultant with global experience in the areas of strategy, policy, innovation, organization design and outsourcing. At present, Mr. Khosla is Vice Chancellor of Shoolini University of Biotechnology and Management, Himachal Pradesh. Prior to joining this University, he held senior positions in research and consulting with McKinsey and Company (the world's leading consulting and research company), Everest Research Institute (world's leading outsourcing and research thinktank) and Oliver Wyman (leading international research consultancy).

Corporate Information

Board of Directors

Mr. Shri Paul Oswal
Chairman & Managing Director

Mr. Prafull Anubhai

Mr. Sachit Jain

Mr. Suresh Kumar

Mr. Udeypaul Singh Gill

Mrs. Harpreet Kaur Kang

Dr. Prem Kumar

Mr. Atul Khosla

Mrs. Suchita Jain
Vice-Chairperson &
Joint Managing Director

Mr. Neeraj Jain
Joint Managing Director

Ms. Sagrika Jain
Executive Director

Chief Financial Officer

Mr. Rajeev Thapar

Company Secretary

Mr. Sanjay Gupta

Auditors

M/s. Deloitte Haskins & Sells LLP,
Chartered Accountants, New Delhi

Bankers

State Bank of India

HDFC Bank

ICICI Bank

Kotak Mahindra Bank

Axis Bank

CITI Bank

Registrar & Transfer Agent

Alankit Assignments Limited,
New Delhi

Branches

- P-22, 3rd Floor, Flat No. 6, C.I.T. Road, Scheme LV, Kolkata-700 014.
- Chandigarh Road, Ludhiana-141010.
- 314, Solaris II, Opposite L & T Gate No. 6, Saki Vihar Road, Andheri (East), Mumbai-400 072.
- 504, Dalamal House, Nariman Point, Mumbai - 400 021.
- 309-310, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi-110 001.
- Door No. 4/1-4, Avinashi Road, Pantaloon Back side, Tirupur-641603.
- 1st Floor, Palm Court, Opposite Management Development Institute, MG Road, Sector -16, Gurugram - 122 001.

Management Discussion and Analysis Report

Global Economy[1]

The global economy demonstrated strong resilience in the face of economic headwinds during 2023. It managed to expand by 3.2% despite facing geopolitical challenges and fluctuations in commodity prices, leading to inflationary pressures across both advanced and emerging markets.

In order to address this issue, central banks of major economies devised strategies. They implemented measured interest rate increases, effectively curbing its escalation. Inflation rates receded more swiftly than anticipated from their peak in 2022, resulting in gradual economic recovery and job creation in the US, Europe and other emerging markets, albeit persistent geopolitical tensions, disrupting global supply chains and trade.

China's economy continued to experience strain throughout 2023, a trend expected to persist into 2024, given its significant manufacturing capabilities and supply chain influence, posing a potential risk to global economic stability. However, emerging economies like India, Vietnam and Mexico are expected to show positive growth.

The disturbances in the Red Sea disrupted supply chains, resulting from the shifts in imports and exports of several economies. Possible causes for growth failures include the property sector's growing problems in China and abroad, along with a disruptive shift toward tax increments and budget cuts.

Outlook[2]

Global GDP is expected to expand by 3.1% in 2024 and 3.2% in 2025. The forecast is less than the historical (2000–19) average of 3.8% because of high central bank policy rates to control inflation, the withdrawal of government support due to excessive debt-ridden economic activity and low underlying productivity growth.

Despite tightening monetary policy and supply-side issues progressively getting better, inflation is generally dropping faster than expected. With a downward revision to the 2025 projection, global headline inflation is expected to drop to 5.8% in 2024 and 4.4% in 2025.

Indian Economy[3]

The Indian economy demonstrated remarkable resilience in the face of global economic challenges. A strong resurgence in consumer demand, excellent performances across manufacturing, services and agricultural sectors, by a favourable monsoon have been pivotal in this growth trajectory.

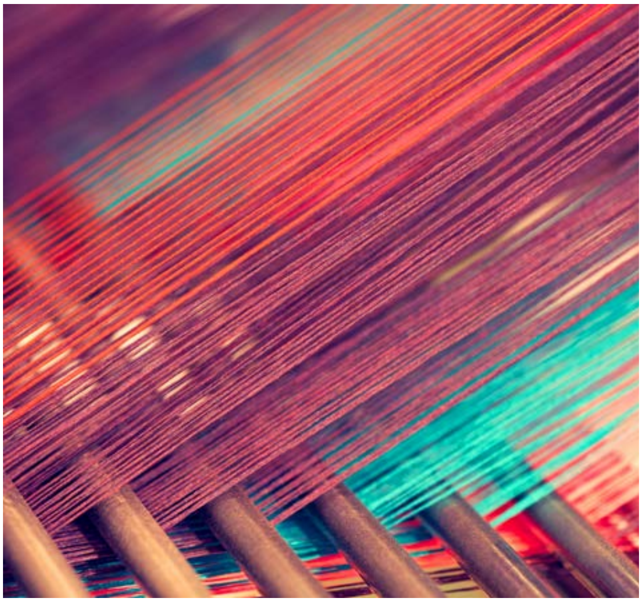
According to the National Statistical Office (NSO), India has registered a real GDP growth of over 7% during FY 2024. India's per capita disposable income has been rising over the years and is expected to be ₹ 2.14 lakh in 2023-24, driven by overall economic growth. This rebound in economic growth can be attributed to India's sound macroeconomic fundamentals, increasing domestic demand and prudent monetary policies implemented by the RBI.

Despite moderate revenue growth, India Inc's interest coverage ratio, a measure of financial health, has expanded, across certain sectors including automobiles, cement, consumer durables, hospitality, oil and gas, petrochemicals, pharmaceuticals and power. Considering the China plus One approach of the global community, the general confidence level of Industry remains positive. However, ongoing geopolitical conditions will continue to pose challenges for the textile Industry.

Outlook

With the support of various industry-promoting programmes like the government's 'Make in India' initiative, the manufacturing sector has the potential to expand into a US$ 1 trillion industry by 2025–2026. This push has further increased with the government's Gati Shakti Yojna which provides multi modal connectivity infrastructure for the various SEZs.

With such government initiatives, the Indian Manufacturing sector remains optimistic and expected to grow with the aim to regain its growth potential.



[1] https://www.imf.org/en/publications/weo

[2] https://www.oecd.org/en/about/news/press-releases/2024/05/economic-outlook-steady-global-growth-expected-for-2024-and-2025.html

[3] https://www.orfonline.org/expert-speak/indian-economy-2023-wrapped#~text=The%20Indian%20economy%20witnessed%20a,global%20average%20of%202.9%20percent.

Global Textile[4]

The demand for clothing in the main export markets like the US, the EU and the Middle Eastern nations has been affected by unfavorable economic circumstances. India exports a fifth of its garments to the EU, which is still dealing with the fallout from the conflict between Russia and Ukraine. The demand for apparel has decreased in 2023 compared to 2022 in the US and the Middle East due to the ongoing Israel-Gaza conflict.

The global textile market was estimated at USD 1,837 billion in 2023 and from 2024 to 2030, revenue is expected to increase at a compound annual growth rate (CAGR) of 7.4%. Throughout the forecast period, the fashion industry's relentless need for clothes combined with the growth of e-commerce platforms is predicted to propel market expansion.

World Cotton Outlook

The main cotton producing countries in world are China, India, USA, Brazil, Pakistan and Australia. Together, these countries account for more than three fourth of world production. World cotton production for 2023/24 is expected to decline by approx. 2% from 25.32 million tons in 2022/23 to 24.73 million tons in 2023/24. The major reduction has been noticed in China and USA. The world consumption in 2023/24 is expected to increase by 1.5% from 24.31 million MT in 2022/23 to 24.68 million tons in 2023/24. World trade of cotton is up 1.38 million tons to 9.58 million tons as China imports are raised by 1.87 million tons to 3.22 million tons, the highest level in 11 years. This is partially offset by Pakistan imports projected down by 0.37 million tons. Brazilian exports are expected to increase by 0.62 million tons. The Closing stocks for 2023/24 is expected to remain at 17.52 million tons almost same as for the cotton year 2022/23. The global yield is expected to drop 1% to 761 kg/ha. Global yield has been falling from the last a few years and this is likely due to adverse weather conditions.

Indian Textile[5]

The Indian textile industry's recovery in the upcoming calendar year (CY) 2024, hinges on factors such as, an increase in local demand, recovery in exports and stabilized cotton prices. Roughly, three-fourths of the total demand is met by the domestic market, which is still not vibrant.

India's T&C exports decreased by 4.13% during FY23-24 over FY22-23. T&C exports declined from USD 35.16 billion in FY22-23 to USD 33.71 billion in FY23-24. As T&C exports account for 1/3rd of textile output in the country, a significant boost in export performance is required to achieve higher share in the world trade of T&C and create gainful employment.

This textile sector needs to leverage regulatory support and address structural difficulties in order to continue growing.

Indian Cotton Outlook[6]

India's textile industry is mainly cotton based, therefore, cotton plays a major role in the Indian Economy. The area under cotton cultivation in the year 2022/23 in India was about 12.9 million hectares which has decreased by 3% to 12.5 million hectares in the year 2023/24.

The estimation for production of the cotton crop for the 2023/24 season is 310 lac bales (of 170 kgs each). The cotton consumption in the year 2023/24 is projected to be at 317 lac bales. Import of cotton is estimated to be around 20 lac bales. Export of cotton is estimated to be at 22 lac bales (approx.) in 2023/24. The Closing stock for the season 2023/24 is expected to near about 20 lakh bales.

Financial Review

(₹ in crore)

Particulars	2023-24	2022-23	Change
Revenue form Operation	9298.68	9840.79	-5.51
Operating Profit (EBITDA)	1291.93	1477.85	-12.58
Finance Cost	101.99	101.86	0.13
Depreciation Cost	398.96	388.95	2.57
Profit before Tax	790.98	987.04	-19.86
Profit after Tax	607.63	749.07	-18.88

[4]https://www.grandviewresearch.com/industry-analysis/textile-market

[5]https://indiantextilejournal.com/2024-a-year-of-re-strategising/

[6]Source: CAI Report May Month-2024

Financial Ratios

	2023-24	2022-23	Change	% Change	Reason
Debtor Turnover Ratio (Days)	47.00	44.00	3.00	6.82	-
Inventory Turnover (Days)	162.00	86.00	76.00	88.37	Due to increased raw material inventory at year end as compared to last year
Interest Coverage Ratio (Times)	10.93	12.30	-1.37	-11.14	-
Current Ratio (Times)	3.13	4.09	-0.96	-23.47	-
Debt-Equity Ratio (Times)	0.20	0.20	0.00	0.00	-
EBIDTA Margin (%)	13.41	14.73	-1.32	-8.94	-
Net Profit Margin (%)	6.31	7.47	-1.16	-15.55	-
Return on Net Worth (%)	6.90	9.03	-2.13	-23.58	-

Human resources/ Industrial relations

A culture of meritocracy is followed in Vardhman Textiles. The Company makes sure that everyone gets equal opportunity and respect and is treated with dignity. It also believes in fulfilling the employee's developmental needs. In order to achieve that, the Company conducts various programmes and skill and knowledge development endeavors. The work environment is based on the holistic growth of the team. During the year, the Company has employed around 24,929 employees on rolls. Further, industrial relations remained peaceful and harmonious during the year.

Internal control system and adequacies

To make sure that the Company is up-to-date with the industry standard it regularly reviews and updates its internal controls but measures itself with the industry Standards. In order to stay compliant, the dynamics of evolving business requirements, legal compliances and corporate governance are incorporated into current systems after a thorough evaluation with regard to the expectations of business partners, such as customers and institutions and compliance needs. Senior management keeps an eye on the internal audits' suggestions for ongoing system updates. The infrastructure of IT systems is upgraded frequently to facilitate improved controls and corporate decision-making to make sure that the Company is not lagging in technology and is at par with the industry.

Directors' Report

Dear Members,

The Directors of your Company have pleasure in presenting their 51st Annual Report of the business and operations of the Company along with the Audited Financial Statements for the year ended 31st March, 2024.

1. FINANCIAL RESULTS:

The financial performance of your Company for the year ended 31st March, 2024 is as under:-

(₹ in crore)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2023-24	2022-23	2023-24	2022-23
Revenue from operations (Net)	9,298.68	9,840.79	9,504.68	10,137.49
Other Income	333.54	192.80	325.94	191.95
Profit before Depreciation, Interest & Tax (PBDIT)	1,291.93	1,477.85	1,341.80	1,556.49
Interest and Financial expenses	101.99	101.86	102.28	102.15
Profit before Depreciation and Tax (PBDT)	1,189.94	1,375.99	1,239.52	1,454.34
Depreciation	398.96	388.95	404.59	394.43
Profit before Tax (PBT)	790.98	987.04	834.93	1,059.91
Provision for Tax - Current	177.44	224.98	181.51	235.96
- Deferred Tax	5.91	12.99	16.72	19.20
Profit after tax (PAT)	607.63	749.07	636.70	804.75
Other Comprehensive Income/ (Expense)	3.81	2.76	3.89	2.88
Total Comprehensive Income for the period	611.44	751.83	640.59	807.63
Earnings per share (₹)				
- Basic	21.01	25.91	22.20	27.96
- Diluted	21.01	25.90	22.20	27.95

2. FINANCIAL ANALYSIS AND REVIEW OF OPERATIONS:

PRODUCTION & SALES REVIEW:

During the year under review, your Company has registered Revenue from Operations of ₹ 9,298.68 crore as compared to ₹ 9,840.79 crore in the previous year. The exports of the Company (FOB value) decreased from ₹ 4,242.52 crore to ₹ 3,899.00 crore showing a decline of 8.52% over the previous year. The business wise performance is as under:-

a) Yarn:

The production of Yarn increased from 2,33,314 MT to 2,62,291 MT during the year 2023-24.

b) Fabric:

During the year, the production of grey fabric increased from 182 million meter to 204 million meter. The production of processed fabric increased from 143 million meter to 154 million meter.

c) Garment:

The number of garments produced during the year 2023-24 reduced from 18,00,955 to 15,47,982.

STANDALONE:

Profitability:

The Company earned profit before depreciation, interest and tax of ₹ 1,291.93 crore as against ₹ 1,477.85 crore in the previous year. After providing for depreciation of ₹ 398.96 crore (Previous Year ₹ 388.95 crore), interest of ₹ 101.99 crore (Previous Year ₹ 101.86 crore), provision for current tax of ₹ 177.44 crore (Previous Year ₹ 224.98 crore), deferred tax of ₹ 5.91 crore (Previous Year ₹ 12.99 crore), the net profit from operations after comprehensive income worked out to ₹ 611.44 crore as compared to ₹ 751.83 crore in the previous year.

The balance available for appropriation after adding balance in surplus account is ₹ 7,217.28 crore.

Resources Utilisation:

a) Fixed Assets:

The Net Block as at 31st March, 2024 was ₹ 3,710.77 crore as compared to ₹ 3,880.50 crore in the previous year.

b) Current Assets:

The current assets as on 31st March, 2024 were ₹ 6,218.41 crore as against ₹ 5,558.14 crore in the previous year. Inventory level was at ₹ 4,106.96 crore as compared to the previous year level of ₹ 2,312.16 crore.

CONSOLIDATED:

Profitability:

The Company earned profit before depreciation, interest and tax of ₹ 1,341.80 crore as against ₹ 1,556.49 crore in the previous year. After providing for depreciation of ₹ 404.59 crore (Previous Year ₹ 394.43 crore), interest of ₹ 102.28 crore (Previous Year ₹ 102.15 crore), provision for current tax of ₹ 181.51 crore (Previous Year ₹ 235.96 crore), deferred tax of ₹ 16.72 crore (Previous Year ₹ 19.20 crore), the net profit from operations after comprehensive income worked out to ₹ 640.59 crore as compared to ₹ 807.63 crore in the previous year.

The balance available for appropriation after adding balance in surplus account is ₹ 7,416.30 crore.

Resources Utilisation:

a) Fixed Assets:

The Net Block as at 31st March, 2024 was ₹ 3,766.56 crore as compared to ₹ 3,934.97 crore in the previous year.

b) Current Assets:

The current assets as on 31st March, 2024 were ₹ 6,431.59 crore as against ₹ 5,784.52 crore in the previous year. Inventory level was at ₹ 4,179.89 crore as compared to the previous year level of ₹ 2,392.68 crore.

FINANCIAL CONDITIONS & LIQUIDITY:

The Company enjoys a rating of "AA+/Stable" from Credit Rating Information Services of India (CRISIL) for long term borrowings and "A1+" for short term borrowings and IND A1+ for Commercial Paper from India Rating And Research. Management believes that the Company's liquidity and capital resources should be sufficient to meet its expected working capital needs and other anticipated cash requirements. The position of liquidity and capital resources of the Company is given below:-

(₹ in crore)

PARTICULARS	2023-24	2022-23
Cash and Cash equivalents:		
Beginning of the year	74.66	62.06
End of the year	33.00	74.66

(₹ in crore)

PARTICULARS	2023-24	2022-23
Net cash provided (used) by:		
Operating Activities	(1,062.45)	1,814.81
Investing Activities	1,106.83	(1,405.56)
Financing Activities	(86.04)	(396.65)

3. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report.

4. DIVIDEND:

The Board of Directors in its meeting held on 9th May, 2024 has recommended dividend of ₹ 4/- per share on the fully paid Equity Shares of the Company.

5. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government after the completion of seven years from the date of transfer to the Unpaid Dividend Account of the Company. The shareholders whose dividends have been transferred to the IEPF Authority can claim their dividend from the Authority. The unclaimed or unpaid dividend relating to the financial year 2016-17 is due for remittance in the month of November, 2024 to Investor Education and Protection Fund established by the Central Government.

Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by shareholders for seven consecutive years or more shall also be transferred to the IEPF Authority. The Company has sent notice to all shareholders whose shares are due to be transferred to the IEPF Authority and has also published requisite advertisement in the newspapers in this regard.

The details of these shares are also provided on the website of the Company at www.vardhman.com.

6. CONSOLIDATED FINANCIAL STATEMENT:

In accordance with Companies Act 2013 & Indian Accounting Standards (Ind AS) 110 on 'Consolidated Financial Statements' read with Ind AS 111 on 'Joint Arrangements' and Ind AS 112 on 'Disclosure of Interest in other entities', the Audited Consolidated Financial Statements are provided in the Annual Report.

7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any material subsidiary. The details of the financials of the subsidiary and associate companies for the year 2023-24 are as follows:-

VTL Investments Limited (VTL)

This 100% subsidiary of your Company is engaged in the business of investment. The earnings of the Company mainly comes from the dividend/interest earned on its investments and profits made on sale of investments. During the financial year 2023-24, VTL recorded Revenue from operations of ₹ 1.82 crore against ₹ 0.87 crore in the previous year. The net profit of the Company worked out to ₹ 1.79 crore as compared to ₹ 0.39 crore during the previous year.

Vardhman Acrylics Limited (VAL)

This subsidiary of the Company is engaged in the business of manufacturing of Acrylic Fibre. Presently, your Company holds 70.74% shares in this subsidiary. During the financial year 2023-24, VAL recorded Revenue from operations of ₹ 297.48 crore against ₹ 426.66 crore in the previous year. The net profit of the Company after comprehensive income worked out to ₹ 17.71 crore as compared to ₹ 33.04 crore in the previous year.

Vardhman Yarns and Threads Limited (VYTL)

Vardhman Yarns and Threads Limited, Joint Venture with American & Efird Global, LLC (A&E), is an Associate of the Company. It is engaged in the business of threads manufacturing and distribution. Presently, your Company holds 11% stake in VYTL. A&E is the second largest player in threads manufacturing and distribution across the world. During the year under review, the Standalone Revenue from operations was ₹ 1,086.56 crore as against ₹ 1,089.57 crore in the previous year showing a marginal decline of 0.28%. The net profit for the year after comprehensive income worked out to ₹ 176.27 crore as compared to ₹ 142.12 crore during last year.

Vardhman Special Steels Limited (VSSL)

Vardhman Special Steels Limited is an Associate of the Company. Your Company holds 23.84% shares of VSSL. The Revenue from operations of the Company was ₹ 1,661.36 crore as compared to ₹ 1,734.99 crore in the previous year. The net profit for the year after comprehensive income worked out to ₹ 91.80 crore as compared to ₹ 100.17 crore in the previous year.

Vardhman Spinning & General Mills Limited (VSGM)

Vardhman Spinning & General Mills Limited is an Associate of the Company. Your Company holds 50% shares of VSGM. It is a trading company. However, during the year, the Company has not traded any goods. The Revenue from operations of the Company was ₹ 0.003 lac as against ₹ 0.006 lac in the previous year.

8. DIRECTORS:

Liable to retire by Rotation: In accordance with the provisions of the Articles of Association of the Company, Mr. Sachit Jain, Director of the Company, retires by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommended his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

Appointment of Directors: During the year under review, Mr. Atul Khosla was appointed as an Independent Director of the Company for a term of five (5) consecutive years w.e.f. 4th August, 2023. His appointment was further approved by the Members of the Company in the Annual General Meeting held on 30th September, 2023.

Cessation from Directorship: During the year under review, Dr. Parampal Singh, Independent Director, ceased to be Director of the Company w.e.f. 27th November, 2023, on completion of his second term of appointment.

Declaration by Independent Directors:

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules thereof.

Your Board confirms that in its opinion the Independent Directors possess the requisite integrity, experience, expertise, proficiency and qualifications. All the Independent Directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs, Manesar, Gurgaon (IICA) as notified by the Central Government under section 150(1) of the Companies Act, 2013 and, if applicable, shall undergo online proficiency self-assessment test within the time prescribed by the IICA.

Familiarization programmes for Board Members:

Your Company has formulated Familiarization Programme for all the Board members in accordance with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Schedule IV of the Companies Act, 2013 which provides that the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of Industry in which the Company operates, business model of the Company, etc. through various programs.

The Familiarization Programme for Board members may be accessed on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Familarisation_Programme_for_Board_Members.pdf

Annual Evaluation of the Board Performance:

The meeting of Independent Directors of the Company for the financial year 2023-24 was held on 22nd March, 2024 to evaluate the performance of Non-Independent Directors, Chairman of the Company and the Board as a whole.

The evaluation was done by way of discussions on the performance of the Non- Independent Directors, Chairman and Board as a whole.

A policy on the performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of non-executive directors and executive directors have been formulated by the Company.

9. NOMINATION AND REMUNERATION POLICY:

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Policy of the Company has been duly approved and adopted by the Board pursuant to recommendations of Nomination and Remuneration Committee of the Company and may be accessed on the website of the Company at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Nomination_&_Remuneration_Policy.pdf. As mandated by proviso to Section 178(4) of the Companies Act, 2013, salient features of Nomination and Remuneration Policy are as under:

a) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommending to the Board their appointment and removal.

b) Formulating the criteria for determining qualifications, positive attributes and independence of a Director and evaluating the balance of skills, knowledge and experience on Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.

c) Recommending to the Board, policy relating to remuneration of Directors (Whole time Directors, Executive Directors etc.), Key Managerial Personnel and other employees while ensuring the following:-

   i. That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

   ii. That relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

   iii. That remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate of the working of the Company and its goals.

d) Formulating the criteria for evaluating performance of the Board and all the Directors.

e) Devising a policy on diversification of Board.

f) Determining whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors.

g) Recommending to the Board remuneration payable to the Senior Management.

10. KEY MANAGERIAL PERSONNEL (KMP):

In compliance with the provisions of Section 203 of the Companies Act, 2013, following are the KMPs of the Company as on 31st March, 2024:

S. No.	Name	Designation
1.	S.P. Oswal	Chairman & Managing Director
2.	Rajeev Thapar	Chief Financial Officer
3.	Sanjay Gupta	Company Secretary

11. NUMBER OF BOARD MEETINGS:

During the year under review, the Board met Five (5) times and the intervening gap between any two meetings was within the period prescribed under Companies Act, 2013. The details of Board Meeting are set out in Corporate Governance Report which forms part of this Annual Report.

12. AUDITORS AND AUDITORS' REPORT:

Statutory Auditors:

M/s Deloitte Haskins & Sells, LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) were re-appointed as Statutory Auditors of the Company for a second consecutive term of 5 years at the 49th Annual General Meeting of the Company held on 30th September, 2022.

Further, the Statutory Auditors of the Company have submitted Auditors' Report on the accounts of the Company for the accounting year ended 31st March, 2024.

This Auditors' Report is self-explanatory and requires no comments.

Secretarial Auditor:

M/s. Ashok K Singla & Associates, Company Secretary in Practice, were appointed as Secretarial Auditors of the Company by the Board of Directors of the Company in its meeting held on 5th May, 2023 for the financial year 2023-24.

The Secretarial Auditors of the Company have submitted their Report in Form No. MR-3 as required under Section 204 of the Companies Act, 2013 for the financial year ended 31st March, 2024. This Report is self-explanatory and requires no comments. The Report forms part of this report as **Annexure I.**

Cost Auditor:

The Company is maintaining the Cost Records, as specified by the Central Government under section 148(1) of Companies Act, 2013.

The Board of Directors had appointed M/s. Ramanath Iyer & Company, Cost Accountants, New Delhi, as the Cost Auditors of the Company to conduct Cost Audit of the Accounts for the financial year ended 2023-24. The Cost Audit Report for the financial year 2023-24 is under finalization and will be submitted to the requisite authorities within due course of time.

13. AUDIT COMMITTEE & VIGIL MECHANISM:

Composition of Audit Committee:

The Audit Committee comprises of Mr. Prafull Anubhai, Mr. Suresh Kumar, Mrs. Harpreet Kaur Kang, Independent Directors and Ms. Sagrika Jain, Executive Director. Mr. Prafull Anubhai is the Chairman of the Committee and Company Secretary of the Company is the Secretary of the Committee. All the recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism:

Pursuant to the provisions of section 177(9) of the Companies Act, 2013, the Company has established a "Vigil Mechanism" incorporating Whistle Blower Policy in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for employees and Directors of the Company, for expressing the genuine concerns of unethical behavior, actual or suspected fraud or violation of the codes of conduct by way of direct access to the Chairman/ Chairman of the Audit Committee.

The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns.

The Policy on Vigil Mechanism and Whistle Blower Policy as approved by the Board may be accessed on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Whistle_Blower_Policy.pdf

14. CORPORATE GOVERNANCE:

The Company has in place a system of Corporate Governance. Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. A separate report on Corporate Governance forming part of the Annual Report of the Company is annexed hereto. A certificate from the Practising Company Secretary of the Company regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the report on Corporate Governance.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Vision & Core areas of CSR: Your Company is committed to and fully aware of its CSR, the guidelines in respect of which were more clearly laid down in the Companies Act, 2013. The Company's vision on CSR is that the Company being a responsible Corporate Citizen would continue to make a serious endeavor for a quality value addition and constructive contribution in building a healthy and better society through its CSR related initiatives and focus on education, environment, health care and other social causes.

CSR Policy: The CSR Policy of the Company indicating the activities to be undertaken by the Company, as approved by the Board, may be accessed on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Corporate_Social_Responsibility_Policy.pdf

During the year, the Company has spent ₹ 17.58 crore on CSR activities. Out of this, an amount of ₹ 5.53 crore pertains to FY 2023-24.

The disclosures related to CSR activities pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 9 of Companies (Accounts) Rules, 2014 and Companies (Corporate Social Responsibility) Rules, 2014 is annexed hereto and form part of this report as **Annexure II.**

16. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR):

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandate the inclusion of the BRSR as part of the Annual Report for top 1000 listed entities based on market capitalization. In compliance with the Listing Regulations, BRSR is available on the Company's website at the link: https://www.vardhman.com/Document/Report/Compliances/BRR/Vardhman%20Textiles%20Ltd/BRSR_2023-24.pdf

17. DIVIDEND DISTRIBUTION POLICY (DDP):

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the top 1,000 listed companies are required to formulate a DDP. Accordingly, a DDP was adopted to set out the parameters and circumstances that will be taken into account by the Board in recommending the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Policy is available on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Dividend_Distribution_Policy.pdf

18. RISK MANAGEMENT:

The Risk Management Policy required to be formulated under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been duly formulated and approved by the Board of Directors of the Company. The aim of Risk Management Policy is to maximize opportunities in all activities and to minimize adversity. The Policy includes identifying types of risks and its assessment, risk handling, monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

The Risk Management Policy may be accessed on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Risk_Management_Policy.pdf

19. INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

A report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013, as given by the Statutory Auditors of the Company forms part of Independent Auditor's Report on Standalone Financial Statements and Consolidated Financial Statements as **Annexure A.**

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts/arrangements/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

The Policy on dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Related_Party_Transaction_Policy.pdf

Your Directors draw attention of the Members to Note 46 to the standalone financial statements which sets out related party disclosures.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement (Please refer to Note 4, 5, 9 and 12 to the standalone financial statements).

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Energy conservation continues to be an area of major emphasis in our Company. Efforts are made to optimize the energy cost while carrying out the manufacturing operations. Particulars with respect to conservation of energy and other areas as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are annexed hereto and form part of this report as **Annexure III.**

23. ANNUAL RETURN:

In terms of Section 92(3) and 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company is available on the website of the Company at the link: www.vardhman.com

24. HUMAN RESOURCES /INDUSTRIAL RELATIONS:

Human resource is considered as the most valuable of all resources available to the Company. The Company continues to lay emphasis on building and sustaining an excellent organization climate based on human performance. The Management has been continuously endeavoring to build high performance culture on one hand and amiable work environment on the other hand. As on 31st March, 2024, the Company employed around 24,929 employees on permanent rolls.

Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation on the shop floors of the various plants.

25. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The disclosures in respect of managerial remuneration as required under section 197(12) read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are annexed hereto and forms part of this report.

A statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in Rule 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto and forms part of this report.

In terms of section 197(14) of the Companies Act, 2013, the Company does not have any Holding Company. Further, none of the Director of the Company has received any remuneration or commission from any subsidiary company.

All the above details are provided in **Annexure IV.**

26. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this report.

27. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submit its Responsibility Statement:—

a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;

b. appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profit of the Company for the year ended on 31st March, 2024;

c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts have been prepared on a going concern basis;

e. the Internal financial controls has been laid down to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f. a proper system has been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

28. GENERAL DISCLOSURES:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transaction on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. Change in nature of Business of the Company.
5. No fraud has been reported by the Auditors to the Audit Committee or the Board.
6. There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
7. There was no instance of one time settlement with any Bank or Financial Institution.

Further, your Directors state that the Company has complied with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and there was no case filed under the said Act.

29. VARDHMAN TEXTILES LIMITED EMPLOYEE STOCK OPTION PLAN:

- **Vardhman Textiles Limited Employee Stock Option Plan 2016:** The Company had granted Options to its eligible employees under 'Vardhman Textiles Limited Employee Stock Option Plan, 2016' (hereinafter referred as the ESOP Plan). One Option entitled the holder to apply for one equity share of the Company in terms of the ESOP Plan. During the financial year 2023-24, 47,750 equity shares were allotted to the eligible employees. So, the paid-up equity share capital of the Company stood increased to ₹ 57,83,49,600 as on 31st March, 2024. Since, the exercise period of last tranche of vested Options has expired, so the Plan stood closed during the year.

  The ESOP Plan of the Company was being implemented in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014 and the resolution passed by the shareholders approving the said Plan. A certificate from the Secretarial Auditor of the Company in this regard would be available at the Annual General Meeting for the inspection by the Members.

  The details as required to be disclosed are put on the Company's website and may be accessed at https://www.vardhman.com/Document/Report/Compliances/Miscellaneous/Vardhman%20Textiles%20Ltd/ESOP_Disclosure_2023-24.pdf

- **Vardhman Textiles Limited Employee Stock Option Plan 2024:** During the year, the Board of Directors of your Company in its meeting held on 24th January, 2024 had approved 'Vardhman Textiles Limited Employee Stock Option Plan 2024'. The same has also been approved by the Members through Postal Ballot ended on 10th March, 2024. The maximum no. of Options that can be granted under the Scheme are 34,70,097 (i.e. 1.20% of the no. of shares outstanding as on 31st March, 2024). Further, the Nomination & Remuneration Committee of the Board of Directors of the Company in its meeting held on 3rd April, 2024 has granted 31,75,000 Options to the eligible employees under this Plan. One Option entitles the holder to apply for one equity share of the Company.

30. NON-CONVERTIBLE DEBENTURES:

During the previous year, your Company had issued 15,000 Rated Listed Unsecured Redeemable Non-Convertible Debentures ("NCDs") of ₹ 1,00,000 each aggregating to ₹ 150.00 crore for cash at par on private placement basis, at a coupon rate of 7.70% p.a. The NCDs were listed on the BSE Limited and were repayable on March 27, 2024. The same has duly been redeemed on the said due date. So, there are no outstanding NCDs of the Company as on date.

31. ACKNOWLEDGEMENT:

Your Directors are pleased to place on record their sincere gratitude to the Government, Bankers, Business Constituents and Shareholders for their continued and valuable co-operation and support to the Company and look forward to their continued support and co-operation in future too.

They also take this opportunity to express their deep appreciation for the devoted and sincere services rendered by the employees at all levels of the operations of the Company during the year.

FOR AND ON BEHALF OF THE BOARD

Place: Ludhiana
Dated: 9th May, 2024

(S.P. Oswal)
Chairman & Managing Director

INDEX OF ANNEXURES

(FORMING PART OF BOARD REPORT)

Annexure No.	Particulars
I	Secretarial Audit Report in Form no. MR-3 for FY 2023-24.
II	CSR Activities – Annual Report FY 2023-24.
III	Conservation of energy, technology absorption, foreign exchange earnings and outgo.
IV	Particulars of employees and related disclosures.

ANNEXURE- I

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 & Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]

To,
The Members,
Vardhman Textiles Limited,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vardhman Textiles Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable to the Company during the Audit period;

(e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 -Not applicable to the Company during the Audit period; and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 -Not applicable to the Company during the Audit period.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited;

During the period under review, the Company has complied with the provisions of the abovementioned Acts, Rules, Regulations, Guidelines, Standards etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, if any.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not any specific events / actions which have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **Ashok K Singla & Associates,**
Company Secretaries,

Sd/-
Ashok Singla
Proprietor
Membership No. 2004
Certificate of Practice No. 1942
UDIN: F002004F000336129

Date: 9th May, 2024
Place: Ludhiana

List of Labour Laws and Environmental Laws which have been verified during Audit Period

List of Labour Laws

The Factories Act, 1948
The Industrial Disputes Act, 1947
The Payment of Wages Act, 1936
The Minimum Wages Act, 1948
The Employee's State Insurance Act, 1948
The Payment of Bonus Act, 1972
The Contract Labour (Regulation and Abolition) Act, 1970
The Apprentices Act, 1961

List of Environmental Laws

The Environmental (Protection) Act, 1986
The Public Liability Insurance Act, 1991
The Water (Prevention and Control of Pollution) Act, 1974
The Air (Prevention and Control of Pollution) Act, 1981
The Hazardous Waste (Management, Handling and Trans boundary Movements) Rules, 2008

Annexure A

To
The Members
Vardhman Textiles Limited,

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Ashok K Singla & Associates,**
Company Secretaries,

Sd/-
Ashok Singla
Proprietor
Membership No. 2004
Certificate of Practice No. 1942
UDIN: F002004F000336129

Date: 9th May, 2024
Place: Ludhiana

Annexure –II

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

1. Brief outline on CSR Policy of the Company.

The focus areas of the Company under its CSR programme are promotion of education, preventive health care, rural development, skill enhancement, environment protection and any other project as defined in Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

Composition of the CSR Committee and details of attendance during Financial Year 2023-24 are as under:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Prafull Anubhai	Chairman, Independent, Non-Executive Director	2	2
2.	Mr. Sachit Jain	Member, Non-Independent, Non-Executive Director	2	0
3.	Mr. Neeraj Jain	Member, Non-Independent, Executive Director	2	2
4.	Mrs. Suchita Jain	Member, Non-Independent, Executive Director	2	1*
5.	Mr. Suresh Kumar	Member, Independent, Non-Executive Director	2	1*

* Mrs. Suchita Jain and Mr. Suresh Kumar were appointed as member of the committee w.e.f. 04.08.2023

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Link of Composition: https://www.vardhman.com/Document/Report/Company%20Information/Board/Vardhman%20Textiles%20Ltd/List_of_Committee_of_Directors.pdf

Link of Policy: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Corporate_Social_Responsibility_Policy.pdf

Link of CSR Projects: https://www.vardhman.com/Document/Report/Compliances/Miscellaneous/Vardhman%20Textiles%20Ltd/CSR_Projects_2024-25.pdf

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

N.A.

5. (a) Average net profit of the Company as per sub-section (5) of Section 135:- ₹ 1,11,196.84 lac

(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: ₹ 2,223.94 lac

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 2,223.94 lac

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 551.00 lac

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: ₹ 1.77 lac

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 552.77 lac

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ In lac)	Amount Unspent (₹ In lac)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
552.77	1,671.17	29.04.2024	-	-	-

(f) Excess amount for set off, if any:

Sr. No.	Particular	Amount (₹ In lac)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	2,223.94
(ii)	Total amount spent for the financial year	552.77
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (₹ In lac)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (₹ In lac)	Amount Spent in the Financial Year (₹ In lac)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ In lac)	Deficiency, if any
					Amount (₹ In lac)	Date of Transfer		
1	2020-21	577.15	71.52	87.39*	-	-	-	-
2	2021-22	965.27	253.98	202.91	-	-	51.07	-
3	2022-23	1535.36	1535.36	806.45	-	-	728.91	-

* The Company has spent an amount of ₹ 87.39 lac against an amount of ₹ 71.52 lac to be spent from FY 2020-21. This excess amount of ₹ 15.87 lac pertains to FD Income earned on amount transferred to Unspent CSR Account (F.Y. 2020-21) and was also spent as CSR obligation.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:

Yes **No** √

If Yes, enter the number of Capital assets created/acquired: **N.A.**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
			N.A.				

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135:

An amount of ₹ 1,671.17 lac remaining unspent pertains to "Ongoing Projects." This amount has been transferred to a separate unspent CSR Account. The said "Ongoing Projects" will be complete by FY 2024-25, 2025-26 & 2026-27.

Sd/-
(S.P. Oswal)
(Chairman & Managing Director)

Sd/-
(Prafull Anubhai)
(Chairman of CSR Committee)

ANNEXURE- III

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.

CONSERVATION OF ENERGY

Conference of the Parties (COP 21) was held in Paris under the UN Body, UNFCCC in 2015. The agreement reaffirms the goal of keeping average warming below 2 degree celsius. India has submitted its Intended Nationally Determined Contributions (INDC) with plan, policies, measures, actions etc. to combat climatic change. Some of India's INDC commitments include the following:

- Reduce emission intensity of its GDP by 33 to 35 percent by 2030 from 2005 level.
- Generate 40 percent cumulative electric power generation from non-fossil fuel-based resources by 2030.
- Support environmental initiatives (annually, 220 billion rupees of CSR money is to be spent).
- Voluntary carbon disclosure programme for private sector handled by Carbon Disclosure Project, India.
- Smart Cities Mission - by building a clean and sustainable environment.
- Green Highways (Plantation & Maintenance) Policy- 140,000 km long "tree-line" along both sides of national highways.
- Faster Adoption and Manufacturing of Hybrid & Electric Vehicles.

Vardhman Group is taking initiatives by understanding its moral responsibility towards global interest - keeping average warming below 2 degree celsius.

STEPS TAKEN FOR CONSERVATION OF ENERGY:

All the Plants of the Company have taken various measures in conservation of energy. The thrust is to measure the existing system parameters and then implement improvements. Emphasis is also given to optimise the operation of various equipments which lead to energy conservation.

Consequent to the Energy Conservation measures taken, the Company was able to save 37.69 lac kWH units of electricity thereby making a savings of ₹ 335.36 lac during the financial year 2023-24.

STEPS TAKEN FOR UTILISING ALTERNATE SOURCES OF ENERGY

Green power is a subset of renewable energy and represents those renewable energy resources and technologies that provide the lowest environmental impact. The market defines green power as electricity produced from solar, wind, geothermal, biogas and low-impact small hydroelectric sources.

The Company has installed Solar Power Plants in Vardhman Fabric, Budhni and Vardhman Yarns, Satlapur, under the Sustainability Aspect – 'Avoidance of the depletion of Natural Resources to maintain an Ecological Balance.'

Further, the Company is planning to install more projects under renewable energy sources and will continue to contribute towards achieving the global targets on climate change.

Details of Unit wise initiatives are mentioned below:-

In Vardhman Fabrics, Budhni we have installed three separate solar captive plants. Details are as below:

- 7.5 MW ground mounted solar captive power plant was commissioned during the FY 2019-20. Actual generation in FY 2023-24 is 125.11 lac kWH/ annum.
- 1.6 MW rooftop mounted solar captive power plant was commissioned during the FY 2020-21. Actual generation in FY 2023-24 is 24.10 lac kWH/ annum.
- 3.5 MW rooftop mounted solar captive power plant was commissioned during the year. Actual generation in FY 2023-24 is 35.07 lac kWH/ annum. Cost incurred is ₹ 1,764.00 lac.

In Vardhman Yarns, Satlapur, we have installed three separate solar captive plants. Details are as below:

- 2.4 MW rooftop mounted solar captive power plant was commissioned during the FY 2019-20. Actual generation in FY 2023-24 is 37.37 lac kWH/ annum.
- 1.6 MW rooftop mounted solar captive power was commissioned during the FY 2020-21. Actual generation in FY 2023-24 is 24.56 lac kWH/ annum.
- 1.1 MW rooftop mounted solar captive power plant was commissioned during the year. Actual generation in FY 2023-24 is 10.83 lac kWH/ annum. Cost incurred is ₹ 561.54 lac.

In Auro Spinning Mills, Baddi, we have installed one separate solar captive plant. Details are as below:

- 2.2 MW rooftop mounted solar captive power plant was commissioned during the FY 2022-23. Actual generation in FY 2023-24 is 33.40 lac kWH/ annum.

The Company generated 290.44 lac kWH units of electricity from renewable source, i.e. Solar (19.9 MW installed capacity) in FY 23-24 leading a reduction of 24,099 ton of CO2 emission in atmosphere and saving of ₹ 1,723.35 lac.

CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS

Apart from installation of solar plants, the Company has incurred ₹ 621.46 lac on different energy and utilities saving projects.

TECHNOLOGY ABSORPTION:

Efforts made in Technology Absorption are furnished as under:

A) RESEARCH AND DEVELOPMENT (R&D):

1. Specific areas in which Research & Development is carried out by the Company:

Research & Development is carried out for development of new products and for improvement in the production process and quality of products. The Company has been pioneer in the launch of new products that have been successful in the market due to its R&D efforts.

2. Benefits derived as a result of R & D:

The Company has continuously been improving the quality of its existing products and has entered into new products and also been able to reduce the cost of production.

3. Future Course of action:

Management is committed to further strengthen R&D activities to improve its competitiveness in the times to come.

4. Expenditure on R & D:

(₹ in crore)

Particulars	(2023-24)	(2022-23)
Capital	8.19	14.64
Recurring	1.95	1.82
Total	10.14	16.46
Total R & D expenditure as a Percentage of Turnover	0.11%	0.17%

B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts made:

The Company is continuously making efforts for adaptation of latest technology in all its Units. The Company has also created specific cells for studying and analyzing the existing processes for further improvement.

2. Particulars of technology imported in last three years.

a) Technology imported	NIL
b) Year of import	N.A.
c) Has technology been fully absorbed	N.A.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans are given hereunder:

- Export of yarn and fabric diversified into new Products & Markets with continuous growth fruitful. During the FY 2023-24, total exports of the Company were 42.40%.
- Our continuous focus on exporting Value-Added Products has been fruitful. During the FY 2023-24, total exports of the Company were 41% approx.
- We are increasing our emphasis on the sale of environment friendly yarn & fabric and boosting sales to direct brands.
- Our exports have reached 62 countries during FY 2023-24.

Total Foreign Exchange earned and used:

(₹ in crore)

Particulars	2023-24	2022-23
a) Earnings (FOB value of Exports, commission earned)	3,899.00	4,242.52
b) Outgo (CIF value of Imports and expenditure in foreign currency)	1,100.26	1,770.62

ANNEXURE- IV

Particulars of employees and related disclosures:

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 are as under:

SR. NO.	NAME OF DIRECTOR/ KMP AND DESIGNATION	REMUNERATION FOR DIRECTORS/ KMP FOR FINANCIAL YEAR 2023-24 (Amount in ₹)	% INCREASE IN REMUNERATION IN THE FINANCIAL YEAR 2023-24	RATIO OF REMUNERATION OF EACH DIRECTOR/ KMP TO MEDIAN REMUNERATION OF EMPLOYEES
1.	S.P. Oswal Chairman & Managing Director	17,40,14,033	-15.57	414.31
2.	Suchita Jain Vice- Chairperson & Joint Managing Director	3,36,86,403	4.78	80.20
3.	Neeraj Jain Joint Managing Director	2,78,25,109	0.84	66.25
4.	Sagrika Jain Executive Director	1,08,46,891	-^	25.83
5.	Sachit Jain Non- Executive Non- Independent Director	-	-	-
6.	Prafull Anubhai Non- Executive Independent Director	6,30,000	-14.86	1.50
7.	Suresh Kumar Non-Executive Independent Director	4,50,000	-	1.07
8.	Harpreet Kaur Kang Non-Executive Independent Director	4,20,000	-2.33	1.00
9.	Udeypaul Singh Gill Non-Executive Independent Director	3,20,000	-3.03	0.76
10.	Atul Khosla#	1,30,000	-	0.31
11.	Parampal Singh* Non-Executive Independent Director	2,60,000	-	0.62
12.	Rajeev Thapar Chief Financial Officer	94,10,704	9.20	22.41
13.	Sanjay Gupta Company Secretary	24,79,630	9.70	5.90

^ Ms. Sagrika Jain was appointed as an Executive Director of the Company w.e.f. 06.08.2022.

Mr. Atul Khosla was appointed as Director of the Company w.e.f. 04.08.2023.

* Dr. Parampal Singh ceased to be Director of the Company w.e.f 27.11.2023.

2. The median remuneration of employees of the Company during the financial year was ₹ 4,20,012.

3. In the financial year, there was an increase of 5% in the median remuneration of employees.

4. There were 24,929 permanent employees on the rolls of Company as on March 31, 2024.

5. Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year 2023-24 was 10.14% whereas the decrease in the managerial remuneration for the same financial year was 8.97%.

6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF COMPANIES ACT, 2013 READ WITH RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

a. PERSONS EMPLOYED THROUGHOUT THE FINANCIAL YEAR, WHO WERE IN RECEIPT OF REMUNERATION WHICH, IN THE AGGREGATE, WAS NOT LESS THAN ₹ 1,02,00,000/- PER ANNUM -

Sr. No.	Name of employee	Designation/ Nature of duties	Remuneration (in ₹ lac)	Qualification	Age (Years)	Experience (Years)	Date of Employment	Particulars of last employment
1.	Mr. S.P. Oswal	Chairman & Managing Director	1,740.14	M. Com	82	57	08.10.1973	Chairman & Managing Director (Vardhman Spinning and General Mills Limited)
2.	Mrs. Suchita Jain	Vice-Chairperson & Joint Managing Director	336.86	M. Com	56	31	29.01.2010	N.A.
3.	Mr. Neeraj Jain	Joint Managing Director	278.25	B. Com, CA	57	32	31.03.2010	N.A.
4.	Mr. Sushil Kumar Jhamb	Director (Raw Material Procurement)	108.51	B.Com, CA	69	46	01.06.2017	Vardhman Yarns and Threads Limited
5.	Ms. Sagrika Jain	Executive Director	108.47	B.Sc. (Eco. & Finance Honours), MBA	29	6	06.08.2022	Arpwood Capital Private Limited
6.	Mr. Dinesh Kumar Sindwani	Director (Corporate Services)	106.45	B. Com, CA	63	39	01.04.2015	Hero Steels Limited
7.	Mr. Tara Chand Gupta	Chief General Manager (Operations) & Unit Head	106.26	B. Tech (Textiles)	63	42	24.05.1993	Modern Syntex Limited

b. PERSONS EMPLOYED FOR A PART OF FINANCIAL YEAR, WHO WERE IN RECEIPT OF REMUNERATION FOR ANY PART OF THAT YEAR, AT A RATE WHICH IN AGGREGATE, WAS NOT LESS THAN ₹ 8,50,000/- PER MONTH – NIL

c. STATEMENT SHOWING DETAILS OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN:

S.No., Name, Age, Designation, Gross Remuneration (in ₹ Lac per annum), Nature of Employment, Qualifications, Experience (in years), Date of Joining, Previous Employment and No. of Equity Shares held by the employee as on 31.03.2024

1, S.P. Oswal, 82, Chairman & Managing Director, 1,740.14, Regular, M.Com, 57, 08.10.1973, Vardhman Spinning and General Mills Limited, 29,87,955. 2, Suchita Jain, 56, Vice-Chairperson & Joint Managing Director, 336.86, Regular, M.Com, 31, 29.01.2010, N.A., 12,22,120. 3, Neeraj Jain, 57, Joint Managing Director, 278.25, Regular, B.Com & CA, 32, 31.03.2010, N.A., 8,000. 4, Sushil Kumar Jhamb, 69, Director (Raw Material Procurement), 108.51, Regular, B.Com & CA, 46, 01.06.2017, Vardhman Yarns and Threads Limited, 3,980. 5, Sagrika Jain, 29, Executive Director, 108.47, Regular, B.Sc. (Eco. & Fin. Hons.), MBA, 6, 06.08.2022, Arpwood Capital Private Limited, 34,925. 6, Dinesh Kumar Sindwani, 63, Director (Corporate Services), 106.45, Regular, B.Com & CA, 39, 01.04.2015, Hero Steels Limited, 0. 7, Tara Chand Gupta, 63, Chief General Manager (Operations) & Unit Head, 106.26, Regular, B. Tech (Textiles), 42, 24.05.1993, Modern Syntex Limited, 27,700. 8, Mukesh Saxena, 62, Chief General Manager (Operations) & Unit Head, 97.48, Regular, B. Tech (Textiles), 42.04, 01.02.2007, Indorama Synthetics India Limited, 20,000. 9, B.K. Choudhary, 72, Director (Operations), 94.52, Regular, B.Sc., M.Com & MBA, 51, 23.12.1985, Usha Alloys & Steels Limited, 2,500. 10, Rajeev Thapar, 56, Chief Financial Officer, 94.11, Regular, B.Com (Hons.) & CA, 35, 01.06.1990, SC Vasudeva & Co., 7,050.

Note: Except Mr. S.P. Oswal, Mrs. Suchita Jain and Ms. Sagrika Jain, none of the above employees is related to any Director of the Company.

Corporate Governance Report

This report on corporate governance forms part of the Annual Report. Corporate governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices that ensure that a Company meets its obligations to optimize shareholders' value and fulfill its responsibilities to the community, customers, employees, Government and other segments of society. Your Company is committed on adopting the best practices of Corporate Governance as manifested in the Company's functioning to achieve the business excellence by enhancing long-term shareholders' value. Efficient conduct of the business of the Company through commitment to transparency and business ethics in discharging its corporate responsibilities is hallmark of the best practices followed by the Company. This report on Corporate Governance, besides being in compliance of the mandatory SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, gives an insight into the functioning of the Company.

1. COMPANY'S PHILOSOPHY:

- Faith in bright future of Indian textiles and hence continued expansion in areas "which we know best".
- Total customer focus in all operational areas.
- Products to be of best available quality for premium market segments through TQM.
- Zero defect implementation.
- Global orientation targeting – at least 20% production for exports.
- Integrated diversification/ product range expansion.
- World class manufacturing facilities with most modern R & D and process technology.
- Faith in individual potential and respect for human values.
- Encouraging innovation for constant improvements to achieve excellence in all functional areas.
- Accepting change as a way of life.
- Appreciating our role as a responsible corporate citizen.

2. BOARD OF DIRECTORS/ BOARD MEETINGS:

i. Composition as on March 31st, 2024

The Composition of Board and category of Directors are as follows:-

Category	Name of Directors
Promoter Directors	#S.P. Oswal- Chairman & Managing Director # Suchita Jain- Vice- Chairperson & Joint Managing Director # Sagrika Jain- Executive Director # Sachit Jain- Non-Executive Director
Executive Non-Independent Director	Neeraj Jain- Joint Managing Director
Independent Directors	Prafull Anubhai Suresh Kumar Harpreet Kaur Kang Udeypaul Singh Gill Atul Khosla

Relationship Inter-se:

Except Mr. S.P. Oswal, Mr. Sachit Jain, Mrs. Suchita Jain and Ms. Sagrika Jain, none of the Director of the Company is related to any other Director of the Company.

ii. Board Meetings:

During the financial year 2023-2024, the Board met 5 (Five) times on the following dates:

- 5th May, 2023
- 4th August, 2023
- 7th October, 2023
- 31st October, 2023
- 24th January, 2024

iii. Attendance of the Directors at the Board Meetings during the year and at last Annual General Meeting of the Company and also the number of other Directorships/Chairmanships in Indian Public Limited Companies and names of other Listed Entities where the person is director and category of directorship therein are as follows:-

Name of Director	No. of Board meetings attended	Attendance at last AGM	Total No. of Directorships in other Companies	Names of other Listed Entities where the person is Director	Category of Directorship in other listed entities	No. of Committee memberships in other Companies	Total No. of Board Chairmanships in other Companies	Total No. of Committee Chairmanships in other companies
S.P. Oswal	3	No	5	Vardhman Acrylics Limited Vardhman Holdings Limited	Non-Executive Director Executive Director	3	2	3
Suchita Jain	4	Yes	7	Vardhman Holdings Limited Vardhman Special Steels Limited Vardhman Acrylics Limited	Non-Executive Director Non-Executive Director Non-Executive Director	5	-	1
Neeraj Jain	5	Yes	4	-	-	-	-	-
Sagrika Jain	3	No	-	-	-	-	-	-
Sachit Jain	1	No	8	Vardhman Holdings Limited Vardhman Special Steels Limited Vardhman Acrylics Limited	Non-Executive Director Executive Director Non-Executive Director	1	-	-
Prafull Anubhai	5	Yes	1	Unichem Laboratories Limited	Non-Executive Director	2	-	2
Suresh Kumar	5	No	1	UPL Limited	Non-Executive Director	1	-	-
Harpreet Kaur Kang	5	Yes	1	Sportking India Limited	Non-Executive Director	1	-	-
Udeypaul Singh Gill	4	No	-	-	-	-	-	-
Atul Khosla#	2	No	-	-	-	-	-	-
Parampal Singh*	4	No	-	-	-	-	-	-

* Dr. Parampal Singh ceased to be a Director of the Company w.e.f. 27.11.2023 on completion of his second term of appointment.

Mr. Atul Khosla was appointed as an Independent Director of the Company w.e.f. 04.08.2023.

Video conferencing facility was provided to facilitate Directors travelling abroad or present at other locations to participate in the Board meetings.

3. BOARD COMMITTEES:

i. Board Committees, their composition and terms of reference, as on 31st March, 2024, are provided as under:

NAME OF COMMITTEE	COMPOSITION	TERMS OF REFERENCE
Audit Committee	Prafull Anubhai (Chairman) Suresh Kumar Harpreet Kaur Kang Sagrika Jain	• The role of the Audit Committee is as per Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.
Nomination and Remuneration Committee	Prafull Anubhai (Chairman) S.P. Oswal Udeypaul Singh Gill	• The role of the Nomination and Remuneration Committee is as per Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. • Formulated and recommended Nomination and Remuneration Policy. • The Nomination & Remuneration Policy includes policy on Director's appointment and remuneration including the criteria for determining qualifications, positive attributes, independence of a Director and other matters as provided under Section 178(3) of the Companies Act, 2013.
Corporate Social Responsibility Committee	Prafull Anubhai (Chairman) Neeraj Jain Sachit Jain Suchita Jain Suresh Kumar	• Formulated and recommended CSR Policy of the Company indicating CSR activities proposed to be undertaken by the Company pursuant to provisions of Schedule VII of the Companies Act, 2013 read with CSR Rules, 2014. The CSR Policy may be accessed on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Corporate_Social_Responsibility_Policy.pdf • Recommends expenditure to be incurred for CSR activities/project and ensures effective monitoring of CSR Policy of the Company from time to time. • The Annual Report on CSR activities undertaken by the Company forms part of the Board Report as Annexure I.
Stakeholder's Relationship Committee	Harpreet Kaur Kang (Chairperson) Sachit Jain Suchita Jain	• The Committee reviews and ensures redressal of investor grievances. • The Committee noted that during the year the Company received 7 complaints from the investors and the same have been duly resolved by the Company.
Risk Manangement Committee	Prafull Anubhai (Chairman) Suchita Jain Neeraj Jain D.K. Sindwani Rajeev Thapar	• The Risk Management Policy of the Company aims to maximise opportunities in all activities and to minimise adversity. • The Risk Management framework includes identifying types of risks and its assessment, risk handling, monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company. • The Risk Management Policy may be accessed on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Risk_Management_Policy.pdf

Mr. Sanjay Gupta, Company Secretary and Compliance Officer of the Company is the Secretary of all Board Committees constituted under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ii. **Meetings of Board Committees held during the year and Director's attendance:**

Board Committees	Audit	CSR	Nomination & Remuneration	Stakeholders' Relationship	Risk Management Committee
Meetings held	**4**	**2**	**3**	**1**	**2**
S.P. Oswal	N.A.	N.A.	3	N.A.	N.A.
Suchita Jain	N.A.	1#	N.A.	1	2
Neeraj Jain	N.A.	2	N.A.	N.A.	2
Sagrika Jain	2*	N.A.	N.A.	N.A.	N.A.
Sachit Jain	N.A.	0	N.A.	1	N.A.
Prafull Anubhai	4	2	3	N.A.	2
Suresh Kumar	4	1#	N.A.	N.A.	N.A.
Harpreet Kaur Kang	4	N.A.	N.A.	1	N.A.
Udeypaul Singh Gill	N.A.	N.A.	3	N.A.	N.A.
Atul Khosla	N.A.	N.A.	N.A.	N.A.	N.A.
Parampal Singh	N.A.	N.A.	2^	N.A.	N.A.

*Ms. Sagrika Jain was appointed as a Member of the Audit Committee w.e.f. 04.08.2023.

Mrs. Suchita Jain and Mr. Suresh Kumar were appointed as Members of CSR Committee w.e.f. 04.08.2023.

^ Dr. Parampal Singh ceased to be a Member of the Nomination & Remuneration Committee w.e.f. 27.11.2023 on completion of his second term of appointment.

N.A. - Not a member of the Committee.

iii. **Meeting of Independent Directors:**

A meeting of Independent Directors of the Company for the financial year 2023-24 was held on 22nd March, 2024 to evaluate the performance of Non-Independent Directors of the Company, Chairman of the Company and the Board as a whole.

Performance Evaluation

The performance evaluation of Non-Independent Directors of the Company, Chairman of the Company and the Board as a whole, was done by Independent Directors by way of discussions on their performance.

A policy on the performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of non-executive directors and executive directors has been formulated by the Company.

Pursuant to the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the Nomination and Remuneration Policy, the Board of Directors/ Independent Directors/ Nomination & Remuneration Committee ("NRC") (as applicable) had undertaken an evaluation of the Board's own performance, the performance of its Committees and of all the individual Directors including the Chairman of the Board of Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees.

Familiarisation programme for Independent Directors

The details of the Familiarisation Programme conducted for the Independent Directors of the Company are available on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Familarisation_Programme_for_Board_Members.pdf

iv. **Core Skills/ Expertise / Competencies available with the Board**

The Board comprises of highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees.

The table below summarizes the key attributes and skills matrix considered necessary for effective functioning of the Company and are currently available with Board:

Name of Director	Area of Expertise
S.P. Oswal	Strategic Planning Leadership Operational Experience Industry Experience Financial Expertise Administrative Experience
Suchita Jain	Strategic Planning Leadership Operational Experience Industry Experience Financial Expertise Administrative Experience
Neeraj Jain	Strategic Planning Leadership Operational Experience Industry Experience Financial Expertise Administrative Experience
Sagrika Jain	Strategic Planning Leadership Operational Experience Industry Experience Financial Expertise Administrative Experience

Name of Director	Area of Expertise
Sachit Jain	Strategic Planning Leadership Operational Experience Industry Experience Financial Expertise Administrative Experience
Prafull Anubhai	Strategic Planning Leadership Industry Experience Financial Expertise
Suresh Kumar	Strategic Planning Leadership Administrative Experience
Harpreet Kaur Kang	Strategic Planning Leadership Administrative Experience
Udeypaul Singh Gill	Strategic Planning Leadership Industry Experience Administrative Experience
Atul Khosla	Strategic Planning Leadership Administrative Experience

4. DIRECTORS' REMUNERATION:

i) Chairman and Managing Director / Joint Managing Directors / Executive Director:

The Company pays remuneration to Chairman and Managing Director, Joint Managing Directors and Executive Director as approved by the Board of Directors and the Members of the Company in the General Meeting.

A detail of remuneration paid to these Directors, during the year 2023-24, is as given below:

(in ₹)

Name	S.P. Oswal	Suchita Jain	Neeraj Jain	Sagrika Jain
Designation	Chairman & Managing Director	Vice-Chairperson & Joint Managing Director	Joint Managing Director	Executive Director
Salary	1,09,00,000	1,07,47,742	85,24,000	39,06,774
Perquisites & Allowances	2,00,73,072	78,71,461	67,54,229	25,64,530
Retirement Benefit	13,08,000	13,19,458	10,22,880	4,68,813
Commission	14,17,32,961	-	-	-
Performance Linked Incentive and criteria thereof	-	1,37,47,742	1,15,24,000	39,06,774

Performance Linked Incentive is decided by the Nomination & Remuneration Committee based on the resolutions passed by the Members of the Company, i.e. upto the ceiling of double of the annual basic salary in case of Joint Managing Directors and upto a ceiling of 100% of the annual basic salary, in case of the Executive Director.

The tenure of office of Managing Director & Joint Managing Director(s) is 5 (five) years from their respective dates of appointment and tenure of office of the Executive Director is 3 (three) years from the date of appointment. The term can be terminated by either party by giving 3 months notice in writing. There is no separate provision for payment of severance fees.

During the year 2023-24, none of the above mentioned Directors has been granted any stock Options.

ii) Non-Executive Directors:

Non-Executive Directors have not been paid any remuneration except sitting fees for attending Board & Committee Meetings.

The Non-Executive Directors are paid sitting fees @ ₹ 50,000/- per Board Meeting, @ ₹ 35,000/- per Audit Committee Meeting and @ ₹ 30,000/- for any other Committee Meeting.

The detail of sitting fees paid to the Directors during the Financial Year 2023-24 is given hereunder: -

Sr. No.	Name of Director	Sitting Fee (₹)
1.	Prafull Anubhai	6,30,000
2.	Suresh Kumar	4,50,000
3.	Harpreet Kaur Kang	4,20,000
4.	Udeypaul Singh Gill	3,20,000
5.	Atul Khosla*	1,30,000
6.	Parampal Singh#	2,60,000

* Mr. Atul Khosla was appointed as a Director of the Company w.e.f. 04.08.2023.

Dr. Parampal Singh ceased to be a Director of the Company w.e.f. 27.11.2023 on completion of his second term of appointment.

5. PARTICULARS OF SENIOR MANAGEMENT OF THE COMPANY AS ON 31ST MARCH, 2024:

The particulars of Senior Management of the Company is given as follows:-

Name of the Senior Management Personnel	Designation
Sawinder Pal	Director (MP Location)
Indermohanjit Singh Sidhu	President & Director In-charge (Baddi Location)
Sushil Kumar Jhamb	Director (Raw Material Procurement)
Dinesh K. Sindwani	Director (Corporate Services)
Tara Chand Gupta	Chief General Manager (Operations) & Unit Head
Mukesh Bansal	Executive Vice-President (Head - Fabric Sales & Marketing)
Gurpreet Singh	Chief General Manager (Operations) & Unit Head
Mukesh Saxena	Chief General Manager (Operations) & Unit Head
Parveen Dhingra	Chief General Manager (Operations) & Unit Head
Harsh Mani Tripathi	Executive Vice-President (Operations) & Unit Head
Sumit Aggarwal	Chief General Manager (Sub-Business Unit Head Melange)
Vikas Mittal	Senior Vice-President (Operations)
Vikas Kumar	Executive Vice-President (Chairman Office, Digital & IT and HR)
Rajeev Thapar	Chief Financial Officer
Rana Harjinder Paul Singh	Executive Vice-President (Head - Yarn Exports Sales & Marketing)
Rajesh Chopra	Senior Vice-President (Head - Corporate Commercial)
Rajeev Mehani	Senior Vice-President (Head - Yarn Technical Services)
Kamal Kishore Ohri	Senior Vice-President (Head - Corporate Projects & Purchase)
Vasant Kumar Bisen	Vice-President (Head - Domestic Yarn Sales)
Satnam Singh Saini	Chief Manager (Head - Internal Audit & Compliance)
Sanjay Gupta	Company Secretary & Compliance Officer

During the year, there was no change in the Senior Management.

6. SHAREHOLDING DETAILS OF DIRECTORS AS ON 31ST MARCH, 2024:

The shareholding of the Directors in the Equity Share Capital of the Company is given as follows: -

Sr. No.	Name of Director	Number of Shares Held
1.	S.P. Oswal	29,87,955
2.	Suchita Jain	12,22,120
3.	Neeraj Jain	8,000
4.	Sagrika Jain	34,925

No other director holds any share in the Equity Share Capital of the Company.

7. GENERAL BODY MEETINGS:

i. The details of Annual General Meeting & no. of Special Resolutions passed during last three financial years are as follows:

Meeting	Day, Date and Time of the Meeting	Venue	No. of Special Resolutions
50th Annual General Meeting for the Financial year ended 31st March, 2023.	Saturday, 30th September, 2023 at 10:00 A.M.	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	1
49th Annual General Meeting for the Financial year ended 31st March, 2022.	Friday, 30th September, 2022 at 10:15 A.M.	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	2
48th Annual General Meeting for the Financial year ended 31st March, 2021.	Tuesday, 28th September, 2021 at 11:30 A.M.	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	1

ii. Postal Ballot

During the year, the Members approved following two matters by passing Special/ Ordinary Resolution through Postal Ballot:

a) To re-appoint Mr. Shri Paul Oswal as the Managing Director of the Company.

b) To re-appoint Mr. Neeraj Jain as a Joint Managing Director of the Company.

c) To approve Vardhman Textiles Limited Employee Stock Option Plan 2024 under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The Board had appointed M/s. Khanna Ashwani & Associates, Practicing Company Secretaries as Scrutinizer to conduct the Postal Ballot Process, by voting through electronic means only, in a fair and transparent manner. The details of the voting pattern are as follows:-

Resolution passed through postal ballot	Nature of Resolution	Votes in favour of the resolution			Votes against the resolution			Invalid votes	
		Number of members voted	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Number of members voted	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (Shares)
To re-appoint Mr. Shri Paul Oswal as the Managing Director of the Company	Special Resolution	378	21,17,93,545	85.92	123	3,47,18,701	14.08	-	-
To re-appoint Mr. Neeraj Jain as a Joint Managing Director of the Company	Ordinary Resolution	420	23,73,08,093	96.27	82	92,04,173	3.73	-	-
To approve Vardhman Textiles Limited Employee Stock Option Plan 2024 under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021	Special Resolution	385	21,56,04,523	87.46	117	3,09,07,740	12.54	-	-

Procedure for Postal Ballot: The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the Rules framed thereunder and read with the General Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs.

There is no immediate proposal for passing any resolution through postal ballot in financial year 2024-25.

8. DISCLOSURES:

i. There was no materially significant related party transaction. Transactions with related parties are disclosed in Note No. 46 to the Financial Statements. The Policy on dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Related_Party_Transaction_Policy.pdf

ii. There has not been any non-compliance by the Company in respect of which penalties or strictures were imposed by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other Statutory Authority, relating to capital market, during the last three years, except a fine of ₹ 1,000/- and ₹ 31,000/- levied by BSE for non-compliance of some provisions of SEBI (LODR) Regulations, 2015, pertaining to listed NCDs, for the financial year 2022-23 and 2023-24, respectively.

iii. The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The policy on "Vigil Mechanism and Whistle Blower" may be accessed on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Whistle_Blower_Policy.pdf

iv. The Company has complied with all the applicable requirements specified in Regulation 17 to 27 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

v. The Board of Directors of the Company has adopted (i) the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and (ii) the Code of Conduct, as required under SEBI (Prohibition of Insider Trading) Regulations, 2015.

vi. During the year, no complaint was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

vii. Risk Management Policy as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been duly formulated and approved by Board of Directors of the Company. The aim of Risk Management Policy is to maximize the opportunities in all activities and to minimize adversity.

viii. Further, the Company has complied with all mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company may also take-up the non-mandatory requirements of the Regulations in due course of time.

ix. As on March 31, 2024, there was no outstanding GDRs/ADRs/Warrants or any convertible instruments.

x. The Company prudently hedges the Foreign Exchange Risk and Commodity Price Risk. The Company entered into forward contracts and options contracts for hedging foreign exchange exposures against exports and imports. The details of the same are disclosed in the Note No. 37 to the Financial Statements. Further, as on 31st March, 2024, there is no outstanding derivative contract for hedging commodity price risk.

xi. The Company has no Material Subsidiary. The Policy for determining 'Material Subsidiary' is available at Company's Website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Textiles%20Ltd/Policy_for_Determining_Material_Subsidiaries.pdf

xii. During the year, the Company has not raised any funds through preferential allotment or qualified institutional placement.

xiii. A certificate from a Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority forms part of this Report.

xiv. There is no such instance where the Board has not accepted any recommendation of any Committee of the Board which is mandatorily required.

xv. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ company of which statutory auditor is part is ₹ 86.75 lac (net of TDS).

xvi. The Company and its subsidiaries have not given any loans and advances to firms/companies in which directors are interested.

xvii. Pursuant to Clause 5A of para A of Part A of Schedule III, there is no agreement which impacts management or control of the Company or imposes any restriction or creates any liability upon the Company.

9. MEANS OF COMMUNICATION:

The Company communicates with the shareholders at large through its Annual Reports, publication of financial results, press releases in leading newspapers, conducting investor calls and by filing of various reports and returns with the Statutory Bodies like Stock Exchanges and the Registrar of Companies. The Quarterly Financial Results are published in prominent daily newspapers viz., "Business Standard" and "Desh Sewak". The Financial Results of the Company are also made available at the Company's web-site www.vardhman.com.

GENERAL INFORMATION FOR SHAREHOLDERS

i) 51st Annual General Meeting:

Date	:19th September, 2024
Time	:11:30 a.m.
Venue	: Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")

ii) Financial Calendar 2024-25 (Tentative)

First Quarter Results	: July, 2024
Second Quarter Results	: October, 2024
Third Quarter Results	: January, 2025
Annual Results	: May, 2025

iii) Dates of Book Closure : 7th September, 2024 to 14th September, 2024 (both days inclusive)

iv) Dividend payment date : Within 30 days after declaration

v) Listing : The securities of the Company are listed on the following Stock Exchanges: -

1. BSE Limited, Mumbai (BSE), 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai-400 001.

2. National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai.

   Listing fees, as applicable, has been duly paid to both of the aforesaid Stock Exchanges.

vi) Stock Code:

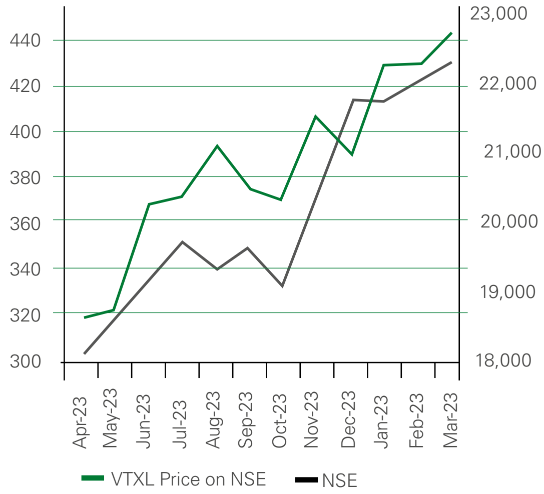
- BSE Limited, Mumbai : 502986
- National Stock Exchange of India Limited : VTL

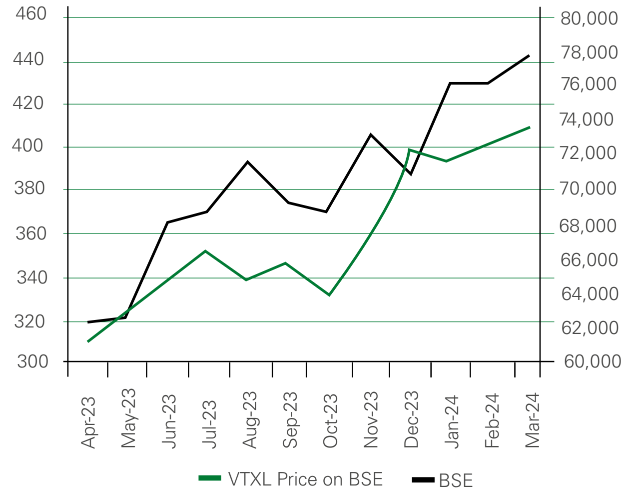
vii) Stock Market Data:

The month-wise highest and lowest and closing stock prices of NSE vis-a-vis BSE during the financial year 2023-24 is given below: -

Financial Year 2023-24	Share Prices of Vardhman Textiles Limited on NSE				Share Prices of Vardhman Textiles Limited on BSE			
	Highest (₹)	Lowest (₹)	Closing (₹)	%age change over last month's closing	Highest (₹)	Lowest (₹)	Closing (₹)	%age change over last month's closing
April	321.00	292.40	317.70	8.17	324.80	292.05	318.05	8.27
May	340.00	311.20	321.95	1.34	339.95	313.10	322.40	1.37
June	380.00	321.95	366.45	13.82	379.85	322.15	366.75	13.76
July	384.40	356.00	370.35	1.06	383.65	356.40	370.45	1.01
August	403.45	334.40	393.25	6.18	402.95	333.50	392.75	6.02
September	418.95	365.00	373.15	-5.11	417.60	365.45	373.00	-5.03
October	395.00	338.50	369.15	-1.07	389.85	338.70	369.50	-0.94
November	433.65	352.05	405.45	9.83	433.45	352.10	405.65	9.78
December	426.00	374.90	386.15	-4.76	422.00	375.00	385.05	-5.08
January	429.95	376.15	427.80	10.79	429.90	376.00	428.25	11.22
February	455.95	410.30	428.70	0.21	455.95	411.65	428.65	0.09
March	446.55	396.00	442.30	3.17	448.05	396.00	443.60	3.49

viii) Performance of the Company in comparison to broad-based indices:





ix) Information regarding Dividend Payment:

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') dividends not encashed/ claimed within seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF').

Dividends remaining unpaid/unclaimed upto the Financial Year 2015-16 have been transferred to the Investors' Education and Protection Fund (IEPF). The unclaimed or unpaid dividend relating to the Financial Year 2016-17 is due for remittance in the month of November, 2024 to IEPF.

The 'IEPF Rules' mandate companies to transfer shares of Members whose dividends remain unpaid/ unclaimed for a continuous period of seven years to the demat account of IEPF Authority. In accordance with the said IEPF Rules, the Company had sent notices to all the Members whose shares were due to be transferred to the IEPF Authority and simultaneously published newspaper advertisement. Thereafter, the shares of these Members were transferred to the IEPF and necessary e-form(s) in this regard were filed with MCA.

The Members whose dividend/shares are transferred to the IEPF Authority can claim their shares/dividend from the Authority by following the required procedure. Members are requested to get in touch with the Nodal Officer/Compliance Officer for further details on the subject at secretarial.lud@vardhman.com

x) Registrar & Transfer Agent:

The work related to Share Transfer Registry in terms of both physical and electronic mode is being dealt with by M/s. Alankit Assignments Limited at the address given below: -

M/s. Alankit Assignments Limited,
(Unit: Vardhman Textiles Limited)
205-208, Anarkali Complex, Jhandewalan Extension, New Delhi - 110 055.
Phone: (011) 41540060-63, Fax: (011) 41540064, E-mail: rta@alankit.com

xi) Share Transfer System:

The Members may note that SEBI has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. 1st April, 2019. Further, in terms of Regulation 39 and 40(1) of SEBI Listing Regulations, as amended from time to time, and SEBI vide its Circular dated 25th January, 2022 has made it mandatory for the listed entity to issue shares/ securities, within the prescribed time, in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/ sub-division/ splitting/ consolidation of securities, transmission/ transposition of securities etc. Accordingly, shareholders are advised to open their demat account with any Depository Participants (DPs) having registration with SEBI.

The Company has delegated the power of approval of transfer, transmission, transposition, dematerialization and other related matters to M/s. Alankit Assignments Limited, the Registrar and Share Transfer Agent of the Company, subject to approval by the Share Transfer Committee of the Board of Directors of the Company. Further, transfer of equity shares in electronic form are effected through the depositories with no involvement of the Company.

xii) Distribution of Shareholding as on 31st March, 2024:

RANGE No. of Shares	SHAREHOLDERS		SHARES	
	Numbers of Total Holders	% to Total Holders	Numbers of Shares Held	% to Total Shares
Upto-500	55101	79.92	5560352	1.92
501-1000	8513	12.35	5908352	2.04
1001-2000	2973	4.31	4178115	1.45
2001-3000	891	1.29	2227941	0.77
3001-4000	330	0.48	1164328	0.40
4001-5000	259	0.38	1183881	0.41
5001-10000	393	0.57	2777986	0.96
10001- above	485	0.70	266173845	92.05
Total	**68945**	**100.00**	**289174800**	**100.00**

xiii) Dematerialization of shares:

As on 31st March, 2024, 99.32% of the capital comprising 28,72,05,635 shares, out of total of 28,91,74,800 shares, was dematerialized.

xiv) Stock Options:

- **Vardhman Textiles Limited Employee Stock Option Plan 2016:** The Company had granted Options to its eligible employees under 'Vardhman Textiles Limited Employee Stock Options Plan, 2016' (hereinafter referred as the ESOP Plan). One Option entitled the holder to apply for one equity share of the Company in terms of the ESOP Plan. During the financial year 2023-24, 47,750 equity shares were allotted to the eligible employees. So, the paid-up equity share capital of the Company stood increased to ₹ 57,83,49,600 as on 31st March, 2024. Since, the exercise period of last tranche of vested Options has expired, so the Plan stood closed during the year.

- **Vardhman Textiles Limited Employee Stock Option Plan 2024:** During the year, the Board of Directors of your Company in its meeting held on 24th January, 2024 had approved 'Vardhman Textiles Limited Employee Stock Option Plan 2024'. The same has also been approved by the Members through Postal Ballot ended on 10th March, 2024. The maximum no. of Options that can be granted under the Scheme are 34,70,097 (i.e. 1.20% of the no. of shares outstanding as on 31st March, 2024). Further, the Nomination & Remuneration Committee of the Board of Directors of the Company in its meeting held on 3rd April, 2024 has granted 31,75,000 Options to the eligible employees under this Plan. One Option entitles the holder to apply for one equity share of the Company.

xv) List of Credit Ratings:

The Company has obtained Credit Ratings from CRISIL Limited and India Rating Research during the financial year 2023-24. There has been no revision in the Credit Ratings during the financial year 2023-24. List of all Credit Ratings obtained by the Company during the year is as follows:

Particulars	Rating during FY 2023-24
Long Term Bank Facilities	CRISIL AA+/Stable
Short Term Bank Facilities	CRISIL A1+
Non-Convertible Debentures	CRISIL AA+/Stable
Commercial Papers	CRISIL A1+, IND A1+

xvi) Debenture Trustee :

SBICAP Trustee Company Limited, 4th Floor, Mistry Bhavan, 122, Dinshaw Wachha Road, Churchgate, Mumbai 400 020 Tel: 022-4302 5555; Fax: 022-22040465; E-Mail: corporate@sbicaptrustee.com; Website: www.sbicaptrustee.com

xvii) Large Corporate Disclosure:-

Pursuant to SEBI Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/ 2023/172 dated October 19, 2023, this is to clarify that the Company had got sanctioned certain term loans from banks in the FY 2021-22 to partially fund its expansion program. The said term loans were intended to be disbursed in the FY 2021-2022 and FY 2022-2023.

Accordingly, considering the total incremental borrowing through these term loans, the Company had raised an amount of ₹150 crores through Non-Convertible Debentures (NCDs) during the FY 2022-2023 which exceeded 25% of the intended incremental borrowing of the Company.

The term loans were disbursed to the tune of ₹87.95 crores in the FY 2021-22 and ₹260.56 crores in the FY 2022-23 and small amount of disbursement of ₹20.68 crores were spilled over to FY 2023-24 due to some unavoidable reason and was got disbursed in June, 2023.

However, NCDs issued to the tune of ₹150 crores in FY 2022-23 were higher than 25% of the total incremental borrowing of the Company during FY 2021-22, FY 2022-23 and FY 2023-24 taken collectively.

xviii) Plant Location:

- Vardhman Spinning and General Mills,
  Chandigarh Road,
  Ludhiana - 141 010
- Vardhman Apparels,
  D-295/2, Phase VII,
  Focal Point, Ludhiana- 141 123
- Arihant Spinning Mills,
  Industrial Area,
  Malerkotla - 148 023
- Arisht Spinning Mills,
  Sai Road, Baddi,
  Distt. Solan (H.P.) - 173 205
- Auro Spinning Mills,
  Sai Road, Baddi,
  Distt. Solan (H.P.) - 173 205
- Auro Textiles,
  Sai Road, Baddi,
  Distt. Solan (H.P.) - 173 205
- Auro Weaving Mills,
  Sai Road, Baddi,
  Distt. Solan (H.P.) - 173 205
- Vardhman Renova,
  Sai Road, Baddi,
  Distt. Solan (H.P.) - 173 205
- Vardhman Spinning Mills,
  Sai Road, Baddi,
  Distt. Solan (H.P.) - 173 205
- VMT Spinning Mills,
  Kalyanpur, Baddi,
  Dist. Solan (H.P.) - 173 205
- Anant Spinning Mills,
  New Industrial Area,
  Mandideep - 462 046
- Vardhman Fabrics,
  Budhni, Distt.
  Sehore (M.P.) - 466 445
- Vardhman Fabrics (Power Division),
  Budhni, Distt.
  Sehore (M.P.) - 466 445
- Vardhman Yarns,
  Satlapur, Distt.
  Raisen (M.P.) - 462 046
- Vardhman Yarns (Power Division),
  Satlapur,
  Distt. Raisen (M.P.) - 462 046

xix) Address for correspondence:

Registered office	: Chandigarh Road, Ludhiana-141010
Tel	: 0161-2228943-48
E-mail	: secretarial.lud@vardhman.com (Exclusively for redressal of investors' grievances)

Chairman & Managing Director's Declaration

A. I, S.P. Oswal, Chairman & Managing Director of Vardhman Textiles Limited declare that all Board Members and Senior Management Personnel have affirmed compliance with 'Code of Conduct for Board & Senior Management Personnel' for the year ended 31st March, 2024.

Place: Ludhiana
Dated: 5th May, 2023

S.P. Oswal
Chairman & Managing Director

B. I, S.P. Oswal, Chairman & Managing Director of Vardhman Textiles Limited, on behalf of the Board of Directors of the Company, hereby confirm that the Independent Directors of the Company fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the Management.

Place: Ludhiana
Dated: 5th May, 2023

S.P. Oswal
Chairman & Managing Director

Certificate From Practising Company Secretaries

This is to certify that on the basis of documents verified by us and explanations given to us by the Company, we hereby certify that none of the following directors on the Board of Vardhman Textiles Limited ('the Company') have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any other Statutory Authority:

Sr. No.	Director Identification Number	Name of Director
1.	00121737	Mr. S.P. Oswal
2.	00746409	Mr. Sachit Jain
3.	00746471	Mrs. Suchita Jain
4.	00340459	Mr. Neeraj Jain
5.	09694869	Ms. Sagrika Jain
6.	00040837	Mr. Prafull Anubhai
7.	03049487	Mrs. Harpreet Kang
8.	00004340	Mr. Udeypaul Singh Gill
9.	00512630	Mr. Suresh Kumar
10.	02674215	Mr. Atul Khosla

This certificate is issued pursuant to Clause 10 (i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **Ashok K Singla & Associates**
Company Secretaries,
Sd/-

Ashok Singla
Proprietor
Membership No. 2004
Certificate of Practice No. 1942
UDIN: F002004F000336118

Date: 9th May, 2024
Place: Ludhiana

Corporate Governance Certificate

To
The Members of
Vardhman Textiles Limited

We have examined relevant records of M/s Vardhman Textiles Limited (the Company) for the purpose of certifying compliance of the conditions of Corporate Governance for the financial year ended 31st March, 2024 as per the provisions of Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of procedure and implementation thereof. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with the conditions of Corporate Governance for the financial year ended 31st March, 2024 as stipulated in the Listing Regulations.

This Certificate is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **Ashok K Singla & Associates**
Company Secretaries,
Sd/-

Ashok Singla
Proprietor
Membership No. 2004
Certificate of Practice No. 1942
UDIN: F002004F000336096

Date: 9th May, 2024
Place: Ludhiana

Independent Auditor's Report

To
The Members of
Vardhman Textiles Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Vardhman Textiles Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Uncertain income-tax positions - Refer to Notes 2.15, 2.19.1.4, 38(a) and 39 to the standalone financial statement** The Company has material uncertain income-tax positions including matters under dispute relating to Income Taxes. These matters involve significant management judgement to determine the possible outcome of these disputes.	**Principal audit procedures performed:** • Obtained an understanding of and performed testing of design, implementation and operating effectiveness of the control established by the Company with regard to uncertain income tax positions. • We obtained details of complete income tax matters from the Company's internal tax experts during the year ended March 31, 2024. • We involved our internal direct tax experts to challenge the management's underlying assumptions in estimating the tax provisions and possible outcome of the disputes. Our internal direct tax experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions relating to Income Taxes. • Assessed the adequacy of the disclosures made in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Business Responsibility and sustainability Report, Director's Report including Annexures to the Director's Report and Corporate Governance Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 these standalone financial statements.

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 standalone financial statements, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 Company's ability 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 standalone financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements 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 standalone financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for not complying with the requirement of audit trail as stated in (i)(iv) below.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

    f) The modification relating to the maintainence of accounts and other matters connected therewith, is as stated in paragraph (b) above

    g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

    h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

        In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

    i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 38(a) to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 38(e)(iii) to the standalone financial statements.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company - Refer Note 50 to the standalone financial statements.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, other than as disclosed in the note 51(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 51(vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except that:

In respect of one accounting software used for maintenance of purchase, production & sales records, audit trail log was not enabled at the data base level to log any direct data changes; further the software did not have a feature to log the enabling /disabling of the audit trail (edit log) feature at the application level, accordingly we are unable to comment whether the audit log feature was enabled and operated throughout the year for all relevant transaction record the software & whether there were any instances of the audit trail feature being tempered with. Further, during the course of, we did not come across any instance of audit trail feature being tempered with, in respect of the accounting software for the period for which was enabled and operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN: 24105546BKEPCI7936)

Place: Gurugram
Date: May 09, 2024

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Vardhman Textiles Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN: 24105546BKEPCI7936)

Place: Gurugram
Date: May 09, 2024

Annexure "B" to the Independent Auditor's Report of Vardhman Textiles Limited

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, capital work-in-progress and right-of-use assets so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed / court order provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and non-current assets held for sale, are held in the name of the Company as at the balance sheet date. Immovable properties of land whose title deeds have been pledged for obtaining credit facility extended to the company as security are held in the name of the Company based on the confirmations directly received by us from "ICICI Bank Limited" (custodian) on behalf of term and consortium lenders.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) The Company has not provided guarantee or security and granted advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The company has made investments in and granted loans to employees, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans to employees and details of which are given below:

	Amount in ₹ Crores
A. Aggregate amount of loans granted during the year to Employees:	3.61
B. Balance outstanding as at balance sheet date with Employees	2.99

The Company has not provided any guarantee or security to any other entity during the year.

(b) The investments made and the terms and conditions of the grant of all the above-mentioned loans to employees during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted to employees, the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation. There are no interest bearing loans given by the company.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, duty of Custom and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Nature of Statute	Nature of Dues	Forum where dispute is pending	Period to which the Amount Relates	Amount*	Amount paid under protest	Amount unpaid
					(₹ In Crores)	
Central Excise Laws	Excise Duty	CESTAT	FY 2007-08 to FY 2010-11	0.67	0.02	0.65
		Up-to Commissioner (Appeals)	FY 2011-12 to FY 2013-14, FY 2017-18, FY 2018-19	0.52	0.60	0.02
		High Court	FY 2016-17, FY 2017-18, FY 2020-21	3.77	0.19	3.58
Service Tax Laws	Service Tax	CESTAT	FY 2008-09	0.11	-	0.11

Nature of Statute	Nature of Dues	Forum where dispute is pending	Period to which the Amount Relates	Amount*	Amount paid under protest	Amount unpaid
				(₹ In Crores)		
Sales Tax Laws	Central Sales Tax	Appellate Board	FY 2009-10	0.06	-	0.06
	State Sales Tax	Appellate Board	FY 2010-11 to FY 2012-13	0.17	0.09	0.08
		Up-to Commissioner (Appeals)	FY 2014-15 to FY 2017-18	0.07	0.02	0.05
Goods and Service Tax Laws	Goods and Service Tax	Up-to Commissioner (Appeals)	FY 2017-18 to FY 2020-21	1.22	1.16	0.06
Provident Fund	Provident Fund	High Court	FY 2015-16	0.27	0.11	0.16
Municipality Corporation Act	Octroi	High Court	FY 1996-97	0.15	-	0.15
Property Tax	Property Tax	High Court	FY 2015-16	1.40	0.70	0.70
Land Acquisition Act	Enhancement of compensation for Industrial Land	Collector Land Acquisition	FY 1991-92	1.47	-	1.47
National Green Tribunal	National Green Tribunal	High Court	FY 2020-21	1.38	-	1.38
Income Tax Laws	Income Tax	ITAT	AY 2014-15, AY 2015-16	11.06	11.06	-
		CIT(A)	AY 2016-17 to AY 2019-20	230.57	225.40	5.17

*Amount under dispute/ as per demand orders including interest and penalty wherever quantified in the Order.

The following matters, which have been excluded from the above table, have been decided in favor of the Company but the department has preferred appeals at higher levels. The details are given below:

Nature of Statute	Nature of Dues	Forum where dispute is pending	Period to which the Amount Relates	Amount involved* (₹ In Crores)
Income Tax Laws	Income Tax	High Court	AY 2001-02 to AY 2007-08	34.30
		Income Tax Appellate Tribunal (ITAT)	AY 2015-16	55.42

*Amount under dispute/ as per demand orders including interest and penalty wherever quantified in the Order.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company has not made any investment in or given any new loan or advances to any of its subsidiaries, associates or joint ventures during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2024.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have any CIC as part of the Group and accordingly reporting under this clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, (Asset Liability Maturity (ALM) pattern) other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, the Company does not have any unspent Corporate Social Responsibility (CSR) amount which is required to be transfer to a Fund specified in Schedule VII to the Companies Act, 2013 before the date of this report and within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

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

Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN: 24105546BKEPCI7936)

Place: Gurugram
Date: May XX, 2024

Balance Sheet

as at March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3A	3,693.35	3,870.76
(b) Right-of-Use Asset	44	8.24	8.37
(c) Capital work-in-progress	3A	60.78	47.09
(d) Intangible assets	3B	9.18	1.37
(e) Financial assets			
(i) Investments	4	1,251.13	1,225.27
(ii) Loans	5	1.27	1.25
(iii) Others financial assets	6	16.36	39.03
(f) Income tax asset (net)	14	52.28	23.73
(g) Other non-current assets	7	175.52	85.87
Total Non-current assets		**5,268.11**	**5,302.74**
Current assets			
(a) Inventories	8	4,106.96	2,312.16
(b) Financial assets			
(i) Investments	9	111.04	1,021.25
(ii) Trade receivables	10	1,205.38	1,179.08
(iii) Cash and cash equivalents	11	33.00	74.66
(iv) Bank balances other than above	11A	50.70	295.58
(v) Loans	12	2.33	2.51
(vi) Other financial assets	13	15.22	28.74
(c) Other current assets	15	693.70	644.00
(d) Assets held-for-sale	15A	0.08	0.16
Total Current assets		**6,218.41**	**5,558.14**
TOTAL ASSETS		**11,486.52**	**10,860.88**
Equity and Liabilities			
Equity			
(a) Equity share capital	16	57.83	57.82
(b) Other equity	17	8,747.12	8,236.17
Total Equity		**8,804.95**	**8,293.99**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	413.13	931.35
(ii) Lease Liability	19A	0.18	0.17
(iii) Other financial liabilities	19	0.64	3.50
(b) Provisions	20	17.78	16.95
(c) Deferred tax liabilities (Net)	21	248.75	242.81
(d) Other non-current liabilities	22	13.28	14.80
Total Non-current liabilities		**693.76**	**1,209.58**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	1,376.91	745.76
(ii) Trade payables	24		
(a) total outstanding dues of micro enterprises and small enterprises		23.77	23.33
(b) total outstanding dues of trade payable other than micro enterprises and small enterprises		293.61	283.92
(iii) Other financial liabilities	25	199.33	198.55
(b) Other current liabilities	26	74.59	85.96
(c) Provisions	27	3.31	3.29
(d) Income tax liabilities (net)	14	16.29	16.50
Total Current liabilities		**1,987.81**	**1,357.31**
TOTAL EQUITY AND LIABILITIES		**11,486.52**	**10,860.88**
See accompanying notes to the standalone financial statements	1 - 53		

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
Partner

Sanjay Gupta
Company Secretary
Membership No:-4935

Rajeev Thapar
Chief Financial Officer

Suchita Jain
Vice Chairperson and
Joint Managing Director
DIN:00746471

S.P. Oswal
Chairman and
Managing Director
DIN: 00121737

Place : Gurugram
Date: May 09, 2024

Place : Ludhiana
Date: May 09, 2024

Statement of Profit and Loss

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

	Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Revenue from operations	28	9,298.68	9,840.79
II	Other income	29	333.54	192.80
III	**Total Income (I+II)**		**9,632.22**	**10,033.59**
IV	**Expenses :**			
	Cost of materials consumed	30	5,392.18	5,765.98
	Purchases of stock-in-trade	31	1.62	0.14
	Changes in inventories of finished goods and work-in-progress	32	99.17	9.34
	Employee benefits expense	33	820.61	749.98
	Finance costs	34	101.99	101.86
	Depreciation and amortization	3A, 3B & 44	398.96	388.95
	Other expenses	35	2,026.71	2,030.30
	Total Expenses		**8,841.24**	**9,046.55**
V	**Profit before tax (III-IV)**		**790.98**	**987.04**
VI	**Tax expense:**	36		
	Current tax		177.44	224.98
	Deferred tax		5.91	12.99
VII	**Profit for the year (V-VI)**		**607.63**	**749.07**
VIII	**Other Comprehensive Income**	17		
	A Items that will not be reclassified to profit or loss			
	(a) (i) Remeasurements of the defined benefits plans		4.95	3.52
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.25)	(0.89)
	(b) (i) Equity instruments through other comprehensive income		0.14	0.17
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.03)	(0.04)
IX	**Total other comprehensive income**		**3.81**	**2.76**
X	**Total comprehensive income for the year (VII+IX)**		**611.44**	**751.83**
	Earnings per equity share (amount in ₹)	42		
	(1) Basic		21.01	25.91
	(2) Diluted		21.01	25.90
	See accompanying notes to the standalone financial statements	1 - 53		

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
Partner

Sanjay Gupta
Company Secretary
Membership No:-4935

Rajeev Thapar
Chief Financial Officer

Suchita Jain
Vice Chairperson and
Joint Managing Director
DIN:00746471

S.P. Oswal
Chairman and
Managing Director
DIN: 00121737

Place : Gurugram
Date: May 09, 2024

Place : Ludhiana
Date: May 09, 2024

Cash Flow Statement

for the year ended March 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	790.98	987.04
Adjustments for:		
Finance costs	88.84	87.77
Fair valuation gain on investment	(84.19)	(40.37)
Subsidy from Government	(1.58)	(1.90)
Interest income	(53.56)	(37.15)
Dividend on investments	(25.22)	(12.22)
Net gain on sale / discarding of property, plant and equipment	(7.39)	(4.17)
(Profit)/Loss on sale of Investments (Net)	(52.54)	(38.17)
Provision no longer required written back (net)	(16.87)	(4.32)
Assets written off	2.52	1.49
Bad debt written off	0.94	1.45
Allowances for doubtful trade receivables and advances written back (net)	-	1.65
Depreciation and amortisation	398.96	388.95
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets :-		
Trade receivables	(27.24)	128.50
Inventories	(1,794.81)	494.52
Loans	0.16	(0.89)
Other assets (Current)	(49.70)	97.62
Others financial assets (Current)	2.62	125.79
Others financial assets (Non Current)	0.08	0.12
Other assets (Non-current)	(64.21)	16.79
Adjustments for increase / (decrease) in operating liabilities :-		
Trade payables	27.00	(37.03)
Provisions (Non Current)	0.83	0.97
Provisions (Current)	0.02	0.52
Others financial liabilities (Current)	18.38	(69.68)
Others financial liabilities (Non-Current)	(2.85)	(1.90)
Other liabilities (Non-current)	-	0.18
Other liabilities (Current)	(6.17)	(15.76)
Cash generated from operations	**(855.00)**	**2,069.80**
Income taxes paid (net of refund received)	(207.45)	(254.99)
Net cash (used in)/ generated from operating activities	**(1,062.45)**	**1,814.81**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments (non-current)	-	(651.48)
Proceeds from sale of Investments (non-current)	-	535.88
Proceeds from/(Purchase) of current investments (net)	1,021.22	(594.35)
Interest received	66.80	32.48
Payment for purchase of property, plant and equipment, capital work in progress and other intangible assets	(281.06)	(613.71)
Bank balances not considered as cash and cash equivalents	265.13	(133.10)
Proceeds from disposal of property, plant and equipment	9.52	6.50
Dividend on subsidiaries, associates and other investments	25.22	12.22
Net cash generated from/ (used in) investing activities	**1,106.83**	**(1,405.56)**

Cash Flow Statement

for the year ended March 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C CASH FLOW FROM FINANCING ACTIVITIES*		
Proceeds from equity share capital/share application	0.74	3.03
Proceeds from borrowings (non-current)	20.68	410.56
Repayment of borrowings (non-current)	(402.16)	(462.84)
Proceeds/Repayment of borrowings (current) (net)	494.66	(250.92)
Dividends on equity share capital paid	(101.39)	(0.40)
Finance costs paid	(98.57)	(96.08)
Net cash used in financing activities	**(86.04)**	**(396.65)**
Net (decrease)/ increase in cash and cash equivalents	**(41.66)**	**12.60**
Cash and cash equivalents at the beginning of the year	74.66	62.06
Cash and cash equivalents at the end of the year	**33.00**	**74.66**

* There are no non cash changes arising from financing activities.

See accompanying notes to the standalone financial statements 1 - 53

In terms of our report attached

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
Partner

Sanjay Gupta
Company Secretary
Membership No:-4935

Rajeev Thapar
Chief Financial Officer

Suchita Jain
Vice Chairperson and
Joint Managing Director
DIN:00746471

S.P. Oswal
Chairman and
Managing Director
DIN: 00121737

Place : Gurugram
Date: May 09, 2024

Place : Ludhiana
Date: May 09, 2024

Statement of Changes in Equity

for the Year ended March 31, 2024
(All amounts in ₹ crores, unless otherwise stated)

a. Equity share capital

Particulars	Amount
Balance as at April 01, 2022	**57.77**
Issue of equity shares under employee stock option plan (Refer note 45)	0.05
Balance as at March 31, 2023	**57.82**
Issue of equity shares under employee stock option plan (Refer note 45)	0.01
Balance as at March 31, 2024	**57.83**

b. Other equity

	Share application money pending allotment	Reserves and Surplus							Item of other comprehensive income	Total
		Capital reserve	Capital redemption reserve	Security premium	Debenture redemption reserve	Share options outstanding account	General reserve	Retained earnings	Equity instrument through other comprehensive income	
Balance at April 1, 2022	**1.30**	**1.64**	**12.26**	**44.65**	**57.62**	**3.99**	**1,403.10**	**5,955.44**	**1.35**	**7,481.35**
Profit for the year	-	-	-	-	-	-	-	749.07	-	749.07
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	2.63	0.13	2.76
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**751.70**	**0.13**	**751.83**
Profit on sales of shares held through trust (Refer note 40)										-
Share Application Money received under employee stock options.	0.05	-	-	-	-	-	-	-	-	0.05
Transfer to equity shares due to issue of employee stock options (Refer note 45)	(1.30)	-	-	-	-	-	-	-	-	(1.30)
Securities premium on shares under Employee stock options	-	-	-	6.71	-	(2.47)	-	-	-	4.24
Transfer of Debenture redemption reserve to General reserve	-	-	-	-	(57.62)	-	57.62	-	-	-
Transfer from Employee Stock Options accounts to General Reserve	-	-	-	-	-	(0.89)	0.89	-	-	-
Balance as at March 31,2023	**0.05**	**1.64**	**12.26**	**51.36**	**-**	**0.63**	**1,461.61**	**6,707.14**	**1.48**	**8,236.17**

Statement of Changes in Equity

for the Year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

b. Other equity (Contd..)

	Share application money pending allotment	Reserves and Surplus							Item of other comprehensive income	Total
		Capital reserve	Capital redemption reserve	Security premium	Debenture redemption reserve	Share options outstanding account	General reserve	Retained earnings	Equity instrument through other comprehensive income	
Profit for the year	-	-	-	-	-	-	-	607.63	-	607.63
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	3.71	0.10	3.81
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**611.34**	**0.10**	**611.44**
Share Application Money received under employee stock options.	0.73	-	-	-	-	-	-	-	-	0.73
Final Equity Dividend for the financial year 2022-23 (Amount ₹ 3.50 per share)	-	-	-	-	-	-	-	(101.20)	-	(101.20)
Transfer to equity shares due to issue of employee stock options (Refer note 45)	(0.78)	-	-	-	-	-	-	-	-	(0.78)
Securities premium on shares under Employee stock options	-	-	-	1.22	-	-	-	-	-	1.22
Transfer from Employee Stock Options accounts to General Reserve	-	-	-	-	-	(0.63)	0.17	-	-	(0.46)
Balance as at March 31, 2024	**-**	**1.64**	**12.26**	**52.58**	**-**	**-**	**1,461.79**	**217.28**	**1.58**	**8,747.12**

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : Gurugram
Date: May 09, 2024

For and on behalf of the Board of Directors

Sanjay Gupta
Company Secretary
Membership No:-4935

Place : Ludhiana
Date: May 09, 2024

Rajeev Thapar
Chief Financial Officer

Suchita Jain
Vice Chairperson and
Joint Managing Director
DIN:00746471

S.P. Oswal
Chairman and
Managing Director
DIN: 00121737

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

1 GENERAL INFORMATION

Vardhman Textiles Limited (the Company) is a public Company, which was incorporated under the provisions of the Companies Act, 1956 on October 8, 1973 and has its registered office at Chandigarh Road, Ludhiana. The name of the Company at its incorporation was Mahavir Spinning Mills Limited and subsequently changed to Vardhman Textiles Limited on September 5, 2006. The Company is engaged in manufacturing of cotton yarn, synthetic yarn and woven fabric. The Company is listed on two stock exchanges i.e. at National Stock Exchange and at Bombay Stock Exchange.

The financial statements were approved for issue in accordance with a resolution of directors on May 09, 2024.

2 Material Accounting Policies

2.1 Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Revenue recognition

Revenue from contracts with customers is recognized when the control of the goods or services is transferred to the customers on satisfaction of distinct performance obligations at the amount of transaction price (net of discounts, rebates etc.), excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Amount disclosed as revenue are net of returns and allowances, trade discounts and rebates.

The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

The Company disaggregates revenue from contracts with customers by nature of goods and service.

Revenue from rendering of services is recognized over time by measuring the progress toward complete satisfaction of performance obligations at the reporting period.

The revenue in respect of RoDTEP, duty drawback and similar other export benefits is recognized in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

2.3.1 Dividend Income

Dividend on financial assets is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.3.2 Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.3.3 Contract balances - Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional. Trade receivables that do not contain a significant financing component are measured at transaction price.

2.4 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants recoverable upto financial year 2017-18 are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

As per the amendment in Ind-AS 20 ""Government Grants"" w.e.f April 1, 2018, the Company had opted to present the grant received/receivable after April 01,2018 related to assets as deduction from the carrying value of such specific assets.

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

2.6 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

b. net interest expense or income; and

c. re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 Share-based payment arrangements

Share-based payment transactions of the Company

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note no. 45.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee option outstanding account.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets/liabilities for current year is recognized at the amount expected to be paid to and/or recoverable from the tax authorities.

2.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.9.4 Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments.

2.10 Property, plant and equipment (PPE)

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

The Cost of an item of Property, plant and equipment comprises:

a. its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates

b. any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use and

c. the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

The Company has elected to continue with the carrying value of all its PPE recognised as on April 1, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as on transition date.

Depreciation is provided on Straight Line Method on the basis of useful lives of such assets specified in Schedule II to the Companies Act, 2013 except the assets costing ₹ 5000/- or below on which depreciation is charged @ 100%. Depreciation is calculated on pro-rata basis.

The estimated useful life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc and are as under:

Buildings	3 - 60 years
Plant and Equipment	5 - 40 years
Furniture and Fixtures & Office Equipment	3- 10 years
Vehicles	8 - 10 years

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.11 Intangible assets

2.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The Company has elected to continue with the carrying value of all its intangible assets recognised as on April 1, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as on transition date.

2.11.2 De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.11.3 Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Computer softwares	6 years
Contribution to CETP	5 years
Right to use power lines	5 Years

2.12 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Leases

The Company as Lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.14 Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

In case of raw materials at weighted average cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In case of stores and spares at weighted average cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In case of work in progress at raw material cost plus conversion costs depending upon the stage of completion.

In case of finished goods at raw material cost plus conversion costs, packing cost, non recoverable indirect taxes (if applicable) and other overheads incurred to bring the goods to their present location and condition.

In case of by-products at estimated realizable value

Net realizable value is the estimated selling price in ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.15 Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as on asset if it is virtually certain that reimbursements will be received and amount of the receivable can be measured reliably.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.16 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

2.16.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.16.1.1 Classification of financial assets

Financial instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

a. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

b. the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

a. the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

b. the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for instruments measured at Fair value through other comprehensive income (FVTOCI). All other financial assets are subsequently measured at fair value.

2.16.1.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.16.1.3 Investments in equity instruments measured at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

A financial asset is held for trading if:

a. it has been acquired principally for the purpose of selling it in the near term; or

b. on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

c. it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

2.16.1.4 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL/FVTOCI.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.16.1.5 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit

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losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. The Company follows simplified approach for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL's at each reporting date, right from its initial recognition.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.16.1.6 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

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2.16.1.7 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

2.16.2 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

2.16.2.1 Financial liabilities at fair value through profit and loss (FVTPL)

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

a. it has been incurred principally for the purpose of repurchasing it in the near term; or

b. on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

c. it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

a. such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

b. the financial liability forms part of group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

c. it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the statement of profit and loss.

2.16.2.2Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part

Notes to Standalone Financial Statement

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of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.2.3 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.16.3 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks and to manage its exposure to imported raw material price risk including foreign exchange forward contracts and commodities future contracts. Further details of derivative financial instruments are disclosed in note 37.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

2.16.4 Equity instrument

Equity instrument are any contract that evidences a residual interest in the assets of an equity after deducting all of its liabilities.

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

The equity shares of the Company held by it through a trust are presented as deduction from total equity, until they are cancelled or sold.

2.17 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.18 Assets held for sale

The Company classifies non current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Current assets classified as held for sale are measured at the lower

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of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

2.19 Significant accounting judgements, estimates and assumptions

In the application of the Company's accounting policies, which are described as stated above, the Board of Directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

2.19.1 Key sources of uncertainty

In the application of the Company accounting policies, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

2.19.1.1 Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future, salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation

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and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.19.1.2 Useful lives of depreciable tangible assets and intangible assets

Management reviews the useful lives of depreciable/amortisable assets at each reporting date.

As at March 31, 2023 management assessed that the useful lives represent the expected utility of the assets to the Company.

2.19.1.3 Fair Value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The board of directors of the Company approves the fair values determined by the Chief Financial Officer of the Company including determining the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Chief Financial Officer works closely with the qualified external valuers to establish appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes 37.

2.19.1.4 Contingent Liability

In ordinary course of business, the Company faces claims by various parties. The Company annually assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

2.19.1.5 Income Tax

The Company's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.19.1.6 Inventory

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market driven changes.

2.19.1.7 Applicability of new and revised IND AS

Ministry of corporate affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA has not notified any new standards or amendment to the existing standards applicable to the company as at March 31, 2024.

In the current year, the Company has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after 1 April 2023.

(i) **The Company has adopted the amendments to Ind AS 1 -** Presentation of Financial Statements for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The

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for the year ended March 31, 2024

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amendments replace all instances of the term ‘significant accounting policies’ with ‘material accounting policy information’. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

(ii) **The Company has adopted the amendments to Ind AS 8 -** Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. The definition of a change in accounting estimates was deleted.

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3A Property, plant and equipment and capital work-in-progress

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of		
Freehold land	122.18	117.35
Buildings	1,079.20	1,110.00
Plant and equipment	2,450.03	2,604.89
Furniture and fixtures	14.14	10.65
Vehicles	11.20	11.19
Office equipment	16.60	16.68
Total Property, plant and equipment	**3,693.35**	**3,870.76**
Capital work-in-progress	60.78	47.09
	3,754.13	**3,917.85**

Cost or Deemed Cost	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Balance at April 01, 2022	**116.47**	**1,234.22**	**4,118.72**	**18.17**	**17.67**	**59.53**	**5,564.78**
Addition	1.23	149.65	670.84	3.43	4.16	7.80	837.11
Disposal/Adjustments	(0.35)	-	(9.02)	(0.01)	(1.24)	(0.62)	(11.24)
Balance at March 31, 2023	**117.35**	**1,383.87**	**4,780.54**	**21.59**	**20.59**	**66.71**	**6,390.65**
Addition	4.88	18.53	187.64	5.58	2.71	5.67	225.01
Disposal/Adjustments	(0.05)	(3.72)	(11.07)	(0.01)	(2.43)	(0.56)	(17.84)
Balance at March 31, 2024	**122.18**	**1,398.68**	**4,957.11**	**27.16**	**20.87**	**71.82**	**6,597.82**
Accumulated depreciation							
Balance at April 01, 2022	**-**	**230.50**	**1,845.69**	**9.11**	**8.25**	**45.48**	**2,139.03**
Depreciation	-	43.37	336.19	1.83	1.79	5.11	388.29
Disposal/Adjustments	-	-	(6.23)	(0.01)	(0.62)	(0.56)	(7.42)
Balance at March 31, 2023	**-**	**273.87**	**2,175.65**	**10.93**	**9.42**	**50.03**	**2,519.90**
Depreciation	-	46.77	341.13	2.09	1.93	5.69	397.61
Disposal/Adjustments	-	(1.17)	(9.70)	(0.01)	(1.66)	(0.49)	(13.03)
Balance at March 31, 2024	**-**	**319.47**	**2,507.08**	**13.01**	**9.69**	**55.23**	**2,904.48**
Carrying amount							
Total Balance at April 01, 2022	**116.47**	**1,003.72**	**2,273.03**	**9.05**	**9.43**	**14.05**	**3,425.75**
Addition	1.23	149.65	670.84	3.43	4.16	7.80	837.11
Disposal/Adjustments	(0.35)	-	(2.79)	-	(0.61)	(0.06)	(3.81)
Depreciation	-	(43.37)	(336.19)	(1.83)	(1.79)	(5.11)	(388.29)
Balance at March 31, 2023	**117.35**	**1,110.00**	**2,604.89**	**10.65**	**11.19**	**16.68**	**3,870.76**
Addition	4.88	18.53	187.64	5.58	2.71	5.67	225.01
Disposal/Adjustments	(0.05)	(2.56)	(1.37)	(0.00)	(0.77)	(0.06)	(4.81)
Depreciation	-	(46.77)	(341.13)	(2.09)	(1.93)	(5.69)	(397.61)
Balance at March 31, 2024	**122.18**	**1,079.20**	**2,450.03**	**14.14**	**11.20**	**16.60**	**3,693.35**

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3A Property, plant and equipment and capital work-in-progress (Contd..)

Notes on property, plant and equipment

1 Refer to note 18 (a) for information on property, plant and equipment pledged as security by the Company.

2 Buildings includes ₹ 2.48 Crores (March 31, 2023: ₹ 2.48 Crores) cost of residential flats at Mandideep, the land cost of which has not been excluded from this cost. The depreciation for the year has been taken on the entire cost.

3 As per the amendment in Ind-AS 20 "Government Grants" w.e.f April 1, 2018, the Company has opted to present the grant related to assets as deduction from the carrying value of such specific assets. For financial year 2023-24 such amount deducted from Property, Plant and Equipment is ₹ Nil (FY 22-23 ₹ Nil).

4 The Company has availed benefit under Export Promotion Capital Goods (EPCG) scheme amounting to ₹ 22.67 Crores (FY 22-23 ₹ 29.20 Crores) (related to non cenvatable portion of total duty saved) for financial year 2023-24, such benefit is related to Property, Plant and Equipment and Capital work in progress.

5 Borrowing cost capitalised during the year ₹ Nil (March 31, 2023 Nil).

6 Also refer Note 2.10 for option used by the Company to use carrying value of previous GAAP as deemed cost as on April 1, 2015.

7 The title deeds of all immovable properties are held in the name of the Company. Where immovable properties are acquired by the Company consequent to acquisition / merger of companies, the title to the immovable properties of the transferror companies shall be deemed to have been mutated in the name of the Company as per the scheme of amalgamation approved by National Company Law Tribunal / Court.

8 **Capital-work-in progress (CWIP) ageing schedule:**

Project in progress	Amount in CWIP for a period of:				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024	48.65	2.28	9.68	0.17	60.78
As at March 31, 2023	41.70	5.15	0.17	0.07	47.09

9 There are no overdue or cost overrun projects compared to its original plan and no projects which are temporarily suspended as at March 31, 2024 and March 31, 2023.

3B Intangible assets

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of		
Computer Softwares	1.99	1.35
Contribution to CETP	-	-
Right to use power lines	7.19	0.02
	9.18	**1.37**

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(All amounts in ₹ crores, unless otherwise stated)

3B Intangible assets (Contd..)

Cost or Deemed Cost	Computer Softwares	Contribution to CETP	Right to use power lines	Total
Balance as at March 31, 2022	**14.61**	**0.64**	**4.57**	**19.82**
Addition	0.46	-	-	0.46
Disposal	-	-	-	-
Balance as at March 31, 2023	**15.07**	**0.64**	**4.57**	**20.28**
Addition	1.20	-	7.84	9.04
Disposal	-	-	-	-
Balance as at March 31, 2024	**16.27**	**0.64**	**12.41**	**29.32**
Accumulated amortisation				
Balance as at March 31, 2022	**13.20**	**0.64**	**4.55**	**18.39**
Amortisation expenses	0.52	-	0.01	0.53
Disposal	-	-	-	-
Balance as at March 31, 2023	**13.72**	**0.64**	**4.56**	**18.92**
Amortisation expenses	0.56	-	0.66	1.22
Disposal	-	-	-	-
Balance as at March 31, 2024	**14.28**	**0.64**	**5.22**	**20.14**
Carrying amount				
Balance at April 01, 2022	**1.41**	**-**	**0.03**	**1.44**
Addition	0.46	-	-	0.46
Disposal	-	-	-	-
Amortisation expenses	(0.52)	-	(0.01)	(0.53)
Balance as at March 31, 2023	**1.35**	**-**	**0.02**	**1.37**
Addition	1.20	-	7.83	9.03
Disposal	-	-	-	-
Amortisation expenses	(0.56)	-	(0.66)	(1.22)
Balance as at March 31, 2024	**1.99**	**-**	**7.19**	**9.18**

Note: These intangible assets are not internally generated

Also refer Note 2.11.1 for option used by the Company to use carrying value of previous GAAP as deemed cost as on April 1, 2015.

4 Investments (Non Current)*

Particulars	As at March 31, 2024	As at March 31, 2023
TRADE INVESTMENTS (at cost/carrying value)		
Financial assets carried at cost		
a. Investment in equity instruments		
(i) Investment in subsidiaries (quoted)		
5,68,51,144 (March 31, 2023: 5,68,51,144) Equity shares of ₹ 10	53.15	53.15
each fully paid up of Vardhman Acrylics Limited		
(ii) Investment in subsidiaries (unquoted)		
40,00,000 (March 31, 2023: 40,00,000) Equity shares of ₹ 10	4.04	4.04

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

4 Investments (Non Current)* (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
each fully paid up of VTL Investments Limited		
(iii) Investment in Associates		
Quoted		
1,94,16,666 (March 31, 2023: 97,08,333) equity shares of ₹ 10 each fully paid up of Vardhman Special Steels Limited	25.24	25.24
Unquoted		
62,69,699 (March 31, 2023: 62,69,699) Equity shares of ₹ 10	27.50	27.50
each fully paid up of Vardhman Yarns & Threads Limited		
25,000 (March 31, 2023 : 25,000) Equity shares of ₹ 10	0.03	0.03
each fully paid-up of Vardhman Spinning and General Mills Limited		
Financial assets measured at fair value through other comprehensive income		
(i) Investment in equity instruments (unquoted)		
41,000 (March 31, 2023: 41,000) Equity-Shares of ₹ 10 each	0.16	0.14
fully paid-up of Shivalik Solid Waste Management Limited (Section 8 Company)		
1,40,625 (March 31, 2023: 1,40,625) Equity shares of ₹ 10 each	2.11	1.99
fully paid-up of Nimbua Greenfield (Punjab) Limited		
2,225 (March 31, 2023: 2,225) Equity shares of ₹ 10 each fully paid-up of Devakar Investment & Trading Company Private Limited	0.25	0.24
Other Investments:-		
Financial assets measured at fair value through Profit and loss		
(i) Investment in Bonds/ Preference shares/ Debentures/Mutual Funds (quoted)		
**6,660 (March 31, 2023 :6,660) 17.38% Non-convertible redeemable cumulative preference shares of ₹ 7,500 each fully paid of IL&FS Financial Services Limited	-	-
**10,000 (March 31, 2023:10,000) 16.46% Non-convertible redeemable cumulative preference shares of ₹ 7,500 each fully paid of Infrastructure Leasing & Financial Services Limited	-	-
4,77,412.00 (March 31, 2023 : 4,77,412.00) units of ₹ 1,000 each of Bharat Bond ETF APRIL 2025	57.16	53.18
11,98,61,898.919 (March 31, 2023: 11,98,61,898.919) units of ₹ 10 each of Edelweiss NIFTY PSU Bond Plus SDL Index Fund - Apr 2026 50:50 Index Fund - Direct Plan Growth	142.31	132.69
2,49,98,750.062 (March 31, 2023: 2,49,98,750.062) units of ₹ 10 each of Nippon India Fixed Horizon Fund - XLIII - Series 1 - Direct Growth Plan	28.66	26.67
3,49,98,250.087 (March 31, 2023: 3,49,98,250.087) units of ₹ 10 each of Kotak FMP Series 292 - Direct Plan Growth	40.19	37.42
4,99,97,500.120 (March 31, 2023: 4,99,97,500.12) units of ₹ 10 each of SBI Fixed Maturity Plan (FMP) - Series 49 (1,823 Days) - Direct Plan Growth	57.22	53.27
2,49,98,750.062 (March 31, 2023: 2,49,98,750.062) Units of ₹ 10 each of SBI Fixed Maturity Plan (FMP) - Series 46 (1,850 Days) Direct Plan Growth	28.99	27.03
4,99,97,500.125 (March 31, 2023: 4,99,97,500.125) units of ₹ 10 each of SBI FMP Series 41 - 1,498 Days -Direct Plan Growth	58.70	54.69

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

4 Investments (Non Current)* (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
2,99,98,500.075 (March 31, 2023: 2,99,98,500.075) units of ₹ 10 each of SBI FMP Series 42 - 1,857 Days -Direct Plan Growth	35.38	32.96
3,49,27,229.892 (March 31, 2023:3,49,27,229.892) units of ₹ 10 each of Bandhan CRISIL IBX Gilt June 2027 Index Fund Direct plan- Growth (erstwhile IDFC Gilt 2027 Index Fund Direct Plan- Growth)	40.99	38.14
8,28,86,002.658 (March 31, 2023: 8,28,86,002.658) units of ₹ 10 each of SBI CPSE Bond Plus SDL Sep 2026- 50:50 Index Fund Direct Plan Growth	92.56	86.33
1,25,00,000 (March 31, 2023: 1,25,00,000) units of ₹ 100 each of Nippon India ETF Nifty SDL - 2026 Maturity Growth	149.75	139.64
NIL (March 31, 2023: 46,00,000) units of ₹ 100 each of Nippon India ETF Nifty CPSE Bond plus SDL 2024 Maturity	-	51.51
4,98,39,012.067 (March 31, 2023: 4,98,39,012.067) units of ₹ 10 each of Edelweiss CRISIL PSU Plus SDL 50:50 Oct 2025 Index Fund - Direct Plan Growth	55.36	51.64
4,79,18,783.305 (March 31, 2023 : 4,79,18,783.305) units of ₹ 10 each of TATA NIFTY SDL PLUS AAA PSU BOND DEC 2027 60:40 Index Fund - Direct Plan- Growth	53.80	50.15
14,55,82,797.441 (March 31, 2023 :14,55,82,797.441) units of ₹ 10 each of Aditya Birla Sun Life CRISIL IBX 60:40 SDL +AAA PSU - APR 2027 Index Fund Direct Growth	161.17	150.33
9,67,53,749.637 (March 31, 2023 : 9,67,53,749.637) units of ₹ 10 each of Kotak Nifty SDL APR 2027 top 12 Equal Weighted Index Fund Direct Plan - Growth	107.43	100.31
24,998,750.062 (March 31, 2023:24,998,750.062) units of ₹ 10 each of Aditya Birla Sunlife Fixed Term Plan Series-TI (1,837 Days) -Direct Growth	28.98	26.98
	1,251.13	**1,225.27**
1. Aggregate book value of quoted investments	1,217.04	1,191.34
2. Aggregate Market Value of quoted investments	1,771.56	1,745.86
3. Aggregate carrying value of unquoted investments	34.09	33.94

*Refer Note 37

**Investment in preference shares of IL&FS group companies aggregating to ₹ 24.90 crores. In view of the uncertainty prevailing with respect to recovery of the investment value from the IL&FS group, the Management has measured such investments at ₹ NIL (March 31,2023 ₹ NIL).

5 Loans (Non Current)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets at amortized cost		
Loan to employees (unsecured considered good)	1.27	1.25
	1.27	**1.25**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

6 Other Financial Assets (Non Current)*

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets at amortized cost		
(unsecured considered good unless otherwise stated)		
Fixed Deposits with banks more than twelve months maturity	2.25	24.02
Earmarked Deposits with banks	12.65	11.13
Interest Receivable	0.93	3.27
Other Recoverable	0.53	0.61
	16.36	**39.03**

*Refer Note 37

7 Other Non Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Non Financial Assets at amortized cost		
(unsecured considered good unless otherwise stated)		
Capital advances	39.88	14.44
Balance with government authorities	6.59	6.71
Other Recoverable	58.01	-
Prepaid (Deferred) Expense for employee benefit	0.07	0.02
Security deposits	67.68	63.01
Prepaid expenses-others	3.29	1.69
	175.52	**85.87**

8 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
(at cost or net realisable value, whichever is lower)		
Raw materials*	3,014.87	1,103.06
Work-in-progress	233.54	235.93
Finished Goods	696.42	793.20
Stores and Spares*	162.13	179.97
	4,106.96	**2,312.16**
*above items include goods in transit as per below		
Raw materials	67.01	44.39
Stores and Spares	9.43	7.04
	76.44	**51.43**

(i) The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 5,392.19 Crores (March 31, 2023: ₹ 5,765.98 Crores)

(ii) Refer to Note 18(a) and 23 for information on inventories pledged as security by the Company.

(iii) The method of valuation of inventories has been stated in note 2.14.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

9 Other Investments (Current)*

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets measured at fair value through Profit and loss		
Investment in Liquid Funds (Quoted)		
NIL (March 31, 2023 : 11,64,06,788.83) units of ₹ 10 each of TATA Arbitrage Fund-Direct-plan-growth	-	147.61
NIL (March 31, 2023 :3,55,805.357) units of ₹ 10 each of SBI Liquid Fund Direct Growth	-	125.36
NIL (March 31, 2023 : 2,24,73,087.929) units of ₹ 10 each of Kotak Equity Arbitrage Fund - Direct Plan - Growth	-	75.39
NIL (March 31, 2023 : 2,35,10,437.551) units of ₹ 10 each of Bandhan Arbitrage Fund-Growth-Direct Plan (erstwhile IDFC Arbitrage Fund-Growth-Direct Plan)	-	69.36
NIL (March 31, 2023 :93,060.642) units of ₹ 10 each of Bandhan Liquid Fund-Growth-(Direct Plan) (erstwhile IDFC Cash Fund-Growth-Direct Plan)	-	25.30
NIL (March 31, 2023 : 8,26,54,028.281) units of ₹ 10 each of HSBC Arbitrage Fund-Direct Growth (Formerly known as L&T Arbitrage Opportunities Fund Direct Growth)	-	141.65
NIL (March 31, 2023 : 3,02,221.622) units of ₹ 10 each of HDFC Liquid Fund - Direct Plan - Growth Option	-	133.68
NIL (March 31, 2023 : 78,40,072.459) units of ₹ 10 each of SBI Arbitrage Opportunities Fund - Direct Plan- Growth	-	23.69
NIL (March 31, 2023 :68,090.223) units of ₹ 1000 each of Kotak Overnight Fund Direct - Growth	-	8.14
NIL (March 31, 2023 :26,48,144.624) units of ₹ 10 each of Kotak Saving Fund - Direct Plan - Growth	-	10.08
1,56,875.919 (March 31, 2023 :1,20,357.495) units of ₹ 10 each of HDFC Overnight Fund - Direct Plan- Growth Option	55.74	40.06
NIL (March 31, 2023 : 2,71,82,356.885) units of ₹ 10 each of ICICI Prudential Ultra Short Term Fund - Direct Plan - Growth	-	68.78
NIL (March 31, 2023: 6,30,25,989.259) units of ₹ 10 Nippon India Arbitrage Fund-Direct Growth Plan- Growth Option.	-	152.15
46,00,000 (March 31, 2023: NIL) units of ₹ 100 each of Nippon India ETF Nifty CPSE Bond plus SDL Sep 2024 Maturity	55.30	-
	111.04	**1,021.25**
1. Aggregate amount of quoted investments	111.04	1,021.25
2. Aggregate market value of quoted investments	111.04	1,021.25
3. Aggregate carrying value of unquoted investments	-	-

* Refer note 37

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

10 Trade receivables*

Particulars	As at March 31, 2024	As at March 31, 2023
Receivable from related parties (Refer Note 46)		
- Unsecured, considered good	0.14	0.17
Receivable from others		
- Secured, considered good	-	-
- Unsecured considered good	1,205.24	1,178.91
- Significant increase in Credit risk	18.54	18.54
- Credit impaired	-	-
Less:- Allowances for doubtful trade receivables	(18.54)	(18.54)
	1,205.38	**1,179.08**

(i) The credit period allowed on sales generally vary, on case to case basis, business to business, based on market conditions, maximum credit period allowed is 45 days (FY 2022-23 - 45 days) in case of domestic yarn and 90 days (FY 2022-23 - 90 days) in case of domestic fabric and garments. In case of exports, maximum credit period of 120 days (FY 2022-23 - 120 days) against letter of credit is provided.

(ii) There are no major customers that represent more than 10% of total balances of trade receivables.

(iii) Ageing of provision of doubtful trade receivables

Particulars	Expected Credit Loss	
	As at March 31, 2024	As at March 31, 2023
Less than 180 days	-	-
More than 180 days	18.54	18.54
	18.54	**18.54**

(iv) Age of Receivables:

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Undisputed Trade receivables – considered good		
Less than 6 months	1,199.91	1,176.25
6 months to 1 year	3.59	0.90
1 to 2 years	0.53	0.50
2 to 3 years	0.10	0.15
More than 3 years	0.14	0.17
	1,204.27	**1,177.97**
(b) Undisputed Trade Receivables – which have significant increase in credit risk		
Less than 6 months	-	-
6 months to 1 year	1.01	0.58
1 to 2 years	0.00	9.03
2 to 3 years	9.24	6.92
More than 3 years	6.81	0.62
	17.06	**17.15**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

10 Trade receivables* (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
(c) Disputed Trade receivables – considered good		
Less than 6 months	-	-
6 months to 1 year	-	-
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	1.11	1.11
	1.11	**1.11**
(d) Disputed Trade Receivables – which have significant increase in credit risk		
Less than 6 months	-	-
6 months to 1 year	-	-
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	1.39	1.39
	1.39	**1.39**

(v) Movement in expected credit loss allowance

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**18.54**	**17.14**
Reversal of provision during year	-	(0.25)
Provision provided during the year	-	1.65
Balance at the end of the year	**18.54**	**18.54**

(vi) The concentration of credit risk is limited due to the fact that customer base is large and unrelated.

* Refer note 37

11 Cash and cash equivalents*

For the purpose of financial statements cash and cash equivalents include cash on hand and bank balances. Cash and cash equivalent at the end of reporting period can be reconciled to the related items in balance sheet as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
a) Balances with banks		
- In current accounts	32.69	73.95
b) Cheques in hand	0.19	0.59
c) Cash in hand	0.12	0.12
	33.00	**74.66**

*Refer note 37

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

11A Bank Balances other than Cash and cash equivalents*

Particulars	As at March 31, 2024	As at March 31, 2023
a) Other bank balances		
- Earmarked balances with banks#	33.45	26.55
- Deposits with more than twelve months maturity	2.25	24.02
- Deposits with more than three months but less than twelve months maturity	29.90	280.16
	65.60	**330.73**
Less: Amounts disclosed as other financial non current assets (Refer note 6)	14.90	35.15
	50.70	**295.58**

Earmarked balances with banks includes ₹ 2.72 crores (March 31, 2023: ₹ 2.91 crores) pertaining to dividend accounts with banks and ₹ 20.56 crores (March 31, 2023:₹ 18.89 crores) pledged with government authorities, banks and others. Also includes ₹ 10.17 crores (March 31, 2023: ₹ 4.75 crores) pertaining to balances in unspent CSR accounts.

* Refer note 37

12 Loans (Current)*

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets at amortized cost		
(Unsecured and considered good, unless otherwise stated)		
Loan to employees	2.33	2.51
	2.33	**2.51**

* Refer note 37

13 Other financial assets (Current)**

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets at amortized cost		
(Unsecured and considered good, unless otherwise stated)		
Recoverable from related parties (Refer Note 46)	0.02	0.01
Interest receivable	5.08	15.98
Claims receivable	0.01	0.02
Other Recoverable	8.04	12.73
Financial assets at Fair value through Profit and loss		
Derivative Financial Instruments*	2.07	-
	15.22	**28.74**

* The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risk including foreign exchange forward contracts. Also refer note 29.

** Refer note 37

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

14 Income Tax

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax asset (net)		
Income tax receivable (net)	52.28	23.73
Income tax liabilities (net)		
Income tax payable (net)	16.29	16.50

15 Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured and considered good, unless otherwise stated)		
Amount recoverable from Mahavir Share Trust in respect of shares Held in Trust*	4.65	4.81
Advances to suppliers	83.33	156.14
Balance with government authorities	434.73	321.22
Prepaid (Deferred) expense for employee benefit	0.03	0.03
Gratuity Trust	1.02	-
Prepaid expenses others	6.59	4.52
Other recoverable :		
- Considered good	163.35	157.28
- Considered Doubtful	-	0.22
Less: Allowances for doubtful other recoverable	-	(0.22)
	163.35	**157.28**
	693.70	**644.00**

* Refer Note 40

15A Assets Held for sale

Particulars	As at March 31, 2024	As at March 31, 2023
Property Plant and Equipment held for Sale	0.08	0.16
	0.08	**0.16**

The Company intends to dispose off a flat (previous year a parcel of land), it no longer utilises in the next 12 months. No impairment loss was recognised on reclassification of the assets as held for sale as at March 31, 2024 as the Company expects that sale consideration less costs to sell is higher than the carrying amount. Also the Company had received advance of ₹ 3.92 Crore (March 31, 2023 ₹ 3.58 Crore) shown in other current liabilities against sale of these assets (Refer Note 26).

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

16 Equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised share capital:		
71,50,00,000 equity shares of ₹ 2 each (March 31, 2023: 71,50,00,000 equity shares of ₹ 2 each)	143.00	143.00
2,00,00,000 redeemable cumulative preference shares of ₹ 10 each (March 31, 2023: 2,00,00,000 redeemable cumulative preference shares of ₹ 10 each)	20.00	20.00
1,40,00,000 Non cumulative convertible preference shares of ₹ 10 each (March 31, 2023: 1,40,00,000)	14.00	14.00
	177.00	**177.00**
Issued, subscribed and fully paid up share capital comprises:		
28,91,74,800 equity shares of ₹ 2 each (March 31, 2023: 28,91,27,050 equity shares of ₹ 2 each)	57.83	57.82
	57.83	**57.82**

16.1 Rights, preference and restriction attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

16.2 Rights, preference and restriction attached to preference shares

The rate of dividend on preference shares will be decided by the Board of Directors as and when issued. Preferential shares as and when issued shall have the cumulative right to receive dividend as and when declared and shall have preferential right of repayment on amount of capital.

16.3 As per Employee Stock Options Scheme 2016, senior employees of the Company were offered 30,70,000 options having face value of ₹ 2 (for details refer note 45). The vesting for due options began from financial year 2016-17 and NIL options/shares (NIL options/shares financial year 2022-23) vested during the financial year 2023-24. Out of these 47,750 having face value of ₹ 2 per share- shares/options (financial year 2022-23: 2,63,000 shares/options having face value of ₹ 2) have been alloted during the year. Share options granted under Company's employee share option plan carry right to dividend and voting rights at par with other equity holders.

16.4 Reconciliation of number of shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	28,91,27,050	57.82	28,88,64,050	57.77
Issue of equity shares under employee stock option plan (Refer note 45)	47,750	0.01	2,63,000	0.05
Balance as at the end of the year	**28,91,74,800**	**57.83**	**28,91,27,050**	**57.82**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

16 Equity share capital (Contd..)

16.5 Details of shares held by the holding Company

There is no Holding / Ultimate Holding Company of the Company

16.6 Details of shares held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% holding	Number of shares	% holding
Vardhman Holdings Limited	8,31,70,317	28.76%	8,23,34,659	28.48%
Adishwar Enterprises LLP	5,15,94,315	17.84%	5,15,94,315	17.84%
Devakar Investment and Trading Company Private Limited	3,16,87,790	10.96%	3,16,87,790	10.96%
HDFC Mutual Fund	2,16,11,672	7.47%	2,16,35,392	7.48%

16.7 Details of Shares held by promoters at the end of the year

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	%of total shares	% Change during the year	No. of Shares	%of total shares	% Change during the year
Vardhman Holdings Limited	8,31,70,317	28.76%	0.28%	8,23,34,659	28.48%	0.96%
Adishwar Enterprises LLP	5,15,94,315	17.84%	0.00%	5,15,94,315	17.84%	-0.02%
Devakar Investment & Trading Company Private Limited	3,16,87,790	10.96%	0.00%	3,16,87,790	10.96%	0.01%
VTL Investments Limited	46,61,745	1.61%	0.00%	46,61,745	1.61%	0.00%
Shri Paul Oswal	29,87,955	1.03%	0.00%	29,87,955	1.03%	0.00%
Flamingo Finance & Investment Company Limited	26,64,795	0.92%	0.00%	26,64,795	0.92%	0.00%
Santon Finance & Investment Company Limited	22,81,650	0.79%	0.00%	22,81,650	0.79%	0.00%
Ramaniya Finance & Investment Company Limited	21,21,170	0.73%	0.00%	21,21,170	0.73%	0.00%
Suchita Jain	12,22,120	0.42%	0.00%	12,22,120	0.42%	0.00%
Shakun Oswal	6,93,075	0.24%	0.00%	6,93,075	0.24%	0.00%
Shri Paul Oswal, Partner, Paras Syndicate	5,74,875	0.20%	0.00%	5,74,875	0.20%	0.00%
Shri Paul Oswal, Partner, Northern Trading Company	5,63,295	0.19%	0.00%	5,63,295	0.19%	0.01%
Mahavir Spinning Mills Private Limited	4,94,720	0.17%	0.00%	4,94,720	0.17%	0.00%
Shri Paul Oswal, Partner, Amber Syndicate	3,89,240	0.13%	0.00%	3,89,240	0.13%	0.00%
Shakun Oswal, Partner, Eastern Trading Company	2,66,430	0.09%	0.00%	2,66,430	0.09%	0.00%
Soumya Jain	41,015	0.01%	0.00%	41,015	0.01%	0.00%
Sagrika Jain	34,925	0.01%	0.00%	34,925	0.01%	0.00%

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

17 Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
Share application money pending allotment	-	0.05
Capital reserve	1.64	1.64
Capital redemption reserve	12.26	12.26
Security premium	52.58	51.36
Debenture redemption reserve	-	-
Share options outstanding account	-	0.63
General reserve	1,461.78	1,461.61
Retained earnings	7,217.28	6,707.14
Equity instrument through other comprehensive income	1.58	1.48
	8,747.12	**8,236.17**

Particulars	Share application money pending allotment	Reserves and Surplus							Item of other comprehensive income	Total
		Capital reserve	Capital redemption reserve	Security premium	Debenture redemption reserve	Share options outstanding account	General reserve	Retained earnings	Equity instrument through other comprehensive income	
Balance at April 01, 2022	**1.30**	**1.64**	**12.26**	**44.65**	**57.62**	**3.99**	**1,403.10**	**5,955.44**	**1.35**	**7,481.35**
Profit for the year	-	-	-	-	-	-	-	749.07	-	749.07
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	2.63	0.13	2.76
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**751.70**	**0.13**	**751.83**
Share Application Money received under employee stock options.	0.05	-	-	-	-	-	-	-	-	0.05
Transfer to equity shares due to issue of employee stock options (Refer note 45)	(1.30)	-	-	-	-	-	-	-	-	(1.30)
Securities premium on shares under Employee stock options	-	-	-	6.71	-	(2.47)	-	-	-	4.24
Transfer of Debenture redemption reserve to General reserve	-	-	-	-	(57.62)	-	57.62	-	-	-

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

17 Other equity (Contd..)

Particulars	Share application money pending allotment	Reserves and Surplus							Item of other comprehensive income	Total
		Capital reserve	Capital redemption reserve	Security premium	Debenture redemption reserve	Share options outstanding account	General reserve	Retained earnings	Equity instrument through other comprehensive income	
Transfer from Employee Stock Options accounts to General Reserve	-	-	-	-	-	(0.89)	0.89	-	-	-
Balance at March 31, 2023	**0.05**	**1.64**	**12.26**	**51.36**	**-**	**0.63**	**1,461.61**	**6,707.14**	**1.48**	**8,236.17**
Profit for the year	-	-	-	-	-	-	-	607.63	-	607.63
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	3.71	0.10	3.81
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**611.34**	**0.10**	**611.44**
Share Application Money received under employee stock options.	0.73	-	-	-	-	-	-	-	-	0.73
Final Equity Dividend for the financial year 2022-23 (Amount ₹ 3.50 per share)	-	-	-	-	-	-	-	(101.20)	-	(101.20)
Transfer to equity shares due to issue of employee stock options (Refer note 45)	(0.78)	-	-	-	-	-	-	-	-	(0.78)
Securities premium on shares under Employee stock options	-	-	-	1.22	-	-	-	-	-	1.22
Transfer from Employee Stock Options accounts to General Reserve	-	-	-	-	-	(0.63)	0.17	-	-	(0.46)
Balance at March 31, 2024	**-**	**1.64**	**12.26**	**52.58**	**-**	**-**	**1,461.78**	**7,217.28**	**1.58**	**8,747.12**

a. **Share application money pending allotment**

It represents money received from senior employees under the Company's employee share option scheme.

b. **Capital reserve**

Capital reserve represents reserve recognised on amalgamation being the difference between consideration amount and net assets of the transferor Company.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

17 Other equity (Contd..)

c. Capital redemption reserve

Capital Redemption reserve is a statutory, non-distributable reserve into which amounts are transferred following the redemption or purchase of a Company's own shares.

d. Securities premium

Securities premium represents amount of premium recognised on issue of shares to shareholders at a price more than its face value.

e. Debenture redemption reserve

The Company has issued non convertible debentures in Financial Year 2017-18 and as per the provisions of the Companies Act, 2013, it was required to create debenture redemption reserve out of the profits available for payment of dividend.The company has discontinued creation of DRR as per MCA notification no.464 dated August 16, 2019. During the previous year company has transfered the amount of debenture redemption reserve to general reserve pursuant to redemption of debentures.

f. Share options outstanding account

Company has approved employee share option scheme under which equity shares of Company are alloted to eligible employees as per the terms and conditions contained in the scheme. The amount is recognised based on the value of equity-settled share-based payments.

g. General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

h. Retained earnings

Retained earnings represents amount that can be distributed by the Company to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act 2013.

i. Equity instrument through other comprehensive income

Reserve for equity instruments through other comprehensive income represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when those assets have been disposed off.

18 Borrowings (Non Current)

Particulars	As at March 31, 2024	As at March 31, 2023
Term loans (Secured - at amortised cost)		
**From banks*	952.19	988.93
Less: Current maturities (refer note-23)	539.06	57.58
	413.13	**931.35**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

18 Borrowings (Non Current) (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
Debentures		
- **Secured - at amortised cost**		
6.83% 1,950 Non Convertible Debentures of ₹ 10,00,000 each	-	195.00
Less: Current maturities (Refer Note 23)	-	195.00
	-	-
- **Unsecured - at amortised cost**		
7.70% 15,000 Non Convertible Debentures of ₹ 1,00,000 each	-	150.00
Less: Current maturities (Refer Note 23)	-	150.00
	-	-
Total	**413.13**	**931.35**

* Net of unamortized processing charges: March 31, 2024: 0.42 crores (March 31, 2023 ₹ 0.69 crores)

** Includes External Commercial borrowing from Citi bank amounting to ₹ 33.36 Crores (March 31,2023 ₹ 49.30 Crores)

(a) Term loans from banks are secured as follows:-

(1)1st pari passu charge :-Hypothecation of entire fixed assets of the Company (both present and future) including equitable mortgage.

(2)2nd pari passu charge:-Hypothecation of stocks of raw material, stock in process and finished goods, receivables/ book debts and other current assets (both present and future).

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

During the current year, the aforeaid NCDs have been repaid by the Company on June 01, 2023 along with interest.The Company has received the no objection certificate for release of charge from SBICAP Trustee Company Limited as on July 28, 2023.

(c) The Company had issued unsecured, rated listed Redeemable Non-convertible Debentures ('NCDs') aggregating to ₹ 150.00 Crores for cash at par on private placement basis on March 20, 2023. The NCDs were listed at the Bombay Stock Exchange of India (BSE) and repayable on March 27, 2024 and had a yield of 7.70% per annum payable at the time of maturity of NCDs.

During the current year, the aforeaid NCDs have been repaid by the Company on March 27, 2024 along with interest. Post repayment of the non-convertible debentures the Company applied for delisting in accordance with the Delisting Regulations. The final approval for delisting was received from Bombay Stock Exchange Limited on April 15, 2024. The Company has also received the no objection certificate from SBICAP Trustee Company Limited as on April 25, 2024.

(d) There have been no breach of covenants mentioned in the loan agreements during the reporting years.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

18 Borrowings (Non Current) (Contd..)

(e) Terms of repayment of loan/debentures

Loan Category	Frequency of principal repayments	Interest rate	Repayments during			Total
			FY 2024-25	FY 2025-26	FY 2026-28	
Term loans	Quarterly Payments	7.50% to 7.83%	42.14	22.82	328.05	393.01
Term loans	Bullet Payments	7.85% to 8.95%	463.53	62.72	-	526.25
ECB Loan*	Bullet Payments	3M libor + 0.65 BPS & Overnight SOFR + 0.92 BPS	33.36	-	-	33.36
			539.03	**85.54**	**328.05**	**952.62**

* External commercial borrowing from Citi bank for capital expenditure is repayable in 3 equal installments beginning from end of 54 months, 57 months and 60 months carries an interest rate of overnight SOFR+0.92 (revised during the year w.e.f from August 29, 2023 3M Libor+ 0.65) basis points. During the year, the Company has repaid ECB amounting $ 2 Million on February 29, 2024 as per the repayment schedule.

(f) Also refer note 37 for fair value disclosures.

(g) For specific purpose borrowings from banks, Company has utilized the funds for specific purpose for which it was taken.

19 Other financial liabilities (Non Current)*

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities at amortized cost		
Retention money	0.64	3.50
	0.64	**3.50**

* Refer note 37

19A Lease liabilities (Non Current)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities at amortized cost		
Lease Liability (Refer Note 44)	0.18	0.17
	0.18	**0.17**

20 Provisions (Non Current)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits :		
- Compensated Absences (Refer note 47)	17.78	16.95
	17.78	**16.95**

The provision for employee benefit include annual leave and vested long service leave entitlement accrued of employees.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

21 Deferred tax liabilities (net)*

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	269.70	257.63
Deferred tax assets	20.95	14.82
	248.75	**242.81**

* Refer note 36

22 Other non-current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Income for Capital subsidy	11.47	12.99
Due to employees	0.50	0.55
Other	1.31	1.26
Total	**13.28**	**14.80**

The deferred revenue arises as a result of the benefits received from state government on account of installation of specified project assets whereby such grant is treated as deferred income and is recognized as income over the useful life of the assets for which such grant is received. W.e.f April 1, 2018 the Company has opted to deduct such grant from the carrying value of the specific asset (Also refer Note 3A).

23 Borrowings (Current)*

Particulars	As at March 31, 2024	As at March 31, 2023
Loans repayment on demand/ Bank Overdraft		
- Banks (secured at amortised cost)	816.27	343.18
Current Maturities of Long term borrowings		
- Term Loans (secured at amortised cost)	539.06	57.58
- Non Convertible Debentures		
Secured at amortised cost	-	195.00
Unsecured at amortised cost	-	150.00
Short term borrowing (unsecured)	21.58	-
Total	**560.64**	**402.58**
Total Borrowings	**1,376.91**	**745.76**

Details of security for working capital borrowings

Working capital borrowings from banks are secured as follows:-

(1) 1st pari passu charge :-Hypothecation of stocks of raw material, stock in process and finished goods, receivables/ book debts and other current assets (both present and future).

(2) 2nd pari passu charge:-Hypothecation of entire fixed assets of the company (both present and future) including equitable mortgage.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

24 Trade payables*

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 43)	23.77	23.33
- Total outstanding dues of other than micro enterprises and small enterprises	291.88	281.26
Due to related parties (Refer Note 46)	1.73	2.66
Total	**317.38**	**307.25**

* Refer note 37

Ageing of Trade payables:

Particulars	As at March 31, 2024	As at March 31, 2023
(i) MSME:		
Less than 1 year	23.77	23.33
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	23.77	**23.33**
(ii) Others:		
Less than 1 year	259.89	253.96
1-2 years	26.96	10.76
2-3 years	2.96	9.80
More than 3 years	3.80	9.40
	293.61	**283.92**

25 Other financial liabilities (Current)**

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities at amortized cost		
Interest accrued but not due on borrowings	6.73	16.46
Other payables		
- Retention money	7.91	9.03
- Security deposits	6.62	5.63
- Expense payable	38.52	34.32
- Payables for purchase of fixed assets		
Total outstanding dues of micro enterprises and small enterprises	0.70	2.78
Total outstanding dues of other than micro enterprises and small enterprises	20.53	26.33
- Due to employees	118.32	101.06

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

25 Other financial liabilities (Current)** (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities at Fair value through Profit and loss		
Derivative Financial Instruments*	-	2.94
Total	**199.33**	**198.55**

"*Previous period balance represents mark to market loss on currency derivative financial instruments to manage Company's exposure to foreign exchange rate risk. Also refer note 35 and 37.

** Refer note 37

26 Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory remittances*	24.72	26.35
Deferred Income for Capital subsidy	1.56	1.62
Unpaid dividends **	2.72	2.91
Advances from customers (Contract Liabilities) #	38.43	43.93
Other Liabilities	3.24	5.41
Gratuity Trust	-	2.16
Advance against Sale of Property Plant and Equipment	3.92	3.58
Total	**74.59**	**85.96**

* Statutory remittances includes contribution to Provident Fund, Employee State Insurance Corporation, Tax Deducted/ Collected at Source, Goods and Services Tax etc.

** Unpaid dividends do not include any amount due and outstanding required to be credited to the Investors' Education and Protection Fund (Refer Note 50).

Advance from customers is recognised when payment is received before the related performance is satisfied.

Particulars	As at March 31, 2024	As at March 31, 2023
As at beginning of the year	43.93	60.61
Less:-Recognised as revenue	(43.93)	(60.61)
Add:- Advances received during the year related to closing balance	38.43	43.93
As at end of the year	**38.43**	**43.93**

27 Provisions (Current)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits :		
- Compensated Absences (Refer note 47)	3.31	3.29
	3.31	**3.29**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

28 Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products (Net of Rebate & Discount)	9,106.45	9,624.50
Sale of services	7.79	6.40
Other operating revenues :		
- Export benefits*	160.14	184.83
- Others	24.30	25.06
	9,298.68	**9,840.79**

Ind AS 115 'Revenue from Contracts with customers' outlines a single comprehensive control based model for revenue recognition The Company had not applied any significant judgements in applying the revenue recognition criteria. The disclosure requirements as per Ind As 115 given below:-

The following is an analysis of the Companies revenue from its products and services

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Yarn	5,867.58	6,115.30
Sale of Fabric	3,122.65	3,384.68
Sale of Garments	112.09	120.41
Service income	7.79	6.40
Others (Sale of scrap and others)	28.43	29.17
	9,138.54	**9,655.96**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
The following is analysis on the Companies revenue disaggregates on the basis of timing of revenue recognition.		
- At point of time	9,138.54	9,655.96
- Over the period	-	-

The contract price of sale of products co-incide with the revenue from operations.

* Export benefits are in the nature of government grants covering following benefits

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) RoDTEP	97.27	109.50
(b) Duty drawback benefits	62.87	75.33
	160.14	**184.83**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

29 Other income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Interest income		
Interest income	53.56	37.15
(b) Dividend income		
Dividend Income from investment carried at cost	25.22	12.12
Dividend income from investments- carried at fair value through Profit and Loss	-	0.10
(c) Other Non Operating Income (Net of Expenses directly attributable to such income)		
Net gain on sale of investments-carried at fair value through Profit and Loss (net of fair valuation gains/loss upto previous year)	52.54	38.17
Gain on fair valuation of Investments (Net)	84.19	40.37
(d) Other gain		
Claims received (net of expenses)	0.91	1.81
Provisions no longer required written back	16.87	4.32
Subsidy from Government	44.70	34.84
Net gain on disposal of property, plant and equipment	7.39	4.17
Foreign exchange fluctuation gain (net)	24.84	-
Others	23.32	19.75
	333.54	**192.80**

30 Cost of materials consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cotton	4,338.54	4,559.02
Manmade fibre	995.55	1,149.37
Yarn	21.18	14.90
Fabric	29.50	42.00
Others	7.41	0.69
	5,392.18	**5,765.98**

31 Purchases of Stock-in-trade:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Yarn	1.62	0.14
	1.62	**0.14**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

32 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the beginning of the year		
Work-in-progress	235.93	247.17
Finished goods	793.20	791.30
	1,029.13	**1,038.47**
Inventories at the end of the year		
Work-in-progress	233.54	235.93
Finished goods	696.42	793.20
	929.96	**1,029.13**
	99.17	**9.34**

33 Employee benefits expense *

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	753.84	689.77
Contribution to provident and other funds	59.60	54.31
Staff welfare expenses	7.17	5.90
	820.61	**749.98**

* Refer Note 47

34 Finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense*	88.84	87.77
Other borrowing costs	13.15	14.09
	101.99	**101.86**

*Interest expense is net of interest reimbursement of ₹ 47.67 crores (March 31, 2023 - ₹ 35.51 crores) under Madhya Pradesh state interest reimbursement on term loan.

35 Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel*	870.04	821.02
Consumption of stores and spare parts	56.49	51.06
Packing materials and charges	107.82	113.23
Dyes and Chemical consumed	229.98	252.22
Rent	1.78	1.48
Repairs and Maintenance		
- Buildings	36.91	39.66
- Plant and Machinery	293.27	249.58

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

35 Other expenses (Contd..)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- Others	17.28	18.35
Legal and Professional Charges	14.80	8.56
Processing Charges	13.19	13.64
Travelling and Conveyance Expenses	10.42	6.86
Insurance	16.43	15.40
Rates and taxes	3.22	3.27
Auditors remuneration:		
- Audit fee	0.85	0.77
- Tax audit fee	0.10	0.08
- Reimbursement of expenses	0.02	0.01
- In other capacity (Certification Charges)	-	0.02
Bad debts written off	0.94	1.45
Allowances for doubtful trade receivables and advances (net)	-	1.65
Forwarding charges and Octroi	167.42	198.77
Commission to selling agents	64.11	64.04
Assets written off	2.52	1.49
Forex Fluctuation Loss (Net)	-	20.42
Charity, Donation and CSR activities (Refer Note 49)#	28.14	26.18
Cotton Hedging Derivative Loss	4.89	40.78
Other miscellaneous expenses**	86.09	80.31
	2,026.71	**2,030.30**

* Power & Fuel expense amount is net of Subsidy amounting ₹ 28.57 Crores (March 31,2023 ₹ 24.19 Crores).

** Does not include any item of expenditure with a value of more than 1% of the revenue from operations.

The Company has purchased electoral bond amounting to ₹ 4 Crores in FY 23-24 (₹ 1 Crores in FY 2022-23) which has been subsequently encashed by Bhartiya Janta Party and President, All India Congress Committee amounting to ₹ 3 Crores and ₹ 1 Crores respectively (₹ 1 Crores to Bhartiya Janta Party for FY 2022-23).

36 Tax balances

The following is the analysis of deferred tax assets / (liabilities) presented in the standalone balance sheet

36.1 Deferred tax liabilities (Net)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
2023-24				
Deferred tax assets				
Expenses deductible in future years	9.96	(2.32)	-	7.64
Provision for doubtful debts / advances	4.81	-	-	4.81
Others	0.05	0.02	-	0.07
	14.82	**(2.30)**	**-**	**12.52**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

36 Tax balances (Contd..)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred tax liabilities				
Property, plant and equipment and Intangible assets	(251.62)	(4.19)	-	(255.81)
Investment in bonds, mutual funds and equity instruments	(3.19)	(2.24)	(0.03)	(5.46)
Others	(2.82)	2.82	-	-
	(257.63)	**(3.61)**	**(0.03)**	**(261.27)**
Net deferred tax liabilities	**(242.81)**	**(5.91)**	**(0.03)**	**(248.75)**

Particulars	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
2022-23				
Deferred tax assets				
Expenses deductible in future years	27.08	(17.12)	-	9.96
Provision for doubtful debts / advances	4.39	0.42	-	4.81
Others	0.02	0.03	-	0.05
	31.49	**(16.67)**	**-**	**14.82**
Deferred tax liabilities				
Property, plant and equipment and Intangible assets	(249.80)	(1.82)	-	(251.62)
Investment in bonds, mutual funds and equity instruments	(6.68)	3.53	(0.04)	(3.19)
Others	(4.79)	1.97	-	(2.82)
	(261.27)	**3.68**	**(0.04)**	**(257.63)**
Net deferred tax liabilities	**(229.78)**	**(12.99)**	**(0.04)**	**(242.81)**

Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
In respect of the current year	177.44	224.98
Deferred tax		
In respect of the current year	5.91	12.99
Total income tax expense recognised	**183.35**	**237.97**

The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	790.98	987.04
Tax at the Indian Tax Rate of 25.168% (2022-23 : 25.168%)	199.07	248.42
Differential tax rate on capital gain on sale of investments/mark to market gain on investment	(19.58)	(6.28)
Effect of indexation benefit on value of investment	(0.12)	(4.74)

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

36 Tax balances (Contd..)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Deductions u/s 80JJAA/80M	(2.03)	(2.82)
Effect of expenses considered as not deductible in determining taxable profit	7.08	6.59
Others	(1.07)	(3.20)
	183.35	**237.97**

36.3 Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Arising on income and expenses recognised in other comprehensive income		
Net fair value gain on investment in equity shares at FVTOCI	0.03	0.04
Remeasurement of defined benefit obligation	1.25	0.89
Total income tax recognised in other comprehensive income	**1.28**	**0.93**

37 Financial Instruments and Risk Management

37.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through optimization of debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in note no.18 and 23 and offset by cash and bank balances) and total equity of the Company. The Company is not subject to any externally exposed capital requirements.

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company's gearing ratio was as follows:

The following table provides detail of the debt and equity at the end of the reporting year:

Particulars	As at March 31, 2024	As at March 31, 2023
Debt	1,790.04	1,677.11
Cash & cash equivalents	33.00	74.66
Net Debt	**1,757.04**	**1,602.45**
Total Equity	**8,804.95**	**8,293.99**
Net debt to equity ratio	**0.20**	**0.19**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

37 Financial Instruments and Risk Management (Contd..)

37.2 Financial instruments by category

Particulars	As at March 31, 2024				As at March 31, 2023			
	FVTPL	Fair Value (Derivative Instruments)	Amortised Cost#	FVTOCI	FVTPL	Fair Value (Derivative Instruments)	Amortised Cost#	FVTOCI
Financial Assets								
Investments*	1,249.71	-	-	2.52	2,134.19	-	-	2.38
Trade Receivables	-	-	1,205.38	-	-	-	1,179.08	-
Cash and cash equivalents	-	-	33.00	-	-	-	74.66	-
Bank balances other than above	-	-	50.70	-	-	-	295.58	-
Loans	-	-	3.60	-	-	-	3.76	-
Other financial assets	-	2.07	29.50	-	-	-	67.77	-
	1,249.71	**2.07**	**1,322.18**	**2.52**	**2,134.19**	**-**	**1,620.85**	**2.38**

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	Fair Value (Derivative Instruments)	Amortised Cost#	FVTPL	Fair Value (Derivative Instruments)	Amortised Cost#
Financial Liabilities						
Borrowings (including current maturity of term loan)	-	-	1,790.04	-	-	1,677.11
Trade Payables	-	-	317.38	-	-	307.25
Other financial liabilities	-	-	199.97	-	2.94	199.11
Lease Liability	-	-	0.18	-	-	0.17
	-	**-**	**2,307.57**	**-**	**2.94**	**2,183.64**

Carrying value of the financial assets and financial liabilities designated at amortised cost approximates its fair value.

* Investment value excludes investment in subsidiaries/Associates of ₹109.95 crores (March 31, 2023: ₹ 109.95 crores) which are shown at cost in balance sheet as per Ind AS 27 "Separate Financial Statements".

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in mutual funds/bonds/preference shares	111.04	1,138.65	-	1,249.69
Investments in unquoted equity instruments	-	-	2.52	2.52
Foreign currency / commodity forward contracts	-	2.07	-	2.07
	111.04	**1,140.72**	**2.52**	**1,254.28**
Financial Liabilities				
Foreign currency / commodity future/option contracts	-	-	-	-
	-	**-**	**-**	**-**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

37 Financial Instruments and Risk Management (Contd..)

As at March 31, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets				
Investments in mutual funds/bonds/preference shares	1,021.25	1,112.94	-	2,134.19
Investments in unquoted equity instruments	-	-	2.38	2.38
Foreign currency / commodity forward contracts	-	-	-	-
	1,021.25	**1,112.94**	**2.38**	**2,136.57**
Financial Liabilities				
Foreign currency / commodity future/option contracts	2.94	-	-	2.94
	2.94	**-**	**-**	**2.94**

Level 1:

Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market.

Level 2:

Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly.

Level 3:

Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data.

Sensitivity of Level 3 financial instruments are insignificant

The fair value of the financial instruments are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Investment in preference shares/debentures: Fair value is determined by reference to quotes from fund houses/portfolio management services companies i.e value of investments.

Derivative contracts: The Company has entered into various foreign currency contracts to manage its exposure to fluctuations in foreign exchange rates. These financial exposures are managed in accordance with the Company's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data, i.e., mark to market values determined by the Authorised Dealers Banks.

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of net asset value approach, in this approach the net asset value is used to capture the fair value of these investments.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

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37 Financial Instruments and Risk Management (Contd..)

Reconciliation of Level 3 fair value measurements

Particulars	Unlisted equity instruments
As at April 1, 2022	**2.22**
Purchases	-
Gain / (loss) recognised in OCI/Profit/Loss	0.17
As at March 31, 2023	**2.39**
Purchases	-
Gain / (loss) recognised in OCI/Profit/Loss	0.13
As at March 31, 2024	**2.52**

37.3 Financial Risk Management

The Company's corporate treasury functions provides services to the business, coordinates access to the financial markets, monitors and manages the financial risks relating to operations of the Company through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including currency risk, interest rate risk and other price risks, credit risk and liquidity risk).

The Company seeks to minimize the effects of these risk by using derivate financial instruments to hedge risk exposure. The issue of financial derivatives is governed by the Company's policy approved by the board of directors.

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the Company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the Company.

This note explains the risks which the Company is exposed to and policies and framework adopted by the Company to manage these risks.

37.3.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

A. Foreign Currency Risk Management

The Company operates internationally and business is transacted in several currencies. The export sales of Company comprise around 43%(2022-23 - 44%) of the total sales of the Company, Further the Company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the Company is exposed to foreign currency risk and the results of the Company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than Company's functional currency.

The Company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses a combination of derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

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37 Financial Instruments and Risk Management (Contd..)

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in foreign currency (amount in crores) are as follows:

As at March 31, 2024	USD	EUR	CHF	JPY
Financial assets				
Trade receivables	8.48	0.48	-	-
Others	0.00	-	-	-
Foreign exchange derivative contracts*	(25.60)	(0.38)	-	-
Net exposure to foreign currency risk (assets)	**-**	**0.10**	**-**	**-**
Financial liabilities				
Trade payables and other financial liabilities	0.50	0.03	0.02	0.82
Borrowings	0.40	-	-	-
Interest accrued on ECB	0.00	-	-	-
Foreign exchange derivative contracts*	(1.95)	(0.64)	-	
Net exposure to foreign currency risk (liabilities)	**-**	**-**	**0.02**	**0.82**
Net exposure to foreign currency risk (net)	**-**	**0.10**	**(0.02)**	**(0.82)**

As at March 31, 2023	USD	EUR	CHF	JPY
Financial assets				
Trade receivables	8.43	0.46	-	-
Others	0.04	-	-	-
Foreign exchange derivative contracts*	(23.50)	(1.07)	-	-
Net exposure to foreign currency risk (assets)	**-**	**-**	**-**	**-**
Financial liabilities				
Trade payables and other financial liabilities	0.01	0.17	0.02	2.17
Borrowings	0.60	-	-	-
Interest accrued on ECB	0.00	-	-	-
Foreign exchange derivative contracts*	(4.14)	(0.11)	(0.01)	-
Net exposure to foreign currency risk (liabilities)	**-**	**0.06**	**0.01**	**2.17**
Net exposure to foreign currency risk (net)	**-**	**(0.06)**	**(0.01)**	**(2.17)**

*Excess derivative contracts are against pending purchase order/sales order shipment

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 10% increase and decrease in the ₹ against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for 10% change in foreign currency rates. A positive number below indicates an increase in profit before tax or vice-versa.

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	₹ strengthens by 10%	₹ weakens by 10%	₹ strengthens by 10%	₹ weakens by 10%
Impact on (profit) /loss for the year				
USD	-	-	-	-
EUR	0.92	(0.92)	0.55	(0.55)

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

37 Financial Instruments and Risk Management (Contd..)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	₹ strengthens by 10%	₹ weakens by 10%	₹ strengthens by 10%	₹ weakens by 10%
CHF	0.19	(0.19)	0.09	(0.09)
JPY	0.12	(0.12)	0.13	(0.13)

Foreign exchange derivative contracts

The Company uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The Company's Corporate Treasury team measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency cash flows by appropriately hedging the transactions. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding Contracts*	No of Deals		Foreign Currency (FCY Crores)		Nominal Amount (₹ Crores)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD / INR Buy forward	51	39	1.55	4.14	129.30	340.49
USD / INR Buy Option	2	-	0.40	-	33.36	-
USD / INR Sell forward	202	169	20.20	16.90	1,684.68	1,388.67
USD / INR Sell Option	27	33	5.40	6.60	450.36	542.32
EUR / USD /INR Buy forward	3	-	0.22	-	20.25	-
EUR / USD/ INR Buy Option	2	2	0.42	0.11	37.73	9.83
EUR / INR Sell forward	12	20	0.38	1.07	33.78	95.93
CHF/INR Buy Forward	-	1	-	0.01	-	0.91
Fair value assets	-	-	-	-	2.07	-
Fair value liabilities	-	-	-	-	-	2.94

* Sensitivity on the above derivative contracts in respect of foreign currency exposure is insignificant

B. Interest Rate Risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

37 Financial Instruments and Risk Management (Contd..)

bearing loans and borrowings in these financial statements. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Year ended March 31, 2024 ₹ if loans interest rate decreases by 1%	Year ended March 31, 2023 ₹ if loans interest rate decreases by 1%
Increase in profit before tax by	17.90	16.77

In case of increase in interest rate by above mentioned percentage, there would be a comparable impact on the profit before tax as mentioned above would be negative.

C. Security Price Risk Management

Exposure in equity

The Company is exposed to equity price risks arising from equity investments held by the Company and classified in the balance sheet as fair value through OCI.

Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the year.

If the equity prices had been 5% higher / lower:

Other comprehensive income for March 31, 2024 would increase / decrease by ₹ 0.11 crores (March 31, 2023: increase / decrease by ₹ 0.11 crores) as a result of the change in fair value of equity investment measured at FVTOCI.

Exposure in mutual funds

The Company manages the surplus funds majorly through investments in debt based mutual fund schemes. The price of investment in these mutual fund schemes is reflected though Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Company is exposed to price risk on such Investments.

Mutual fund/debentures/Equity shares/bonds price sensitivity analysis

The sensitivity analysis below have been determined based on Mutual Fund Investment at the end of the year. If NAV has been 1% higher / lower:

Profit for the year ended March 31, 2024 would increase / decrease by ₹ 12.50 crores (March 31, 2023 by ₹ 21.34 crores) as a result of the changes in fair value of mutual fund investments.

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for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

37 Financial Instruments and Risk Management (Contd..)

D. Commodity Price Risk Management

The Company uses commodity derivative instruments to manage its price risk exposures on inventory of cotton. Commodity derivatives are used primarily as risk mangement tool to safeguard price risk exposure on inventory of cotton. Company employs specific financial instruments namely future and option contracts for hedging its price risk related to commodity.

37.3.2 Credit Risk Management

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in liquid mutual fund units, bonds, fixed maturity plan etc. issued by institutions having proven track record. The Company's credit risk in case of all other financial instruments is negligible.

The Company assesses the credit risk based on external credit ratings assigned by credit rating agencies. The Company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by letters of credit.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The Company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

The following is the detail of revenues generated from top five customers of the Company:

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue from top five customers	894.75	962.47
% of total sales of products	9.62%	9.78%

Financial assets for which loss allowance is measured:

Particulars	As at March 31, 2024	As at March 31, 2023
Loans - Non-current	1.27	1.25
Loans - Current	2.33	2.51
Other financial assets - Non-current	16.36	39.03
Other financial assets - Current	15.22	28.74
Trade receivables	1,205.38	1,179.08
	1,240.56	**1,250.61**

Notes to Standalone Financial Statement

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37 Financial Instruments and Risk Management (Contd..)

Loss allowance is as follows:-

Particulars	
As at April 01, 2022	**17.36**
Provided during the year	1.65
Reversed during the year	(0.25)
As at March 31, 2023	**18.76**
Provided during the year	-
Reversed during the year	(0.22)
As at March 31, 2024	**18.54**

Other than financial assets mentioned above, none of the Company's financial assets are either impaired, and there were no indications that defaults in payment obligations would occur.

37.3.3 Liquidity Risk Management

The financial liabilities of the Company, other than derivatives, include loans and borrowings, trade and other payables. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The Company plans to maintain sufficient cash and marketable securities to meet the obligations as and when fall due. The below is the detail of contractual maturities of the financial liabilities of the Company at the end of each reporting period:

The table below analyses the Company's financial liabilities and financial assets into relevant maturity groupings based on their contractual maturities:

As at March 31, 2024	Less than 1 year	More than 1 year and upto 3 years	More than 3 year and upto 5 years	More than 5 years	Total
Financial Assets					
Investments	111.04	1,138.66	-	112.47	1,362.17
Trade Receivables	1,205.38	-	-	-	1,205.38
Cash and cash equivalents	32.51	-	-	-	32.51
Bank balances other than above	50.71	-	-	-	50.71
Loans	2.33	0.87	0.40	-	3.60
Other financial assets	15.22	6.20	10.15	-	31.57
	1,417.19	**1,145.73**	**10.55**	**112.47**	**2,685.94**
Financial liabilities					
Borrowings	1,371.87	417.96	-	-	1,789.83
Trade payables	283.66	29.92	3.80	-	317.38
Lease liabilitiy (undiscounted)	0.00	0.01	0.01	8.43	8.45
Other financial liabilities	199.33	0.64	-	-	199.97
	1,854.86	**448.53**	**3.81**	**8.43**	**2,315.63**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

37 Financial Instruments and Risk Management (Contd..)

As at March 31, 2023	Less than 1 year	More than 1 year and upto 3 years	More than 3 year and upto 5 years	More than 5 years	Total
Financial Assets					
Investments	1,021.25	429.94	683.01	112.33	2,246.53
Trade Receivables	1,179.08	-	-	-	1,179.08
Cash and cash equivalents	74.66	-	-	-	74.66
Bank balances other than above	295.58	-	-	-	295.58
Loans	2.51	0.98	0.08	0.19	3.76
Other financial assets	28.74	28.87	10.15	-	67.77
	2,601.83	**459.79**	**693.24**	**112.52**	**3,867.38**
Financial liabilities					
Borrowings	745.76	621.76	309.59	-	1,677.11
Trade payables	307.25	-	-	-	307.25
Lease liabilitiy (undiscounted)	-	0.01	0.01	8.43	8.45
Other financial liabilities	198.55	3.50	-	-	202.05
	1,251.56	**625.27**	**309.60**	**8.43**	**2,194.86**

The approach of the Company to manage liquidity is to ensure, as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation. The working capital credit facilities are continuing facilities which are reviewed every year. The Company also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt & Equity).

Particulars	As at March 31, 2024	As at March 31, 2023
Total sanctioned limits from banks (Fund Based) ₹ in Crores	2,350.00	2,350.00
Utilized	816.27	343.18
Unutilized	**1,533.73**	**2,006.82**

38 Contingent Liabilities and Commitments

a. Claims against the Company not acknowledged as debts:

Particulars	As at March 31, 2024	As at March 31, 2023
Sales tax, excise duty, etc*	6.69	6.79
Income-tax**	254.62	256.07
Others***	4.40	4.40

* Amount deposited ₹ 1.60 crore (March 31, 2023 : ₹ 1.60 crore)

** Amount deposited ₹ 236.46 crore (March 31, 2023 : ₹ 210.42 crore)

*** Amount deposited ₹ 0.70 crore (March 31, 2023 : ₹ 0.70 crore)

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

38 Contingent Liabilities and Commitments (Contd..)

b. Liability on account of bank guarantees and letter of credit of ₹ 200.14 crores (March 31, 2023: ₹ 226.47 crores)

c. The amounts shown above represents the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately or relate to a present obligations that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate cannot be made. The Company has been advised that it has strong legal positions against such disputes.

d. The Payment of Bonus (Amendment) Act 2015, notified on December 31, 2015, had revised the thresholds for coverage of employee eligible for Bonus and also enhanced the ceiling limits for computation of bonus retrospectively from April 1, 2014. Based on legal opinion, the Company has filed a writ petition in Hon'ble High Court of Punjab & Haryana contesting its retrospective applicability and the said jurisdictional High Court has granted stay on its retrospective operation. In view thereof, the Company has not provided differential bonus pertaining to the period from April 1, 2014 to March 31, 2015 amounting to ₹ 8.21 crores. However, the Company has provided/paid bonus w.e.f. April 1, 2015 according to the amended provisions of the Payment of Bonus (Amendment) Act 2015.

e. Capital and other commitments

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advance)	238.06	225.85
(ii) Exports obligations under Export Promotion Capital Goods (EPCG) scheme*	-	-

* Company is availing benefit under EPCG Scheme for import of capital goods and spare parts against obligation to export six times of the duty saved. Total Duty to be saved/saved against licences outstanding as at March 31, 2024 is ₹ 626.99 crores (March 31, 2023 ₹ 569.62 crores). Export obligation on such licences outstanding as at year end is disclosed above.

(iii) The Company has other commitments, for purchases / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits in normal course of business. The Company does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.

39 The details of dues of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where Dispute is pending	Period to which the amount relates (various years covering the period)	Amount* (₹ Crores)	Amount unpaid (₹ In Crores)
Central Excise Laws	Excise Duty	CESTAT	FY 2007-08 to FY 2010-11	0.67	0.65
		High Court	2016-17, 2017-18 and 2020-21	3.77	3.58
		Upto Commissioner (Appeals)	FY 2011-12 to FY 2013-14, FY 2017-18 and FY 2018-19	0.62	0.60

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(All amounts in ₹ crores, unless otherwise stated)

39 (Contd..)

Name of the Statute	Nature of the Dues	Forum where Dispute is pending	Period to which the amount relates (various years covering the period)	Amount* (₹ Crores)	Amount unpaid (₹ In Crores)
Service Tax Laws	Service Tax	Commissioner (Appeal)	FY 2008-09	0.11	0.11
Sales Tax Laws	Central sales tax	Appellate Board	FY 2009-10	0.06	0.06
	State sales tax	Appellate Board	FY 2010-11 to FY 2012-13	0.17	0.08
		Upto Commissioner (Appeals)	FY 2014-15 to FY 2017-18	0.07	0.05
Goods and Service Tax Laws	Goods and Service Tax Laws	Upto Commissioner (Appeals)	FY 2017-18 to FY 2020-21	1.87	0.61
Provident Fund	Provident Fund	High Court	FY 2015-16	0.27	0.16
Municipality Corporation Act	Octroi	High Court	FY 1996-97	0.15	0.15
Property tax	Property Tax	High Court	FY 2015-16	1.40	0.70
Land Acquisition Act	Enhancement of compensation for Industrial Land	Collector Land Acquisition	FY 1991-92	1.47	1.47
National Green Tribunal	National Green Tribunal	High Court	FY 2020-21	1.38	1.38
Income-tax Laws	Income-tax	ITAT	AY 2015-16	11.06	-
Income-tax Laws	Income-tax	CIT (Appeals)	AY 2016-17 to AY 2020-21	230.57	5.47

* amount as per dispute/as per demand orders including interest and penalty wherever quantified in the Order.

The following matters, which has been excluded from the above table, have been decided in the favour of the Company, but the department has preferred appeal at higher level. The details are given below:

Name of the Statute	Nature of the Dues	Forum where Dispute is pending	Period to which the amount relates (various years covering the period)	Amount Involved * (₹ In Crores)
Income-tax Laws	Income-tax	Income-tax Appellate Tribunal (ITAT)	AY 2015-16	55.42
		High Court	AY 2001-02 to AY 2007-08	34.30

* amount as per dispute/as per demand orders including interest and penalty wherever quantified in the Order.

40(a) Mahavir Share Trust (""Trust"") is holding 10,65,822 equity shares (March 31, 2023: 5,32,911 equity shares) of ₹ 10 each of Vardhman Special Steels Limited which were allotted to it in the capacity of a shareholder of the Company by virtue of 'Scheme of Arrangement & Demerger' entered into by the Company, Vardhman Special Steels Limited and their respective shareholders and creditors.

As the aforesaid shares are held by Trust (Mahavir Share trust) on behalf of the Company and Company not being registered owner of shares, the cost of these shares is not reflected in investments but same has been valued at cost as reflected in other current asset.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

40(b) The detail of the amount recoverable from Mahavir Share Trust as at the end of the year is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Cost of shares of Vardhman Special Steels Limited	4.64	4.64
Other recoverable	0.01	0.17
	4.65	**4.81**

41 SEGMENT INFORMATION

The Company is primarily in the business of manufacturing, purchase and sale of textiles. The Chairman and Managing Director of the Company, which has been identified as being the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is only one reportable segment for the Company.

Entity Wide Disclosure

Particulars	For the year ended March, 31 2024	For the year ended March, 31 2023
Revenue from Operations		
Domestic	5,356.10	5,484.39
Overseas	3,942.58	4,356.40
	9,298.68	**9,840.79**
Total Segment Assets		
- Within India	11,486.52	10,860.88
- Outside India	-	-
Non Current Segment Assets		
- Within India	5,268.11	5,302.74
- Outside India	-	-

Total Segment Assets included non current and current assets

Domestic information includes sales and services rendered to customers located in India.

Overseas information includes sales and services rendered to customers located outside India.

Non-current segment assets includes property, plant and equipments, capital work in progress, intangible assets and other non current assets.

No single customer contributed 10% or more to the Company's revenue for both the financial years 2023-24 and 2022-23.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

42 EARNINGS PER SHARE

Particulars	For the year ended March, 31 2024	For the year ended March, 31 2023
Basic earnings per share (INR)	21.01	25.91
Diluted earnings per share (INR)	21.01	25.90
Profit attributable to the equity holders of the Company used in calculating basic earning per share	607.63	749.07
Weighted average number of equity shares for the purpose of basic earning per share (numbers)	28,91,55,122	28,90,63,459
Profit attributable to the equity holders of the Company used in calculating dilutive earning per share	607.63	749.07
Weighted average number of equity shares for the purpose of dilutive earning per share (numbers)	28,91,93,550	28,92,02,642

43 Trade Payables and payable for purchase of property, plant and equipments include the following dues to micro and small enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" (MSMED) to the extent such parties have been identified from the available information.

Particulars	For the year ended March, 31 2024	For the year ended March, 31 2023
Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of year		
- Principal amount*	24.47	26.11
- Interest due thereon	-	-
	24.47	**26.11**
Amount of payments made to suppliers beyond the appointed day during the year		
- Principal amount	-	-
- Interest actually paid under section 16 of MSMED	-	-
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
- Interest accrued during the year	-	-
- Interest remaining unpaid as at the end of the year	-	-
Interest remaining disallowable as deductible expenditure under the Income-tax Act, 1961	-	-

*It includes the amount of payable for purchase of property, plant and equipments of ₹ 0.70 crores (FY 2022-23 ₹ 2.78 crores)

44 Leases

The Company has lease contracts for various Lands, Godowns, Guest Houses, Office premises. Leases of Office Premises,guest Houses,Godowns have lease term ranging from 11 months to 30 years and leases of land have leave terms of 99 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options.

The Company also has certain leases of office premises and guest houses with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

44 Leases (Contd..)

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024:

Particulars	Land	Building	Total
Balance as on April 01, 2022	**8.49**	**0.01**	**8.50**
Addition	-	-	-
Deletion	-	-	-
Depreciation/Amortisation	(0.13)	-	(0.13)
Balance as on March 31, 2023	**8.36**	**0.01**	**8.37**
Addition	-	-	-
Deletion	-	-	-
Depreciation/Amortisation	(0.13)	-	(0.13)
Balance as on March 31, 2024	**8.23**	**0.01**	**8.24**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break up of current and non current lease liabilities as at March 31, 2024:

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	-	-
Non-Current lease liabilities	0.18	0.17
Total	**0.18**	**0.17**

Following is the movement in lease liabilities during year ended March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	0.17	0.17
Finance cost accrued during the period	0.01	-
Payment of lease liabilities	-	-
Balance at the end	**0.18**	**0.17**

The table below provide details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	0.00	0.00
One to five years	0.01	0.01
More than five years	8.42	8.42
Total	**8.43**	**8.43**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

44 Leases (Contd..)

The following are the amounts recognised in statement of profit and loss:

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation expenses on Right to use Assets	0.13	0.13
Interest expense on lease liabilities	-	-
Expense relating to short-term leases (included in other expenses)	1.27	0.61
Total amount recognised in statement of profit and loss	**1.40**	**0.74**

45 Share based payments - Employee Share option plan of the Company

(i) Detail of employee share option of the Company: The Company has a share option scheme for senior employees of the Company. In accordance with the terms of the plan as approved by shareholders, eligible employees may be granted options to purchase equity shares. Each employee share option convert into one equity share of the Company on exercise. Exercise price payable by the recipient is determined as per scheme. The options when allotted carry rights to dividend and voting power at par with other equity shares. Options may be exercised at the time of vesting to the date of their expiry.

(ii) The number of options granted is in accordance with employee stock option scheme approved by the shareholders and is subject to approval by the remuneration committee. The scheme rewards senior employees to the extent of Company's and the individual's achievement judged against both qualitative and quantitative criteria.

(iii) The following share payments arrangement is in existence during the period.

Option Detail	Number	Grant Date	Expiry Date	Exercise Price	Fair value of option at grant date
Vardhman Employee Stock Option 2016	30,22,500	15th Nov-16	2 years from the date of respective vesting	163.00	70.46
	15,000	9th Feb-17		163.00	70.46
	32,500	10th May-17		163.00	70.46
	30,70,000				

Details of vesting

Vesting period from grant date	Vesting schedule
On completion of 12 months	10%
On completion of 24 months	20%
On completion of 36 months	20%
On completion of 48 months	20%
On completion of 60 months	30%

(iv) During the current year, the Company has granted equity shares of ₹ NIL having face value of ₹ 2 per share (FY 2022-23 of ₹ Nil). Further 47,750 equity shares having face value of ₹ 2 per share (FY 2022-23: 263,000) have been exercised during the year.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

45 Share based payments - Employee Share option plan of the Company (Contd..)

(v) Fair value of options/shares granted in the year

Call option value per option unit using Black Scholes Method is ₹ 85.53. The following inputs have been used for computing the fair value:

Inputs into the model	Particulars
Grant date share price (₹)	211.32
Exercise price (₹)	163.00
Expected volatility	33.78%
Option life	2 years
Dividend yield	1.92%
Risk free Interest Rate	6.31%

(vi) Movement of share options

Particulars	2023-24		2022-23	
	Number of options	Weighted Average Exercise price	Number of options	Weighted Average Exercise price
Balance at beginning of year	66,500	-	3,45,500	-
Exercised during the year	(47,750)	163.00	(2,63,000)	163.00
Lapsed during the year	(18,750)	-	(16,000)	-
Balance at end of year	**-**	**-**	**66,500**	**-**

(vii) Share options exercised during the year

Particulars	Allotment	Allotment date	Share price at exercise date
Granted as per para (iii) above			
	3,000	04-Apr-23	163.00
	12,500	04-Jul-23	163.00
	32,250	04-Oct-23	163.00
	47,750		

(viii) Amount accounted for in statement of profit and loss for Employee stock options is ₹ NIL (FY 2022-23 ₹ NIL).

(ix) The Company has approved new stock option plan through postal ballot on March 10, 2024. Further, the Nomination and Remuneration Committe of the Company has approved to grant 31,75,000 employee stock option to the eligible employees under the said plan on April 03, 2024. No shares have been granted under the approved plan.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

46 Related Party Transactions

46.1 Description of related parties

Subsidiaries

Vardhman Acrylics Limited

VTL Investments Limited

Associates

Vardhman Yarns and Threads Limited

Vardhman Spinning and General Mills Limited

Vardhman Special Steels Limited

Relatives of KMP

Ms. Soumya Jain

Mrs. Shakun Oswal

Key management personnel (KMP)

Mr. S.P. Oswal, Chairman and Managing Director

Mrs. Suchita Jain, Vice Chairperson & Joint Managing Director

Mr. Neeraj Jain, Joint Managing Director

Ms. Sagrika Jain (Executive Director) (w.e.f August 06, 2022)

Mr. Rajeev Thapar, Chief Financial Officer

Mr. Sanjay Gupta, Company Secretary

Mr. Sachit Jain (Non-Executive Director)

Mr. Prafull Anubhai (Independent Director)

Mr. Ashok Kumar Kundra (Independent Director) (upto September 30, 2022)

Dr. Subash Khanchand Bijlani (Independent Director) (upto September 30, 2022)

Dr. Parampal Singh (Independent Director)

Mrs. Harpreet Kaur Kang (Independent Director)

Mr. Udeypaul Singh Gill (Independent Director)

Mr. Suresh Kumar (Independent Director)

Mr. Atul Khosla (Independent Director) (w.e.f. August 04, 2023)

Post Employment Benefit Plans Trust

Mahavir Employees Gratuity Fund Trust

Mahavir Superannuation Scheme

Enterprises over which KMP have significant influence ('Others')

Vardhman Holdings Limited

Vardhman Apparels Limited

Smt. Banarso Devi Oswal Public Charitable Trust

Sri Aurobindo Socio Economic and Management Research Institute

Adhiswar Enterprises LLP

Devakar Investment and Trading Company Private Limited

Santon Finance and Investment Company Limited

Flamingo Finance and Investment Company Limited

Ramaniya Finance and Investment Company Limited

Mahavir Spinning Mills Private Limited

Northern Trading Company

Amber Syndicate

Paras Syndicate

Eastern Trading Company

Mahavir Traders

Lock And Decor Home LLP

46.2 Transactions with related parties

Particulars	Relation	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale /processing of goods to:#			
Vardhman Acrylics Limited	Subsidiary	0.68	0.11
Vardhman Special Steels Limited	Associates	0.79	0.66
Vardhman Yarns and Threads Limited	Associates	1.02	0.12
Mahavir Traders	Others	58.26	75.17
		60.75	**76.06**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

46 Related Party Transactions (Contd..)

Particulars	Relation	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase/processing of goods from:#			
Vardhman Acrylics Limited	Subsidiary	107.21	153.23
Vardhman Yarns and Threads Limited	Associates	18.48	17.14
		125.69	**170.37**
Sale of RoDTEP License			
Vardhman Acrylics Limited	Subsidiary	2.49	3.35
Vardhman Special Steels Limited	Associates	0.96	2.25
Vardhman Yarns and Threads Limited	Associates	3.41	3.31
		6.86	**8.91**
Sales of property, plant & equipment to:#			
Smt. Banarso Devi Oswal Public Charitable Trust	Others	-	0.00
Sri Aurobindo Socio Economic and Management Research Institute	Others	-	0.03
		-	**0.03**
Purchase of property, plant & equipment to:#			
Lock And Decor Home LLP	Others	0.70	-
Sri Aurobindo Socio Economic and Management Research Institute	Others	0.00	-
		0.70	**-**
Rent paid**			
Vardhman Holdings Limited	Others	0.02	0.02
Smt. Banarso Devi Oswal Public Charitable Trust	Others	0.12	0.11
		0.14	**0.13**
Rent received **			
Vardhman Yarns and Threads Limited	Associates	0.28	0.26
		0.28	**0.26**
Dividend received			
Vardhman Acrylics Limited	Subsidiary	14.21	-
Vardhman Special Steels Limited	Associates	3.88	3.40
Vardhman Yarns and Threads Limited	Associates	6.90	8.53
		24.99	**11.93**
Reimbursement of expenses received from			
Vardhman Acrylics Limited	Subsidiary	0.00	-
Vardhman Apparels Limited	Others	0.00	-
Vardhman Special Steels Limited	Associates	0.11	0.05
Vardhman Yarns and Threads Limited	Associates	0.13	0.13
Sri Aurobindo Socio Economic and Management Research Institute	Others	0.03	-
		0.27	**0.18**
Reimbursement of expenses paid			
Vardhman Acrylics Limited	Subsidiary	0.01	0.00
Vardhman Yarns and Threads Limited	Associates	0.04	0.01
Vardhman Special Steels Limited	Associates	-	0.00
		0.05	**0.01**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

46 Related Party Transactions (Contd..)

Particulars	Relation	For the year ended March 31, 2024	For the year ended March 31, 2023
Recovery of Common Expenses incurred **			
Vardhman Acrylics Limited	Subsidiary	0.76	0.76
Vardhman Special Steels Limited	Associates	1.00	1.00
Vardhman Yarns and Threads Limited	Associates	3.53	4.22
		5.29	**5.98**
Payment against licence agreement**			
Vardhman Holdings Limited	Others	1.39	1.48
		1.39	**1.48**
Donations/ CSR payments to			
Smt. Banarso Devi Oswal Public Charitable Trust	Others	-	0.03
Sri Aurobindo Socio Economic and Management Research Institute	Others	0.17	0.58
		0.17	**0.61**
Salary paid to			
Ms. Sagrika Jain	KMP	-	0.05
		-	**0.05**
Withdrawl/ (contribution) from post employment benefit plans			
Mahavir Employees Gratuity Fund Trust	Post Employment Benefit Plans Trust	(2.46)	4.64
		(2.46)	**4.64**

46.3 Outstanding Balances:

Particulars	Relation	For the year ended March 31, 2024	For the year ended March 31, 2023
Receivables			
Vardhman Special Steels Limited	Associates	0.17	0.17
Vardhman Yarns and Threads Limited	Associates	0.12	0.46
Vardhman Spinning and General Mills Ltd.	Associates	0.00	-
Vardhman Apparels Limited	Others	0.01	0.01
Mahavir Traders	Others	-	0.20
Mahavir Employees Gratuity Fund Trust	Post Employment Benefit Plans Trust	1.02	-
		1.32	**0.84**
Payables			
Vardhman Acrylics Limited	Subsidiary	1.50	1.50
Vardhman Holdings Limited	Others	1.53	1.62
Mahavir Traders	Others	0.04	-
		3.07	**3.12**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

46 Related Party Transactions (Contd..)

Particulars	Relation	For the year ended March 31, 2024	For the year ended March 31, 2023
Equity Investment outstanding			
Vardhman Acrylics Limited	Subsidiary	53.15	53.15
VTL Investments Limited	Subsidiary	4.04	4.04
Vardhman Special Steels Limited	Associates	25.24	25.24
Vardhman Yarns and Threads Limited	Associates	27.50	27.50
Vardhman Spinning and General Mills Limited	Associates	0.03	0.03
		109.96	**109.96**

46.4 Key management personnel compensation*

Particulars	Relation	For the year ended March 31, 2024	For the year ended March 31, 2023
Mr. S.P. Oswal	KMP	16.61	20.61
Mrs. Suchita Jain	KMP	3.36	3.21
Mr. Neeraj Jain	KMP	2.78	2.65
Ms. Sagrika Jain	KMP	1.08	0.69
Mr. Rajeev Thapar	KMP	0.94	0.80
Mr. Sanjay Gupta	KMP	0.25	0.23
Mr. Prafull Anubhai	KMP	0.06	0.07
Dr. Subash Khanchand Bijlani	KMP	-	0.03
Mr. Ashok Kumar Kundra	KMP	-	0.04
Mr. Suresh Kumar	KMP	0.05	0.02
Dr. Parampal Singh	KMP	0.03	0.03
Mrs. Harpreet Kaur Kang	KMP	0.04	0.04
Mr. Udeypaul Singh Gill	KMP	0.03	0.03
Mr. Atul Khosla	KMP	0.01	-
		25.24	**28.46**

* excluding provision for employee benefits, employee stock options but includes sitting fees paid / payable to non executive directors. Perquisites values are considered as per the provisions of Income Tax Act, 1961.

** Transaction are exclusive of Taxes

Gross of Indirect Taxes

47 Employee Benefits

47.1 Defined contribution plans:

Amounts recognized in the statement of profit and loss are as under:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
National Pension Scheme	2.67	2.65
Provident fund administered through Regional Provident Fund Commissioner	43.47	40.64

Notes to Standalone Financial Statement

for the year ended March 31, 2024
(All amounts in ₹ crores, unless otherwise stated)

47 Employee Benefits (Contd..)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employees' State Insurance Corporation	11.52	9.41
Other funds	1.94	1.61
	59.60	**54.31**

The expenses incurred on account of the above defined contribution plans have been included in Note 33 "Employee Benefits Expenses" under the head "Contribution to provident and other funds"

47.2 Defined benefit plans

The Company sponsors funded defined benefit plan for qualifying employees. This defined benefit plan of gratuity is administered by a separate trust that is legally separate from the entity. The trustees are required by the law to act in the interest of the trust and all the relevant stakeholders i.e. active employees, inactive employees, retired employees and employers, etc. The trust is responsible for investment policy with regard to the assets of the trust. The Company has a gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's plan, whichever is more beneficial.

(i) These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Risk

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Interest Risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

47 Employee Benefits (Contd..)

(ii) The principal assumption used for the purpose of the actuarial valuation were as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount Rate	7.22%	7.36%
Salary increase	6.00%	6.00%
Expected average remaining working life	26.95	27.18
Mortality Rates	IALM (2012-14)	IALM (2012-14)
Method used	Project unit credit method	Project unit credit method

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. An actuarial valuations involves making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

(iii) Amounts recognised in statement of profit and loss in respect of these benefit plans are as follows:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Current Service cost	13.93	12.68
Net interest expenses	0.16	(0.24)
	14.09	**12.44**

The current service cost, past service cost and the net interest expenses for the year are included in Note 33 "Employee Benefits Expenses" under the head "Salaries and Wages".

(iv) Amounts recognised in Other Comprehensive Income:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Actuarial gain/(losses) arising for the year on asset	4.87	(0.40)
Actuarial gain/(losses) arising from changes in financial assumptions	(1.26)	1.49
Actuarial gain/(losses) arising from changes in experience adjustments	1.34	2.44
	4.95	**3.53**

(v) The amount included in balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	March 31, 2024	March 31, 2023
Present value of funded defined benefit obligation	104.59	93.70
Fair Value of Plan Assets	105.60	91.53
Net assets / (liability)	**1.01**	**(2.17)**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

47 Employee Benefits (Contd..)

(vi) Movements in the present value of defined benefit obligation are as follows:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Opening defined benefit obligation	93.70	85.42
Current Service Cost	13.93	12.68
Interest Cost	6.90	6.13
Actuarial (gain)/losses arising from changes in financial assumptions	1.26	(1.49)
Actuarial (gain)/losses arising from changes in experience adjustments	(1.34)	(2.44)
Benefits paid	(9.86)	(6.60)
Closing defined benefit obligation	**104.59**	**93.70**

(vii) Movements in the fair value of plan assets are as follows:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Opening fair value of plan assets	91.53	88.80
Return on plan assets (excluding amounts included in net interest expenses)	11.61	7.38
Contributions from employer	2.46	-
Benefits paid	-	(4.65)
Closing fair value of plan assets	**105.60**	**91.54**

Plan assets comprises of mutual fund, Government of India securities and bank balances. The average duration of the defined benefit obligation is 13.99 years (2023: 14.05 years). The Company expects to make a contribution of ₹ 16.39 crores (March 31, 2023: ₹ 15.27 crores) to the defined benefit plans during the next financial year.

(viii) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate		
0.50% Increase	(4.47)	(4.02)
0.50% decrease	4.85	4.35
Future Salary increase		
0.50% Increase	4.72	4.25
0.50% decrease	(4.40)	(3.97)

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

47 Employee Benefits (Contd..)

(ix) Maturity Profile of Defined Benefit Obligation

Year	Amount
a) 0 to 1 Year	10.64
b) 1 to 2 Year	7.64
c) 2 to 3 Year	6.57
d) 3 to 4 Year	6.82
e) 4 to 5 Year	6.28
f) 5 to 6 Year	6.00
g) 6 Year onwards	60.65

47.3 Other long term employee benefit

(i) Amount recognised in profit and loss in note no. 33 "Employee benefit expense" under the head "Salaries and Wages" towards liability on account of compensated absences ₹ 6.32 crore (March 31, 2023 : ₹ 6.56 crore)

(ii) Amount taken to balance sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Current	3.31	3.29
Non Current	17.78	16.95

48 Assets pledged as security:

Particulars	As at March 31, 2024	As at March 31, 2023
Current assets		
Financial assets		
Trade receivables	1,205.38	1,179.08
Non-financial assets		
Inventory	4,106.96	2,312.16
Total current assets pledged as security	**5,312.34**	**3,491.24**
Non-current assets		
Property, plant & equipment	3,693.35	3,870.76
Total non-current assets pledged as security	**3,693.35**	**3,870.76**
Total assets pledged as security	**9,005.69**	**7,362.00**

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

49 Corporate Social Responsibility:

Particulars	As at March 31, 2024	As at March 31, 2023
a. Amount required to be spent by the company during the year	22.24	19.66
b. Amount of expenditure incurred*	5.53	4.31
c. Shortfall at the end of the year** (a-b)	16.71	15.35
d. Total of previous years shortfall (2020-21)	-	0.72
e. Total of previous years shortfall (2021-22)	0.51	2.54
f. Total of previous years shortfall (2022-23)	7.29	-
Total shortfall at year end	**24.51**	**18.61**
g. Related party transactions:		
(i) Smt. Banarso Devi Oswal Public Charitable trust	0.12	0.03
(ii) Sri Aurobindo Socio Economic and Management Research Institute	0.17	0.58
h. Movement of provision:		
- Opening	18.61	10.69
- Provision created during the year:	22.24	15.62
- Spent during the year for FY 2020-21	(0.72)	(0.59)
- Spent during the year for FY 2021-22	(2.03)	(7.11)
- Spent during the year for FY 2022-23	(8.06)	-
- Spent during the year for FY 2023-24	(5.53)	-
- Closing	**24.51**	**18.61**

***Nature of CSR activities:**

Promoting Education, Promoting Healthcare including Preventive Healthcare, Rural Development, Promotion of Art & Culture, Measures for the benefit of armed forces veterans, Promotion of Nationally Recognized Sports.

Amount remaining unspent pretains to "Ongoing/ Multi-layer Projects" approved by CSR committee which will be spent in coming years.

Details of Deposit in Unspent CSR Account:

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
1. Unspent CSR amount deposited in special account (Unspent CSR Account)	16.71	15.35	9.65
2. Spent during the year for FY 2021-22	-	-	-
3. Spent during the year for FY 2022-23	-	-	7.11
4. Spent during the year for FY 2023-24	-	8.06	2.03
Balance lying in the bank account which will be spent in coming years as on March 31, 2024 {1-(2+3+4)}	**16.71**	**7.29**	**0.51**
Date of deposit	29-Apr-24	29-Apr-23	29-Apr-22

50 There has been no delay in transferring amount, required to be transferred, to the investor education and protection fund (IEPF) by the Company during the year.

50A. The Company has identified two accounting software that record financial transactions to which the guidance of audit trail applies. The Company evaluated and noted that in respect of one accounting software the audit trail (edit log) feature was throughout the year. Further, in respect of other accounting software used for purchase, production and sales management, no audit trail log was enabled to log any direct data changes made at the database level and audit trail enabled on the accounting software is not configured to track if it was disabled at any point in time during the year.

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

51 Other statutory information:

(i) No proceeding have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

(ii) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

(iii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(iv) There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(v) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (""Intermediaries"") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

(vi) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("funding party") with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly lend or invest in other persons or entities in any manner whatsoever by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) During the financial year, the Company has not traded or invested in Crypto currency or Virtual Currency.

(viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(ix) The Company has availed facilities from banks on the basis of security of current assets. The revised returns or statements filed by the Company are in agreement with the books of accounts and there are no material discrepancies.

(x) The Board of Directors of Company have proposed the final dividend of ₹ 4 per fully paid 28,91,74,800 equity shares. The proposed final dividend is subject to approval of the members at the ensuing Annual General Meeting. The amount of such dividend proposed is in accordance with section 123 of Companies Act, 2013.

52 Ratios:

Particulars	Numerator	Denominator	Year ended March 31, 2024	Year ended March 31, 2023	%age change	Remarks
(a) Current Ratio	Current Assets	Current Liabilities	3.13	4.09	-23.61%	-
(b) Debt-Equity Ratio	Total Debt (excluding lease liabilities)	Shareholder's Equity	0.20	0.20	0.54%	-
(c) Debt-service coverage ratio	Earnings available for debt service: = Net profit after taxes + Depreciation/ amortizations + finance cost	Debt Service: = Finance cost & lease payments + Scheduled principal repayments of Long term Debt	1.67	2.46	-31.93%	Refer note 1
(d) Return on equity ratio	Net profits after taxes	Average shareholder's equity	7.11%	9.46%	-24.87%	Refer note 1

Notes to Standalone Financial Statement

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

52 Ratios: (Contd..)

Particulars	Numerator	Denominator	Year ended March 31, 2024	Year ended March 31, 2023	%age change	Remarks
(e) Inventory turnover ratio	Revenue from operations	Average Inventory	2.90	3.84	-24.55%	-
(f) Trade receivables turnover ratio	Revenue from operations	Average Trade receivables	7.80	7.91	-1.40%	-
(g) Trade payables turnover ratio	Total purchases	Average Trade payables	23.32	16.21	43.86%	Refer note 2
(h) Net Capital turnover ratio	Revenue from operations	Working Capital = Current Assets - Current Liabilities	2.20	2.34	-6.17%	-
(i) Net Profit ratio	Net profits after taxes	Revenue from operations	6.53%	7.61%	-14.15%	-
(j) Return on capital employed	Earnings before interest and taxes	Capital Employed	8.23%	10.66%	-22.76%	-
(k) Return on investment	Investment Income	Average Investments	10.93%	6.11%	78.81%	Refer note 3

Remarks for more than 25% change in ratios of FY 2023-24 as compared to FY 2022-23:

1. This ratio has decreased mainly on account of decrease in profits.
2. This ratio has increased due to increased purchase of raw material during the current year.
3. This ratio has increased due to mark to market gains because of changes in yield during the year.

53 The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 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.

For and on behalf of the Board of Directors

Sanjay Gupta
Company Secretary
Membership No:-4935

Rajeev Thapar
Chief Financial Officer

Suchita Jain
Vice Chairperson and
Joint Managing Director
DIN:00746471

S.P. Oswal
Chairman and
Managing Director
DIN: 00121737

Place : Ludhiana
Date: May 09, 2024

Independent Auditor's Report

To
The Members of
Vardhman Textiles Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Vardhman Textiles Limited** ("the Parent"/ "the Holding Company") and its subsidiaries, (the Parent/ Holding Company and its subsidiaries together referred to as "the Group") which includes Group's share of profit in its associates, which comprise the Consolidated Balance Sheet as at 31st March 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements financial information of the subsidiaries and associates referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made 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 the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Uncertain income-tax positions - Refer to Notes 2.13, 2.24.7, 36 and 38 to the consolidated financial statement** The Parent has material uncertain income tax positions including matters under dispute relating to Income Taxes. These matters involve significant management judgement to determine the possible outcome of these disputes.	Principal audit procedure performed • Obtained an understanding of and performed testing of design, implementation and operating effectiveness of the control established by the Parent with regard to uncertain income tax positions. • We obtained details of complete income tax matters from the Parent's internal tax experts during the year ended March 31, 2024.

Sr. No.	Key Audit Matter	Auditor's Response
		• We involved our internal direct tax experts to challenge the management's underlying assumptions in estimating the tax provisions and possible outcome of the disputes. Our internal direct tax experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions relating to Income Taxes. • Assessed the adequacy of the disclosures made in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Business Responsibility Report and sustainability Report, Director's Report including annexures to the Director's Report and Corporate Governance Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and associates, is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 financial statements 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 the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management 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 also responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 these consolidated financial statements.

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 consolidated financial statements, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's 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 statements 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, 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 consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements 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 consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of ₹ 399.85 crores as at 31st March, 2024, total revenues of ₹ 429.80 crores and net cash outflows amounting to ₹ 0.99 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 35.54 crores for the year ended 31st March, 2024, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the branch auditors and other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and associates referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for not complying with the requirement of audit trail as stated in (i)(vi) below, returns and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate companies, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

   g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A"** which is based on the auditors' reports of the Parent company, subsidiary companies and associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

      In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies and associate companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies and associate companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates - Refer Note 38(a) to the consolidated financial statements;

ii) The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company, its subsidiary companies and associate companies incorporated in India.

iv) (a) The respective Managements of the Parent Company, its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, other than as disclosed in the note 50(v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiaries and associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries and associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent Company, its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, other than as disclosed in the note 50(vi) to the consolidated financial statements, no funds have been received by the Parent Company or any of such subsidiaries and associates from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries and associates shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend paid by the associates which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 51 to the consolidated financial statements, the Board of Directors of the Parent Company, its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent Company, such subsidiaries and associates at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable

vi) Based on our examination which included test checks, and based on the other auditor's reports of its subsidiary companies and associate companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Parent Company, its subsidiary companies and associate companies have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares:

In respect of Parent Company, for one accounting software used for maintenance of purchase, production and sales records, the software did not have a feature to log the enabling/ disabling of audit trial (edit log) feature at the application level and the audit trial log was not enabled at the database level to log any direct data changes; accordingly we are unable to comment whether the audit log feature was enabled and operated throughout the year for all relevant transactions recorded in the software and whether there were any instances of the audit trial feature being tampered with (refer no. 51A).

In respect of an associate company, the other auditor has reported that except for the instances discussed in the note 51B, the associate company and its subsidiary company have used accounting software for maintain its books of accounts which has a feature of recording audit trial (edit log) facility and the same has not operated throughout the year for all relevant transactions recorded in the software. Further, during the course of their audit, the other auditor did not come across any instances of the audit trial feature being tampered with except that the other auditor is unable to comment whether there were any instances of the audit trial feature being tampered with as explained in note 51B.

In respect of an associate company, the other auditor has reported that the company has used accounting softwares' for maintaining its book of account which have a feature of recording audit trail (edit log) facility. The feature of recording audit trail (edit log) for the said accounting softwares has not operated throughout the year as it was enabled by the Company in a phased manner from February 21, 2024 for certain tables/fields relating to revenue, trade receivables, purchases, trade payables, inventory, general ledger and other allied areas of the accounting softwares except for certain tables relating to financial reporting, property, plant and equipment and payroll where the same was enabled from April 1, 2023. The feature of recording audit trail facility for the above has been operating for the period since when the same has been enabled for all relevant transactions recorded in softwares. Further, the feature of audit trail (edit log) facility was not enabled at the application layer for the period from April 1, 2023 to March 31, 2024 for certain remaining tables/ fields relating to revenue, trade receivables, purchases payroll, trade payables, inventory, general ledger and other allied areas of the accounting softwares and was also not enabled at the database layers to log any direct data changes for the accounting softwares used for maintaining the books of account. For the period where audit trail (edit log) facility was enabled and operated, the other auditor did not come across any instance of the audit trail feature being tampered with during the course of audit for one of the accounting software and are unable to test the same for the other accounting software due to certain system inherent limitations.

In respect of another associate company, the other auditor have reported that the company has not maintained its books of accounts/ records in the electronic mode by using an accounting software.

Further, during the course of our audit, we and the respective other auditors, whose reports have been furnished to us by the Management of the Parent Company, have not come across the audit trail feature being tampered with in respect of accounting softwares for the period for which the audit trail feature was operating, except as reported above in respect of the Parent and two associates.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

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

Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN: 24105546BKEPCH2358)

Place: Gurugram
Date: May 09, 2024

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Vardhman Textiles Limited (hereinafter referred to as "Parent"), its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company, its subsidiary companies and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company, its subsidiary companies and its associate companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company, its subsidiary companies and its associate companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent Company, its subsidiary companies and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to two subsidiary companies and three associate companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

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

Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN: 24105546BKEPCH2358)

Place: Gurugram
Date: May 09, 2024

Consolidated Balance Sheet

as at March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3A	3,737.54	3,913.75
(b) Right-of-Use Asset	43	19.38	19.40
(c) Capital work-in-progress	3A	60.79	51.02
(d) Other intangible assets	3B	9.64	1.82
(e) Goodwill	4	2.46	2.46
(f) Financial assets			
(i) Investment in associates	5A	219.49	188.38
(ii) Investments	5B	1,253.45	1,219.37
(iii) Loans	6A	1.27	1.25
(iv) Others financial assets	6B	16.72	39.29
(g) Income tax assets (net)	14	52.91	24.21
(h) Other non-current assets	7	175.55	87.09
Total Non-current assets		**5,549.20**	**5,548.04**
Current assets			
(a) Inventories	8	4,179.89	2,392.68
(b) Financial assets			
(i) Investments	9	226.12	1,141.09
(ii) Trade receivables	10	1,220.26	1,190.99
(iii) Cash and cash equivalents	11	34.30	75.60
(iv) Bank balances other than above	11A	53.49	298.62
(v) Loans	12	2.24	2.58
(vi) Other financial assets	13	15.46	28.93
(c) Other current assets	15	699.75	653.87
(d) Assets held-for-sale	15A	0.08	0.16
Total Current assets		**6,431.59**	**5,784.52**
TOTAL ASSETS		**11,980.79**	**11,332.56**
Equity and Liabilities			
Equity			
(a) Equity share capital	16	56.90	56.89
(b) Other equity	17	9,043.23	8,506.55
Equity attributable to the owners of the Company		**9,100.13**	**8,563.44**
(c) Non-controlling interests		87.91	88.52
Total Equity		**9,188.04**	**8,651.96**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	413.13	931.35
(ii) Other financial liabilities	19	0.76	3.50
(iii) Lease Liability	19A	0.18	0.17
(b) Provisions	20	18.31	17.48
(c) Deferred tax liabilities (Net)	21	285.01	268.29
(d) Other non-current liabilities	22	13.28	14.97
Total Non-current liabilities		**730.67**	**1,235.76**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	1,378.04	746.11
(ii) Trade payables	24		
(a) total outstanding dues of micro enterprises and small enterprise		24.04	24.04
(b) total outstanding dues of trade payables other than micro enterprises and small enterprises		334.33	335.87
(iii) Other financial liabilities	25	205.86	206.66
(b) Provisions	26	3.76	3.38
(c) Other current liabilities	27	76.24	87.79
(d) Income tax liabilities (net)	14	39.81	40.99
Total Current liabilities		**2,062.08**	**1,444.84**
TOTAL EQUITY AND LIABILITIES		**11,980.79**	**11,332.56**
See accompanying notes to the consolidated financial statements	1 - 54		

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
Partner

Sanjay Gupta
Company Secretary
Membership No:-4935

Rajeev Thapar
Chief Financial Officer

Suchita Jain
Vice Chairperson and
Joint Managing Director
DIN:00746471

S.P. Oswal
Chairman and
Managing Director
DIN: 00121737

Place : Gurugram
Date: May 09, 2024

Place : Ludhiana
Date: May 09, 2024

Statement of Profit and Loss

for Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

	Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Revenue from operations	28	9,504.68	10,137.49
II	Other income	29	325.94	191.95
III	**Total Income (I+II)**		**9,830.62**	**10,329.44**
IV	**Expenses :**			
	Cost of materials consumed	30	5,495.80	5,914.65
	Purchases of stock-in-trade	31	1.62	1.77
	Changes in inventories of finished goods and work-in-progress	32	96.40	13.45
	Employee benefits expense	33	839.98	767.23
	Finance costs	34	102.28	102.15
	Depreciation and amortization	3A, 3B & 43	404.59	394.43
	Other expenses	35	2,097.67	2,116.40
	Total Expenses		**9,038.34**	**9,310.08**
V	**Profit before tax (III-IV)**		**792.28**	**1,019.36**
VI	Share of profit of associates		42.65	40.55
VII	**Profit before tax (V+VI)**		**834.93**	**1,059.91**
VIII	**Tax expense:**	36		
	Current tax		181.51	235.96
	Deferred tax		16.72	19.20
IX	**Profit for the year (VII-VIII)**		**636.70**	**804.75**
X	**Other Comprehensive Income**	17		
	Items that will not be reclassified to profit or loss			
(a)	(i) Remeasurements of the defined benefits plans		4.88	3.40
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.27)	(0.86)
(b)	Share of other comprehensive income from associates, to the extent not be reclassified to profit and loss		(0.06)	(0.06)
(c)	(i) Equity instruments through other comprehensive income		0.37	0.44
	(ii) Income taxes relating to items that will not be reclassified to profit or loss		(0.03)	(0.04)
XI	**Total other comprehensive income**		**3.89**	**2.88**
XII	**Total comprehensive income for the year (IX+XI)**		**640.59**	**807.63**
	Profit attributable to:			
	- Owners of the Company		631.59	795.16
	- Non-controlling interests		5.11	9.59
			636.70	**804.75**
	Other Comprehensive Income attributable to:			
	- Owners of the Company		3.84	2.83
	- Non-controlling interests		0.05	0.05
			3.89	**2.88**
	Total Comprehensive Income attributable to:			
	- Owners of the Company		635.42	797.99
	- Non-controlling interests		5.17	9.64
			640.59	**807.63**
	Earnings per equity share (amount in ₹)	41		
	(1) Basic		22.20	27.96
	(2) Diluted		22.20	27.95
	See accompanying notes to the consolidated financial statements	1 - 54		

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
Partner

Sanjay Gupta
Company Secretary
Membership No:-4935

Rajeev Thapar
Chief Financial Officer

Suchita Jain
Vice Chairperson and
Joint Managing Director
DIN:00746471

S.P. Oswal
Chairman and
Managing Director
DIN: 00121737

Place : Gurugram
Date: May 09, 2024

Place : Ludhiana
Date: May 09, 2024

Consolidated Cash Flow Statement

for the Year ended March 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	834.93	1,059.91
	Adjustments for:		
	Share of profit of associates	(42.65)	(40.55)
	Finance costs	88.92	87.79
	Fair valuation gain on investment	(94.65)	(47.27)
	Subsidy from Government	(1.58)	(1.90)
	Interest income	(53.69)	(37.31)
	Dividend on current investments	(0.22)	(0.30)
	Net gain on sale / discarding of property, plant and equipment	(7.35)	(4.19)
	(Profit)/Loss on sale of Investments (Net)	(58.31)	(42.12)
	Provision no longer required written back(Net)	(17.02)	(4.41)
	Asset written off	2.70	1.65
	Bad debt written off	0.94	1.50
	Allowances for doubtful trade receivables and advances	0.13	1.64
	Depreciation and amortisation expense	404.59	394.43
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets :-		
	Trade receivables	(30.34)	127.11
	Inventories	(1,787.21)	489.61
	Loans	0.32	(0.79)
	Other assets (Current)	(45.87)	106.12
	Other assets (Non-current)	(63.02)	15.61
	Others financial assets (Current)	2.53	125.81
	Others financial assets (Non Current)	0.07	0.12
	Adjustments for increase / (decrease) in operating liabilities :-		
	Trade payables and other liabilities	15.47	(31.24)
	Provisions (Non Current)	0.83	1.50
	Provisions (Current)	0.38	0.05
	Others financial liabilities (Current)	16.77	(67.39)
	Others financial liabilities (Non-Current)	(2.73)	(1.91)
	Other liabilities (Non-current)	(0.17)	0.35
	Other liabilities (Current)	(6.31)	(15.67)
	Cash generated from operations	**(842.54)**	**2,118.15**
	Income taxes paid	(212.65)	(265.31)
	Net cash generated by operating activities	**(1,055.19)**	**1,852.84**

Consolidated Cash Flow Statement

for the Year ended March 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments (non-current)	-	(677.44)
Proceeds from sale of Investments (non-current)	-	555.03
Purchase of current investments (net)	1,045.39	(605.04)
Interest received	66.97	32.62
Payment for purchase of property, plant and equipment, capital work in progress and other intangible assets	(284.03)	(621.74)
Bank balances not considered as cash and cash equivalents	265.29	(134.96)
Proceeds from disposal of property, plant and equipment	9.76	6.53
Dividend on associates, other investments	0.22	0.30
Net cash used in investing activities	**1,103.60**	**(1,444.70)**
C CASH FLOW FROM FINANCING ACTIVITIES*		
Proceeds from equity share capital/share application	0.74	3.04
Proceeds from borrowings (non-current)	20.68	410.56
Repayment of borrowings (non-current)	(402.31)	(462.84)
Proceeds/Repayment of borrowings (current)	495.46	(253.29)
Dividends on equity share capital paid	(105.63)	(0.54)
Finance costs paid	(98.66)	(96.10)
Net cash generated/(used) in financing activities	**(89.71)**	**(399.17)**
Net increase / (decrease) in cash and cash equivalents	**(41.30)**	**8.97**
Cash and cash equivalents at the beginning of the year	75.60	66.63
Cash and cash equivalents at the end of the year	**34.30**	**75.60**

* There are no non cash changes arising from financing activities.

See accompanying notes to the consolidated financial statements 1 - 54

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
Partner

Sanjay Gupta
Company Secretary
Membership No:-4935

Rajeev Thapar
Chief Financial Officer

Suchita Jain
Vice Chairperson and Joint Managing Director
DIN:00746471

S.P. Oswal
Chairman and Managing Director
DIN: 00121737

Place : Gurugram
Date: May 09, 2024

Place : Ludhiana
Date: May 09, 2024

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024
(All amounts in ₹ crores, unless otherwise stated)

a. Equity share capital

Particulars	Amount
Balance as at April 01, 2022	**56.84**
Issue of equity shares under employee stock option plan (Refer note 44)	0.05
Addition due to sale of shares by Subsidiary	-
Balance as at March 31, 2023	**56.89**
Issue of equity shares under employee stock option plan (Refer note 44)	0.01
Addition due to sale of shares by Subsidiary	-
Balance as at March 31, 2024	**56.90**

b. Other equity

Particulars	Share application money pending allotment	Reserves and Surplus								Item of other comprehensive income	Total
		Capital reserve	Statutory Reserve u/s 45 IC of RBI	Capital redemption reserve	Security premium	Debenture redemption reserve	Share options outstanding account	General reserve	Retained earnings	Equity instrument through other comprehensive income	
Balance as at April 1, 2022	**1.30**	**0.40**	**13.83**	**40.43**	**44.65**	**57.62**	**3.98**	**1,458.37**	**6,024.40**	**1.94**	**7,646.92**
Profit for the year	-	-	-	-	-	-	-	-	795.16	-	795.16
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	2.54	0.34	2.88
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**797.70**	**0.34**	**798.04**
Share Application Money received under employee stock options.	0.05	-	-	-	-	-	-	-	-	-	0.05
Securities premium on shares under Employee stock options	-	-	-	-	6.71	-	(2.47)	-	-	-	4.24
Transfer to equity shares due to issue of employee stock options (Refer note 44)	(1.30)	-	-	-	-	-	-	-	-	-	(1.30)
Transfer from Employee Stock Options accounts to General Reserve	-	-	-	-	-	-	(0.89)	0.89	-	-	-
Transfer to Statutory Reserve under 45-IC of RBI Act	-	-	0.08	-	-	-	-	-	(0.08)	-	-
Transfer from Debenture redemption reserve to General reserve	-	-	-	-	-	(57.62)	-	57.62	-	-	-
Adjustment on account of dividend paid to minority in earlier years	-	-	-	-	-	-	-		58.60	-	58.60
Balance as at March 31, 2023	**0.05**	**0.40**	**13.91**	**40.43**	**51.36**	**-**	**0.62**	**1,516.88**	**6,880.62**	**2.28**	**8,506.55**
Profit for the year	-	-	-	-	-	-	-	-	631.59	-	631.59

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

b. Other equity (Contd..)

Particulars	Share application money pending allotment	Reserves and Surplus								Item of other comprehensive income	Total
		Capital reserve	Statutory Reserve u/s 45 IC of RBI	Capital redemption reserve	Security premium	Debenture redemption reserve	Share options outstanding account	General reserve	Retained earnings	Equity instrument through other comprehensive income	
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	3.62	0.27	3.89
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**635.21**	**0.27**	**635.48**
Final Equity Dividend for the financial year 2022-23 (Amount ₹ 3.50 per share)									(99.53)		(99.53)
Share Application Money received under employee stock options.	0.73	-	-	-	-	-	-	-	-	-	0.73
Transfer to equity shares due to issue of employee stock options (Refer note 44)	(0.78)	-	-	-	-	-	-	-	-	-	(0.78)
Transfer from Employee Stock Options accounts to General Reserve	-	-	-	-	-	-	(0.62)	0.18	-	-	(0.43)
Securities premium on shares under Employee stock options	-	-	-	-	1.22	-	-	-	-	-	1.22
Transfer to Statutory Reserve under 45-IC of RBI Act	-	-	0.36	-	-	-	-	-	(0.36)	-	-
Balance as at March 31, 2024	**0.00**	**0.40**	**14.27**	**40.43**	**52.58**	**-**	**-**	**1,517.06**	**7,415.94**	**2.55**	**9,043.23**

See accompanying notes to the consolidated financial statements 1 - 54

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : Gurugram
Date: May 09, 2024

For and on behalf of the Board of Directors

Sanjay Gupta
Company Secretary
Membership No:-4935

Place : Ludhiana
Date: May 09, 2024

Rajeev Thapar
Chief Financial Officer

Suchita Jain
Vice Chairperson and
Joint Managing Director
DIN:00746471

S.P. Oswal
Chairman and
Managing Director
DIN: 00121737

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

1 GENERAL INFORMATION

Vardhman Textiles Limited (""the Parent Company"") is a public Company, which was incorporated under the provisions of the Companies Act, 1956 on October 8, 1973 and has its registered office at Chandigarh Road, Ludhiana. The name of the Company at its incorporation was Mahavir Spinning Mills Limited and subsequently changed to Vardhman Textiles Limited on September 5, 2006. The Company is engaged in manufacturing of cotton yarn, synthetic yarn, woven fabric and Garments. The Company is listed on two stock exchanges i.e. at National Stock Exchange and at Bombay Stock Exchange.

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on 09-May-2024

2 Material Accounting Policies

2.1 Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) The Ind AS are prescribed under Section 133 of the Act read with Rule3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

2.2 Basis of preparation and presentation

The consolidated financial statements of the company, its subsidiaries and its associates (together ""the Group"") have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies.

All intra Company's assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation."

2.4 Changes in the Company's ownership interests in existing subsidiaries

Changes in the Company's ownership interests in subsidiaries that do not result in the Company's losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.5 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

In case any goodwill impairment is identified the same is approved by the board of directors and recorded in the books of accounts and disclosed appropriately.

2.6 Investment in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise

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the Company's share of the profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Company's share of losses of an associate exceeds the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Company determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Company's investment in an associate.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Company retains an interest in the former associate and the retained interest is a financial asset, the Company measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Company accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Company reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued. When a group entity transacts with an associate of the Company, profits and losses resulting from the transactions with the associate are recognised in the Company's consolidated financial statements only to the extent of interests in the associate that are not related to the Company.

2.7 Revenue recognition

The Group recognises revenue from contracts with customers when the control of the goods or services is transferred to the customers on satisfaction of distinct performance obligations at the amount of transaction price (net of discounts, rebates etc.), excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Amount disclosed as revenue are net of returns and allowances, trade discounts and rebates.

The Group is generally the principal as it typically controls the goods or services before transferring them to the customer.

The Group disaggregates revenue from contracts with customers by nature of goods and service.

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Revenue from rendering of services is recognized over time by measuring the progress toward complete satisfaction of performance obligations at the reporting period.

The revenue in respect of RoDTEP, duty drawback and similar other export benefits is recognized in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

2.7.1 Dividend income

Dividend on financial assets is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.7.2 Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.7.3 Contract balances - Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional. Trade receivables that do not contain a significant financing component are measured at transaction price.

2.8 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants recoverable upto financial year 2017-18 are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

As per the amendment in Ind-AS 20 ""Government Grants"" w.e.f April 1, 2018, the Group has opted to present the grant received/receivable after April 01,2018 related to assets as deduction from the carrying value of such specific assets."

2.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

2.10 Foreign currencies

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.11 Employee benefits

2.11.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets

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(excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

b. net interest expense or income; and

c. re-measurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.11.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

2.12 Share-based payment arrangements

Share-based payment transactions of the Company

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note no. 44.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled share options outstanding account.

2.13 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.13.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets/liabilities for current year is recognized at the amount expected to be paid to and/or recoverable from the tax authorities, using the tax rates that have been enacted or substantively enacted by the Balance Sheet.

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2.13.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.13.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.13.4 Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Group applies significant judgement in identifying uncertainties over income tax treatments.

2.14 Property, plant and equipment (PPE)

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

The Cost of an item of Property, plant and equipment comprises:

a. its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates

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b. any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use and

c. the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

The Group has elected to continue with the carrying value of all its PPE recognised as on April 1, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as on transition date.

Depreciation is provided on Straight Line Method on the basis of useful lives of such assets specified in Schedule II to the Companies Act, 2013 except the assets costing ₹ 5000/- or below on which depreciation is charged @ 100%. Depreciation is calculated on pro-rata basis.

The estimated useful life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc and are as under:

Buildings	3 - 60 years
Plant and Equipment	5 - 40 years
Furniture and Fixtures & Office Equipment	3- 10 years
Vehicles	8 - 10 years

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.15 Intangible assets

2.15.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The Group has elected to continue with the carrying value of all its PPE recognised as on April 1, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as on transition date.

2.15.2 De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

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2.15.3 Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Computer softwares	6 years
Contribution to Common effluent treatment plant (CETP)	5 years
Right to use power lines	5 Years

2.16 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.17 Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under:

In case of raw materials at weighted average cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In case of stores and spares at weighted average cost plus direct expenses. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In case of work in progress at raw material cost plus conversion costs depending upon the stage of completion.

In case of finished goods at raw material cost plus conversion costs, packing cost, non recoverable indirect taxes (if applicable) and other overheads incurred to bring the goods to their present location and condition.

In case of by-products at estimated realizable value

Net realizable value is the estimated selling price in ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.18 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated

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to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as on asset if it is virtually certain that reimbursements will be received and amount of the receivable can be measured reliably.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.19 Financial instruments

Financial assets and financial liabilities are recognised when Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.19.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.19.1.1 Classification of financial assets

Financial instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

a. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

b. the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

a. the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

b. the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for instruments measured at Fair value through other comprehensive income (FVTOCI). All other financial assets are subsequently measured at fair value.

2.19.1.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated

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future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.19.1.3 Investments in equity instruments measured at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

a. it has been acquired principally for the purpose of selling it in the near term; or

b. on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

c. it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

2.19.1.4 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL/FVTOCI.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

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2.19.1.5 Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. The Group follows simplified approach for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL's at each reporting date, right from its initial recognition.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.19.1.6 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

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On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.19.1.7 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

2.19.2 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

2.19.2.1 Financial liabilities at fair value through profit and loss (FVTPL)

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

a. it has been incurred principally for the purpose of repurchasing it in the near term; or

b. on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

c. it is a derivative that is not designated and effective as a hedging instrument.

2.19.2.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

2.19.2.3 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.19.3 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks and to manage its exposure to imported raw material price risk including foreign exchange forward contracts and commodities future contracts. Further details of derivative financial instruments are disclosed in note 37.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

2.19.4 Equity instrument

Equity instrument are any contract that evidences a residual interest in the assets of an equity after deducting all of its liabilities.

Debt or equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

The equity shares of the Company held by it through a trust are presented as deduction from total equity, until they are cancelled or sold.

2.20 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.21 Segment Reporting

Based on the guiding principles laid down in Indian Accounting Standards (Ind-AS)-108 "Segment Reporting" the Managing Director of the Company is the Chief Operating Decision maker (CODM) and the purposes of resource allocation and assessment of segment performance of the business is a segregated in the segment below:-

- Textiles
- Fibre

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

2.22 Leases

The Group as Lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.23 Assets held for sale

The Company classifies non current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

2.24 Significant accounting judgements, estimates and assumptions

In the application of the Group's accounting policies, which are described as stated above, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

2.24.1 Significant influence over associates

Note 45 describe the entities as associates of the Company as the Company owns:-

a.	in Vardhman Special Steels Limited (VSSL):-	24.83 percent ownership interest
b.	in Vardhman Spinning and General Mills Limited(VSGM):-	50.00 percent ownership interest
c.	in Vardhman Yarns and Threads Limited(VYTL):-	11.00 percent ownership interest

The group has significant influence in over VSSL and VSGM associates above by the virtue of ownership interest. However in case of VYTL significant influence is not only by the virtue of ownership interest but also due to contractual right to appoint managing director and no significant business decisions relating to debts restructuring and business restructuring in the above said associate can be implemented without prior approval of the Company.

2.24.2 Key sources of uncertainty

In the application of the Group accounting policies, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

2.24.3 Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future, salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.24.4 Useful lives of depreciable tangible assets and intangible assets

Management reviews the useful lives of depreciable/amortisable assets at each reporting date.

As at March 31, 2024 management assessed that the useful lives represent the expected utility of the assets to the Group."

2.24.5 Fair Value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Board of Directors of the respective Company approves the fair values determined by the Chief Financial Officer of the respective Company including determining the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The Chief financial officer works closely with the qualified external valuers to establish appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in notes 37.

2.24.6 Contingent Liability

In ordinary course of business, the Group faces claims by various parties. The Group annually assesses such claims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

2.24.7 Income Tax

The Group's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.24.8 Inventory

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market driven changes.

2.25 Applicability of new and revised IND AS

Ministry of corporate affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA has not notified any new standards or amendment to the existing standards applicable to the company as at March 31, 2024.

In the current year, the Company has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after 1 April 2023.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

(i) The Company has adopted the amendments to Ind AS 1 -

Presentation of Financial Statements for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

(ii) The Company has adopted the amendments to Ind AS 8 -

Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

3A Property, plant and equipment and capital work-in-progress

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of		
Freehold land	122.13	117.30
Buildings	1,089.08	1,121.59
Plant and equipment	2,483.06	2,635.06
Furniture and fixtures	14.31	10.77
Vehicles	11.80	11.74
Office equipment	17.16	17.29
Total Property, plant and equipment	**3,737.54**	**3,913.75**
Capital work-in-progress	60.79	51.02
	3,798.33	**3,964.77**

Cost or Deemed Cost	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Balance at April 01, 2022	**116.42**	**1,251.26**	**4,175.32**	**18.38**	**18.71**	**61.61**	**5,641.72**
Addition	1.23	150.09	674.21	3.43	4.53	7.87	841.36
Disposal/Adjustment	(0.35)	-	(10.02)	(0.02)	(1.34)	(0.80)	(12.52)
Balance at March 31, 2023	**117.30**	**1,401.35**	**4,839.51**	**21.79**	**21.90**	**68.68**	**6,470.56**
Addition	4.88	19.01	193.67	5.67	2.92	5.76	231.91
Disposal/Adjustment	(0.05)	(5.09)	(11.07)	(0.01)	(2.54)	(0.58)	(19.34)
Balance at March 31, 2024	**122.13**	**1,415.27**	**5,022.11**	**27.45**	**22.28**	**73.86**	**6,683.13**
Accumulated depreciation							
Balance at April 01, 2022	**-**	**235.57**	**1,871.19**	**9.20**	**8.96**	**46.82**	**2,171.74**
Depreciation	-	44.19	340.38	1.85	1.91	5.29	393.62
Disposal/Adjustment	-	-	(7.10)	(0.02)	(0.71)	(0.72)	(8.54)
Balance at March 31, 2023	**-**	**279.76**	**2,204.47**	**11.03**	**10.16**	**51.39**	**2,556.82**
Depreciation	-	47.60	345.48	2.13	2.06	5.82	403.09
Disposal/Adjustment	-	(1.17)	(10.88)	(0.01)	(1.74)	(0.51)	(14.31)
Balance at March 31, 2024	**-**	**326.19**	**2,539.07**	**13.15**	**10.48**	**56.70**	**2,945.60**
Carrying amount							
Balance at April 01, 2022	**116.42**	**1,015.69**	**2,304.15**	**9.19**	**9.75**	**14.79**	**3,469.99**
Addition	1.23	150.09	674.21	3.43	4.53	7.87	841.36
Disposal/Adjustment	(0.35)	-	(2.92)	-	(0.63)	(0.08)	(3.98)
Depreciation	-	(44.19)	(340.38)	(1.85)	(1.91)	(5.29)	(393.62)
Balance at March 31, 2023	**117.30**	**1,121.59**	**2,635.06**	**10.77**	**11.74**	**17.29**	**3,913.75**
Addition	4.88	19.01	193.67	5.67	2.92	5.76	231.91
Disposal/Adjustment	(0.05)	(3.92)	(0.19)	-	(0.80)	(0.07)	(5.03)
Depreciation	-	(47.60)	(345.48)	(2.13)	(2.06)	(5.82)	(403.09)
Balance at March 31, 2024	**122.13**	**1,089.08**	**2,483.06**	**14.31**	**11.80**	**17.16**	**3,737.54**

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

3A Property, plant and equipment and capital work-in-progress (Contd..)

Notes on property, plant and equipment

1 Refer to note 18(a) for information on property, plant and equipment pledged as security by the Group.

2 The Company has availed benefit under Export Promotion Capital Goods (EPCG) scheme amounting to ₹ 22.67 Crore (FY 2022-23 29.20 Crores) (related to non cenvatable portion of total duty saved) for financial year 2023-24, such benefit is related to Property, Plant and Equipment and Capital work in progress.

3 Buildings includes ₹ 2.48 crores (March 31, 2023: ₹ 2.48 crores) cost of residential flats at Mandideep, the land cost of which has not been excluded from this cost. The depreciation for the year has been taken on the entire cost.

4 As per the amendment in Ind-AS 20 "Government Grants" w.e.f April 1, 2018, the Company has opted to present the grant related to assets as deduction from the carrying value of such specific assets. For financial year 2023-24 such amount deducted from Property, Plant and Equipment is ₹Nil Crores (Financial year 2022-23 ₹Nil Crores).

5 Borrowing cost capitalised during the year ₹Nil (March 31, 2023 Nil Crores)

6 Also refer Note 2.14 for option used by the Group to use carrying value of previous GAAP as deemed cost as on April 1, 2015.

7 Capital-work-in progress (CWIP) ageing schedule:

Project in progress	Amount in CWIP for a period of:				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31-03-2024	48.66	2.28	9.68	0.17	60.79
As at 31-03-2023	45.45	5.17	0.33	0.07	51.02

8 There are no overdue or cost overrun projects compared to its original plan on the above mentioned reporting dates.

3B Other intangible assets

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of		
Computer softwares	2.45	1.81
Contribution to CETP	-	-
Right to use power lines	7.19	0.01
	9.64	**1.82**

Cost or Deemed Cost	Computer softwares	Contribution to CETP	Right to use power lines	Total
Balance as at April 01, 2022	**14.56**	**0.63**	**4.56**	**19.75**
Addition	0.46	-	-	0.46
Disposal	-	-	-	-

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

3B Other intangible assets (Contd..)

Cost or Deemed Cost	Computer softwares	Contribution to CETP	Right to use power lines	Total
Balance as at March 31, 2023	**15.02**	**0.63**	**4.56**	**20.21**
Addition	1.20	-	7.84	9.04
Disposal	-	-	-	-
Balance as at March 31, 2024	**16.22**	**0.63**	**12.40**	**29.25**
Accumulated amortisation				
Balance as at April 01, 2022	**12.69**	**0.63**	**4.54**	**17.86**
Amortization expenses	0.52	-	0.01	0.53
Disposal	-	-	-	-
Balance as at March 31, 2023	**13.21**	**0.63**	**4.55**	**18.39**
Amortization expenses	0.56	-	0.66	1.22
Disposal	-	-	-	-
Balance as at March 31, 2024	**13.77**	**0.63**	**5.21**	**19.61**
Carrying amount				
Balance as at April 01, 2022	**1.87**	**-**	**0.02**	**1.89**
Addition	0.46	-	-	0.46
Amortisation expenses	(0.52)	-	(0.01)	(0.53)
Balance as at March 31, 2023	**1.81**	**-**	**0.01**	**1.82**
Addition	1.20		7.84	9.04
Amortisation expenses	(0.56)	-	(0.66)	(1.22)
Balance as at March 31, 2024	**2.45**	**-**	**7.19**	**9.64**

Note: These intangible assets are not internally generated

Also refer Note 2.15.1 for option used by the Group to use carrying value of previous GAAP as deemed cost as on April 1, 2015.

4 Goodwill*

Particulars	As at March 31, 2024	As at March 31, 2023
Deemed Cost	2.46	2.46
Additions	-	-
Disposal	-	-
Carrying Value at the end	**2.46**	**2.46**

* Refer note 2.5

Allocation of goodwill to cash generating units (CGU):

Particulars	As at March 31, 2024	As at March 31, 2023
Goodwill has been allocated for impairment testing purposes to the following cash generating units:		
Vardhman Acrylics Limited	2.46	2.46
	2.46	**2.46**

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024
(All amounts in ₹ crores, unless otherwise stated)

4 Goodwill* (Contd..)

Vardhman Acrylics Limited

No indications for impairment. No impairment losses have been recognised.

5A Investments in Associates

I TRADE INVESTMENTS (at cost/carrying value)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets carried at cost		
a. Break up of equity investments in associates (carrying amount determined using equity method of accounting)		
(i) Investment in Associates		
Quoted		
2,01,72,666 (March 31, 2023: 1,00,86,333) Equity shares of ₹ 10/- each fully paid up of Vardhman Special Steels Limited	126.00	107.18
Unquoted		
62,69,699 (March 31, 2023: 62,69,699) Equity shares of ₹ 10/- each fully paid up of Vardhman Yarns & Threads Limited	93.42	81.13
25,000 (March 31, 2023 : 25,000) Equity shares of ₹10/- each fully paid-up of Vardhman Spinning and General Mills Limited	0.07	0.07
Total 5A	**219.49**	**188.38**

5B Other Investments (Non-Current)

II Financial assets measured at fair value through other comprehensive income

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Investment in equity instruments (unquoted - at cost/carrying value)		
41,000 (March 31, 2023: 41,000) Equity-Shares of ₹ 10/- each fully paid-up of Shivalik Solid Waste Management Limited	0.16	0.14
(Section 8 Company)		
1,40,625 (March 31, 2023: 1,40,625) Equity shares of ₹ 10/- each fully paid-up of Nimbua Greenfield (Punjab) Limited	2.10	1.99
2,225 (March 31, 2023: 2,225) Equity shares of ₹ 10/- each fully paid-up of Devakar Investment & Trading Company Private Limited	0.25	0.24
16,47,525 (March 31, 2023: 16,47,525) Equity Shares of Narmada Clean Tech Limited. of ₹10/- each fully paid up	3.30	3.07

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

5B Other Investments (Non-Current) (Contd..)

Other Investments:-

III Financial assets measured at fair value through Profit and loss

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Investment in Bonds/ Preference shares/ Debentures/Mutual Funds (quoted)		
**6,660 (March 31, 2023: 6,660) 17.38% Non-convertible redeemable cumulative preference shares of ₹ 7,500/- each fully paid of IL&FS Financial Services Limited	-	-
**820 (March 31, 2023: 820) 16.46% Non Convertible Redeemable cumulative Preference Shares of ₹ 7,500/- each fully paid of IL & FS Financial Services Limited.	-	-
**10,000 (March 31, 2023:10,000) 16.46% Non-convertible redeemable cumulative preference shares of ₹ 7,500/- each fully paid of IL&FS Financial Services Limited	-	-
4,77,412 (March 31, 2023: 4,77,412) units of ₹1000/- each of Bharat Bond ETF - April 2025	57.16	53.18
11,98,61,898.919 (March 31, 2023: 11,98,61,898.919) units of ₹10/- each of Edelweiss NIFTY PSU Bond Plus SDL Index Fund - Apr 2026 50:50 Index Fund - Direct Plan Growth	142.34	132.69
2,49,98,750.062 (March 31, 2023: 2,49,98,750.062) units of ₹10/ each of Nippon India Fixed Horizon Fund - XLIII - Series 1 - Direct plan growth	28.66	26.67
47,657,528 (March 31, 2023: 47,657,528) Units of ₹ 10/- each of Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2026 Direct Plan Growth	56.58	52.76
246,634 (31 March 2023: 246,634) Units of ₹ 1000/- each of Edelweiss Bharat Bond ETF 2025	29.53	27.48
3,49,98,250.087 (March 31, 2023 : 3,49,98,250.087) units of ₹10/- each of Kotak FMP Series 292 - Direct Growth	40.22	37.42
4,99,97,500.12 (March 31, 2023: 4,99,97,500.12) units of ₹10/- each SBI Fixed Maturity Plan (FMP) - Series 49 (1823 Days) - Direct Growth	57.26	53.27
2,49,98,750.062 (March 31, 2023: 2,49,98,750.062) Units of ₹10/- each of SBI Fixed Maturity Plan (FMP) - Series 46 (1850 Days) Direct Growth	29.04	27.03
4,99,97,500.125 (March 31, 2023: 4,99,97,500.125) units of ₹10/- each of SBI FMP Series 41 - 1498 Days -Direct Growth	58.74	54.69
2,99,98,500.075 (March 31, 2023: 2,99,98,500.075) units of ₹10/- each of SBI FMP Series 42 - 1857 Days -Direct Growth	35.41	32.96
3,49,27,229.892 (March 31, 2023: 3,49,27,229.892) units of ₹10/- each of Bandhan CRISIL IBX Gilt June 2027 Index Fund Direct plan- Growth (erstwhile IDFC Gilt 2027 Index Fund Direct Plan- Growth)	40.99	38.14
1,25,00,000 (March 31, 2023: 1,25,00,000) units of ₹100/- each of Nippon India ETF Nifty SDL - 2026 Maturity	149.80	139.64
NIL (March 31, 2023: 46,00,000) units of ₹100/- each of Nippon India ETF Nifty CPSE Bond plus SDL 2024	-	51.51
24,998,750.062 (March 31, 2023:2,49,98,750.062) units of ₹10/- each of Aditya Birla Sunlife Fixed Term Plan Series-TI (1837 Days) -Direct Growth	28.98	26.98
8,28,86,002.658 (March 31, 2023: 8,28,86,002.658) units of ₹10/- each of SBI CPSE Bond Plus SDL Sep 2026- 50:50 Index Fund Direct Plan Growth	92.68	96.73

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

5B Other Investments (Non-Current) (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
1,00,00,100.031 (March 31, 2023 :1,00,00,100.031) of ₹ 10/- Edelweiss Crisil PSU Plus SDL 50:50 Oct 2025 Index Fund-Direct Plan Growth	11.11	10.36
4,79,18,783.305 (March 31, 2023 : 4,79,18,783.305) units of ₹ 10/- each of TATA NIFTY SDL PLUS AAA PSU BOND DEC 2027 60:40 Index Fund - Direct Plan- Growth	53.80	50.15
14,55,82,797.441 (March 31, 2023 :14,55,82,797.441) units of ₹ 10/- each of Aditya Birla Sun Life CRISIL IBX 60:40 SDL +AAA PSU - APR 2027 Index Fund Direct Growth	161.28	150.33
9,67,53,749.637 (March 31, 2023 : 9,67,53,749.637) units of ₹ 10/- each of Kotak Nifty SDL APR 2027 top 12 Equal Weighted Index Fund Direct Plan - Growth	107.52	100.31
4,98,39,012.067 (March 31, 2023: 4,98,39,012.067) units of ₹10/- each of Edelweiss CRISIL PSU Plus SDL 50:50 Oct 2025 Index Fund - Direct Plan Growth	55.39	51.64
99,85,021 (March 31, 2023: NIL) units of ₹ 10 each of SBI CPSE BP SDL SEP 2026 50:50 INDEX-Direct Plan Growth	11.16	-
Total 5B	**1,253.45**	**1,219.37**
1. Aggregate book value of quoted investments	1,373.65	1,321.12
2. Aggregate Market Value of quoted investments	1,633.26	1,614.56
3. Aggregate carrying value of unquoted investments	99.30	86.64

* Refer note 37

** Investment in preference shares of IL&FS group companies aggregating to H 26.13 crores. In view of the uncertainty prevailing with respect to recovery of the investment value from the IL&FS group, the Management has measured such investments at H NIL (FY 22-23 HNIL) as FVTPL adjustment.

6A Loans (Non Current)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets at amortized cost		
(unsecured considered good unless otherwise stated)		
Loan to employees	1.27	1.25
	1.27	**1.25**

6B Other Financial Assets (Non Current)*

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets at amortized cost		
(unsecured considered good unless otherwise stated)		
Fixed Deposits with banks more than twelve months maturity	2.60	24.28
Earmarked Deposits with banks**	12.65	11.13
Interest Receivable	0.93	3.27
Other Recoverable	0.54	0.61
	16.72	**39.29**

* Refer note 37

** Earmarked deposits of '₹ 12.65 crores pledged with government authorities, banks and others.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

7 Other Non Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Non Financial Assets at amortized cost		
(unsecured considered good unless otherwise stated)		
Capital advances	39.88	14.44
Other Recoverable	58.01	-
Balance with government authorities	6.61	6.73
Prepaid (Deferred) Expense for employee benefit	0.07	0.02
Prepaid expenses-others	3.29	1.69
Security deposits	67.69	64.21
	175.55	**87.09**

8 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
(at cost or net realisable value, whichever is lower)		
Raw materials*	3,061.78	1,159.08
Work-in-progress	238.49	242.25
Finished Goods	706.69	800.10
Stores and Spares*	174.96	194.00
Less: Unrealised profit on consolidation#	(2.03)	(2.75)
	4,179.89	**2,392.68**

Unrealised profit on consolidation for Raw material is ₹ 0.87 Cr, for Work-in-progress ₹ 0.24 Cr and for Finished goods is ₹ 0.92 Cr.

*above items include goods in transit as per below

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	105.51	80.70
Stores and Spares	9.52	7.04
	115.03	**87.74**

(i) The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 5,495.80 Crores (March 31, 2023: ₹ 5,914.65 Crores)

(ii) Refer to Note 18(a) and 23 for information on inventories pledged as security by the Group.

(iii) The method of valuation of inventories has been stated in note 2.17.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

9 Other Investments (Current)**

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets measured at fair value through Profit and loss		
Investment in Liquid Funds (Quoted)		
73,175 (31 March 2023: 3,91,274.84) Units of ₹ 1000/- each of SBI Liquid Fund Direct Growth	27.65	137.86
1,61,47,521 (31 March 2023: 4,16,92,242) Units of ₹ 10/- each of Kotak Equity Arbitrage Fund- Direct Growth	58.76	171.01
NIL (March 31, 2023 : 11,64,06,788.83) units of ₹ 10/- each of TATA Arbitrage Fund-Direct-plan-growth	-	147.61
NIL (March 31, 2023: 6,30,25,989.259) units of ₹10/- each of Nippon India Arbitrage Fund- Direct growth plan- growth option	-	152.14
NIL (March 31, 2023 : 2,35,10,437.551) units of ₹ 10/- each of Bandhan Arbitrage Fund-Growth-Direct Plan (erstwhile IDFC Arbitrage Fund-Growth-Direct Plan)	-	69.36
NIL (March 31, 2023 :93,060.642) units of ₹ 10/- each of Bandhan Liquid Fund-Growth-(Direct Plan) (erstwhile IDFC Cash Fund-Growth-Direct Plan)	-	25.30
NIL (March 31, 2023 : 8,26,54,028.281) units of ₹ 10/- each of HSBC Arbitrage Fund-Direct Growth (Formerly known as L&T Arbitrage Opportunities Fund Direct Growth)	-	141.65
NIL (March 31, 2023 : 3,02,221.622) units of ₹ 10/- each of HDFC Liquid Fund - Direct Plan - Growth Option	-	133.68
87,59,991 (March 31, 2023 : 26,53,853) units of ₹ 10/- each of SBI Arbitrage Opportunities Fund - Direct Plan- Growth	28.67	31.71
NIL (March 31, 2023 :68,090.223) units of ₹ 1000/- each of Kotak Overnight Fund Direct - Growth	-	8.14
NIL (March 31, 2023 :26,48,144.624) units of ₹ 10/- each of Kotak Saving Fund - Direct Plan - Growth	-	10.08
1,56,875.919 (March 31, 2023 :1,20,357.495) units of ₹10/- each of HDFC Overnight Fund - Direct Plan- Growth Option	55.74	40.06
NIL (March 31, 2023 : 2,71,82,356.885) units of ₹ 10/- each of ICICI Prudential Ultra Short Term Fund - Direct Plan - Growth	-	68.77
NIL (31 March 2023: 7,199) Units of ₹ 1000/- each of SBI Magnum Ultra SDF-Direct Growth	-	3.71
46,00,000 (March 31, 2023: NIL) units of ₹100 each of Nippon India ETF Nifty CPSE Bond plus SDL 2024 Maturity	55.30	-
	226.12	**1,141.09**
1. Aggregate book value of quoted investments	226.12	1,141.09
2. Aggregate market value of quoted investments	226.12	1,141.09
3. Aggregate carrying value of unquoted investments	-	-

** Refer note 37

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

10 Trade receivables*

Particulars	As at March 31, 2024	As at March 31, 2023
Receivable from related parties (Refer Note 45)		
- Unsecured, considered good	0.14	0.63
Receivable from others		
- Secured, considered good	-	-
- Unsecured considered good	1,220.12	1,190.36
- Significant increase in Credit risk	18.70	18.58
- Credit impaired	-	-
Less: Allowances for doubtful trade receivables	(18.70)	(18.58)
	1,220.26	**1,190.99**

(i) The credit period allowed on sales generally vary, on case to case basis, business to business, based on market conditions, maximum credit period allowed is 45 days (FY 2022-23 - 45 days) in case of domestic yarn and 90 days (FY 2022-23 - 90 days) in case of domestic fabric and garments. In case of exports, maximum credit period of 120 days (FY 2022-23 - 120 days) against letter of credit is provided.

(ii) There are no major customers that represent more than 10% of total balances of trade receivables.

(iii) Ageing of provision of doubtful trade receivables

Particulars	Expected Credit Loss	
	As at March 31, 2024	As at March 31, 2023
Less than 180 days	-	-
More than 180 days	18.70	18.58
	18.70	**18.58**

(iv) Age of Receivables:

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Undisputed Trade receivables – considered good		
Less than 6 months	1,214.71	1,188.15
6 months to 1 year	3.67	0.90
1 to 2 years	0.53	0.50
2 to 3 years	0.10	0.15
More than 3 years	0.14	0.18
	1,219.15	**1,189.88**
(b) Undisputed Trade Receivables – which have significant increase in credit risk		
Less than 6 months		-
6 months to 1 year	1.01	0.58
1 to 2 years	0.08	9.03
2 to 3 years	9.36	6.92
More than 3 years	6.86	0.66
	17.31	**17.19**

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

10 Trade receivables* (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
(c) Disputed Trade receivables – considered good		
Less than 6 months	-	-
6 months to 1 year	-	-
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	1.11	1.11
	1.11	**1.11**
(d) Disputed Trade Receivables – which have significant increase in credit risk		
Less than 6 months	-	-
6 months to 1 year	-	-
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	1.39	1.39
	1.39	**1.39**

(v) Movement in expected credit loss allowance

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**18.58**	**17.19**
Reversal of provision during year	(0.30)	(0.30)
Provision provided during the year	0.42	1.69
Balance at the end of the year	**18.70**	**18.58**

(vi) The concentration of credit risk is limited due to the fact that customer base is large and unrelated.

* Refer note 37

11 Cash and cash equivalents#

For the purpose of financial statements cash and cash equivalents include cash on hand and bank balances. Cash and cash equivalent at the end of reporting period can be reconciled to the related items in balance sheet as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
a) Balances with banks		
- In current accounts	33.52	74.48
- In deposit accounts with maturity upto three months	0.46	0.40
b) Cheques on hand	0.19	0.59
c) Cash on hand	0.13	0.13
	34.30	**75.60**

#Refer note 37

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

11A Bank Balances other than Cash and cash equivalents#

Particulars	As at March 31, 2024	As at March 31, 2023
a) Other bank balances		
- Earmarked balances with banks*	34.37	29.59
- Deposits with more than twelve months maturity	2.60	24.28
- Deposits with more than three months but less than twelve months maturity	31.77	280.16
	68.74	**334.03**
Less: Amounts disclosed as other financial non current assets (Refer note 6B)	15.25	35.41
	53.49	**298.62**

* Earmarked balances with banks includes ₹ 3.63 crores (March 31, 2023: ₹ 3.96 crores) pertaining to dividend accounts with banks and ₹ 20.56 crore (March 31, 2023: ₹18.89 crore) pledged with government authorities, banks and others. Also includes ₹ 10.17 crores (March 31, 2023: ₹ 6.74 Crore) pertaining to balances in unspent CSR accounts.

Refer note 37

12 Loans (Current)#

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets at amortized cost		
(Unsecured and considered good), unless otherwise stated		
Loan to employees	2.24	2.58
	2.24	**2.58**

Refer note 37

13 Other financial assets (Current)**

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets at amortized cost		
(Unsecured and considered good), unless otherwise stated		
Recoverable from related parties (Refer Note 45)	0.02	0.01
Interest receivables	5.09	16.03
Claims receivable	0.06	0.04
Other Recoverable	8.16	12.85
Financial assets at Fair value through Profit and loss		
Derivative Financial Instruments*	2.13	-
	15.46	**28.93**

* The Group enters into derivative financial instruments to manage its exposure to foreign exchange rate risk including foreign exchange forward contracts (also refer note 29).

**Refer note 37

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

14 Current tax

Particulars	As at March 31, 2024	As at March 31, 2023
Current tax assets (net)		
Taxes paid (net)	52.91	24.21
Current tax liabilities (net)		
Income-tax payable (net)	39.81	40.99

15 Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
(unsecured considered good, unless otherwise stated)		
Amount recoverable from Mahavir Share Trust in respect of shares held in Trust (Refer note 39)	4.65	4.81
Advances to suppliers		
- Considered good	86.39	163.65
- Doubtful	-	-
Less: Doubtful advances	-	-
	86.39	**163.65**
Balance with government authorities	436.13	323.45
Prepaid (Deferred) Expense for employee benefit	0.03	0.03
Gratuity Trust	1.01	-
Prepaid expenses others	6.75	4.67
Other recoverables :		
- Considered good	164.79	157.26
- Doubtful	-	0.22
Less: Allowances for Doubtful other recoverables	-	(0.22)
	164.79	**157.26**
	699.75	**653.87**

15A Assets Held for sale

Particulars	As at March 31, 2024	As at March 31, 2023
Property, Plant and Equipment held for Sale	0.08	0.16
	0.08	**0.16**

The Company intends to dispose off a Flat (previous year a parcel of Freehold Land), it no longer utilises in the next 12 months. No impairment loss was recognised on reclassification of the assets as held for sale as at March 31, 2024 as the Company expects that sale consideration less costs to sell is higher than the carrying amount. Also the Company had received advance of ₹ 3.92 Crore (March 31, 2023 ₹ 3.58 Crore) shown in other current liabilities against sale of these assets (Refer Note 27).

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

16 Equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised share capital*:		
71,50,00,000 equity shares of ₹ 2 each (March 31, 2023: 71,50,00,000 equity shares of ₹ 2 each)	143.00	143.00
2,00,00,000 redeemable cumulative preference shares of ₹ 10 each (March 31, 2023: 2,00,00,000 redeemable cumulative preference shares of ₹ 10 each)	20.00	20.00
1,40,00,000 Non cumulative convertible preference shares of ₹ 10 each (March 31, 2023: 1,40,00,000)	14.00	14.00
	177.00	**177.00**
Issued, subscribed and fully paid up share capital comprises:		
28,45,13,055 equity shares of ₹ 2 each (March 31, 2023: 28,44,65,305 equity shares of ₹ 2 each)	56.90	56.89
	56.90	**56.89**

*The authorised share capital of company have been increased pursuant to the scheme of amalgamation which become effective on May 14, 2022.

16.1 Rights, preference and restriction attached to equity shares

The Parent Company has one class of equity shares having a par value of ₹2/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Parent Company the holders of equity shares will be entitled to receive any of the remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

16.2 Rights, preference and restriction attached to preference shares

The rate of dividend on preference shares will be decided by the Board of Directors as and when issued. Preferential shares as and when issued shall have the cumulative right to receive dividend as and when declared and shall have preferential right of repayment on amount of capital.

16.3 As per Employee Stock Options Scheme 2016, senior employees of the Company were offered 30,70,000 options having face value of ₹ 2 (for details refer note 45). The vesting for due options began from financial year 2016-17 and NIL options/shares (NIL options/shares financial year 2022-23) vested during the financial year 2023-24. Out of these 47,750 having face value of ₹ 2 per share- shares/options (financial year 2022-23: 2,63,000 shares/options having face value of ₹ 2) have been alloted during the year. Share options granted under Company's employee share option plan carry right to dividend and voting rights at par with other equity holders.

16.4 Reconciliation of number of shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	28,44,65,305	56.89	28,42,02,305	56.84
Add:- Issue of equity shares under employee stock option plan (Refer note 44)	47,750	0.01	2,63,000	0.05
Addition due to sale of shares by held by Subsidiary	-	-	-	-
Balance as at the end of the year	**28,45,13,055**	**56.90**	**28,44,65,305**	**56.89**

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

16 Equity share capital (Contd..)

16.5 Details of shares held by the holding Company

There is no holding / ultimate holding Company of the Company

16.6 Details of shares held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% holding	Number of shares	% holding
Vardhman Holdings Limited	8,31,70,317	29.23%	8,23,34,659	28.94%
Adishwar Enterprises LLP	5,15,94,315	18.13%	5,15,94,315	18.14%
Devakar Investment and Trading Company Private Limited	3,16,87,790	11.14%	3,16,87,790	11.14%
HDFC Mutual Fund	2,16,11,672	7.60%	2,16,35,392	7.61%

16.7 Details of Shares held by promoters at the end of the year

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	Number of shares	%of total shares	% Change during the year	No. of Shares	%of total shares	% Change during the year
Vardhman Holdings Limited	8,31,70,317	29.23%	0.29%	8,23,34,659	28.94%	0.97%
Adishwar Enterprises LLP	5,15,94,315	18.13%	0.00%	5,15,94,315	18.14%	-0.02%
Devakar Investment & Trading Company Private Limited	3,16,87,790	11.14%	0.00%	3,16,87,790	11.14%	-0.01%
Shri Paul Oswal	29,87,955	1.05%	0.00%	29,87,955	1.05%	0.00%
Flamingo Finance & Investment Company Limited	26,64,795	0.94%	0.00%	26,64,795	0.94%	0.00%
Santon Finance & Investment Company Limited	22,81,650	0.80%	0.00%	22,81,650	0.80%	0.00%
Ramaniya Finance & Investment Company Limited	21,21,170	0.75%	0.00%	21,21,170	0.75%	0.00%
Suchita Jain	12,22,120	0.43%	0.00%	12,22,120	0.43%	0.00%
Shakun Oswal	6,93,075	0.24%	0.00%	6,93,075	0.24%	0.00%
Shri Paul Oswal, Partner, Paras Syndicate	5,74,875	0.20%	0.00%	5,74,875	0.20%	0.00%
Shri Paul Oswal, Partner, Northern Trading Company	5,63,295	0.20%	0.00%	5,63,295	0.20%	0.00%
Mahavir Spinning Mills Private Limited	4,94,720	0.17%	0.00%	4,94,720	0.17%	0.00%
Shri Paul Oswal, Partner, Amber Syndicate	3,89,240	0.14%	0.00%	3,89,240	0.14%	0.00%
Shakun Oswal, Partner, Eastern Trading Company	2,66,430	0.09%	0.00%	2,66,430	0.09%	0.00%
Soumya Jain	41,015	0.01%	0.00%	41,015	0.01%	0.00%
Sagrika Jain	34,925	0.01%	0.00%	34,925	0.01%	0.00%

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

17 Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
Share application money pending allotment	-	0.05
Capital reserve	0.40	0.40
Statutory Reserve	13.91	13.91
Capital redemption reserve	40.43	40.43
Security premium	52.58	51.36
Debenture redemption reserve	-	-
Share options outstanding account	-	0.62
General reserve	1,517.06	1,516.88
Retained earnings	7,416.30	6,880.62
Equity instrument through other comprehensive income	2.55	2.28
	9,043.23	**8,506.55**

Particulars	Share application money pending allotment	Reserves and Surplus								Item of other comprehensive income	Total
		Capital reserve	Statutory Reserve U/s 45 IC of RBI	Capital redemption reserve	Security premium	Debenture redemption reserve	Share options outstanding account	General reserve	Retained earnings	Equity instrument through other comprehensive income	
Balance at April 01, 2022	**1.30**	**0.40**	**13.83**	**40.43**	**44.65**	**57.62**	**3.98**	**1,458.37**	**6,024.40**	**1.94**	**7,646.92**
Profit for the year	-	-	-	-	-	-	-	-	795.16	-	795.16
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	2.54	0.34	2.88
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**797.70**	**0.34**	**798.04**
Share Application Money received under employee stock options.	0.05	-	-	-	-	-	-	-	-	-	0.05
Securities premium on shares under Employee stock options	-	-	-	-	6.71	-	(2.47)	-	-	-	4.24
Transfer from Employee Stock Options accounts to General Reserve	-	-	-	-	-	-	(0.89)	0.89	-	-	-
Transfer to equity shares due to issue of employee stock options (Refer note 44)	(1.30)	-	-	-	-	-	-	-	-	-	(1.30)
Transfer from Debenture redemption reserve to General reserve	-	-	-	-	-	(57.62)	-	57.62	-	-	-

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

17 Other equity (Contd..)

Particulars	Share application money pending allotment	Reserves and Surplus								Item of other comprehensive income	Total
		Capital reserve	Statutory Reserve U/s 45 IC of RBI	Capital redemption reserve	Security premium	Debenture redemption reserve	Share options outstanding account	General reserve	Retained earnings	Equity instrument through other comprehensive income	
Transfer to Statutory Reserve under 45-IC of RBI Act	-	-	0.08	-	-	-	-	-	(0.08)	-	-
Adjustment on account of dividend paid to minority in earlier years	-	-	-	-	-	-	-	-	58.60	-	58.60
Balance at March 31, 2023	**0.05**	**0.40**	**13.91**	**40.43**	**51.36**	**-**	**0.62**	**1,516.88**	**6,880.62**	**2.28**	**8,506.55**
Profit for the year	-	-	-	-	-	-	-	-	631.59	-	631.59
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	3.62	0.27	3.89
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**635.21**	**0.27**	**635.48**
Final Equity Dividend for the financial year 2022-23 (Amount ₹ 3.50 per share)	-	-	-	-	-	-	-	-	(99.53)	-	(99.53)
Share Application Money received under employee stock options.	0.73	-	-	-	-	-	-	-	-	-	0.73
Transfer to equity shares due to issue of employee stock options (Refer note 44)	(0.78)	-	-	-	-	-	-	-	-	-	(0.78)
Transfer from Employee Stock Options accounts to General Reserve							(0.62)	0.18			
Securities premium on shares under Employee stock options	-	-	-	-	1.22	-			-	-	0.78
Transfer to Statutory Reserve under 45-IC of RBI Act	-	-	0.36	-	-	-	-	-	(0.36)	-	-
Balance at March 31, 2024	**-**	**0.40**	**14.27**	**40.43**	**52.58**	**-**	**-**	**1,517.06**	**7,415.94**	**2.55**	**9,043.23**

a. Share application money pending allotment

It represents money received from senior employees under the Company's employee share option scheme.

b. Capital reserve

Capital reserve represents reserve recognised on amalgamation being the difference between consideration amount and net assets of the transferor Companies.

c. Statutory reserve

Statutory Reserve is mandatory reserve to be created by NBFC Companies u/s 45-IC of RBI Act, 1934 every year @ 20% of net profit after tax during the year of VTL Investments Limited.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

17 Other equity (Contd..)

d. Capital redemption reserve

Capital Redemption reserve is a statutory, non-distributable reserve into which amounts are transferred following the redemption or purchase of a Group's own shares.

e. Securities premium

Securities premium represents amount of premium recognised on issue of shares to shareholders at a price more than its face value.

f. Debenture redemption reserve

The Company has issued non convertible debentures in Financial Year 2017-18 and as per the provisions of the Companies Act, 2013, it was required to create debenture redemption reserve out of the profits available for payment of dividend.The company has discontinued creation of DRR as per MCA notification no.464 dated August 16, 2019. During the current year company has transfered the amount of debenture redemption reserve to general reserve pursuant to redemption of debentures.

g. Share options outstanding account

Company has approved employee share option scheme under which equity shares of Company are alloted to eligible employees as per the terms and conditions contained in the scheme. The amount is recognised based on the value of equity-settled share-based payments.

h. General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

i. Retained earnings

Retained earnings represents amount that can be distributed by the Group to its equity shareholders is determined based on the financial statements of the Group and also considering the requirements of the Companies Act 2013.

j. Equity instrument through other comprehensive income

Reserve for equity instruments through other comprehensive income represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when those assets have been disposed off.

18 Borrowings (Non Current)

Particulars	As at March 31, 2024	As at March 31, 2023
Term loans (Secured - at amortised cost)		
**From banks*	952.19	988.93
Less: Current maturities (refer note-23)	539.06	57.58
	413.13	**931.35**

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

18 Borrowings (Non Current) (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
Debentures		
- **Secured - at amortised cost**		
6.83% 1950 Debentures of ₹ 10,00,000/- each	-	195.00
Less: Current maturities (refer note-23)	-	195.00
	-	-
- **Unsecured - at amortised cost**		
7.70% 15000 Debentures of ₹ 1,00,000/- each	-	150.00
Less: Current maturities (refer note-23)	-	150.00
Total	**413.13**	**931.35**

* Net of unamortized processing charges: March 31, 2024: ₹ 0.42 crores (March 31, 2023 : ₹0.69 crores)

** Includes External Commercial borrowing from Citi bank amounting ₹ 33.36 Crores (March 31,2023 ₹49.30 Crores)

(a) Term loans from banks are secured as follows:-

(1). 1st pari passu charge :-Hypothecation of entire fixed assets of the Company (both present and future) including equitable mortgage.

(2). 2nd pari passu charge:-Hypothecation of stocks of raw material, stock in process and finished goods, receivables/ book debts and other current assets (both present and future).

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

During the current year, the aforeaid NCDs have been repaid by the Company on June 01, 2023 along with interest.The Company has received the no objection certificate for release of charge from SBICAP Trustee Company Limited as on July 28, 2023.

(c) The Parent Company had issued unsecured, rated listed Redeemable Non-convertible Debentures ('NCDs') aggregating to ₹ 150.00 Crores for cash at par on private placement basis on March 20, 2023. The NCDs were listed at the Bombay Stock Exchange of India (BSE) and repayable on March 27, 2024 and had a yield of 7.70% per annum payable at the time of maturity of NCDs.

During the current year, the aforeaid NCDs have been repaid by the Company on March 27, 2024 along with interest. Post repayment of the non-convertible debentures the Company applied for delisting in accordance with the Delisting Regulations. The final approval for delisting was received from Bombay Stock Exchange Limited on April 15, 2024. The Company has also received the no objection certificate from SBICAP Trustee Company Limited as on April 25, 2024.

(d) There have been no breach of covenants mentioned in the loan agreements during the reporting years.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

18 Borrowings (Non Current) (Contd..)

(e) Terms of repayment of loan/debentures

Loan Category	Frequency of principal repayments	Interest rate	Repayments during			Total
			FY 2024-25	FY 2025-26	FY 2026-28	
Term loans	Quarterly Payments	7.50% to 7.83%	42.14	22.82	328.05	393.01
Term loans	Bullet Payments	7.85% to 8.95%	463.53	62.72	-	526.25
ECB Loan*	Bullet Payments	3M libor + 0.65 BPS & Overnight SOFR + 0.92 BPS	33.36	-	-	33.36
			539.03	**85.54**	**328.05**	**952.62**

* External commercial borrowing from Citi bank for capital expenditure is repayable in 3 equal installments beginning from end of 54 months, 57 months and 60 months carries an interest rate of overnight SOFR+0.92 (revised during the year w.e.f from August 29, 2023 3M Libor+ 0.65) basis points. During the year, the Company has repaid ECB amounting $ 2 Million on February 29, 2024 as per the repayment schedule.

(f) Also refer note 37 for fair value disclosures.

(g) For specific purpose borrowings from banks, company has utilized the funds for specific purpose for which it was taken.

19 Other financial liabilities (Non Current)*

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities at amortized cost		
Retention money	0.76	3.50
	0.76	**3.50**

*Refer note 37

19A Lease liabilities (Non Current)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities at amortized cost		
Lease Liability (Refer Note 44)	0.18	0.17
	0.18	**0.17**

20 Provisions (Non Current)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits :		
- Leave (Refer note 46)	18.31	17.48
	18.31	**17.48**

The provision for employee benefit include annual leave and vested long service leave entitlement accrued of employees.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

21 Deferred tax liabilities (net)*

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	298.15	283.61
	298.15	**283.61**
Deferred tax assets	13.14	15.32
	13.14	**15.32**
	285.01	**268.29**

* Refer note 36

22 Other non-current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Income for Capital subsidy	11.47	12.99
Due to employees	0.50	0.55
Other	1.31	1.43
Total	**13.28**	**14.97**

23 Borrowings (Current)*

Particulars	As at March 31, 2024	As at March 31, 2023
Loans repayment on demand		
- From banks (secured at amortised cost)	817.40	343.19
- From banks (unsecured at amortised cost)	-	0.34
Total	**817.40**	**343.53**
Current Maturities of Long term borrowings		
- From banks (secured at amortised cost)	539.06	57.58
- From Debentures		
Secured at amortised cost	-	195.00
Unsecured at amortised cost	-	150.00
Total	**539.06**	**402.58**
Short Term Borrowings - Unsecured	21.58	-
Total Borrowings	**1,378.04**	**746.11**

Details of security for working capital borrowings

Working capital borrowings from banks are secured as follows:-

(1) 1st pari passu charge :-Hypothecation of stocks of raw material, stock in process and finished goods, receivables/ book debts and other current assets (both present and future).

(2) 2nd pari passu charge:-Hypothecation of entire fixed assets of the company (both present and future) including equitable mortgage.

*Refer Note 37

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

24 Trade payables*

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables (refer note 42)		
- Total outstanding dues of micro enterprises and small enterprises	24.04	24.04
- Total outstanding dues of other than micro enterprises and small enterprises	332.76	334.25
Due to related parties (Refer Note 45)	1.57	1.62
Total	**358.37**	**359.91**

Ageing of Trade payables:

Particulars	As at March 31, 2024	As at March 31, 2023
(i) MSME:		
Less than 1 year	24.04	24.04
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	24.04	**24.04**
(ii) Others:		
Less than 1 year	300.19	305.67
1-2 years	27.23	10.88
2-3 years	3.08	9.84
More than 3 years	3.83	9.48
	334.33	**335.87**

25 Other financial liabilities (Current)**

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities at amortized cost		
Interest accrued but not due on borrowings	6.73	16.46
Other payables		
- Retention money	8.22	9.03
- Security deposits	6.74	5.74
- Expense payable	42.48	40.47
- Payables for purchase of fixed assets		
- Total outstanding dues of micro enterprises and small enterprises	0.70	2.78

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

25 Other financial liabilities (Current)** (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
- Total outstanding dues of other than micro enterprises and small enterprises	20.53	26.33
- Due to employees	120.46	102.91
Financial liabilities at Fair value through Profit and loss		
Derivative Financial Instruments*	-	2.94
Total	**205.86**	**206.66**

*Current period balance represents mark to market loss on currency derivative financial instruments to manage Company's exposure to foreign exchange rate risk. Also refer note 37.

Previous period balance represents mark to market loss on commodity derivative instruments traded through commodities exchange. The Company has taken future/option contracts to hedge against fluctuation of cotton prices and has booked mark to market loss on these contracts in head Other expenses (Refer note 35).

**Refer note 37

26 Provisions (Current)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits : (Refer note 46)		
Leave	3.58	3.38
Gratuity	0.18	-
	3.76	**3.38**

27 Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory remittances*	25.29	27.09
Deferred Income for Capital subsidy	1.56	1.62
Unpaid dividends **	3.63	3.96
Gratuity	-	2.06
Advances from customers (Contract Liability)#	38.51	44.07
Other Liabilities	3.33	5.41
Advance against Sale of Property, Plant and Equipment	3.92	3.58
Total	**76.24**	**87.79**

* Statutory remittances includes contribution to provident fund and employee state insurance corporation, tax deducted/collected at source, goods and service tax etc.

** Unpaid dividends do not include any amount due and outstanding required to be credited to the Investors' Education and Protection Fund.

Advance from customers is recognised when payment is received before the related performance is satisfied

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

27 Other current liabilities (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
As at beginning of the year	44.07	60.69
Less:-Recognised as revenue	(44.07)	(60.69)
Add:- Advances received during the year related to closing balance	38.51	44.07
As at end of the year	**38.51**	**44.07**

28 Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products (Net of Rebate & Discount)	9,312.41	9,919.09
Sale of services	7.79	6.40
Other operating revenues :		
- Export benefits*	160.14	184.83
- Others	24.34	27.17
	9,504.68	**10,137.49**

Ind AS 115 'Revenue from Contracts with customers' outlines a single comprehensive control based model for revenue recognition The Group had not applied any significant judgements in applying the revenue recognition criteria. The disclosure requirements as per Ind As 115 given below:-

The following is an analysis of the companies revenue from its products and services

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Yarn	5,867.58	6,115.30
Sale of Fabric	3,122.65	3,384.68
Acrylic Fibre	205.94	298.70
Service income	7.79	6.40
Sale of Garments	112.09	120.41
Others (Sale of scrap and others)	28.49	27.17
	9,344.54	**9,952.66**

The following is analysis on the Companies revenue disaggregates on the basis of timing of revenue recognition.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- At point of time	9,344.54	9,952.66
- Over the period	-	-

The contract price of sale of products co-incide with the revenue from operations.

* Export benefits are in the nature of government grants covering following benefits

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

28 Revenue from operations # (Contd..)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) RoDTEP	97.27	109.50
(b) Duty drawback benefits	62.87	75.33
	160.14	**184.83**

29 Other income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Interest income		
Interest income	53.69	37.31
(b) Dividend income		
Dividend income from investments- carried at fair value through Profit or Loss	0.22	0.30
(c) Other Non Operating Income (Net of Expenses directly attributable to such income)		
Net gain on sale of investments-carried at fair value through Profit or Loss (net of reversal of fair valuation on disposal of investment)	58.31	42.12
Gain on fair valuation of Investments	94.65	47.27
(d) Other gain		
Claims received (net of expenses)	1.11	2.29
Provisions no longer required written back	17.02	4.41
Subsidy from Government	44.70	34.84
Net gain on disposal of property, plant and equipment	7.35	4.19
Foreign Exchange Fluctuation Gain (Net)	26.18	-
Others	22.71	19.22
	325.94	**191.95**

30 Cost of materials consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cotton	4,338.54	4,559.74
Manmade fibre	903.77	1,020.49
Yarn	21.18	14.90
Fabric	29.50	42.00
Acrylonitrile - Consumption	174.15	239.07
Others	28.67	38.45
	5,495.80	**5,914.65**

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

31 Purchases of Stock-in-trade:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Yarn	1.62	0.14
Others	-	1.63
	1.62	**1.77**

32 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the beginning of the year*		
Work-in-progress	241.84	253.22
Finished goods	799.53	801.60
	1,041.37	**1,054.82**
Inventories at the end of the year*		
Work-in-progress	237.96	241.84
Finished goods	707.01	799.53
	944.97	**1,041.37**
	96.40	**13.45**

*Net of stock reserve.

33 Employee benefits expense *

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	771.73	705.75
Contribution to provident and other funds	60.63	55.26
Staff welfare expenses	7.62	6.22
	839.98	**767.23**

* Also refer note 46

34 Finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense*	88.92	87.79
Other borrowing costs	13.36	14.36
	102.28	**102.15**

*Interest expense is net of interest reimbursement of ₹ 47.67 crores (March 31, 2023 - ₹ 35.51 crores) under Madhya Pradesh state interest reimbursement on term loan.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

35 Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel*	908.03	876.78
Consumption of stores and spare parts	56.96	52.17
Packing materials and charges	108.59	114.19
Dyes and Chemical consumed	232.26	255.88
Rent	1.78	1.48
Repairs and Maintenance		
- Buildings	37.74	40.21
- Plant and Machinery	300.40	256.03
- Others	17.40	18.45
Insurance	16.91	15.85
Rates and taxes	7.34	6.87
Legal and Professional Charges	15.08	8.89
Processing Charges	13.19	13.64
Travelling and Conveyance Expenses	10.51	6.94
Auditors remuneration:		
- Audit fee	0.88	0.80
- Tax audit fee	0.11	0.09
- Reimbursement of expenses	0.04	0.05
- In other capacity	0.02	0.02
Bad debts written off	0.94	1.50
Allowances for doubtful trade receivables and advances	0.13	1.64
Forwarding charges and octroi	174.76	207.58
Commission to selling agents	64.11	64.04
Assets written off	2.70	1.65
Forex Fluctuation Loss (Net)	-	16.50
Charity, Donation and CSR activities (Refer note 48)#	29.08	27.74
Cotton Hedging Derivative Loss	4.89	40.78
Other miscellaneous expenses **	93.82	86.63
	2,097.67	**2,116.40**

* Power & Fuel expense amount is net of Subsidy amounting ₹28.57 Crores (March 31,2023 ₹ 24.19 Crores).

** Does not include any item of expenditure with a value of more than 1% of the revenue from operations.

The Company has purchased electoral bond amounting to ₹ 4 Crores FY 23-24 (₹ 1 Crores in FY 2022-23) which has been subsequently encashed by Bhartiya Janta Party and President, All India Congress Committee amounting to ₹ 3 Crores and ₹ 1 Crores respectively (₹ 1 Crores to Bhartiya Janta Party for FY 2022-23)

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

36 Tax balances

The following is the analysis of deferred tax assets / (liabilities) presented in the standalone balance sheet

36.1 Deferred tax liabilities (Net)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
2023-24				
Deferred tax assets				
Expenses deductible in future years	10.35	(2.20)	-	8.15
Provision for doubtful debts / advances	4.82	-	-	4.82
Others	0.15	0.02	-	0.17
	15.32	**(2.18)**	**-**	**13.14**
Deferred tax liabilities				
Property, plant and equipment and Intangible assets	(257.70)	(3.60)	-	(261.30)
Investment in bonds, mutual funds and equity instruments	(4.94)	2.69	(0.03)	(2.28)
Tax on undistributed Profits	(18.26)	(10.78)	-	(29.04)
Others	(2.71)	(2.82)	-	(5.53)
	(283.61)	**(14.51)**	**(0.03)**	**(298.15)**
Net deferred tax liabilities	**(268.29)**	**(16.69)**	**(0.03)**	**(285.01)**

Particulars	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
2022-23				
Deferred tax assets				
Expenses deductible in future years	27.47	(17.12)	-	10.35
Provision for doubtful debts / advances	4.40	0.42	-	4.82
Others	0.04	0.11	-	0.15
	31.91	**(16.58)**	**-**	**15.32**
Deferred tax liabilities				
Property, plant and equipment and Intangible assets	(256.64)	(1.06)	-	(257.70)
Investment in bonds, mutual funds and equity instruments	(8.11)	3.21	(0.04)	(4.94)
Tax on undistributed Profits	(11.45)	(6.81)	-	(18.26)
Others	(4.77)	2.06	-	(2.71)
	(280.97)	**(2.60)**	**(0.04)**	**(283.61)**
Net deferred tax liabilities	**(249.06)**	**(19.19)**	**(0.04)**	**(268.29)**

Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

36.2 Income tax recognised in profit or loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
In respect of the current year	181.51	235.96
Deferred tax		
In respect of the current year	16.72	19.20
Total income tax expense recognised	**198.23**	**255.16**

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for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

36 Tax balances (Contd..)

The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	834.93	1,059.91
Tax at the Indian Tax Rate of 25.168%	210.14	266.77
Differential tax rate on capital gain on sale of investments	(15.87)	(7.27)
Effect of indexation benefit on value of investment	0.09	(4.74)
Deductions u/s 80IA/80IC/80JJAA	(2.11)	(2.82)
Effect of expenses that are not deductible in determining taxable profit	7.08	6.96
Others	(1.10)	(3.74)
	198.23	**255.16**

36.3 Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Arising on income and expenses recognised in other comprehensive income	1.30	0.90
Total income tax recognised in other comprehensive income	**1.30**	**0.90**

37 Financial Instruments and Risk Management

37.1 Capital Management

The Group manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through optimization of debt and equity balance. The capital structure of the Group consists of net debt (borrowings as detailed in note no.18 and offset by cash and bank balances) and total equity of the Group. The Group is not subject to any externally exposed capital requirements.

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group's gearing ratio was as follows:

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

37 Financial Instruments and Risk Management (Contd..)

The following table provides detail of the debt and equity at the end of the reporting year:

Particulars	As at March 31, 2024	As at March 31, 2023
Debt	1,791.17	1,677.46
Cash & cash equivalents	34.30	75.60
Net Debt	**1,756.87**	**1,601.86**
Total Equity	**9,100.13**	**8,563.45**
Net debt to equity ratio	**0.19**	**0.19**

37.2 Financial instruments by category

Particulars	As at March 31, 2024				As at March 31, 2023			
	FVTPL	Fair Value (Derivative Instruments)	Amortised Cost#	FVTOCI	FVTPL	Fair Value (Derivative Instruments)	Amortised Cost#	FVTOCI
Financial Assets								
Investments	1,473.76	-	-	5.81	2,166.65	-	-	5.44
Trade Receivables	-	-	1,220.26	-	-	-	1,190.99	-
Cash and cash equivalents	-	-	34.30	-	-	-	75.60	-
Bank balances other than above	-	-	53.49	-	-	-	298.62	-
Loans	-	-	3.51	-	-	-	3.83	-
Other financial assets	-	2.13	30.05	-	-	-	68.22	-
	1,473.76	**2.13**	**1,341.61**	**5.81**	**2,166.65**	**-**	**1,637.26**	**5.44**

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	Fair Value (Derivative Instruments)	Amortised Cost#	FVTPL	Fair Value (Derivative Instruments)	Amortised Cost#
Financial Liabilities						
Borrowings (including current maturity of term loan)	-	-	1,791.17	-	-	1,677.46
Trade Payables	-	-	358.37	-	-	359.92
Other financial liabilities	-	-	206.62	-	2.94	207.22
Lease Liability			0.18			0.17
	-	**-**	**2,356.34**	**-**	**2.94**	**2,244.77**

Carrying value of the financial assets and financial liabilities designated at amortised cost approximates its fair value.

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for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

37 Financial Instruments and Risk Management (Contd..)

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in mutual funds/bonds/preference shares	226.12	1,473.76	-	1,699.88
Foreign currency / commodity forward contracts		2.13		2.13
Unquoted equity instruments	-	-	5.81	5.81
	226.12	**1,475.89**	**5.81**	**1,707.82**
Financial Liabilities				
Foreign currency / commodity future/option/forward contracts	-	-	-	-
	-	**-**	**-**	**-**

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in mutual funds/bonds/preference shares	1,141.09	1,213.93	-	2,355.02
Foreign currency / commodity forward contracts		-		-
Unquoted equity instruments	-	-	5.44	5.44
	1,141.09	**1,213.93**	**5.44**	**2,360.46**
Financial Liabilities				
Foreign currency / commodity forward /future/option contracts	-	2.94	-	2.94
	-	**2.94**	**-**	**2.94**

Level 1:

Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of open ended mutual funds.

Level 2:

Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of over the counter (OTC) derivative contracts.

Level 3:

Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data.

Sensitivity of Level 3 financial instruments are insignificant

The fair value of the financial instruments are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

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37 Financial Instruments and Risk Management (Contd..)

Investments in mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Derivative contracts: The Group has entered into various foreign currency contracts to manage its exposure to fluctuations in foreign exchange rates. These financial exposures are managed in accordance with the Group's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data, i.e., mark to market values determined by the Authorised Dealers Banks.

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of net asset value approach, in this approach the net asset value is used to capture the fair value of these investments.

Reconciliation of Level 3 fair value measurements

Particulars	Unlisted equity instruments
As at April 01, 2022	**5.02**
Purchases	-
Gain / (loss) recognised in OCI	0.42
As at March 31, 2023	**5.44**
Purchases	-
Gain / (loss) recognised in OCI	0.37
As at March 31, 2024	**5.81**

37.3 Financial Risk Management

The Group's corporate treasury function provides services to the business, coordinates access to the financial markets, monitors and manages the financial risks relating to operations of the Group through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk including currency risk, interest rate risk and other price risks, credit risk and liquidity risk.

The Group seeks to minimize the effects of these risk by using derivate financial instruments to hedge risk exposure. The issue of financial derivatives is governed by the Group's policy approved by the board of directors.

The principal financial assets of the Group include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the Group, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the Group.

This note explains the risks which the Group is exposed to and policies and framework adopted by the Group to manage these risks.

37.3.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

Notes to Consolidated Financial Statement

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(All amounts in ₹ crores, unless otherwise stated)

37 Financial Instruments and Risk Management (Contd..)

A. Foreign Currency Risk Management

The Group operates internationally and business is transacted in several currencies. The export sales of Group comprise around 41% (FY 2022-23 : 44%) of the total sales of the Group, Further the Group also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the Group is exposed to foreign currency risk and the results of the Group may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than Group's functional currency.

The Group measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Group uses a combination of derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in ₹crores, are as follows:

As at March 31, 2024	USD	EUR	CHF	JPY
Financial assets				
Trade receivables	8.48	0.48	-	-
Others	0.00	0.00	-	-
Foreign exchange derivative contracts*	(25.60)	(0.38)	-	-
Net exposure to foreign currency risk (assets)	**-**	**0.10**	**-**	**-**
Financial liabilities				
Trade payables	0.50	0.02	0.02	0.82
Borrowings	0.40	-	-	-
Foreign exchange derivative contracts*	(1.95)	(0.64)	-	
Net exposure to foreign currency risk (liabilities)	**-**	**-**	**0.02**	**0.82**
Net exposure to foreign currency risk (net)	**-**	**0.10**	**(0.02)**	**(0.82)**

As at March 31, 2023	USD	EUR	CHF	JPY
Financial assets				
Trade receivables	8.43	0.46	-	-
Other	0.04	-	-	-
Foreign exchange derivative contracts*	(23.50)	(1.07)	-	-
Net exposure to foreign currency risk (assets)	**-**	**-**	**-**	**-**
Financial liabilities				
Trade payables and other financial liabilities	0.62	0.17	0.02	2.17
Borrowings	0.60	-	-	-
Foreign exchange derivative contracts*	(4.75)	(0.11)	(0.01)	
Net exposure to foreign currency risk (liabilities)	**-**	**0.06**	**0.01**	**2.17**
Net exposure to foreign currency risk (net)	**-**	**(0.06)**	**(0.01)**	**(2.17)**

*Excess derivatives against pending purchase order/sales order shipment

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for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

37 Financial Instruments and Risk Management (Contd..)

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 10% increase and decrease in the ₹ against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for 10% change in foreign currency rates. A positive number below indicates an increase in profit before tax or vice-versa.

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	₹ strengthens by 10%	₹ weakens by 10%	₹ strengthens by 10%	₹ weakens by 10%
Impact on (profit) /loss for the year				
USD	-	-	-	-
EUR	0.89	(0.89)	0.55	(0.55)
CHF	(0.21)	0.21	0.09	(0.09)
JPY	(0.05)	0.05	0.13	(0.13)

Foreign exchange derivative contracts

The Group uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The Group's Corporate Treasury team measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency cash flows by appropriately hedging the transactions. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding Contracts*	No of Deals		Foreign Currency (FCY Crores)		Nominal Amount (₹ Crores)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD / INR Buy forward	63	50	2.23	4.14	129.30	340.49
USD / INR Buy Option	2	-	0.40	-	33.36	-
USD / INR Sell forward	202	169	20.20	16.90	1,684.68	1,388.67
USD / INR Sell Option	27	33	5.40	6.60	450.36	542.32
EUR / USD /INR Buy forward	3	-	0.22	-	20.25	-
EUR / USD/ INR Buy Option	2	2	0.42	0.11	37.73	9.83
EUR / INR Sell forward	12	20	0.38	1.07	33.78	95.93
JPY/INR Buy forward	-	1	-	0.20	-	0.12
CHF/INR Buy Forward	-	1	-	0.01	-	0.91
Fair value assets	-	-	-	-	2.13	-
Fair value liabilities	-		-		-	2.94

* Sensitivity on the above derivative contracts in respect of foreign currency exposure is insignificant

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for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

37 Financial Instruments and Risk Management (Contd..)

B. Interest Rate Risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

As the Group has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Year ended March 31, 2024 ₹ loans interest rate decreases by 1%	Year ended March 31, 2023 ₹ loans interest rate decreases by 1%
Increase in profit before tax by	17.91	16.77

In case of increase in interest rate by above mentioned percentage, there would be a comparable impact on the profit before tax as mentioned above would be negative.

C. Security Price Risk Management

Exposure in equity

The Group is exposed to equity price risks arising from equity investments held by the Group and classified in the balance sheet as fair value through OCI.

Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If the equity prices had been 5% higher / lower:

Other comprehensive income for the year ended March 31, 2024 would increase / decrease by ₹ 0.29 crore (for the year ended March 31, 2023: increase / decrease by ₹ 0.27 crore) as a result of the change in fair value of equity investment measured at FVTOCI.

Exposure in mutual funds

The Group manages the surplus funds majorly through investments in debt based mutual fund schemes. The price of investment in these mutual fund schemes is reflected though Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Group is exposed to price risk on such Investments.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

37 Financial Instruments and Risk Management (Contd..)

Mutual fund price sensitivity analysis

The sensitivity analysis below have been determined based on Mutual Fund Investment at the end of the reporting period. If NAV has been 1% higher / lower:

Profit for year ended March 31, 2024 would increase / decrease by ₹ 14.79 crores (for the year ended March 31, 2023 by ₹ 23.55 crores) as a result of the changes in fair value of mutual fund investments.

D. Commodity Price Risk Management

The Group uses commodity derivative instruments to manage its price risk exposures on inventory of cotton. Commodity derivatives are used primarily as risk mangement tool to safeguard price risk exposure on inventory of cotton. Company employs specific financial instruments namely future and option contracts for hedging its price risk related to commodity.

37.3.2 Credit Risk Management

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the Group generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in liquid mutual fund units, bonds, fixed maturity plan etc. issued by institutions having proven track record. The Group's credit risk in case of all other financial instruments is negligible.

The Group assesses the credit risk based on external credit ratings assigned by credit rating agencies. The Group also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by letters of credit.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The Group has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

The following is the detail of revenues generated from top five customers of the Group:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from top five customers	894.75	962.47
% of total sales of products	9.41%	9.49%

Financial assets for which loss allowance is measured:

Particulars	As at March 31, 2024	As at March 31, 2023
Loans - Non-current	1.27	1.25
Loans - Current	2.24	2.58
Other financial assets - Non-current	16.72	39.29
Other financial assets - Current	15.46	28.93
Trade receivables	1,220.26	1,190.99
	1,255.95	**1,263.04**

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37 Financial Instruments and Risk Management (Contd..)

Loss Allowance is as follows:-

Particulars	
As at April 01, 2022	**17.19**
Provided during the year	1.69
Reversed during the year	(0.30)
As at March 31, 2023	**18.58**
Provided during the year	(0.30)
Reversed during the year	0.42
As at March 31, 2024	**18.70**

Other than financial assets mentioned above, none of the Group's financial assets are either impaired, and there were no indications that defaults in payment obligations would occur.

37.3.3 Liquidity Risk Management

The financial liabilities of the Group, other than derivatives, include loans and borrowings, trade and other payables. The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The Group plans to maintain sufficient cash and marketable securities to meet the obligations as and when fall due. The below is the detail of contractual maturities of the financial liabilities of the Group at the end of each reporting period:

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities:

As at March 31, 2024	Less than 1 year	More than 1 year and upto 3 years	More than 3 year and upto 5 years	More than 5 years	Total
Financial Assets					
Investments	190.49	1,224.77	-	115.77	1,531.03
Trade Receivables	1,221.62	-	-	-	1,221.62
Cash and cash equivalents	36.09	-	-	-	36.09
Bank balances other than above	50.71	0.36	-	-	51.07
Loans	2.37	0.88	0.40	-	3.65
Other financial assets	15.22	6.20	10.15	-	31.57
	1,516.50	**1,232.21**	**10.55**	**115.77**	**2,875.03**
Financial liabilities					
Borrowings	1,373.01	417.96	0.00	-	1,790.97
Trade payables	326.55	29.92	3.80	-	360.27
Lease Liabilities (undiscounted)	0.00	0.01	0.01	8.43	8.45
Other financial liabilities	206.50	0.64	-	-	207.14
	1,906.06	**448.53**	**3.81**	**8.43**	**2,366.83**

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37 Financial Instruments and Risk Management (Contd..)

As at March 31, 2023	Less than 1 year	More than 1 year and upto 3 years	More than 3 year and upto 5 years	More than 5 years	Total
Financial Assets					
Investments	1,141.09	457.41	735.77	214.58	2,548.85
Trade Receivables	1,190.99	-	-	-	1,190.99
Cash and cash equivalents	75.60	-	-	-	75.60
Bank balances other than above	298.62	-	-	-	298.62
Loans	2.58	0.98	0.08	0.19	3.83
Other financial assets	28.93	29.14	10.15	-	68.22
	2,737.81	**487.53**	**746.00**	**214.77**	**4,186.11**
Financial liabilities					
Borrowings	746.11	621.76	309.59	-	1,677.46
Trade payables	359.92	-	-	-	359.92
Lease liabilitiy (undiscounted)	0.15	0.62	-	18.66	19.43
Other financial liabilities	206.66	3.50	-	-	210.16
	1,312.84	**625.88**	**309.59**	**18.66**	**2,266.97**

38 Contingent Liabilities and Commitments

a. Claims against the Group not acknowledged as debts:

Particulars	As at March 31, 2024	As at March 31, 2023
Sales tax, excise duty, etc*	7.11	7.21
Income-tax**	255.85	261.98
Others***	4.40	4.40

* Amount deposited ₹1.63 crores (March 31, 2023 : ₹ 1.63 crore)

** Amount deposited ₹236.84 crores (March 31, 2023 : ₹ 210.64 crore)

*** Amount deposited ₹0.70 crores (March 31, 2023 : ₹0.70 crore)

b. Liability on account of bank guarantees and letter of credit of ₹ 202.85 crores (March 31, 2023 : ₹ 237.10 crores)

c. The amounts shown above represents the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Group or the claimants as the case may be and therefore cannot be predicted accurately or relate to a present obligations that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate cannot be made. The Group has been advised that it has strong legal positions against such disputes.

d. The Payment of Bonus (Amendment) Act 2015, notified on December 31, 2015, had revised the thresholds for coverage of employee eligible for Bonus and also enhanced the ceiling limits for computation of bonus retrospectively from April 1, 2014. Based on legal opinion, the Company has filed a writ petition in Hon'ble High Court of Punjab & Haryana contesting its retrospective applicability and the said jurisdictional High Court has granted stay on its retrospective operation. In view thereof, the Parent Company has not provided differential bonus pertaining to the period from April 1, 2014 to March 31, 2015 amounting to ₹ 8.21 crores. However, the Company has provided/paid bonus w.e.f. April 1, 2015 according to the amended provisions of the Payment of Bonus (Amendment) Act 2015.

Notes to Consolidated Financial Statement

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38 Contingent Liabilities and Commitments (Contd..)

e. Capital and other commitments

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Estimated Amount of contracts remaining to be executed on capital account & not provided for (net of advance)	239.05	226.25
(ii) Export obligation under EPCG Scheme*	-	-

* Group is availing benefit under EPCG Scheme for import of capital goods and spare parts against obligation to export six times of the duty saved. Total Duty to be saved/saved against licences outstanding as at March 31, 2024 is ₹ 626.99 crores (March 31, 2023 ₹ 569.62 crores). Export obligation on such licences outstanding as at year end is disclosed above.

(iii) The Group has other commitments, for purchases / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits in normal course of business. The Group does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.

f. Contingent Liability and Commitments in respect of our share in associates is ₹ 38.41 Crores (March 31,2023 ₹ 18.55 Crores)

39(a) "Mahavir Share Trust (""Trust"") is holding 10,65,822 equity shares (March 31, 2023: 5,32,911 nos.) of ₹ 10 each of Vardhman Special Steels Limited which were allotted to it in the capacity of a shareholder of the Company by virtue of 'Scheme of Arrangement & Demerger' entered into by the Company, Vardhman Special Steels Limited and their respective shareholders and creditors.

As the aforesaid shares are held by Trust (Mahavir Share trust) on behalf of the Company and Company not being registered owner of shares, the cost of these shares is not reflected in investments but same has been valued at cost as reflected in other current asset.

39(b) The detail of the amount recoverable from Mahavir Share Trust as at the end of the year is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Cost of shares of Vardhman Special Steels Limited	4.64	4.64
Other recoverable	0.01	0.17
	4.65	**4.81**

40 Segment Information

The Group is primarily in the business of manufacturing, purchase and sale of textiles & fibre. The Managing Director of the Group, which has been identified as being the Chief Operating Decision Maker (CODM), evaluates the Group's performance, allocate resources based on the analysis of the various performance indicator of the group as textiles and fibre. Therefore, there are two reportable segments viz textiles and fibre.

Particulars	Textiles		Fibre		Total	
	Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
(i) Revenue						
Total Sales	9,298.68	9,840.79	297.48	426.66	9,596.16	10,267.45
Inter Segment Sales	-	-	(91.48)	(129.96)	(91.48)	(129.96)
External Sales	9,298.68	9,840.79	206.00	296.70	9,504.68	10,137.49
Other Income	113.80	62.91	1.93	0.83	115.73	63.74
Unallocated Other Income					210.21	128.21
Total Revenue	**9,361.59**	**9,903.70**	**206.83**	**297.53**	**9,830.62**	**10,329.44**

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(All amounts in ₹ crores, unless otherwise stated)

40 Segment Information (Contd..)

Particulars	Textiles		Fibre		Total	
	Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
(ii) Result						
Segment results	784.59	1,055.00	9.61	35.41	794.20	1,090.41
Unallocated Corporate expenses/(Income) (Net)					(100.36)	(31.10)
Operating profit					**894.56**	**1,121.51**
Finance cost					102.28	102.15
Income from Associates					42.65	40.55
Profit before tax					**834.93**	**1,059.91**
Provision for taxation						
Current tax and deferred tax					198.23	255.16
Profit after tax					**636.70**	**804.75**
(iii) Segment Assets and Liabilities						
Segment assets	9,953.90	8,090.65	155.09	168.97	10,108.99	8,259.62
Unallocated corporate assets					1,871.80	3,072.94
Total assets					**11,980.79**	**11,332.56**
Total equity and liabilities						
Equity (Share capital and other equity)					9,100.13	8,563.44
Non controlling interest					87.91	88.52
Segment Liabilities	521.94	542.25	75.13	64.98	597.07	607.23
Secured and unsecured loans					1,791.17	1,677.46
Unallocated Corporate Liabilities					119.50	127.63
Deferred Tax Liabilities					285.01	268.29
Total equity and liabilities					**11,980.79**	**11,332.56**
(iv) Capital expenditure					**240.95**	**841.82**
(v) Depreciation and Amortisation					**401.13**	**391.26**
Unallocated Corporate Depreciation and Amortisation					3.46	3.17
Total Depreciation					404.59	394.43

Geophraphical Information:

Particulars	For the year ended March, 31 2024	For the year ended March 31, 2023
Segment Revenue-External Turnover		
- Within India	5,562.09	5,781.09
- Outside India	3,942.59	4,356.40
Total Revenue	**9,504.68**	**10,137.49**
Total Segment Assets		
- Within India	11,980.79	11,332.56
- Outside India	-	-

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

40 Segment Information (Contd..)

Particulars	For the year ended March, 31 2024	For the year ended March 31, 2023
Non-Current Segment Assets		
- Within India	5,549.20	5,548.04
- Outside India	-	-

Segment Revenue and expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

Segment Assets and Liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and property plant and equipment and intangible assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities and do not include deferred income taxes. While most of the assets / liabilities can be directly attributed to individual segments, the carrying amount of certain assets / liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

41 Earnings Per Share

Particulars	For the year ended March, 31 2024	For the year ended March 31, 2023
Basic earnings per share (INR)	22.20	27.96
Diluted earnings per share (INR)	22.20	27.95
Profit attributable to the equity holders of the Company used in calculating basic earning per share	631.59	795.16
Weighted average number of equity shares for the purpose of basic earning per share (numbers)	28,44,93,377	28,44,01,714
Profit attributable to the equity holders of the Company used in calculating dilutive earning per share	631.59	795.16
Weighted average number of equity shares for the purpose of dilutive earning per share (numbers)	28,45,31,805	28,45,40,897

42 Trade Payable and payable for purchase of property, plant and equipment include the following dues to micro and small enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" (MSMED) to the extent such parties have been identified from the available information.

Particulars	As at March, 31 2024	As at March, 31 2023
Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of year	24.72	26.82
- Principal amount	-	-
- Interest due thereon	-	-
Amount of payments made to suppliers beyond the appointed day during the year		
- Principal amount	-	-
- Interest actually paid under section 16 of MSMED	-	-

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

42 (Contd..)

Particulars	As at March, 31 2024	As at March, 31 2023
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
- Interest accrued during the year	-	-
- Interest remaining unpaid as at the end of the year	-	-
Interest remaining disallowable as deductible expenditure under the Income-tax Act, 1961	-	-

43 Leases

The Group has lease contracts for various Lands, Godowns, Guest Houses, Office premises. Leases of Office Premises,guest Houses,Godowns have lease term ranging from 11 months to 30 years and leases of land have leave terms of 99 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options. The Group also has certain leases of office premises and guest houses with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 1.67 crore and a lease liability of ₹ 1.67 crore. Further, in respect of leases which were classified as operating leases, applying Ind AS 17, ₹ 18.85 crores has been reclassified from "Other Assets" to "Right of Use Asset". The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Following are the changes in the carrying value of right of use (ROU) assets for the year ended March 31, 2024:

Particulars	Land	Building	Total
Balance as on April 01, 2022	19.67	0.01	19.68
Addition	-	-	-
Deletion	-	-	-
Depreciation	(0.28)	(0.00)	(0.28)
Balance as on March 31, 2023	**19.39**	**0.01**	**19.40**
Balance as on April 01, 2023	19.39	0.01	19.40
Addition	0.27	-	0.27
Deletion	-	-	-
Depreciation	(0.29)	(0.00)	(0.29)
Balance as on March 31, 2024	**19.37**	**0.01**	**19.38**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

43 Leases (Contd..)

The following is the break up of current and non current lease liabilities as at March 31, 2024:

Particulars	As at March, 31 2024	As at March, 31 2023
Current lease liabilities	-	-
Non-current lease liabilities	0.18	0.17
Total	**0.18**	**0.17**

Following is the movement in lease liabilities during year ended March 31, 2024

Particulars	As at March, 31 2024	As at March, 31 2023
Balance at the beginning	0.17	0.17
Finance cost accrued during the period	0.01	-
Payment of lease liabilities	-	-
Balance at the end	**0.18**	**0.17**

The table below provide details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

Particulars	As at March, 31 2024	As at March, 31 2023
Less than one year	0.16	0.15
One to five years	0.62	0.62
More than five years	18.66	18.66
Total	**19.44**	**19.43**

The following are the amounts recognised in statement of profit and loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation Expenses on Right to use Assets	0.29	0.28
Interest expense on lease liabilities	0.00	-
Expense relating to short-term leases (included in other expenses)	1.27	0.71
Total amount recognised in statement of profit and loss	**1.56**	**0.99**

44 Share based payments - Employee Share option plan of the Company

(i) Detail of employee share option of the Company: The Company has a share option scheme for senior employees of the company. In accordance with the terms of the plan as approved by shareholders, eligible employees may be granted options to purchase equity shares. Each employee share option convert into one equity share of the company on exercise. Exercise price payable by the recipient is determined as per scheme. The options when allotted carry rights to dividend and voting power at par with other equity shares. Options may be exercised at the time of vesting to the date of their expiry.

(ii) The number of options granted is in accordance with employee stock option scheme approved by the shareholders and is subject to approval by the remuneration committee. The scheme rewards senior employees to the extent of Parent's and the individual's achievement judged against both qualitative and quantitative criteria.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

44 Share based payments - Employee Share option plan of the Company (Contd..)

(iii) The following share payments arrangement is in existence during the period.

Option Details	Number*	Grant Date	Expiry Date	Exercise Price	Fair value of option at grant date
Vardhman Employee Stock Option 2016	30,22,500	15th Nov-16	2 years from the date of respective vesting	163	70.46
	15,000	9th Feb-17		163	70.46
	32,500	10th May-17		163	70.46
	30,70,000				

* Having face value of ₹ 2

Details of vesting

Vesting period from grant date	Vesting schedule
On completion of 12 months	10%
On completion of 24 months	20%
On completion of 36 months	20%
On completion of 48 months	20%
On completion of 60 months	30%

(iv) During the current year, the company has granted equity shares of ₹ NIL having face value of ₹2 per share (FY 2022-23 of ₹ Nil). Further 47,750 equity shares having face value of ₹ 2 per share (FY 2022-23: 263,000) have been exercised during the year.

(v) Fair value of options/shares granted in the year

Call option value per option unit using Black Scholes Method is ₹ 82.526. The following inputs have been used for computing the fair value:

Inputs into the model	Particulars
Grant date share price (₹	211.32
Exercise price (₹)	163
Expected volatility	33.78%
Option life	2 years
Dividend yield	1.92%
Risk free Interest Rate	6.31%

(vi) Moment of share options

Particulars	2023-24		2022-23	
	Number of options	Weighted Average Exercise price	Number of options	Weighted Average Exercise price
Balance at beginning of year	66,500	-	3,45,500	-
Exercised during the year	(47,750)	163	(2,63,000)	163

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

44 Share based payments - Employee Share option plan of the Company (Contd..)

Particulars	2023-24		2022-23	
	Number of options	Weighted Average Exercise price	Number of options	Weighted Average Exercise price
Lapsed during the year	(18,750)	-	(16,000)	-
Balance at end of year	**-**	**-**	**66,500**	**-**

(vii) Share options exercised during the year

Particulars	Exercised	Exercise date	Share price at exercise date
Granted as per para (iii) above	3,000	04-Apr-23	163
	12,500	02-Jul-23	163
	32,250	04-Oct-23	163
	47,750		

(viii) Amount accounted for in profit and loss for Employee stock options is ₹Nil crores (FY 2022-23 NIL).

(ix) The Company has approved new stock option plan through postal ballot on March 10, 2024. Further The Nomination and Remuneration Committe of the Company has approved to grant 31,75,000 employee stock option to the eligible employees under the said plan on April 03, 2024. No shares have been granted under the approved plan during the year.

45 Related Party Transactions

45.1 Description of related parties

Associates
Vardhman Yarns and Threads Limited
Vardhman Spinning and General Mills Limited
Vardhman Special Steels Limited

Relative of KMP
Ms. Soumya Jain
Mrs. Shakun Oswal

Post Employment Benefit Plans Trust
Mahavir Employee Gratuity Fund Trust
Mahavir Superannuation scheme
VAL Gratuity Trust Fund

Key management personnel (KMP)
Mr. S.P. Oswal, Chairman and Managing Director
Mr. Sachit Jain, Non Executive Director
Mrs. Suchita Jain, Vice Chairperson & Joint Managing Director
Mr. Neeraj Jain, Joint Managing Director
Ms. Sagrika Jain (Executive Director) (w.e.f August 06, 2022)
Mr. B.K Choudhary, Managing Director
Mr. Rajeev Thapar, Chief Financial Officer
Mr. Vivek Gupta, Whole Time Director (w.e.f November 11, 2023)
Mr. Sanjay Gupta, Company Secretary
Mr. Satin Katyal, Company Secretary
Mr. Prafull Anubhai (Independent Director)
Mr. Ashok Kumar Kundra (Independent Director) (upto September 30, 2022)
Dr. Subash Khanchand Bijlani (Independent Director) (upto September 30, 2022)
Mr. Raish Shaikh, Chief Financial Officer (w.e.f November 11, 2023)
Dr. Parampal Singh (Independent Director)
Mrs. Harpreet Kaur Kang (Independent Director)
Ms. Apinder Sodhi (Independent Director) (upto October 31, 2023)
Mr. Vikas Kumar, Non-Executive Director
Mr. Udeypaul Singh Gill (Independent Director)
Mr. Anil Kumar (Independent Director) (w.e.f 19.07.2022)

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

45 Related Party Transactions (Contd..)

	Ms. Parakh Oswal (Independent Director) (w.e.f 19.07.2022) Mr. Bhooshan Lal Uppal (Independent Director) (w.e.f 19.07.2022) Mr. Suresh Kumar (Independent Director) Mr. Sandeep Kapur (w.e.f August 01, 2023) Mr. Sanjeev Jain (w.e.f November 11, 2023) Mr. Atul Khosla (Independent Director) (w.e.f. August 04, 2023) **Enterprises over which KMP have significant influence ('Others')** Vardhman Holdings Limited Vardhman Apparels Limited Smt. Banarso Devi Oswal Public Charitable Trust Sri Aurobindo Socio Economic and Management Research Institute Adhiswar Enterprises LLP Devakar Investment and Trading Company Private Limited Santon Finance and Investment Company Limited Flamingo Finance and Investment Company Limited Ramaniya Finance and Investment Company Limited Mahavir Spinning Mills Private Limited Northern Trading Company Amber Syndicate Paras Syndicate Mahavir Traders Eastern Trading Company Lock And Decor Home LLP

45.2 Transactions with related parties

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Sale /processing of goods to:#			
Vardhman Special Steels Limited	Associates	0.79	0.66
Vardhman Yarns and Threads Limited	Associates	1.02	0.12
Mahavir Traders	Others	58.26	75.17
		60.07	**75.95**
Purchase/processing of goods and utilities from:#			
Vardhman Yarns and Threads Limited	Associates	18.48	17.14
		18.48	**17.14**
Sale of RoDTEP License			
Vardhman Special Steels Limited	Associates	0.96	2.25
Vardhman Yarns and Threads Limited	Associates	3.41	3.31
		4.37	**5.56**
Sales of property, plant & equipment to:#			
Smt. Banarso Devi Oswal Public Charitable Trust	Others	-	0.00
Sri Aurobindo Socio Economic and Management Research Institute	Others	-	0.03
		-	**0.03**

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

45 Related Party Transactions (Contd..)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of property, plant & equipment to:#			
Lock And Decor Home LLP	Others	0.70	-
Sri Aurobindo Socio Economic and Management Research Institute	Others	0.00	-
		0.70	**-**
Rent paid**			
Vardhman Holdings Limited	Others	0.02	0.02
Smt. Banarso Devi Oswal Public Charitable Trust	Others	0.12	0.11
		0.14	**0.13**
Rent received**			
Vardhman Yarns and Threads Limited	Associates	0.28	0.26
		0.28	**0.26**
Dividend received			
Vardhman Special Steels Limited	Associates	3.88	3.40
Vardhman Yarns and Threads Limited	Associates	6.90	8.53
		10.78	**11.93**
Reimbursement of expenses received from			
Vardhman Special Steels Limited	Associates	0.11	0.05
Vardhman Yarns and Threads Limited	Associates	0.13	0.13
Sri Aurobindo Socio Economic and Management Research Institute	Others	0.03	-
Vardhman Apparels Limited	Others	0.00	-
		0.27	**0.18**
Reimbursement of expenses paid			
Vardhman Yarns and Threads Limited	Associates	0.04	0.01
Vardhman Special Steels Limited	Associates	-	0.00
		0.04	**0.01**
Recovery of Common Expenses incurred **			
Vardhman Special Steels Limited	Associates	1.00	1.00
Vardhman Yarns and Threads Limited	Associates	3.53	4.22
		4.53	**5.22**
Payment against licence agreement**			
Vardhman Holdings Limited	Others	1.39	1.74
		1.39	**1.74**
Donations/CSR to			
Smt. Banarso Devi Oswal Public Charitable Trust	Others	-	0.03
Sri Aurobindo Socio Economic and Management Research Institute	Others	0.17	0.58
		0.17	**0.61**
Salary paid to			
Ms. Sagrika Jain	KMP	-	0.05
		-	**0.05**

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

45 Related Party Transactions (Contd..)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Withdrawl/ (Contribution) to from employment benefit plans			
Mahavir Employees Gratuity Fund Trust	Post Employment Benefit Plans Trust	(2.46)	4.64
Total		**(2.46)**	**4.64**
VAL Gratuity Trust Fund	Post Employment Benefit Plans Trust	0.10	0.14
Total		**0.10**	**4.78**

45.3 Outstanding Balances:

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Receivables			
Vardhman Special Steels Limited	Associates	0.17	0.17
Vardhman Yarns and Threads Limited	Associates	0.12	0.46
Vardhman Spinning and General Mills Limited	Associates	0.00	-
Vardhman Apparels Limited	Others	0.01	0.01
Mahavir Traders	Others	-	0.20
Mahavir Employees Gratuity Fund Trust	Post Employment Benefit Plans Trust	1.02	-
		1.32	**0.84**
Payables			
Vardhman Holdings Limited	Others	1.53	1.62
Mahavir Traders	Others	0.04	-
		1.57	**1.62**

45.4 Key management personnel compensation

Compensation*		For the year ended March 31, 2024	For the year ended March 31, 2023
Mr. S.P. Oswal	KMP	16.61	20.61
Mrs. Suchita Jain	KMP	3.36	3.21
Mr. Neeraj Jain	KMP	2.78	2.65
Ms. Sagrika Jain	KMP	1.08	0.69
Mr. Rajeev Thapar	KMP	0.94	0.80
Mr. Sanjay Gupta	KMP	0.25	0.23
Mr. Prafull Anubhai	KMP	0.06	0.07
Dr. Subash Khanchand Bijlani	KMP	-	0.03
Mr. Ashok Kumar Kundra	KMP	-	0.04

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for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

45 Related Party Transactions (Contd..)

Compensation*		For the year ended March 31, 2024	For the year ended March 31, 2023
Mr. Suresh Kumar	KMP	0.05	0.02
Dr. Parampal Singh	KMP	0.03	0.03
Mrs. Harpreet Kaur Kang	KMP	0.04	0.04
Mr. Udeypaul Singh Gill	KMP	0.03	0.03
Mr. Atul Khosla	KMP	0.01	-
Mr. B.K Choudhary	KMP	1.08	1.32
Mr.Vivek Gupta	KMP	0.54	0.40
Mr.Satin Katyal	KMP	0.08	0.06
Ms. Apinder Sodhi	KMP	0.03	0.03
Mr. Raise Shaikh	KMP	0.06	-
Mr. Munish Chandra Gupta	KMP	-	0.02
Mr. Sanjit Paul Singh	KMP	-	0.01
Mr. Surinder Kumar Bansal	KMP	-	0.01
Ms. Parakh Oswal	KMP	0.05	0.02
Mr. Bhooshan Lal Uppal	KMP	0.03	0.01
Mr. Sandeep Kapur	KMP	0.02	-
Mr. Sanjeev Jain	KMP	0.02	-
Mr. Anil Kumar	KMP	0.04	0.02
		27.19	**30.37**

* excluding provision for employee benefits, employee stock options but includes sitting fees paid / payable to non executive directors. Perquisites values are considered as per the provisions of Income tax act, 1961.

** Transaction are exclusive of Taxes

Gross of Indirect Taxes

46 Employee Benefits

46.1 Defined contribution plans:

Amounts recognized in the statement of profit and loss are as under:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
National pension fund	2.81	2.78
Provident fund administered through Regional Provident Fund Commissioner	44.36	41.44
Employees' State Insurance Corporation	11.52	9.41
Other Funds	1.94	1.63
	60.63	**55.26**

The expenses incurred on account of the above defined contribution plans have been included in Note 33 "Employee Benefits Expenses" under the head "Contribution to provident and other funds

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for the Year Ended March 31, 2024

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46 Employee Benefits (Contd..)

46.2 Defined benefit plans

The Group sponsors funded defined benefit plan for qualifying employees. This defined benefit plan of gratuity is administered by a separate trust that is legally separate from the entity. The trustees are required by the law to act in the interest of the trust and all the relevant stakeholders i.e. active employees, inactive employees, retired employees and employers, etc. The trust is responsible for investment policy with regard to the assets of the trust. The Group has a gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Group on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Group's plan, whichever is more beneficial.

(i) These plans typically expose the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Salary Risk

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Interest Risk

The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

(ii) The principal assumption used for the purpose of the actuarial valuation were as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount Rate	7.22%	7.18%
Salary increase	6.00%	6.00%
Expected average remaining working life	24.05 years to 26.95 Years	24.05 years to 26.68 Years
Mortality Rates	IALM (2012-14)	IALM (2012-14)
Method used	Project unit credit method	Project unit credit method

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. An actuarial valuations involves making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

46 Employee Benefits (Contd..)

(iii) Amounts recognised in statement of profit and loss in respect of these benefit plans are as follows:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Current Service cost	14.15	12.88
Net interest expenses	0.17	(0.27)
	14.32	**12.61**

The current service cost, past service cost and the net interest expenses for the year are included in Note 33 "Employee Benefits Expenses" under the head "Salaries and Wages".

(iv) Amounts recognised in Other Comprehensive Income:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Actuarial gain/(losses) arising for the year on asset	4.99	(0.41)
Actuarial gain/(losses) arising from changes in financial assumptions	(1.28)	1.52
Actuarial gain/(losses) arising from changes in demographic assumptions	-	-
Actuarial gain/(losses) arising from changes in experience adjustments	1.17	2.30
	4.88	**3.41**

(v) The amount included in balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Present value of funded defined benefit obligation	107.34	95.97
Fair Value of Plan Assets	108.17	93.91
Net assets / (liability)	**0.83**	**(2.06)**
Unfunded Liability	0.18	-

(vi) Movements in the present value of defined benefit obligation are as follows:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Opening defined benefit obligation	95.97	87.37
Current Service Cost	14.15	12.88
Interest Cost	7.06	6.27
Actuarial (gain)/losses arising from changes in financial assumptions	1.28	(1.52)
Actuarial (gain)/losses arising from changes in experience adjustments	(1.18)	(2.30)
Benefits paid	(9.95)	(6.73)
Closing defined benefit obligation	**107.34**	**95.97**

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(All amounts in ₹ crores, unless otherwise stated)

46 Employee Benefits (Contd..)

(vii) Movements in the fair value of plan assets are as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening fair value of plan assets	93.91	91.15
Return on plan assets (excluding amounts included in net interest expenses)	11.90	7.54
Contributions from/(Withdrawl by) employer	2.36	(0.13)
Benefits paid	-	(4.64)
Closing fair value of plan assets	**108.17**	**93.91**

Plan assets comprises of mutual fund, Government of India securities and bank balances. The average duration of the defined benefit obligation is 12.41 years to 13.99 years (March 31, 2023: 12.70 years to 14.05 years). The Group expects to make a contribution of ₹16.66 crores (March 31, 2023: ₹ 15.50 crores) to the defined benefit plans during the next financial year.

(viii) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate		
0.50% Increase	(4.54)	(4.08)
0.50% decrease	4.93	4.43
Future Salary increase		
0.50% Increase	4.80	4.33
0.50% decrease	(4.47)	(4.04)

(ix) Maturity Profile of Defined Benefit Obligation

Year	Amount
a) 0 to 1 Year	11.39
b) 1 to 2 Year	7.91
c) 2 to 3 Year	6.72
d) 3 to 4 Year	7.01
e) 4 to 5 Year	6.52
f) 5 to 6 Year	6.09
g) 6 Year onwards	61.70

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

46 Employee Benefits (Contd..)

46.3 Other long term employee benefit

(i) Amount recognised in profit and loss in note no.33 "Employee benefit expense" under the head "Salaries and Wages" towards leave encashment is ₹ 6.59 crore (March 31, 2023 ₹ 6.75 crore)

(ii) Amount taken to balance sheet

Particulars	2023-24	2022-23
Current	3.58	3.38
Non Current	18.31	17.48

Additional disclosures

47 Assets pledged as security:

Particulars	As at March 31, 2024	As at March 31, 2023
Current assets		
Financial assets		
Trade receivables	1,205.38	1,179.08
Non-financial assets		
Inventory	4,106.96	2,312.16
Total current assets pledged as security	**5,312.34**	**3,491.24**
Non-current assets		
Property, plant & equipment	3,693.35	3,870.76
Total non-current assets pledged as security	**3,693.35**	**3,870.76**
Total assets pledged as security	**9,005.69**	**7,362.00**

48 Corporate Social Responsibility:

Particulars	As at March 31, 2024	As at March 31, 2023
a. Amount required to be spent by the group during the year,	22.94	20.36
b. Amount of expenditure incurred:*#	6.63	5.69
c. Shortfall at the end of the year**# (a-b)	16.71	15.35
d. Total of previous years shortfall (2020-21)	-	0.72
e. Total of previous years shortfall (2021-22)	0.51	2.54
f. Total of previous years shortfall (2022-23)	7.29	-
Total shortfall at year end	**24.51**	**18.61**
f. Related party transactions:		
(i) Smt. Banarso Devi Oswal Public Charitable trust	-	0.03
(ii) Sri Aurobindo Socio Economic and Management Research Institute	0.17	0.58
g. Movement of provision:		

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for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

48 Corporate Social Responsibility: (Contd..)

Particulars	As at March 31, 2024	As at March 31, 2023
- Opening	18.61	10.69
Add: Provision created during the year:	22.24	15.62
Less: Spent during the year (2020-21)	(0.72)	-
Less: Spent during the year (2021-22)	(2.03)	(0.59)
Less: Spent during the year (2022-23)	(8.06)	(7.11)
Less: Spent during the year (2023-24)	(5.53)	-
- Closing	**24.51**	**18.61**

***Nature of CSR activities:**

Promoting Education, Promoting Healthcare including Preventive Healthcare, Rural Development, Promotion of Art & Culture, Measures for the benefit of armed forces veterans, Promotion of Nationally Recognized Sports.

****Reason for shortfall:**

Amount remaning unspent pertains to "Ongoing /Multiyear Projects" approved by CSR committee which will be spent in coming years.

During the current financial year, Vardhman Acrylics Limted (subsidiary company) had incurred an expenditure of ₹ 0.68 crores in excess amount required to be spent.

Details of Deposit in Unspent CSR Account:

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
1. Unspent CSR amount deposited in special account (Unspent CSR Account)	16.71	15.35	9.65
2. Spent during the year for FY 2021-22	-	-	-
3. Spent during the year for FY 2022-23	-	-	7.11
4. Spent during the year for FY 2023-24	-	8.06	2.03
Balance lying in the bank account which will be spent in coming years as on March 31, 2024 {1-(2+3)}	**16.71**	**7.29**	**0.51**
Date of deposit	29-Apr-24	29-Apr-23	29-Apr-22

49 There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund (IEPF) by the parent and its subsidiary companies and associate companies.

50 Other statutory information:

(i) No proceeding have been initiated or pending against the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

(ii) The group has not been declared as wilful defaulter by any bank or financial Institution or other lender.

(iii) The group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024
(All amounts in ₹ crores, unless otherwise stated)

50 Other statutory information: (Contd..)

(iv) There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(v) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the parent company or any of such subsidiaries and associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall lend or invest in party identified by or on behalf of the company (Ultimate Beneficiaries).

(vi) No funds have been received by the parent company or any such subsidiaries and associates from any person(s) or entity(ies), including foreign entities ("funding party") with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly lend or invest in other persons or entities in any manner whatsoever by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) During the financial year, the group has not traded or invested in Crypto currency or Virtual Currency.

(viii) The group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(ix) The group has availed facilities from banks on the basis of security of current assets. The group has filed statements of current assets with banks which are in agreement with the books of accounts and there are no material discrepancies.

51 The Board of Directors of Parent, Subidiary and Associate Companies have proposed final dividend as given in below mentioned table. The proposed final dividend is subject to the approval of the members of such Associate at the ensuing Annual General Meeting. The amount of such dividend proposed is in accordance with section 123 of the Act.

Company Name	Relation	No. of Shares as at March, 2024	Dividend per Share (In ₹)
Vardhman Textiles Limited	Parent	28,91,27,050	4.00
Vardhman Special Steels Limited	Associate	4,06,27,414	2.00
Vardhman Acrylics Limited	Subsidiary	8,03,63,746	2.00

51A The Parent Company has identified two accounting software that record financial transactions to which the guidance of audit trail applies. The Parent Company evaluated and noted that in respect of one accounting software the audit trail (edit log) feature was operating throughout the year. Further, in respect of other accounting software used for maintenance of purchase, production and sales records, no audit trail log was enabled to fog any direct data changes made at the database level and audit trail enabled on the accounting software is not configured to track if it was disabled at any point in time during the year.

51B The associate Company Vardhman Yarns and Threads Limited (*VYTL") and its subsidiary Company have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for al relevant transactions recorded in the software except in respect of:

(a) Associate Company ("VYTL") has used accounting software for maintaining its books of account which does not have a feature of recording audit trail (edit log) facility. The logs generated for demonstrating audit trail gets overwritten by the latest changes in the data. Accordingly relevant data relating to the changes cannot be tracked by the accounting software. They are unable to assess whether the same has operated throughout the year for all relevant transactions recorded in the software and whether there were any instances of the audit trail feature being tampered with. VYTL is in the process of exploring the possibility of making the necessary changes to the accounting software.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

51B (Contd..)

(b) VYTL's subsidiary has used accounting software for maintaining its books of account which does not have a feature of recording audit (edit log) facility / feature was not enabled in the following cases;

i. Property, plant and equipment, customers, vendors, material and general ledger account masters, where audit trail feature was not enabled.

ii. Direct changes to data when using certain access rights.

iii. Certain changes made using privileged/administrative access rights.

Further, VYTL is unable to assess whether there were any instances of the audit trail feature being tampered witn (i) and (ii)

52 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.

53 Interest in Other Entities

(a) The Consolidated Financial Statements present the Consolidated Accounts of Vardhman Textiles Limited with its following Subsidiaries & Associates.

Name of Company	Country of Incorporation	Activities	As at March 31, 2024	As at March 31, 2023
A. Subsidiaries				
(i) Vardhman Acrylics Limited	India	Manufacturing and sales of Fibre	70.83%	70.83%
(ii) VTL Investments Limited	India	Lending & Investing	100.00%	100.00%
B. Associates				
(i) Vardhman Yarns & Threads Limited	India	Manufacturing & Sales of Threads	11.00%	11.00%
(ii) Vardhman Spinning & General Mills Limited	India	Trading of Cotton & Manmade Fibre	50.00%	50.00%
(iii) Vardhman Special Steels Limited	India	Manufacturing and sales of Steels	24.83%	24.83%

(b) Summarized Financial Information

Particulars	Associates					
	Vardhman Yarns & Threads Limited		Vardhman Spinning & General Mills Limited		Vardhman Special Steels Limited	
	As at March 31, 2024*	As at March 31, 2023*	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
I. Assets						
(A) Non Current Assets	284.50	284.40	-	-	365.39	331.89
(B) Current Assets						
i) Cash & Cash Equivalent	28.21	27.46	0.17	0.17	7.64	9.54
ii) Others	622.24	607.05	-	-	666.64	689.09
Total Current Assets	**650.45**	**634.51**	**0.17**	**0.17**	**674.28**	**698.63**
Total Assets (A+B)	**934.95**	**918.91**	**0.17**	**0.17**	**1,039.67**	**1,030.52**

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

53 Interest in Other Entities (Contd..)

Particulars	Associates					
	Vardhman Yarns & Threads Limited		Vardhman Spinning & General Mills Limited		Vardhman Special Steels Limited	
	As at March 31, 2024*	As at March 31, 2023*	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
II. Liabilities						
(A) Non Current Liabilities						
i) Financial Liabilities	7.19	5.86	-	-	14.92	44.94
ii) Non Financial Liabilities	4.06	5.29	-	-	22.17	22.51
Total Non Current Liabilities	**11.25**	**11.15**	**-**	**-**	**37.09**	**67.45**
(B) Current Liabilities						
i) Financial Liabilities	110.75	217.04	0.03	0.02	268.09	307.07
ii) Non Financial Liabilities	25.96	23.32	-	0.00	15.13	13.78
Total Current Liabilities	**136.71**	**240.36**	**0.03**	**0.02**	**283.22**	**320.85**
Total Liabilities (A+B)	**147.96**	**251.50**	**0.03**	**0.02**	**320.31**	**388.30**
Net Assets (I-II)	**786.99**	**667.41**	**0.14**	**0.15**	**719.36**	**642.22**

*Above figures are Consolidated figures from Vardhman Yarns & Threads Limited and its subsidiary Guetermann India Private Limited.

(c) Summarized Financial Information

Particulars	Associates					
	Vardhman Yarns & Threads Limited		Vardhman Spinning & General Mills Limited		Vardhman Special Steels Limited	
	As at March 31, 2024*	As at March 31, 2023*	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Revenue from Operations	1,163.58	1,173.18	0.00	0.00	1661.36	1,734.99
Profit Before Tax	242.43	203.62	(0.00)	(0.00)	122.86	134.31
Tax Expense	61.51	51.70	-	-	31.23	33.86
Profit after Tax	180.92	151.92	(0.00)	(0.00)	91.63	100.45
Other Comprehensive Income	1.34	0.07	-	-	0.18	(0.28)
Total Comprehensive Income	182.26	151.99	(0.00)	(0.00)	91.81	100.17
Depreciation & Amortisation	27.66	27.84	-	-	30.98	28.12
Interest Expense (Net of Interest Income)	1.34	1.17	0.00	0.00	18.42	17.65

*Above figures are Consolidated figures from Vardhman Yarns & Threads Limited and its subsidiary Guetermann India Private Limited.

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

(d) Movement of Investment in Associates using equity method

Particulars	Associates					
	Vardhman Yarns & Threads Limited		Vardhman Spinning & General Mills Limited		Vardhman Special Steels Limited	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Investment as at the beginning of the Period	81.13	74.03	0.07	0.08	107.20	85.86
Add: Share of profit for the period	19.90	15.62	-	(0.01)	22.75	24.94
Add: Share of OCI for the period	0.04	0.01	-	-	0.02	(0.07)
Less: Dividend distributed during the period and other adjustments	(7.65)	(8.53)	-	-	(3.97)	(3.53)
Investment as at the end of the Period	93.42	81.13	0.07	0.07	126	107.20

54 For Disclosure mandated by Schedule III of Companies Act 2013, by way of additional information, refer below:

Name of Enterprise	For the year ended March 31,2024							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Parent								
Vardhman Textiles Limited	95.83%	8,804.95	96.21%	607.63	99.27%	3.81	96.23%	611.44
Subsidiaries								
Indian								
Vardhman Acrylics Limited	2.64%	242.97	2.78%	17.54	4.64%	0.18	2.79%	17.72
VTL Investments Limited	0.69%	63.37	0.91%	5.75	0.00%	-	0.91%	5.75
Adjustment due to consolidation	-1.75%	(148.84)	-6.92%	(43.68)	-7.52%	(0.29)	-6.92%	(43.97)
Non Controlling Interest in subsidiaries	0.96%	87.91	-0.81%	(5.11)	-1.35%	(0.05)	-0.81%	(5.16)
Associates (Investment as per the equity method)								
Indian								
Vardhman Special Steels Limited	1.37%	126.00	3.60%	22.75	1.14%	0.04	3.59%	22.79
Vardhman Spinning & General Mills Limited	0.00%	0.07	0.00%	0.00	0.00%	-	0.00%	-
Vardhman Yarns & Threads Limited	1.02%	93.42	3.15%	19.90	3.83%	0.15	3.16%	20.05

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

54 (Contd..)

Name of Enterprise	For the year ended March 31,2024							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Less:- Investments in Associates	-0.57%	(52.77)	0.00%	-			-	-
Add/Less:- Deferred Tax Liabilities on undistributed profits on associates	-0.32%	(29.04)	1.08%	6.81		-	1.07%	6.81
Total	**100%**	**9,188.04**	**100%**	**631.59**	**100%**	**3.84**	**100%**	**635.42**

For Disclosure mandated by Schedule III of Companies Act 2013, by way of additional information, refer below:

Name of Enterprise	For the year ended March 31,2023							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Parent								
Vardhman Textiles Limited	95.86%	8,293.99	94.20%	749.07	97.59%	2.76	94.22%	751.83
Subsidiaries								
Indian								
Vardhman Acrylics Limited	2.84%	245.35	4.13%	32.86	6.26%	0.18	4.14%	33.04
VTL Investments Limited	0.67%	57.62	0.34%	2.67	0.00%	-	0.33%	2.67
Adjustment due to consolidation	-1.75%	-150.87	-3.42%	-27.21	0.00%	-	-3.41%	-27.21
Non Controlling Interest in subsidiaries	1.02%	88.52	-1.21%	-9.59	-1.77%	-0.05	-1.21%	-9.64
Associates (Investment as per the equity method)								
Indian								
Vardhman Special Steels Limited	1.24%	107.18	3.14%	24.94	-2.45%	-0.07	3.12%	24.87
Vardhman Spinning & General Mills Limited	0.00%	0.07	0.00%	-0.01	0.00%	-	0.00%	-0.01
Vardhman Yarns & Threads Limited	0.94%	81.13	1.96%	15.62	0.40%	0.01	1.96%	15.63
Less:- Investments in Associates	-0.61%	-52.77	0.00%	-	0.00%	-	-	-

Notes to Consolidated Financial Statement

for the Year Ended March 31, 2024

(All amounts in ₹ crores, unless otherwise stated)

54 (Contd..)

Name of Enterprise	For the year ended March 31,2023							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Add/Less:- Deferred Tax Liabilities on undistributed profits on associates	-0.21%	-18.26	0.86%	6.81	0.00%	-	0.85%	6.81
Total	**100%**	**8,651.96**	**100%**	**795.16**	**100%**	**2.83**	**100%**	**797.99**

For and on behalf of the Board of Directors

Sanjay Gupta
Company Secretary
Membership No:-4935

Rajeev Thapar
Chief Financial Officer

Suchita Jain
Vice Chairperson and
Joint Managing Director
DIN:00746471

S.P. Oswal
Chairman and
Managing Director
DIN: 00121737

Place : Ludhiana
Date: May 09, 2024

Form Aoc-1, Pursuant to Section 129(3) of Companies Act, 2013 Relating to Subsidiary Companies

Part A

Particulars	VTL Investments Limited Current Year	Vardhman Acrylics Limited Current Year
a) Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
b) Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	N.A.	N.A.
c) Capital	4.00	80.36
d) Reserves	52.77	162.61
e) Total Assets	56.77	327.80
f) Total Liabilites	56.77	327.80
g) Details of investment (Except in case of investment in the subsidiaries)	55.62	168.86
h Turnover (net)	1.82	297.48
i) Profit before taxation	1.80	21.35
j) Provision for taxation	0.01	3.82
k) Profit after Taxation	1.80	17.54
l) Proposed dividend(including tax thereon)	-	-
m) Total Comprehensive Incomefor the period	1.80	17.71
n) % of shareholding	100%	70.74%

Statement Pursuant to Section 129 (3) of the Companies Act, 2013 Related to Associate Companies and Joint Ventures

Part B

Name of Associates	Vardhman Special Steels Limited
1. Latest audited Balance Sheet Date	31.03.2024
2. Shares of Associate held by the company on the year end	
No.	1,94,16,666
Amount of Investment in Associate	₹ 25.24 crore
Extend of Holding %	23.84%
3. Description of how there is significant influence	More than 20% shares of Vardhman Special Steels Limited are held by the Company.
4. Reason why the associate is not consolidated	…
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	₹ 171.49 crore
6. Profit / (Loss) for the year	
i. Considered in Consolidation	₹ 22.75 crore
ii. Not Considered in Consolidation	N.A.

Name of Associates	Vardhman Spinning & General Mills Limited
1. Latest audited Balance Sheet Date	31.03.2024
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	25,000
Amount of Investment in Associates/Joint Venture	₹0.03 crore
Extend of Holding %	50%
3. Description of how there is significant influence	More than 20% shares of Vardhman Spinning & General Mills Limited are held by the Company.
4. Reason why the associate/joint venture is not consolidated	-
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	₹ 0.07 crore
6. Profit / (Loss) for the year	
i. Considered in Consolidation	₹ (0.00)
ii. Not Considered in Consolidation	N.A.

Name of Associates	Vardhman Yarns and Threads Limited
1. Latest audited Balance Sheet Date	31.03.2024
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	62,69,699
Amount of Investment in Associates/Joint Venture	₹ 27.50 crore
Extend of Holding %	11.00%
3. Description of how there is significant influence	Joint Venture with American & Efird, Global LLC
4. Reason why the associate/joint venture is not consolidated	…
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	₹ 86.56 crore
6. Profit / (Loss) for the year	
i. Considered in Consolidation	₹ 19.90 crore
ii. Not Considered in Consolidation	N.A.

NOTICE

Notice is hereby given that the **51ST ANNUAL GENERAL MEETING** of Vardhman Textiles Limited will be held on Thursday, the 19th day of September, 2024 at 11:30 a.m. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following business:-

ORDINARY BUSINESS:

Item No. 1 – To adopt financial statements:

To receive, consider and adopt the Audited Financial Statements (including the consolidated financial statements) of the Company for the financial year ended 31st March, 2024, together with Report of Board of Directors and Auditors thereon.

Item No. 2 – To declare Dividend:

To declare a dividend of ₹ 4/- per equity share for the year ended 31st March, 2024.

Item No. 3 – To re-appoint Mr. Sachit Jain as a director liable to retire by rotation:

To appoint a Director in place of Mr. Sachit Jain, (holding DIN 00746409), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 4 – To ratify remuneration payable to Cost Auditors for the financial year ending 31st March, 2025:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:-**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Ramanath Iyer & Company, Cost Auditors, New Delhi appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2025, be paid the remuneration of ₹ 7,68,000/- plus out of pocket expenses and applicable taxes.

RESOLVED FURTHER THAT Mr. Shri Paul Oswal, Chairman & Managing Director and Mr. Sanjay Gupta, Company Secretary, be and are hereby severally authorized to do all acts and take all such steps as may be deemed necessary or expedient to give effect to this resolution."

Item No. 5 – To re-appoint Mr. Udeypaul Singh Gill as an Independent Director of the Company:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:-**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013, read with Schedule IV of the Companies Act, 2013, the rules made thereunder and Regulations 16, 17 & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Udeypaul Singh Gill (DIN: 00004340), Independent Director, whose period of office is expiring on 21st January, 2025 and who has submitted a declaration confirming he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term in accordance with the provisions of the Companies Act, 2013 and rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years w.e.f. 22nd January, 2025."

Item No. 6 – To appoint Dr. Prem Kumar as an Independent Director of the Company:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:-**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013, the rules made thereunder and Regulations 16, 17 & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. Prem Kumar (DIN: 00051349), who was appointed as an Additional Director of the Company and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of consecutive five (5) years starting from 30th July, 2024."

By Order of the Board

Place: Ludhiana
Dated: 30th July, 2024

(Sanjay Gupta)
Company Secretary

NOTES:

1. Considering the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its circular dated September 25, 2023, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022 (collectively referred to as "**MCA Circulars**"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended) and MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the agency to provide e- Voting facility.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice (Refer Point 12). The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc.

4. Generally, a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Route Map and Attendance Slip are not annexed hereto.

5. The Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.

6. The information pursuant to Regulation 36 of the SEBI Listing Regulations, regarding the Director retiring by rotation/ seeking appointment or re-appointment in the Annual General Meeting is also being annexed hereto separately and forms part of the Notice. The Directors have furnished the requisite declarations for their appointment/ re-appointment.

7. The Register of Members and the Share Transfer Books of the Company shall remain closed from 7th September, 2024 to 14th September, 2024 (both days inclusive).

8. The relevant statutory registers/documents will be available electronically for inspection by the Members during the AGM. Further, the documents referred to in the Notice, if any, will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email at secretarial.lud@vardhman.com.

DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

9. In compliance with the MCA Circulars and SEBI Circular dated January 5, 2023 read with circular dated May 13, 2022, January 15, 2021 and May 12, 2020, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.vardhman.com, website of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on website of Central Depository Services (India) Limited (e-Voting agency) at www.evotingindia.com.

10. For receiving all communications (including Annual Report) from the Company electronically:

    a) Members holding shares in physical mode and who have not registered/ updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at secretarial.lud@vardhman.com or to RTA at rta@alankit.com

    b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.

11. INTRUCTIONS FOR REMOTE E-VOTING AND JOINING VIRTUAL MEETING AS UNDER:

(i) The Remote e-Voting period commences on 16th September, 2024 (9:00 a.m.) and ends on 18th September, 2024 (5:00 p.m.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 12th September, 2024, may cast their vote electronically. The Remote e-Voting module shall be disabled by CDSL for voting after end of voting period on 18th September, 2024.

Further, the facility for voting through electronic voting system will also be made available at the Meeting and Members attending the Meeting will be able to vote at the Meeting.

(ii) Members who have already voted through Remote e-Voting would not be entitled to vote during the AGM.

(iii) As per SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, on e-Voting Facility provided by Listed Entities, "individual shareholders holding shares of the Company in demat mode" can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. The procedure to login and access remote e-Voting and join virtual meeting, as devised by the Depositories / Depository Participant(s), is given below:

Option 1 – Login through Depositories

NSDL	CDSL
1. Members who have already registered for IDeAS facility to follow below steps: (i) Go to URL: https://eservices.nsdl.com (ii) Click on the "Beneficial Owner" icon under 'IDeAS' section. (iii) A new page will open. Enter the existing User ID and Password. On successful authentication, click on "Access to e-Voting". (iv) Click on the Company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.	**1. Members who have already registered for Easi / Easiest to follow below steps:** (i) Go to URL: www.cdslindia.com and then go to Login and select New System Myeasi. (ii) Login with user id and password. (iii) Click on e-Voting. The option will be made available to reach e-Voting page without any further authentication. (iv) Click on the Company name or e-Voting service provider name to cast your vote during the remote e-Voting period.
2. User not registered for IDeAS e-Services: (i) To register click on link: https://eservices.nsdl.com. Select option "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. (ii) Proceed with completing the required fields.	**2. User not registered for Easi/Easiest:** (i) Option to register is available at www.cdslindia.com (ii) Click on login & New System Myeasi Tab and then click on registration option.
3. Users can directly access e-Voting module of NSDL and follow the below process: (i) Go to URL: https://www.evoting.nsdl.com/ (ii) Click on the icon "Login" which is available under 'Shareholder/Member' section. (iii) Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. (iv) On successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. (v) Click on the Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.	**3. Users can directly access e-Voting module of CDSL and follow the below process:** (i) Go to URL: www.cdslindia.com (ii) Click on the icon "E-Voting" (iii) Provide Demat Account Number and PAN No. (iv) System will authenticate user by sending OTP on registered Mobile & Email as recorded in the Demat Account. (v) After successful authentication, the user will be provided links for the respective ESP where the e-Voting is in progress. (vi) Click on the Company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Option 2 - Login through Depository Participants.

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on the Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 21 09911.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(iv) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders:**

(i) The Members should log on to the e-Voting website www.evotingindia.com.

(ii) Click on "Shareholders" module.

(iii) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details Or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the Depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

(x) Click on the EVSN: 240822037 for <**Vardhman Textiles Limited**> on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) **Additional facility for Non-Individual Shareholders and Custodians – for Remote e-Voting only**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretarial.lud@vardhman.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

12. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

a. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting at point no. 11.

b. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.

c. Members are encouraged to join the Meeting through Laptops / iPads for better experience.

d. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

e. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

f. Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial.lud@vardhman.com. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of AGM.

g. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.

h. If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

13. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES:

a. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to secretarial.lud@vardhman.com/ rta@alankit.com.

b. For Demat shareholders - please update your email id & mobile no. with your respective Depository Participant (DP).

c. For Individual Demat shareholders – please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you may write an email to helpdesk.evoting@cdslindia.com or contact 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Senior Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800 21 09911.

14. M/s. Ashok K. Singla & Associates, Company Secretaries, have been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner. The Scrutinizer shall upon the conclusion of e-Voting period, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

15. The Results of the resolutions passed at the AGM of the Company will be declared within 2 working days of the conclusion of AGM. The results declared along with the Scrutinizer's report shall be simultaneously placed on the Company's website www.vardhman.com and on the website of CDSL and will be communicated to the Stock Exchanges.

16. The Securities and Exchange Board of India has mandated that with effect from April 1, 2024, dividend to shareholders holding shares in physical form shall be paid only through electronic mode. Such payment shall be made only if the folio is KYC compliant i.e. the details of PAN, choice of nomination, contact details, mobile number, complete bank details and specimen signatures are registered.

In case of non-updation of PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend / interest etc. shall be paid upon furnishing all the aforesaid details in entirety.

Hence, the Members are requested to update their details with Company/Alankit Assignments Limited, immediately, to avoid any delay in receipt of dividend.

17. Dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961. In general, no tax will be deducted on payment of dividend to category of Members who are resident individuals (with valid PAN details updated in their folio/client ID records) and the total dividend amount payable to them does not exceed Rs. 5,000/-. Members not falling in the said category, can go through the detailed note with regard to applicability of tax rates for various other categories of Members and the documents that need to be submitted for nil or lower tax rate, which has been provided on the Company's website at https://www.vardhman.com/Investors/InvestorHelp.

By Order of the Board

Place: Ludhiana
Dated: 30th July, 2024

(Sanjay Gupta)
Company Secretary

Annexure to the Notice:

Statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 36 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015:

Item No. 4 of the Special Business:

Pursuant to the provisions of the Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Cost Audit is required to be conducted in respect of the Cost Accounts maintained by the Company. Upon the recommendation of the Audit Committee, the Board of Directors in its meeting held on 30th July, 2024 appointed M/s. Ramanath Iyer & Co., 808, Pearls Business Park, Netaji Subhash Place, New Delhi as Cost Auditors of the Company to conduct Cost Audit for Financial Year ending 31st March, 2025, at a remuneration of ₹ 7,68,000/- plus out of pocket expenses and applicable taxes.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the Members is solicited for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of payment of remuneration as stated above to the Cost Auditors for the Financial Year ending 31st March, 2025. The Board recommends the Ordinary Resolution as set out at Item No. 4 of the Notice for approval by the Members.

Memorandum of Interest:

None of the Directors/ Key Managerial Personnel (KMP) of the Company/ their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

Item No. 5 of the Special Business:

Mr. Udeypaul Singh Gill (DIN: 00004340), was appointed as an Independent Director of the Company for a term of three consecutive years, by the Members vide their resolution dated 11th March, 2022 passed through Postal Ballot. Now, his term of appointment is expiring on 21st January, 2025.

Based on the recommendation of the Nomination & Remuneration Committee (NRC), the Board of Directors in its meeting held on 30th July, 2024, proposed the re-appointment of Mr. Udeypaul Singh Gill as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from 22nd January, 2025 upto 21st January, 2030, not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

Mr. Udeypaul Singh Gill is B.Sc. (Honours) Economics and MBA. He is having a rich experience in Global Textile Industry with his key strength in mergers and acquisitions, business model enhancement, restructuring & turnarounds and corporate transformation functions including Sustainability, Digitalisation and Environment, Health & Safety. Apart therefrom, his supporting experience in soft commodities, banking and international counter trade has helped him acquire additional cross industry strategic perspective.

The NRC taking into consideration the rich experience, knowledge, skills, valuable contribution to the Company and competencies required for the Board in the context of the business of the Company and based on overall performance evaluation, approved and recommended to the Board that Mr. Gill's qualification and rich experience meets the skills and capabilities required for the role of an Independent Director of the Company. The Board is of the opinion that Mr. Gill possess the identified core skills, expertise and competencies fundamental for effective functioning in his role as an Independent Director of the Company and his continued association would be of immense benefit to the Company.

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company, and shall be eligible for re-appointment on passing of a special resolution by the Company.

Mr. Udeypaul Singh Gill has given declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, he fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as an Independent Director.

Further, Mr. Gill has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members.

The Company has received notice in writing from a Member proposing the candidature of Mr. Udeypaul Singh Gill to be re-appointed as an Independent Director of the Company in accordance with the provisions of the Companies Act, 2013.

During the financial year 2023-24, Mr. Gill was paid a sitting fees of ₹3,20,000/- plus incidental expenses, for attending the Board and Committee meetings. Apart from the sitting fee and incidental expenses, he neither was nor will be entitled to receive any other remuneration from the Company.

His brief Profile is provided at the end of this statement.

The Board of Directors recommends the Special Resolution as set out at Item No. 5 for approval of the Members. Accordingly, your approval is solicited.

Memorandum of Interest:

Except Mr. Udeypaul Singh Gill, being the appointee, none of the Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

Item No. 6 of the Special Business:

The Board of Directors in its meeting held on 30th July, 2024, on the basis of recommendation of Nomination & Remuneration Committee and pursuant to the provisions of Section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company, had appointed Dr. Prem Kumar (DIN: 00051349) as an Additional Director, designated as an Independent Director, of the Company w.e.f. 30th July, 2024 to hold office upto the date of forthcoming Annual General Meeting. His term of appointment as an Independent Director will be five consecutive years starting from 30th July, 2024. He will be paid sitting fees and incidental expenses for attending the Board/ Committee Meetings, as applicable to other Independent Directors of the Company.

Dr. Prem Kumar is a strategist and innovative leader in conceiving, organising and managing enterprises in multiple domains. He combines qualities of vision building, organising, motivating and leading teams. He is well regarded as a thought leader and speaker on formulating and implementing corporate strategies, knowledge and innovation management systems.

He is a Master's in Economics from the Panjab University, Chandigarh followed by M. Phil and Ph.D. from Guru Nanak Dev University, Amritsar. Apart from having a rich experience in working with the Industry, Dr. Kumar has been associated closely with policy making process at the State and Central Government level. As a Member of CII, he was part of the team that assisted the Government of India in policy reforms for the Textile Industry (2000-2004). He has also worked with leading consulting firms on various assignments.

In the recent past, he has been a Project Director and Acting Vice-Chancellor of BML Munjal University, Executive Director of Rayat Bahara Group and Vice-Chancellor, Bahra University, Shimla and GNA University, Phagwara. He has served as a faculty at University Business School, Panjab University, Chandigarh, Punjab School of Management Studies, Punjabi University, Patiala and Department of Business Management, Guru Nanak Dev University, Amritsar in the area of Strategic Management. Presently, Dr. Kumar is the Executive Director of Munjal BCU Centre of Innovation and Entrepreneurship.

Dr. Kumar has attended various faculty development programs/ management development programs conducted by the Indian Institute of Management, Ahmedabad, IIM-Calcutta, XLRI and Harvard Business School. He is widely travelled and has made presentations on various aspects of Management including Strategic Management, Knowledge and Innovation Management, Manufacturing Excellence etc. at various National and International Forums. He is the author of many books and research papers.

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, appointment of Independent Directors requires approval of the Members of the Company. Further, pursuant to Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a listed entity shall take approval of shareholders for appointment of Director at the next general meeting or within three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Dr. Prem Kumar require the approval of Members.

The Company has received requisite notice in writing from a Member proposing appointment of Dr. Prem Kumar as a candidate for the office of Independent Director of the Company for a term of consecutive five (5) years starting from 30th July, 2024.

The Company has received consent from Dr. Prem Kumar and also a declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dr. Prem Kumar is Independent of the Management and in the opinion of the Board, fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as an Independent Director of the Company. A copy of the draft letter for appointment as an Independent Director setting out the terms and conditions would be available for inspection without any fee to the Members at the Registered Office of the Company during normal business hours on any working day. A brief profile of Dr. Prem Kumar is provided at the end of this statement.

The Board recommends the Special Resolution as set out at Item No. 6 of the Notice for approval by the Members. Accordingly, your approval is solicited.

Memorandum of Interest:

Except Dr. Prem Kumar, being the appointee, none of the Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

Information Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), regarding the Directors retiring by rotation/ seeking appointment/re-appointment in the Annual General Meeting.

Name of the Director	Mr. Sachit Jain	Mr. Udeypaul Singh Gill	Dr. Prem Kumar
Date of Birth	08.07.1966	16.10.1953	26.06.1953
Age	58	71	71
Date of First Appointment	13.06.1994	22.01.2022	30.07.2024
No. of meetings attended during the FY 2023-24	1	4	N.A.
Expertise in specific functional area	Mr. Sachit Jain is a Business Executive having experience of more than 34 years in Textile and Steel Industry.	Mr. Udeypaul Singh Gill has rich experience and insight of the Global Textile Industry. His key strengths in functional areas includes sustainability, digitalization, environment, health & safety, mergers and acquisitions, business model enhancement, restructuring and turnaround, banking and international counter trade, etc.	Dr. Prem Kumar is a strategist and innovative leader. He has a rich experience of working with the Industry and has been closely associated with policy making process at the State and Central Govt. level. (more specifically detailed in Explanatory Statement to Item no. 6 above.)
Qualification	B. Tech., MBA	B.Sc. (Honours) Economics and MBA.	M.A. Economics, M.Phil and Ph.D.
Directorships in other Listed Companies as on 31st March, 2024	1. Vardhman Special Steels Limited 2. Vardhman Holdings Limited 3. Vardhman Acrylics Limited	Nil	Nil
Chairperson/Member of Committees of other Listed Companies as on 31st March, 2024	**Vardhman Special Steels Limited:** - Corporate Social Responsibility Committee (Member) - Share Transfer Committee (Chairman) **Vardhman Holdings Limited:** - Nomination & Remuneration Committee (Member) - Stakeholder's Relationship Committee (Member) - Risk Management Committee (Chairman) - Share Transfer Committee (Member) **Vardhman Acrylics Limited:** - Corporate Social Responsibility Committee (Chairman)	Nil	Nil

Name of the Director	Mr. Sachit Jain	Mr. Udeypaul Singh Gill	Dr. Prem Kumar
Listed entity from which the Director resigned in last 3 years	Nil	Indo Rama Synthetics (India) Limited	Nil
Skills and capabilities required by Independent Directors for the role and manner in which such requirements are met	N.A.	- Industry & Administrative experience, Leadership and Strategic Planning. - He will contribute the Board with his rich experience and insight of the Global Textile Industry and his capabilities in sustainability, digitalization, environment, health & safety, mergers and acquisitions, business model enhancement, restructuring and turnaround, banking and international counter trade, etc.	- Industry & Administrative experience, Leadership and Strategic Planning. - He will contribute the Board with his rich experience of strategic planning and innovative leadership.
Shareholding in the Company	Nil	Nil	Nil
Relationship with other Directors/ KMP	Mr. S.P. Oswal is father-in-law, Mrs. Suchita Jain is wife and Ms. Sagrika Jain is daughter of Mr. Sachit Jain.	Not related to any Director/ KMP.	Not related to any Director/ KMP.

Notes

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Vardhman Textiles Limited

Chandigarh Road, Ludhiana - 141 010
CIN: L17111PB1973PLC003345