



# Vardhman

Delivering Excellence. Since 1965.

## VARDHMAN TEXTILES LIMITED

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

Ref. VTXL:SCY:OCT:2021-22

Dated: 27-Oct-2021

BSE Limited,  
New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, MUMBAI-400001.  
Scrip Code: 502986 (EQUITY)  
:959547 & 956870 (NCDs)  
:721342 (CP)

**SUB: DISCLOSURE UNDER REGULATION 30, 33 & 52 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

Dear Sir,

Pursuant to Regulation 30 read with Part A of Schedule III, Regulation 33 & 52 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we are enclosing herewith Un-Audited Financial Results of the Company for the quarter/ half-year ended 30<sup>th</sup> September, 2021 together with Limited Review Report as approved by Board of Directors in its meeting held on 27<sup>th</sup> October, 2021.

The Board of Directors has declared an Interim dividend of Rs. 34/- per share on fully paid up equity shares of the Company. The said Interim dividend will be credited/ dispatched within 30 days from the date of declaration.

The meeting of the Board of Directors commenced at 10:00 a.m. and concluded at 12:55 p.m.

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

Thanking you,

Yours faithfully,  
For VARDHMAN TEXTILES LIMITED

(SANJAY GUPTA)  
Company Secretary



YARNS | FABRICS | THREADS | GARMENTS | FIBRES | STEELS

PAN NO.: AABCM4692E CIN: L17111PB1973PLC003345  
WWW.VARDHMAN.COM

**VARDHMAN TEXTILES LIMITED**

Registered Office : Chandigarh Road, Ludhiana-141010

Standalone Unaudited financial results for the quarter and half year ended September 30, 2021

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

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

(Rs. In Crores)

S.No.	Particulars	Quarter Ended September 30, 2021	Quarter Ended June 30, 2021	Quarter Ended September 30, 2020	Half Year ended September 30,2021	Half Year ended September 30,2020	Year Ended March 31, 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I.	Revenue from operations	2,306.65	1,873.98	1,532.90	4,180.63	2,304.07	5,787.64
II.	Other income	64.46	42.68	50.50	107.14	92.16	189.47
III.	<b>Total income from operations (I+II)</b>	<b>2,371.11</b>	<b>1,916.66</b>	<b>1,583.40</b>	<b>4,287.77</b>	<b>2,396.23</b>	<b>5,977.11</b>
IV.	<b>Expenses</b>						
	Cost of materials consumed	1,035.01	957.33	804.68	1,992.34	1,254.59	2,999.62
	Purchase of stock- in trade	42.63	23.36	8.36	65.99	21.51	46.59
	Change in inventories of finished goods,works -in progress and stock -in-trade	(40.49)	(109.86)	132.68	(150.35)	96.01	61.62
	Employee benefits expense	168.92	155.86	126.28	324.78	245.89	549.86
	Finance cost	23.37	25.56	27.34	48.93	60.42	111.43
	Depreciation and amortisation expense	88.04	87.81	87.83	175.85	173.40	350.13
	Other expenses	451.56	393.22	326.90	844.78	556.05	1,390.70
	<b>Total Expenses</b>	<b>1,769.04</b>	<b>1,533.28</b>	<b>1,514.07</b>	<b>3,302.32</b>	<b>2,407.87</b>	<b>5,509.95</b>
V.	<b>Profit/(Loss) before tax (III-IV)</b>	<b>602.07</b>	<b>383.38</b>	<b>69.33</b>	<b>985.45</b>	<b>(11.64)</b>	<b>467.16</b>
VI.	<b>Tax expense</b>						
	Current tax	145.35	94.01	-	239.36	-	102.54
	Deferred tax	2.92	(0.42)	19.76	2.50	(2.82)	14.21
VII.	<b>Profit/(Loss) after tax (V-VI)</b>	<b>453.80</b>	<b>289.79</b>	<b>49.57</b>	<b>743.59</b>	<b>(8.82)</b>	<b>350.41</b>
VIII.	<b>Other Comprehensive Income/(Expenditure)</b>	-	-	-	-	-	4.55
IX.	<b>Total Comprehensive income/(Expenditure) (VII+VIII)</b>	<b>453.80</b>	<b>289.79</b>	<b>49.57</b>	<b>743.59</b>	<b>(8.82)</b>	<b>354.96</b>
X.	<b>Earnings Per Share (in Rs.) (not annualized)</b>						
	(a) Basic	78.70	50.29	8.62	129.00	(1.53)	60.91
	(b) Diluted	78.45	50.10	8.56	128.55	(1.52)	60.53
XI.	Paid up Equity Share Capital (Face value per share Rs.10)	57.66	57.63	57.52	57.66	57.52	57.56
XII.	Paid up Debt Capital *				394.80	544.80	544.80
XIII.	Other Equity				6,622.90	5,601.17	5,974.95

\* Paid up Debt Capital comprises of listed debentures only.



**VARDHMAN TEXTILES LIMITED**

Regd. Office : Chandigarh Road, Ludhiana-141010

Standalone Unaudited Balance Sheet as at September 30, 2021

Sr. No.	Particulars	(Rs. In Crores)	(Rs. In Crores)
		Unaudited	Audited
		September 30 ,2021	March 31 ,2021
	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	3,288.99	3,389.40
	(b) Capital work-in-progress	197.76	73.92
	(c) Right of Use Asset	8.57	8.63
	(d) Intangible assets	1.58	1.69
	(e) Financial assets		
	-Investments	886.54	552.43
	-Loans	1.35	1.31
	-Other financial assets	171.70	173.93
	(f) Other non-current assets	146.17	64.65
	<b>Total Non-current assets</b>	<b>4,702.66</b>	<b>4,265.96</b>
<b>2</b>	<b>Current assets</b>		
	(a) Inventories	1,614.08	2,624.20
	(b) Financial assets		
	-Investments	955.29	318.90
	-Trade receivables	1,209.34	986.60
	-Cash and cash equivalents	49.37	31.17
	-Bank Balance other than above	42.29	35.27
	-Loans	34.39	63.27
	-Other financial assets	26.35	50.02
	(c) Other current assets	658.55	563.21
	(d) Assets held-for-sale	0.15	0.15
	<b>Total current assets</b>	<b>4,589.81</b>	<b>4,672.79</b>
	<b>Total Assets</b>	<b>9,292.47</b>	<b>8,938.75</b>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	(a) Equity share capital	57.66	57.56
	(b) Other equity	6,622.90	5,974.95
	<b>Total equity</b>	<b>6,680.56</b>	<b>6,032.51</b>
<b>1</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	-Borrowings	922.99	1,296.60
	-Other financial liabilities	3.12	2.81
	-Lease liability	0.17	0.16
	(b) Provisions	15.97	15.26
	(c) Deferred tax liabilities (net)	242.04	239.54
	(d) Other non-current liabilities	16.23	17.52
	<b>Total Non-current liabilities</b>	<b>1,200.52</b>	<b>1,571.89</b>
<b>2</b>	<b>Current liabilities</b>		
	(a) Financial Liabilities		
	-Borrowings	787.30	834.06
	-Trade payables		
	(i) Total outstanding dues of micro enterprises and small enterprises	18.26	13.87
	(ii) Total outstanding dues of trade payables other than micro enterprises and small enterprises.	251.07	233.09
	-Other financial liabilities	175.29	159.30
	(b) Provisions	4.32	2.57
	(c) Current tax liabilities (net)	79.87	11.17
	(d) Other current liabilities	95.28	80.29
	<b>Total Current liabilities</b>	<b>1,411.39</b>	<b>1,334.35</b>
	<b>Total Equity and Liabilities</b>	<b>9,292.47</b>	<b>8,938.75</b>



**VARDHMAN TEXTILES LIMITED**  
**Head Office : Chandigarh Road, Ludhiana-141010**  
**Standalone Unaudited Cash Flow Statement**  
**for the half year ended September 30, 2021**

**(Rs. In Crores)**

Particulars	Half Year ended September 30, 2021 (Unaudited)	Half Year ended September 30, 2020 (Unaudited)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	985.45	(11.64)
Adjustments for:		
Finance costs	40.04	54.98
Fair valuation gain on investment	(33.72)	(23.26)
Subsidy from Government	(13.20)	(0.93)
Interest income	(9.17)	(18.28)
Dividend on investments	(4.61)	(2.52)
Net gain on sale / discarding of property, plant and equipment (Profit)/Loss on sale of Investments (Net)	(2.28)	(0.45)
Provision no longer required written back (net)	(4.22)	(8.47)
Amortisation of processing charges	(2.41)	(0.54)
Assets written off	0.20	0.19
Bad debt written off	5.15	0.05
Allowances for doubtful trade receivables and advances written back (net)	0.29	-
Depreciation and amortisation	(0.55)	-
Share options outstanding account	175.85	173.40
Changes in working capital:	0.68	0.92
<u>Adjustments for (increase) / decrease in operating assets :-</u>		
Trade receivables	(222.48)	(89.89)
Inventories	1,010.12	874.65
Loans (Current)	28.88	0.54
Loans (Non-current)	(0.04)	0.35
Other assets (Current)	(84.88)	(185.19)
Others financial assets (Current)	22.89	(48.59)
Others financial assets (Non Current)	6.03	4.21
Other assets (Non-current)	(62.14)	(0.88)
<u>Adjustments for increase / (decrease) in operating liabilities :-</u>		
Trade payables	24.77	(48.58)
Provisions (Non Current)	0.71	0.40
Provisions (Current)	1.75	2.06
Others financial liabilities (Current)	28.75	(39.87)
Others financial liabilities (Non-Current)	0.32	(0.05)
Other liabilities (Non-current)	(0.07)	(0.36)
Other liabilities (Current)	15.79	(5.54)
<b>Cash generated from operations</b>	<b>1,907.90</b>	<b>626.71</b>
Income taxes paid (net of refund received)	(170.66)	57.10
<b>Net cash generated by operating activities</b>	<b>1,737.24</b>	<b>683.81</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(1,307.26)	(953.38)
Proceeds from sale of Investments	374.69	727.53
Interest received	6.15	18.03
Payment for purchase of property, plant and equipment, capital work in progress and other intangible assets	(219.02)	(111.98)
Bank balances not considered as cash and cash equivalents	(7.02)	0.10
Proceeds from disposal of property, plant and equipment	4.94	1.33
Dividend on subsidiaries, associates and other investments	4.61	2.52
<b>Net cash used in investing activities</b>	<b>(1,142.91)</b>	<b>(315.85)</b>



**VARDHMAN TEXTILES LIMITED**  
**Regd. Office : Chandigarh Road, Ludhiana-141010**  
**Standalone Unaudited Cash Flow Statement**  
**for the half year ended September 30, 2021**

**(Rs. In Crores)**

Particulars	Half Year ended September 30, 2021 (Unaudited)	Half Year ended September 30, 2020 (Unaudited)
<b>C CASH FLOW FROM FINANCING ACTIVITIES*</b>		
Proceeds from equity share capital/share application	4.69	-
Proceeds from borrowings (non-current)	0.91	325.00
Repayment of borrowings (non-current)	(173.53)	(185.47)
Repayment of borrowings (current) (net)	(247.74)	(544.24)
Dividends on equity share capital paid	(99.83)	(0.09)
Finance costs paid	(60.62)	(70.70)
<b>Net cash used in financing activities</b>	<b>(576.12)</b>	<b>(475.50)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>18.20</b>	<b>(107.54)</b>
Cash and cash equivalents at the beginning of the year	31.17	148.46
<b>Cash and cash equivalents at the end of the year</b>	<b>49.37</b>	<b>40.92</b>
* There are no non cash changes arising from financing activities		



**VARDHMAN TEXTILES LIMITED**

Registered Office : Chandigarh Road, Ludhiana-141010

**Notes to Unaudited Standalone Financial Results:**

- 1 The Financial Results has been prepared in accordance with recognition and measurement principles as laid down in the Indian Accounting Standards ("Ind AS") 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and SEBI's circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016 as amended from time to time.
- 2 The Company is primarily in the business of manufacturing and sales of textile products (i.e., Yarns and Fabrics). The Chief Operating Decision Maker (CODM), the Chairman & Managing Director, performs a detailed review of the operating results, take decisions about the allocation of resources based on the analysis of the various performance indicators of the Company as a whole. Therefore, there is only one operating segment namely, "Textiles".
- 3 (a) The Company had issued secured, rated listed Redeemable Non-convertible Debentures (NCDs) aggregating to Rs. 195.00 Crores for cash at par on private placement basis on June 1, 2020. The NCD's are listed at the Bombay Stock Exchange of India (BSE) and repayable at the end of 36 months from the date of allotment and have a yield of 6.83% per annum payable on June 1 on annual basis.

CRISIL has assigned a rating of AA+ with Stable outlook to the said NCDs of the Company on December 18, 2020. The NCDs are secured by way of a first pari passu charge over the immovable and movable fixed assets of the Company and it should have fixed asset cover of more than 1.25 times of outstanding amount of NCDs. The Fixed Asset coverage ratio as on September 30, 2021 is 2.34 times and Asset cover as on September 30, 2021 is 2.32 times.

- (b) The Company had also issued secured, rated listed Redeemable Non-convertible Debentures (NCDs) aggregating to Rs. 499.80 crores for cash at par on private placement basis on September 8, 2017. The NCDs are listed at the Bombay Stock Exchange of India (BSE) and comprise of three series repayable in third, fourth and fifth years and have an overall yield of 7.69% per annum. During the year ended March 31, 2021 1,500 7.59% Series A NCDs of Rs.10 lacs each amounting to Rs.150 Cr were redeemed on September 8, 2020. During the half year ended Sept 30, 2021 1,500 7.69% Series B NCDs of Rs.10 lacs each amounting to Rs.150 Cr were redeemed on September 08, 2021.

CRISIL has assigned a rating of AA+ with Stable outlook to the said NCDs of the Company on December 18, 2020. These NCDs are secured by way of a first pari passu charge over the immovable and movable fixed assets of the Company and it should have fixed asset cover of more than 1.05 times of outstanding amount of NCDs. The Fixed Asset coverage ratio as on September 30, 2021 is 2.34 times and Asset cover as on September 30, 2021 is 2.32 times.

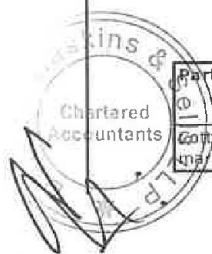
- 4 Financial Results has been reviewed by the Audit Committee at its meeting held on October 26, 2021 and approved by the Board of Directors at its meeting held on October 27, 2021 . The limited review as required under Regulation 33 and Regulation 52 of SEBI ( Listing Obligation and Disclosure Requirements) Regulations, 2015, has been completed by the Statutory Auditors.
- 5 The Company's operations and financial results for the quarter and half year ended September 30, 2021 and the corresponding quarter and half year ended September 30, 2020 are not comparable as the results of the previous periods were impacted by COVID-19 pandemic and the consequent lockdown announced by the Central / State Governments, due to which the operations were suspended for part of the half year ended September 30, 2020.

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

- 6 The Company was carrying substantial stock of cotton at the start of the Financial Year 2020-21. Amidst Covid situation, it was thought prudent to hedge the same partially against price fluctuation. Accordingly, the Company had entered into derivative contracts at an international Commodity Exchange. 'Other Expenses/Other income' include below mentioned amounts on these derivative contracts:

Rs. In crores

Particulars	Quarter Ended September 30, 2021	Quarter Ended June 30, 2021	Quarter Ended September 30, 2020	Half Year ended September 30, 2021	Half Year ended September 30, 2020	Year Ended March 31, 2021
Cotton hedging derivative loss/ (gain) (net of unmarked to market gain/loss)	-	(0.16)	25.74	(0.16)	55.11	87.90



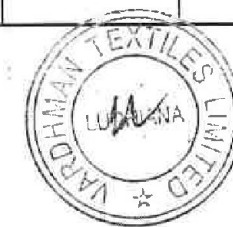
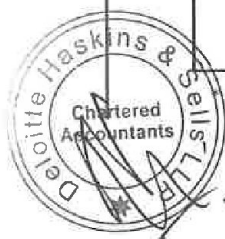
**VARDHMAN TEXTILES LIMITED**

Registered Office : Chandigarh Road, Ludhiana-141010

- 7 The Board of Directors, in its meeting held on May 27, 2020 had approved a Scheme of Amalgamation (the "Scheme") under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the 2013 Act, as per pooling of interest method, amongst the Company (Transferee Company) and its subsidiaries VMT Spinning Company Limited and Vardhman Nisshinbo Garments Company Limited (Transferor companies). The Appointed date for the scheme will be April 1, 2020. The Scheme is subject to necessary statutory approvals.
- 8 The Code on Social Security 2020 has been notified in the Official Gazette on 29th September 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are published.
- 9 During the current quarter, the new scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) was introduced by Ministry of Commerce and Industry vide notification dated August 17, 2021 for eligible exported goods. Accordingly the Company has recognised in Revenue from operations the benefit of RoDTEP of Rs.71.37 crores during the quarter ended September 30, 2021, out of which Rs. 18.66 crores benefit pertains to eligible export sales for the period from January 1, 2021 to March 31, 2021 and Rs.29.53 crores benefit pertains to eligible export sales for the period from April 1, 2021 to June 30, 2021.
- 10 During the half year ended September 30, 2021, the Company has issued 98,700 equity shares under Employee Stock Options Scheme out of which 29,800 shares were issued in current quarter at Rs. 815 per share. As a result of above, the paid up equity share capital of the Company has increased from Rs. 57.56 crores to Rs. 57.66 crores.
- 11 Relevant information as required pursuant to regulation 52(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, in respect of Non Convertible Debentures, are as follows:

(a)	S.No.	Particulars	Quarter Ended September 30, 2021	Quarter Ended June 30, 2021	Quarter Ended September 30, 2020	Half Year ended September 30,2021	Half Year ended September 30,2020	Year Ended March 31, 2021
	(a)	Operating Margin % (Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA)/ Total Income from Operations)	30.09%	25.92%	11.65%	28.23%	9.27%	15.54%
	(b)	Net Profit Margin (%) (Net Profit after tax/ Total Income from Operations)	19.14%	15.12%	3.13%	17.34%	-0.37%	5.86%
	(c)	Interest Service Coverage Ratio (EBITDA-Current Tax)/Gross Interest	24.31	15.76	6.75	19.84	3.68	7.41
	(d)	Debt service coverage ratio (DSCR)* (EBITDA-Current Tax)/(Gross Interest+Scheduled principal repayment of Long term Debts)	3.93	3.42	2.33	3.33	1.35	2.09
	(e)	Bad Debts to Account Receivable Ratio (Bad debts/Trade Receivables)	-	0.00	-	0.00	-	-
	(f)	Debtors Turnover ratio (in days)* (Trade receivables/Revenue from operations X No. of days in period)	48	53	53	53	71	62
	(g)	Inventory Turnover ratio (in days)* (Inventory/Revenue from operations X No. days in a period)	54	109	98	71	130	165

Annualised



**VARDHMAN TEXTILES LIMITED**

Registered Office : Chandigarh Road, Ludhiana-141010

(b)	S.No.	Particulars	Half Year ended September 30,2021	Year Ended March 31, 2021
	(a)	Debt equity ratio (Total Debt (excluding lease liabilities)/ Total Equity)	0.26	0.35
	(b)	Current Ratio (Current Assets/Current Liabilities)	3.25	3.50
	(c)	Current Liability Ratio (Current Liabilities/Total Liabilities)	0.54	0.46
	(d)	Total Debt to total assets (Total Debt (excluding lease liabilities)/Total Assets)	0.18	0.24
	(e)	Long Term Debt to Working Capital (Long term borrowings (including current maturities and excluding lease liabilities)/(Current Assets-Current Liabilities)	0.44	0.47
	(f)	Net Worth (Rs. in Crores)	6,680.56	6,032.51
	(g)	Capital Redemption Reserve (Rs. in Crores)	6.26	6.26
	(h)	Debenture Redemption Reserve (Rs. in Crores)	57.62	57.62

**12** The Board of Directors has declared an interim dividend of Rs. 34 per share on fully paid equity shares of the company.

Place : Ludhiana  
Date : October 27, 2021



For Vardhman Textiles Limited

S.P. Oswal  
Chairman & Managing Director





## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF VARDHMAN TEXTILES LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **VARDHMAN TEXTILES LIMITED** ("the Company"), for the quarter and half year ended September 30, 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of Interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Deloitte Haskins & Sells LLP

Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Rajesh Kumar Agarwal**  
(Partner)

(Membership No. 105546)  
(UDIN: 21105546AAAHT8487)

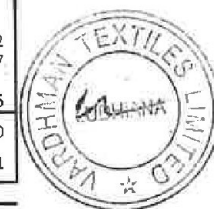
Place: New Delhi  
Date: October 27, 2021

Vardhman Textiles Limited  
Registered Office : Chandigarh Road, Ludhiana-141010  
Consolidated Unaudited Financial Results for the quarter and half year ended September 30, 2021  
Corporate Identity Number (CIN): L17111PB1973PLC003345, PAN: AABCM4692E  
Website:www.vardhman.com Email: secretarial.lud@vardhman.com

(Rs. In crores)

S.No	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Half Year Ended	Half Year Ended	Year Ended
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I.	Revenue from operations	2,385.08	1926.97	1,625.23	4,312.05	2,442.70	6,139.87
II.	Other income	67.46	44.99	54.25	112.45	97.41	201.56
III.	<b>Total income (I+II)</b>	<b>2,452.54</b>	<b>1,971.96</b>	<b>1,679.48</b>	<b>4,424.50</b>	<b>2,540.11</b>	<b>6,341.43</b>
IV.	<b>Expenses</b>						
	Cost of materials consumed	1,088.57	983.77	846.47	2,072.34	1,337.24	3,188.63
	Purchase of stocks- in trade	10.40	0.38	0.64	10.78	1.14	5.13
	Change in inventories of finished goods, Works -in progress and stock -in- trade	(46.40)	(113.21)	152.09	(159.61)	105.65	66.70
	Employee benefits expenses	181.48	167.31	135.27	348.79	264.39	590.11
	Finance cost	23.53	25.74	27.93	49.27	61.66	113.32
	Depreciation and amortisation expense	91.65	91.31	91.39	182.96	180.35	363.81
	Other expenses	474.56	409.92	346.11	884.48	591.34	1,475.46
	<b>Total Expenses</b>	<b>1,823.79</b>	<b>1,565.22</b>	<b>1,599.90</b>	<b>3,389.01</b>	<b>2,541.77</b>	<b>5,803.16</b>
V	<b>Share of Profit/(Loss) of Associates</b>	9.59	9.20	4.71	18.79	(0.02)	20.63
VI.	<b>Profit/(Loss) before tax (III-IV+V)</b>	<b>638.34</b>	<b>415.94</b>	<b>84.29</b>	<b>1,054.28</b>	<b>(1.68)</b>	<b>558.90</b>
VII.	<b>Tax expense</b>						
	Current tax	151.86	99.88	2.29	251.74	3.83	123.63
	Deferred tax	4.27	(0.88)	20.42	3.39	(2.95)	12.80
VIII.	<b>Profit/(Loss) after tax (VI-VII)</b>	<b>482.21</b>	<b>316.94</b>	<b>61.58</b>	<b>799.15</b>	<b>(2.56)</b>	<b>422.47</b>
IX.	<b>Other Comprehensive Income/(Expenditure)</b>	-	-	-	-	-	4.75
X.	<b>Total Comprehensive Income/(Expenditure) (VIII+IX)</b>	<b>482.21</b>	<b>316.94</b>	<b>61.58</b>	<b>799.15</b>	<b>(2.56)</b>	<b>427.22</b>
XI.	<b>Profit/(Loss) for the period attributable to :</b>						
	Owners of the Company	481.49	314.70	60.22	796.19	(4.07)	409.91
	Non Controlling Interest	0.72	2.24	1.36	2.96	1.51	12.56
		<b>482.21</b>	<b>316.94</b>	<b>61.58</b>	<b>799.15</b>	<b>(2.56)</b>	<b>422.47</b>
XII.	<b>Other Comprehensive Income/ (expenditure) for the period attributable to :</b>						
	Owners of the Company	-	-	-	-	-	4.60
	Non Controlling Interest	-	-	-	-	-	0.15
		-	-	-	-	-	<b>4.75</b>
XIII	<b>Total Comprehensive Income/ (expenditure) for the period attributable to :</b>						
	Owners of the Company	481.49	314.70	60.22	796.19	(4.07)	414.51
	Non Controlling Interest	0.72	2.24	1.36	2.96	1.51	12.71
		<b>482.21</b>	<b>316.94</b>	<b>61.58</b>	<b>799.15</b>	<b>(2.56)</b>	<b>427.22</b>
XIV.	<b>Earnings Per Share (in Rs)</b>						
	(not annualized):						
	(a)Basic	84.99	55.58	10.66	140.57	(0.72)	72.52
	(b) Diluted	84.71	55.36	10.59	140.07	(0.71)	72.07
XV.	Paid up equity share capital (face value per share Rs.10)	56.66	56.63	56.52	56.66	56.52	56.56
XVI.	Paid up Debt Capital*				394.80	544.80	544.80
XVII.	Other equity				7,119.62	5,988.58	6,417.31

\* Paid up Debt Capital comprises of listed debentures only



**VARDHMAN TEXTILES LIMITED**  
Registered Office : Chandigarh Road, Ludhiana-141010  
Statement of Segment Information

(Rs. In Crores)

Particulars	Quarter Ended September 30, 2021	Quarter Ended June 30, 2021	Quarter Ended September 30, 2020	Half year ended September 30,2021	Half year ended September 30,2020	Year Ended March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>I. Segment Revenue</b>						
Textiles	2,329.98	1,893.25	1,576.21	4,223.23	2,373.13	5,926.24
Acrylic Fibre	58.66	42.31	64.90	100.97	94.58	280.19
<b>Total</b>	<b>2,388.64</b>	<b>1,935.56</b>	<b>1,641.11</b>	<b>4,324.20</b>	<b>2,467.71</b>	<b>6,206.43</b>
Less : Inter Segment Revenue	3.56	8.59	15.88	12.15	25.01	66.56
<b>Net Revenue from operations</b>	<b>2,385.08</b>	<b>1,926.97</b>	<b>1,625.23</b>	<b>4,312.05</b>	<b>2,442.70</b>	<b>6,139.87</b>
<b>II. Segment Results</b>						
Profit/(loss) before tax & interest from each segment						
Textiles	646.35	429.25	82.02	1,075.60	22.60	568.07
Acrylic Fibre	(1.12)	4.56	2.83	3.44	(0.62)	43.06
<b>Total</b>	<b>645.22</b>	<b>433.81</b>	<b>84.85</b>	<b>1,079.04</b>	<b>21.98</b>	<b>611.13</b>
Less : (a) Interest	23.53	25.74	27.93	49.27	61.66	113.32
(b) Other un-allocable expenditure / (income) (Net of un-allocable (income)/expenditure)	(7.07)	1.33	(22.66)	(5.74)	(38.02)	(40.46)
Add: Share of Profit/(Loss) of Associates	9.59	9.20	4.71	18.79	(0.02)	20.63
<b>Total Profit/(loss) before tax</b>	<b>638.36</b>	<b>415.94</b>	<b>84.29</b>	<b>1,054.28</b>	<b>(1.68)</b>	<b>558.90</b>
Tax expenses	156.13	99.00	22.71	255.13	0.88	136.43
<b>Net Profit/(loss) after tax</b>	<b>482.23</b>	<b>316.94</b>	<b>61.58</b>	<b>799.15</b>	<b>(2.56)</b>	<b>422.47</b>
Less: Non Controlling Interest	0.72	2.24	1.36	2.96	1.51	12.56
<b>Net Profit/(Loss) after taxes, non controlling interest and Share of profit/(loss) of Associates</b>	<b>481.51</b>	<b>314.70</b>	<b>60.22</b>	<b>796.19</b>	<b>(4.07)</b>	<b>409.91</b>
<b>III. Segment Assets</b>						
Textiles*	7274.68	7,583.54	6860.92	7,274.68	6,860.92	7,867.03
Acrylic Fibre	140.49	119.99	119.67	140.49	119.67	127.08
<b>Total Segment Assets</b>	<b>7,415.17</b>	<b>7,703.53</b>	<b>6,980.59</b>	<b>7,415.17</b>	<b>6,980.59</b>	<b>7,994.11</b>
Un-allocated	2,632.89	2,002.97	1,816.27	2,632.89	1,816.27	1,632.87
<b>Total Assets</b>	<b>10,048.06</b>	<b>9,706.50</b>	<b>8,796.86</b>	<b>10,048.06</b>	<b>8,796.86</b>	<b>9,626.98</b>
<b>IV. Segment Liabilities**</b>						
Textiles	530.08	533.36	482.34	530.08	482.34	493.88
Acrylic Fibre	62.90	32.63	37.39	62.90	37.39	49.19
<b>Total Segment Liabilities</b>	<b>592.98</b>	<b>565.99</b>	<b>519.73</b>	<b>592.98</b>	<b>519.73</b>	<b>543.07</b>
Un-allocated	169.70	146.95	63.74	169.70	63.74	87.75
<b>Total Liabilities</b>	<b>762.68</b>	<b>712.94</b>	<b>583.47</b>	<b>762.68</b>	<b>583.47</b>	<b>630.82</b>

\* Includes Capital Work in Progress and Capital Advances  
\*\* Includes borrowings, deferred tax liabilities

237.72

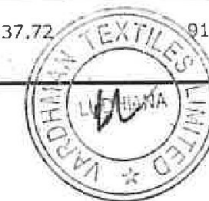
185.80

91.65

237.72

91.65

98.03



**VARDHMAN TEXTILES LIMITED**  
**Consolidated Unaudited Balance Sheet as at September 30, 2021**

(Rs. In Crores)

S.No.	Particulars	Unaudited	Audited
		September 30 ,2021	March 31 ,2021
	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, Plant and Equipment	3,401.51	3,504.35
	(b) Capital work-in-progress	198.27	77.96
	(c) Right to Use Asset	19.82	19.96
	(d) Intangible Assets	2.33	2.26
	(e) Goodwill	12.50	12.50
	(f) Financial Assets		
	-Investment in associates	143.51	129.31
	-Investments	773.76	437.55
	-Loans	1.43	1.37
	-Other financial assets	171.85	173.98
	(g) Other non-current assets	147.28	65.53
	<b>Total Non-current assets</b>	<b>4,872.26</b>	<b>4,424.77</b>
<b>2</b>	<b>Current assets</b>		
	(a) Inventories	1,766.38	2,796.05
	(b) Financial Assets		
	-Investments	1,341.00	507.67
	-Trade receivables	1,248.04	1,038.62
	-Cash and cash equivalents	58.16	92.64
	-Bank balance other than above	47.08	118.86
	-Loans	2.81	1.34
	-Other financial assets	26.27	54.76
	(c) Other current assets	685.91	592.12
	(d) Assets held-for-sale	0.15	0.15
	<b>Total Current assets</b>	<b>5,175.80</b>	<b>5,202.21</b>
	<b>TOTAL ASSETS</b>	<b>10,048.06</b>	<b>9,626.98</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	(a) Equity Share capital	56.66	56.56
	(b) Other Equity	7,119.62	6,417.31
	(c) Non controlling interest		
	- Equity Share capital	23.44	23.44
	- Other Equity	112.72	109.76
	<b>Total Equity</b>	<b>7,312.44</b>	<b>6,607.07</b>
<b>2</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	(a) Financial Liabilities		
	-Borrowings	922.99	1,296.60
	-Other financial liabilities	3.12	2.81
	-Lease liability	0.17	0.16
	(b) Provisions	17.51	16.96
	(c) Deferred tax liabilities (Net)	260.29	256.91
	(d) Other non-current liabilities	16.52	17.83
	<b>Total Non-current liabilities</b>	<b>1,220.60</b>	<b>1,591.27</b>
<b>3</b>	<b>Current liabilities</b>		
	(a) Financial Liabilities		
	-Borrowings	789.66	835.57
	-Trade payables		
	(i) Total outstanding dues of micro enterprises and small enterprises	18.99	14.72
	(ii) Total outstanding dues of trade payables other than micro enterprises and small enterprises.	309.54	284.54
	-Other financial liabilities	185.96	169.80
	(b) Provisions	4.85	2.70
	(c) Current tax liabilities (Net)	105.99	37.20
	(d) Other current liabilities	100.03	84.11
	<b>Total Current liabilities</b>	<b>1,515.02</b>	<b>1,428.64</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,048.06</b>	<b>9,626.98</b>



**VARDHMAN TEXTILES LIMITED**  
**Regd. Office : Chandigarh Road, Ludhiana-141010**  
**Consolidated Unaudited Statement of Cash Flows for the half year ended September 30, 2021**

	Half year ended September 30, 2021 (Unaudited)	(Rs. In Crores) Half year ended September 30, 2020 (Unaudited)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	1,054.28	(1.68)
Adjustments for:		
Share of profit of associates	(18.79)	0.02
Finance costs	40.10	55.98
Fair valuation gain on investment	(40.11)	(26.60)
Subsidy from Government	(13.20)	(0.93)
Interest income	(10.60)	(21.90)
Dividend on current investments	(0.07)	(0.01)
Net gain on sale / discarding of property, plant and equipment (Profit)/Loss on sale of Investments (Net)	(2.29)	(0.45)
Provision no longer required written back(Net)	(5.32)	(10.11)
Amortisation of processing charges	(2.65)	(0.66)
Asset written off	0.20	0.20
Bad debt written off	5.15	0.05
Allowances for doubtful trade receivables and advances	0.29	0.14
Depreciation and amortisation expense	(0.55)	-
Share options outstanding account	182.96	180.35
	0.68	0.92
Changes in working capital:		
<b>Adjustments for (increase) / decrease in operating assets</b>		
<b>:-</b>		
Trade receivables	(209.16)	(121.03)
Inventories	1,029.67	939.08
Loans (Current)	(1.47)	0.39
Loans (Non-current)	(0.06)	0.35
Other assets (Current)	(83.82)	(180.40)
Other assets (Non-current)	(62.37)	(0.88)
Others financial assets (Current)	22.67	(46.23)
Others financial assets (Non Current)	5.93	20.19
<b>Adjustments for increase / (decrease) in operating liabilities :-</b>		
Trade payables and other liabilities	31.92	(79.08)
Provisions (Non Current)	0.55	0.53
Provisions (Current)	2.15	2.02
Others financial liabilities (Current)	30.38	(38.79)
Others financial liabilities (Non-Current)	0.32	0.10
Other liabilities (Non-current)	(0.09)	(0.32)
Other liabilities (Current)	14.82	(0.97)
<b>Cash generated from operations</b>	<b>1,971.53</b>	<b>670.28</b>
Income taxes paid (net of refund)	(182.95)	54.79
<b>Net cash generated by operating activities</b>	<b>1,788.58</b>	<b>725.07</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(1,544.24)	(1,119.22)
Proceeds from sale of investments	419.07	859.65
Interest received	12.62	18.12
Payment for purchase of property, plant and equipment, capital work in progress and other intangible assets	(216.99)	(112.16)
Bank balances not considered as cash and cash equivalents	122.64	(47.72)
Proceeds from disposal of property, plant and equipment	4.95	0.42
Dividend on associates, other investments	5.71	0.01
<b>Net cash used in investing activities</b>	<b>(1,196.24)</b>	<b>(400.90)</b>



**VARDHMAN TEXTILES LIMITED**

Regd. Office : Chandigarh Road, Ludhiana-141010

Consolidated Unaudited Statement of Cash Flows for the half year ended September 30, 2021

(Rs. In Crores)

**C CASH FLOW FROM FINANCING ACTIVITIES**

Proceeds from Equity Share capital/Share Application	4.69	-
Proceeds from borrowings (non-current)	0.91	325.00
Repayment of borrowings (non-current)	(173.72)	(190.60)
Repayment of borrowings (current)	(246.90)	(549.69)
Dividends on equity share capital paid	(100.24)	(0.09)
Finance costs paid	(60.70)	(71.71)
<b>Net cash generated/(used) in financing activities</b>	<b>(575.96)</b>	<b>(487.09)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>16.38</b>	<b>(162.92)</b>
Cash and cash equivalents at the beginning of the year	41.78	214.85
<b>Cash and cash equivalents at the end of the year</b>	<b>58.16</b>	<b>51.93</b>



**VARDHMAN TEXTILES LIMITED**

Registered Office : Chandigarh Road, Ludhiana-141010

**Notes to unaudited Consolidated financial results:**

- 1 The consolidated financial results includes result of all its - (i) Subsidiaries - viz Vardhman Acrylics Limited, VMT Spinning Company Limited, VTL Investments Limited, and Vardhman Nisshinbo Garments Company Limited and (ii) Associates - viz Vardhman Yarns and Threads Limited, Vardhman Special Steels Limited and Vardhman Spinning and General Mills Limited herein referred to as "The Group".
- 2 The Financial Results has been prepared in accordance with recognition and measurement principles as laid down in the Indian Accounting Standards ("Ind AS") 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and SEBI's circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016 as amended from time to time.
- 3 (a) The Parent Company had issued secured, rated listed Redeemable Non-convertible Debentures (NCDs) aggregating to Rs. 195.00 Crores for cash at par on private placement basis on June 1, 2020. The NCD's are listed at the Bombay Stock Exchange of India (BSE) and repayable at the end of 36 months from the date of allotment and have a yield of 6.83% per annum payable on 01-June on annual basis.
- CRISIL has assigned a rating of AA+ with Stable outlook to the said NCDs of the Company on December 18, 2020. The NCDs are secured by way of a first pari passu charge over the immovable and movable fixed assets of the Company and it should have fixed asset cover of more than 1.25 times of outstanding amount of NCDs. The Fixed Asset coverage ratio as on September 30, 2021 is 2.34 times and Asset Cover as on September 30, 2021 is 2.32 times.
- (b) The Parent Company had also issued secured, rated listed Redeemable Non-convertible Debentures (NCDs) aggregating to Rs. 499.80 crores for cash at par on private placement basis on September 8, 2017. The NCDs are listed at the Bombay Stock Exchange of India (BSE) and comprise of three series repayable in third, fourth and fifth years and have an overall yield of 7.69% per annum. During the year ended March 31,2021 1,500 7.59% Series A NCDs of Rs.10 lacs each amounting to Rs.150 Cr were redeemed on September 8, 2020. During the half year ended Sept 30,2021 1,500 7.69% Series B NCDs of Rs.10 lacs each amounting to Rs.150 Cr were redeemed on September 8, 2021.
- CRISIL has assigned a rating of AA+ with Stable outlook to the said NCDs of the Company on December 18, 2020. These NCDs are secured by way of a first pari passu charge over the immovable and movable fixed assets of the Company and it should have fixed asset cover of more than 1.05 times of outstanding amount of NCDs. The Fixed Asset coverage ratio as on September 30, 2021 is 2.34 times and Asset Cover as on September 30, 2021 is 2.32 times.
- 4 Financial Results has been reviewed by the Audit Committee at its meeting held on October 26, 2021 and approved by the Board of Directors at its meeting held on October 27, 2021 . The limited review as required under Regulation 33 and Regulation 52 of SEBI ( Listing Obligation and Disclosure Requirements) Regulations, 2015, has been completed by the Statutory Auditors.
- 5 The Group's operations and financial results for the quarter and half year ended September 30, 2021 and the corresponding quarter and half year ended September 30, 2020 are not comparable as the results of the previous periods were impacted by COVID-19 pandemic and the consequent lockdown announced by the Central / State Governments, due to which the operations were suspended for part of the half year ended September 30, 2020.
- The Group has considered the possible effects that may result from the COVID-19 pandemic in the preparation of these unaudited financial results, including but not limited to the assessment of liquidity position and recoverability of carrying value of its assets comprising inventories and trade receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group has, at the date of approval of these unaudited financial results, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. Given the uncertainties associated with nature, condition and duration of COVID-19, the Group will closely monitor any material changes arising out of the future economic conditions and its impact on the business of the Group.
- 6 The Parent Company was carrying substantial stock of cotton at the start of the Financial Year 2020-21. Amidst Covid situation, it was thought prudent to hedge the same partially against price fluctuation. Accordingly, the Company had entered into derivative contracts at an international Commodity Exchange. 'Other Expenses/Other income' include below mentioned amounts on these derivative contracts:

Particulars	Rs. In Crores					
	Quarter Ended September 30, 2021	Quarter Ended June 30, 2021	Quarter Ended September 30, 2020	Half Year ended September 30,2021	Half Year ended September 30,2020	Year Ended March 31, 2021
Cotton hedging derivative loss/ (gain) (net of marked to market gain/loss)	-	(0.16)	25.74	(0.16)	55.11	87.90

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

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

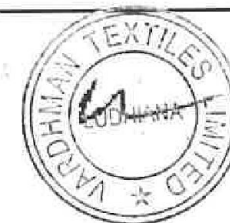


**VARDHMAN TEXTILES LIMITED****Registered Office : Chandigarh Road, Ludhiana-141010**

- 9 During the current quarter, the new scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) was introduced by Ministry of Commerce and Industry vide notification dated August 17, 2021 for eligible exported goods. Accordingly the group has recognised the benefit of RoDTEP of Rs.72.88 crores in revenue from operations during the quarter ended September 30, 2021, out of which Rs. 19.69 crores benefit pertains to eligible export sales for the period from January 1, 2021 to March 31, 2021 and Rs.29.81 crores benefit pertains to eligible export sales for the period from April 1, 2021 to June 30, 2021.
- 10 During the half year ended September 30, 2021, the Company has issued 98,700 equity shares under Employee Stock Options Scheme out of which 29,800 shares were issued in current quarter at Rs. 815 per share. As a result of above, the paid up equity share capital of the Company has increased from Rs. 56.56 crores to Rs. 56.66 crores.
- 11 Relevant information as required pursuant to regulation 52(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, in respect of Non Convertible Debentures, are as follows:

(a)	S.No.	Particulars	Quarter Ended September 30, 2021	Quarter Ended June 30, 2021	Quarter Ended September 30, 2020	Half Year Ended September 30, 2021	Half Year Ended September 30, 2020	Year Ended March 31, 2021
	(a)	Operating Margin % (Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA)/ Total Income from Operations)	30.33%	26.56%	11.84%	28.65%	9.46%	16.01%
	(b)	Net Profit Margin (%) (Net Profit after tax/ Total Income from Operations)	19.66%	16.07%	3.67%	18.06%	-0.10%	6.66%
	(c)	Interest Service Coverage Ratio (EBITDA-Current Tax)/Gross Interest	25.16	16.47	7.04	20.62	3.84	7.87
	(d)	Debt service coverage ratio (DSCR) (EBITDA-Current Tax)/(Gross Interest+Scheduled principal repayment of Long term Debts)	4.09	3.59	2.43	3.48	1.41	2.24
	(e)	Bad Debts to Account Receivable Ratio (Bad debts/Trade Receivables)	-	0.00	-	0.00	0.00	0.00
	(f)	Debtors Turnover ratio (in days)* (Trade receivables/Revenue from operations X No. of days in period)	48	53	53	53	71	62
	(g)	Inventory Turnover ratio (in days)* (Inventory/Revenue from operations X No. days in a period)	68	113	99	75	131	166

\* Annualised





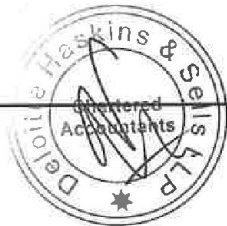
**VARDHMAN TEXTILES LIMITED**

Registered Office : Chandigarh Road, Ludhiana-141010

(b)	S.No.	Particulars	Half Year Ended September 30, 2021	Year Ended March 31, 2021
	(a)	Debt equity ratio (Total Debt (excluding lease liabilities)/ Total Equity)	0.24	0.33
	(b)	Current Ratio (Current Assets/Current Liabilities)	3.42	3.64
	(c)	Current Liability Ratio (Current Liabilities/Total Liabilities)	0.55	0.47
	(d)	Total Debt to total assets (Total Debt (excluding lease liabilities)/Total Assets)	0.17	0.22
	(e)	Long Term Debt to Working Capital (Long term borrowings (including current maturities and excluding lease liabilities)/(Current Assets-Current Liabilities)	0.38	0.42
	(f)	Net Worth (Rs. in Crores)	7,176.28	6,473.87
	(g)	Capital Redemption Reserve (Rs. in Crores)	40.43	40.43
	(h)	Debenture Redemption Reserve (Rs. in Crores)	57.62	57.62

12 The Board of Directors has declared an interim dividend of Rs. 34 per share on fully paid equity shares of the company.

Place : Ludhiana  
Date : October 27, 2021



For Vardhman Textiles Limited



S.P. Oswal  
Chairman & Managing Director

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF VARDHMAN TEXTILES LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **VARDHMAN TEXTILES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/(loss) after tax and total comprehensive income / loss of its associates for the quarter and half year ended September 30, 2021 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



4. The Statement includes the results of the following entities:

<b>Name of the Entity</b>	<b>Relationship</b>
Vardhman Acrylics Limited	Subsidiary company
VMT Spinning Company Limited	Wholly owned subsidiary company
VTL Investments Limited	Wholly owned subsidiary company
Vardhman Nisshinbo Garments Company Limited	Wholly owned subsidiary company
Vardhman Yarn and Threads Limited	Associate company
Vardhman Special Steels Limited	Associate company
Vardhman Spinning and General Mills Limited	Associate company

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total assets of Rs. 514.00 crores as at September 30, 2021, total revenues of Rs. 62.79 crores and Rs. 110.25 crores for the quarter and half year ended September 30, 2021 respectively, total net profit after tax of Rs. 2.45 crores and Rs. 10.12 crores for the quarter and half year ended September 30, 2021 respectively and total comprehensive income of Rs. 2.45 crores and Rs. 10.12 crores for the quarter and half year ended September 30, 2021 respectively and net cash outflows of Rs. 10.29 crores for the half year ended September 30, 2021, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. 6.05 crores and Rs. 12.97 crores for the quarter and half year ended September 30, 2021 respectively and total comprehensive income of Rs. 6.09 crores and Rs. 13.05 crores for the quarter and half year ended September 30, 2021 respectively, as considered in the Statement, in respect of one associate, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and associate, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

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



7. The consolidated unaudited financial results Includes the interim financial results of three subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total assets of Rs. 309.42 crores as at September 30, 2021, total revenue of Rs. 122.62 crores and Rs. 213.88 crores for the quarter and half year ended September 30, 2021, total profit after tax of Rs. 17.32 crores and Rs. 29.66 crores for the quarter and half year ended September 30, 2021 and Total comprehensive income of Rs. 17.32 crores and Rs. 29.66 crores for the quarter and half year ended September 30, 2021 respectively and net cash outflows of Rs. 39.06 crores for the half year ended September 30, 2021, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. 3.50 crores and Rs. 5.74 crores for the quarter and half year ended September 30, 2021 respectively and total comprehensive income of Rs. 3.50 crores and Rs. 5.74 crores for the quarter and half year ended September 30, 2021 respectively, as considered in the Statement, in respect of two associates, based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial results certified by the Management.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



**Rajesh Kumar Agarwal**  
Partner

(Membership No. 105546)

(UDIN: 21105546AAAAHU3344)

Place: New Delhi

Date: October 27, 2021