CHANDIGARH ROAD
LUDHIANA-141010, PUNJAB
T: +91-161-2228943-48
F: +91-0161-2601048
E: secretarial.lud@vardhman.com

Ref. VHL: SCY: SEP: 2021-22 Dated: 04-Sep-2021

BSE Limited, 1st Floor, New Trading Ring, Rotunda Building, P.J Towers, Dalal Street, MUMBAI-400 001. **Scrip Code: 500439**	The National Stock Exchange of India Limited, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), MUMBAI-400 051 **Scrip Code: VHL**

Dear Sir,

SUBJECT: ANNUAL REPORT (F.Y. 2020-21) OF THE COMPANY, NOTICE CONVENING 57TH 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 57th Annual General Meeting ('AGM') of the Members of the Company will be held on Tuesday, 28th September, 2021 at 03:00 p.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 Securities and Exchange Board of India ('SEBI').

The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 18th September, 2021 to Tuesday, 28th September, 2021 (both days inclusive) for the purpose of AGM and dividend. The dividend, if declared at the AGM, will be paid or warrants thereof will be dispatched within a week from the conclusion of AGM.

Further, the Company has fixed Tuesday, 21st September, 2021 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	25th September, 2021 (09:00 a.m. onwards)
End of remote e-Voting	27th September, 2021 (upto 05:00 p.m.)

VARDHMAN HOLDINGS LIMITED
LUDHIANA

Vardhman

Delivering Excellence. Since 1965.

VARDHMAN HOLDINGS LIMITED

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Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report (F.Y. 2020-21) alongwith the Notice convening the 57th AGM of the Company. The said documents are also available on the website of the Company at www.vardhman.com.

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 HOLDINGS LIMITED

Swati

VARDHMAN HOLDINGS LIMITED LUDHIANA

SWATI MANGLA
(COMPANY SECRETARY)

Vardhmān

Vardhman Holdings Limited

57th

Annual Report
2020-21

Vardhman Holdings Limited

BOARD OF DIRECTORS

Mr. Shri Paul Oswal	Chairman and Managing Director
Mrs. Shakun Oswal	Director
Mr. Sachit Jain	Director
Mrs. Suchita Jain	Director
Mr. Chaman Lal Jain	Director
Mr. Vikas Kumar	Director
Mr. Jagdish Rai Singal	Independent Director
Mr. Sat Pal Kanwar	Independent Director
Mrs. Apinder Sodhi	Independent Director
Mr. Om Parkash Sharma	Independent Director
Mr. Rajeev Kumar Mittal	Independent Director
Mr. Sanjeev Jain	Independent Director

CHIEF FINANCIAL OFFICER
Ms. Poorva Bhatia

COMPANY SECRETARY
Ms. Swati Mangla

AUDITORS
M/s. R. Dewan & Company
Chartered Accountants
Ludhiana

REGISTRAR AND TRANSFER AGENT
M/s. Alankit Assignments Limited
New Delhi

REGISTERED & CORPORATE OFFICE
Vardhman Premises, Chandigarh Road,
Ludhiana-141 010
Phones: (0161) 2228943-48
Fax: (0161) 2601048
E-mail: secretarial.lud@vardhman.com
Website: www.vardhman.com
CIN: L17111PB1962PLC002463

CONTENT

Notice

NOTICE is hereby given that the **FIFTY SEVENTH ANNUAL GENERAL MEETING** of Vardhman Holdings Limited will be held on Tuesday, the 28th day of September, 2021 at 03:00 p.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, 2021 together with Report of Board of Directors and Auditors thereon.

Item No. 2 – To declare Dividend:

To declare a dividend of ₹ 5 per equity share for the year ended March 31, 2021.

Item No. 3a – To re-appoint Mrs. Suchita Jain as a director liable to retire by rotation:

To appoint a Director in place of Mrs. Suchita Jain (DIN: 00746471), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

Item No. 3b - To resolve not to fill the vacancy caused due to retirement by rotation of Mr. Chaman Lal Jain, Non-Executive Director of the Company:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** Mr. Chaman Lal Jain (DIN: 00307280), who was appointed as a Director of the Company liable to retire by rotation, does not seek re-appointment upon expiry of his term at this Annual General Meeting, as such the vacancy, so created on the Board of Directors of the Company, be not filled."

BY ORDER OF THE BOARD

Sd/-
(Swati Mangla)
Company Secretary

Place: Ludhiana
Date: 26th May, 2021

Notes

1. Considering the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its circular dated January 13, 2021 read together with circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (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 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 Obligations and Disclosure Requirements) Regulations, 2015 (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 11). 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 information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 regarding the Directors seeking re-appointment in the Annual General Meeting is also being annexed hereto separately and forms part of the Notice. The Director has furnished the requisite declaration for her re-appointment.

6. The Register of Members and the Share Transfer Books of the Company shall remain closed from 18th September, 2021 to 28th September, 2021 (both days inclusive).

7. 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:

8. In compliance with the MCA Circulars and SEBI Circular dated January 15, 2021 read with circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 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 2020-21 will also be available on the Company's website www.vardhman.com, websites 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.

9. 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 address with the relevant Depository Participant.

10. INTRUCTIONS FOR E-VOTING AND JOINING VIRTUAL MEETING ARE AS UNDER:

(i) The Remote e-Voting period commences on 25th September, 2021 (9:00 a.m.) and ends on 27th September, 2021 (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 21st September, 2021, may cast their vote electronically. The Remote e-Voting module shall be disabled by CDSL for voting after end of voting period on 27th September, 2021.

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 no. & e-mail id in their demat accounts in order to access e-Voting facility. The procedure to login and access remote e-Voting & 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: https://web.cdslindia.com/myeasi/home/login; or (ii) URL: www.cdslindia.com and then go to Login and select New System Myeasi. (iii) Login with user id and password. (iv) Click on e-Voting. The option will be made available to reach e-Voting page without any further authentication. (v) Click on 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/IdeasD irectReg.jsp . (ii) Proceed with completing the required fields	**2. User not registered for Easi/Easiest:** (i) Option to register is available at https://web.cdslindia.com/myeasi/Registration/Easi Registration (ii) Proceed with completing the required fields.
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 abovementioned 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 022-23058738 and 22-23058542-43.
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:210830058 for <**Vardhman Holdings 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 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.

11. 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. 10.

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.

12. 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 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, 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 022-23058542/43.

13. M/s. Harsh Goyal & 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.

14. 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.

15. 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 ₹ 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/user_files/investor/VHL_Shareholder%20Intimation%20(TDS)%20-%202021-22.pdf.

By Order of the Board

Sd/-
(Swati Mangla)
Company Secretary

Place: Ludhiana
Date: 26th May, 2021

ADDITIONAL INFORMATION IN RESPECT OF ITEM NO. 3b OF THIS NOTICE

Item No. 3b: To resolve not to fill the vacancy caused due to retirement by rotation of Mr. Chaman Lal Jain, Non-Executive Director of the Company:

Mr. Chaman Lal Jain (DIN: 00307280) has been serving as a Non-Executive (Non-Independent) Director on the Board of your Company since 28th August, 1978. Pursuant of Section 152(6) of the Companies Act, 2013 ("the Act"), Mr. Chaman Lal Jain is liable to retire by rotation at 57th AGM of the Company. Although being eligible for re-appointment, he has expressed his unwillingness to be re-appointed and has not offered himself for re-appointment at the 57th AGM. Accordingly, Mr. Chaman Lal Jain would cease to hold office as a Director of the Company at the 57th AGM of the Company. The Board of Directors ("Board") places on record its earnest appreciation to the invaluable contribution extended by Mr. Chaman Lal Jain to the Board and the Management of the Company during his association. As the composition of the Board would continue to remain statutorily compliant, the vacancy caused by retirement of Mr. Jain will not be filled. The Board recommend passing of the ordinary resolution as set out at Item No. 3b of the accompanying Notice for approval by the Members of the Company.

MEMORANDUM OF INTEREST

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3b of the Notice.

Information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the Director seeking re-appointment in the Annual General Meeting.

Name of the Director	**Suchita Jain**
Date of Birth	20.03.1968
Date of Appointment	30.03.2005
Expertise in specific functional area	Rich experience of more than 28 years in Textiles Industry
Qualification	M. Com
Directorships in other Listed Companies as on 31st March, 2021	1. Vardhman Textiles Limited 2. Vardhman Acrylics Limited 3. Vardhman Special Steels Limited
Chairman/Member of Committees of other Listed Companies as on 31st March, 2021	**Stakeholders Relationship Committee:** Vardhman Textiles Limited - Member Vardhman Special Steels Limited - Member
No. of Shares held	28416
Relationship with other Director(s)	Related to Mr. Shri Paul Oswal, Mrs. Shakun Oswal and Mr. Sachit Jain.

Directors' Report

Dear Members,

The Directors of your Company have pleasure in presenting their 57th Annual Report of the business and operations of the Company along with the Audited Financial Statements for the year ended 31st March, 2021.

1. FINANCIAL RESULTS:

The financial performance of your Company for the year ended 31st March, 2021 is as under:-

(₹ in lakhs)

PARTICULARS	Standalone		Consolidated	
	2020-21	**2019-20**	**2020-21**	**2019-20**
Revenue from operations (Net)	1,978.51	3,923.67	1,978.51	1,243.63
Other Income	124.69	138.01	124.69	138.01
Income from Associates	-	-	11,446.14	15,321.74
Profit before Depreciation, Interest & Tax (PBDIT)	1,876.17	3,464.08	13,322.31	16,105.77
Interest and Financial expenses	-	-		
Profit before Depreciation and Tax (PBDT)	1,876.17	3,464.08	13,322.31	16,105.77
Depreciation	0.88	0.88	0.88	0.88
Profit before Tax (PBT)	1,875.29	3,463.20	13,321.43	16,104.89
Provision for Tax - Current	365.42	109.32	365.42	109.32
- Deferred Tax	4.86	24.12	4.86	24.12
-MAT Credit Entitlement	-	-		-
Profit after tax (PAT)	1,505.01	3,329.76	12,951.15	15,971.45
Other Comprehensive Income	5,060.25	(2,958.52)	5,060.25	(2,958.52)
Total Comprehensive Income	6,565.26	371.24	18,011.40	13,012.94
Balance brought forward	39,681.06	40,168.15	1,91,909.11	1,79,754.50
Profit available for appropriation	6,565.26	371.24	18,011.40	13,012.94
Appropriations:				
Proposed Dividend on Equity Shares	-	159.58	-	159.58
Corporate Dividend Tax	-	32.80	-	32.80
Transfer to General Reserve	-	-	-	-
Transfer to Statutory Reserve	301.00	665.95	301.00	665.95
Closing balance of surplus i.e. Balance in Statement of Profit & Loss	45,945.32	39,681.06	2,09,619.5	1,91,909.11
Earnings per share (Rs.)				
- Basic	47.16	104.33	405.80	500.43
- Diluted	47.16	104.33	405.80	500.43

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A. FINANCIAL ANALYSIS

i. STANDALONE

During the year under review, your Company has registered Revenue from Operations of ₹1,978.51 lakhs as compared to ₹ 3,923.67 lakhs in the previous year. The Company earned other income of ₹ 124.69 lakhs during the year as against ₹ 138.01 lakhs during last year.

PROFITABILITY:

The Company earned profit before depreciation, interest and tax of ₹ 1,876.17 lakhs as against ₹ 3464.08 lakhs in the previous year. After providing for depreciation of ₹ 0.88 lakhs (Previous Year ₹ 0.88 lakhs), provision for current tax ₹ 365.42 lakhs (Previous Year ₹ 109.32 lakhs), deferred tax ₹ 4.86 lakhs (Previous Year ₹ 24.12 lakhs), the net profit from operations worked out to ₹ 1,505.01 lakhs as compared to ₹ 3,329.76 lakhs in the previous year.

The balance available for appropriation after adding balance in surplus account is ₹ 46,246.32 lakhs. Out of this, a sum of ₹301.00 lakhs is proposed to be transferred to Special reserve account and the balance of ₹ 45,945.32 lakhs is proposed to be carried as surplus to the balance sheet.

Return on Net Worth for the financial year 2020-21 decreased from 5.59% to 2.25% on account of decrease in net profits during the financial year 2020-21.

ii. CONSOLIDATED

During the year under review, your Company has registered Revenue from Operations of ₹ 1,978.51 lakhs as compared to ₹ 1,243.63 lakhs in the previous year. The Company earned other income of ₹ 124.69 lakhs during the year as against ₹ 138.01 lakhs during last year.

PROFITABILITY:

The Company earned profit before depreciation, interest and tax of ₹ 13,322.31 lakhs as against ₹ 16,105.77 lakhs in the previous year. After providing for depreciation of ₹ 0.88 lakhs (Previous Year ₹ 0.88 lakhs), provision for current tax ₹ 365.42 lakhs (Previous Year ₹ 109.32 lakhs), deferred tax ₹ 4.86 lakhs (Previous Year ₹ 24.12 lakhs), the net profit from operations worked out to ₹ 12,951.15 lakhs as compared to ₹ 15,971.45 lakhs in the previous year.

The balance available for appropriation after adding balance in surplus account is ₹ 2,09,920.51 lakhs. Out of this, a sum of ₹ 301.00 lakhs is proposed to be transferred to Special reserve account and the balance of ₹ 2,09,619.50 lakhs is proposed to be carried as surplus to the balance sheet.

B. RESOURCES UTILISATION:

a) **Fixed Assets:** The Net Block as at 31st March, 2021 was ₹321.67 lakhs as compared to ₹322.55 lakhs in the previous year.

b) **Current Assets:** The current assets as on 31st March, 2021 were ₹ 62,824.34 lakhs as against ₹ 56,506.87 lakhs in the previous year.

C. FINANCIAL CONDITIONS & LIQUIDITY:

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 lakhs)

PARTICULARS	2020-21	2019-20
Cash and Cash equivalents:		
Beginning of the year	468.75	222.25
End of the year	7,638.83	468.75
Net cash provided (used) by:		
Operating Activities	8,214.27	(6,777.21)
Investing Activities	(1,041.88)	7,215.35
Financial Activities	(2.31)	(191.64)

D. BUSINESS OUTLOOK:

Vardhman Holdings Limited primarily earns its income from investments. The Company's strategy is to adopt a systematic approach of investment into different asset classes namely debt, equity & real estate and to keep the portfolio dynamic as per the changing market conditions. Company's current portfolio consists of investments into debt, equity and real estate.

E. MANAGEMENT PERCEPTION OF RISK AND CONCERNS:

The Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and effective manner. The Company is a NBFC registered with RBI and mainly engaged in investment activities. It follows a strategy of adopting a systematic approach to investment into different asset classes and keeping the portfolio dynamic as per the changing market conditions. The Company is prone to all the financial risks and capital market fluctuations. Due to the impact of COVID'19, the volatility in markets has reached unprecedented levels which may affect our investment portfolio though that impact may play out over the coming months.

3. DIVIDEND:

The Board of Directors in its meeting held on 26th May, 2021 has recommended dividend of ₹ 5/- per share on the fully paid up Equity Shares of the Company for the financial year 2020-21.

4. PUBLIC DEPOSITS:

The Company has not accepted and does not intend to accept any deposits from the public. As at 31st March, 2021, there are no outstanding/unclaimed deposits from the public.

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 2013-14 is due for remittance in the month of November, 2021 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 Standard IND AS-110 on Consolidated Financial Statements read with IND AS-28 on 'Accounting for Investments in Associates' the Audited Consolidated Financial Statements are provided in the Annual Report.

7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the year under review, no Company has become or ceased to be Company's subsidiary, joint venture or associate company. Further, the Company does not have any material subsidiary. The Company has following associate companies, the details of their financials for the year 2020-21 are given below:-

Vardhman Textiles Limited (VTXL)

Vardhman Textiles Limited (VTXL) is an Associate Company of the Company. The Company holds 27.61% shares of VTXL as on 31st March, 2021. VTXL is engaged in manufacturing of world class textiles. During the year, the Revenue from Operations (Consolidated) of the VTXL was ₹6139.87 crores as compared to ₹ 6735.00 crores in the previous year. VTXL has a Net Profit after comprehensive income (Consolidated) worked out to ₹ 427.22 crores as compared to ₹ 587.34 crores in the previous year.

Vardhman Spinning and General Mills Limited (VSGM)

Vardhman Spinning and General Mills Limited (VSGM) is an Associate Company of the Company. The Company holds 50% shares of VSGM as on 31st March, 2021. It is a trading Company dealing in trading of Cotton and Fibre. During the year, the Company has not traded any goods, however, the Revenue from Operations is ₹ 0.99 lakhs for the Financial Year 2020-21 as compared to ₹ 1.28 lakhs in the previous year. The Company earned a Net Profit of ₹ 0.17 lakhs as compared to ₹ 0.71 lakhs in the previous year.

8. DIRECTORS:

Liable to retire by rotation: In accordance with the provisions of the Articles of Association of the Company, Mrs. Suchita Jain, Director of the Company, retire by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment. The Board recommended her appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

Further, in accordance with the provisions of the Articles of Association of the Company, Mr. Chaman Lal Jain, Director of the Company, also retires by rotation at the ensuing Annual General Meeting of the Company. However, he has expressed his unwillingness for his re-appointment as a Director. Accordingly, he would cease to be a Director of the Company at the ensuing AGM.

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 shall undergo online proficiency self-assessment test, if applicable, within the time prescribed by the IICA.

Company's Policy relating to Directors appointment, payment of remuneration and discharge of their duties:

The Nomination & Remuneration Committee of the Company has formulated the Nomination & Remuneration Policy on Director's appointment and remuneration which includes 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.

The Nomination & Remuneration Policy is annexed hereto and form part of this report as **Annexure I**.

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/user_files/investor/VHL_Familisation%20program.pdf

Annual Evaluation of the Board Performance:

The meeting of Independent Directors of the Company for the financial year 2020-21 was held on 4th February, 2021 to evaluate the performance of Non-Independent Directors, Chairperson 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 has been formulated by the Company.

9. KEY MANAGERIAL PERSONNEL (KMP):

In compliance with provisions of Section 203 of the Companies Act, 2013, following are the KMPs of the Company as on 31st March, 2021:

S. No.	Name	Designation
1.	Shri Paul Oswal	Chairman & Managing Director
2.	Poorva Bhatia	Chief Financial Officer
3.	Swati Mangla	Company Secretary

10. NUMBER OF BOARD MEETINGS:

During the year under review, the Board met Four (4) times and the intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013. The details of Board Meetings are set out in Corporate Governance Report which forms part of this Annual Report.

11. AUDITORS AND AUDITORS REPORT:

Statutory Auditors:

At the 55th Annual General Meeting held on 30th September, 2019, M/s. R. Dewan & Company, Chartered Accountants (Firm Registration No. 017883N) were re-appointed as Statutory Auditors of the Company to hold office till the conclusion of 58th Annual General Meeting of the Company.

Further, the Statutory Auditors of the Company have submitted Auditors' Report on the accounts of the Company for the accounting year ended 31st March, 2021.

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

Secretarial Auditors:

M/s Khanna Ashwani & Associates, Company Secretaries, were appointed as Secretarial Auditors of the Company by the Board of Directors of the Company in its meeting held on 29th June, 2020 for the financial year 2020-21.

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, 2021. This Report is self-explanatory and requires no comments. The Report forms part of this report as **Annexure II**.

Cost Auditors

Under the provisions of Section 148(1) of the Companies Act, 2013, maintenance of cost records is not applicable to the Company.

12. AUDIT COMMITTEE :

Composition of Audit Committee:

The Audit Committee consists of four Directors i.e. Mrs. Apinder Sodhi, Mr. Sat Pal Kanwar, Mr. Om Parkash Sharma and Mr. Sanjeev Jain, Independent Directors.

Mrs. Apinder Sodhi is the Chairperson 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.

13. VIGIL MECHANISM & SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

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 the 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/user_files/investor/VIGIL_MECHANISM_VHL_updated.pdf

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Directors further state that, during the year under review, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

14. BUSINESS RESPONSIBILTY REPORT (BRR):

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandate the inclusion of the BRR as part of the Annual Report for top 1000 listed entities based on market capitalization. In compliance with the Listing Regulations, we have integrated BRR disclosure into our Annual Report.

15. DIVIDEND DISTRIBUTION POLICY (DDP):

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the top 1000 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 determining 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/user_files/investor/Dividend_Distribution_Policy_VHL_sw.pdf

16. 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 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.

17. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Vision & Core areas of CSR: Your Company is committed to and fully aware of its Corporate Social Responsibility (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 Corporate Social Responsibility (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/user_files/investor/d2741c4bbc072fc76df0539a029aeab5b86073411436265583.pdf

During the year, the Company has spent ₹ 8.00 lakhs on CSR activities.

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 forms part of this report as **Annexure III**.

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/user_files/investor/ac90887bccb0c1ac34a16f592a1ecbb9c50c4d2e1436265676.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 as **Annexure B** and Independent Auditor's Report on 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 Parties 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/user_files/investor/VHL_RPT%20Policy.pdf.

Your Directors draw attention of the Members to Note no. 26 to the standalone financial statement 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 no. 6 to the standalone financial statement).

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

Particulars with respect to conservation of energy and other areas as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 are not applicable.

23. ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the web address of the extract of Annual Return of the Company is: https://www.vardhman.com/user_files/investor/VHL_MGT9_2020-21.pdf.

24. HUMAN RESOURCES /INDUSTRIAL RELATIONS:

The Company is not carrying on any manufacturing activity and no workers were employed during the year.

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 is attached in **Annexure IV** and form part of this report.

None of the employees has received salary of ₹ 1.02 crores per annum or ₹ 8.50 lakhs per month or more during the Financial Year 2020-21. However, the particulars of employees as per Rule 5 (2) and 5(3) Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith.

Since the Company has no holding or subsidiary Company, no particulars are required to be given pursuant to the provisions of section 197(14) of the Companies Act, 2013.

26. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS 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 these financial statements relate and the date of this report.

27. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to provisions of Section 134 (5) of the Companies Act, 2013 the Board hereby submits 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, 2021 and of the profit of the Company for the year ended on 31st March, 2021;

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

f. proper systems have 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 transactions on these items during the year under review:

1. Change in nature of Business of the Company.
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. No fraud has been reported by the Auditors to the Audit Committee or the Board.
5. There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

29. 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 of the Company during the year.

For and on Behalf of the Board

Sd/-

(S.P. Oswal)

Chairman & Managing Director

Place : Ludhiana

Dated : 26th May, 2021

Index of Annexures

(Forming part of Board Report)

Annexure No.	Particulars
I	Nomination & Remuneration Policy approved by the Board.
II	Secretarial Audit Report in form no. MR-3 for FY 2020-21.
III	CSR Activities – Annual Report FY 2020-21.
IV	Particulars of employees and related disclosures.

Annexure-I

Nomination and Remuneration Policy of Vardhman Holdings Limited

1. PREFACE:

In terms of the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, this policy on Nomination and Remuneration of Directors and Senior Management has been formulated by the Committee and approved by the Board of Directors in their meeting held on 11th November, 2014.

Upon the recommendations of Nomination and Remuneration Committee, the Board of Directors of Vardhman Holdings Limited (VHL) in their meeting held on 23rd May, 2015 made certain amendments in the existing policy and thereafter replaced the existing policy with the amended policy.

The amended policy is as under:-

2. ROLE OF THE COMMITTEE:

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

b) To formulate criteria for determining qualifications, positive attributes and independence of a Director.

c) To recommend to the Board remuneration policy related 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) To formulate criteria for evaluation of Directors and the Board.

e) To devise a policy on Board diversity.

3. MEMBERSHIP:

a) The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

b) Minimum two (2) members shall constitute a quorum for the Committee meeting.

c) Membership of the Committee shall be disclosed in the Annual Report.

d) Term of the Committee shall be continued unless terminated by the Board of Directors.

4. CHAIRMAN:

a) Chairman of the Committee shall be an Independent Director.

b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

5. FREQUENCY OF MEETINGS:

The meeting of the Committee shall be held at such regular intervals as may be required.

6. COMMITTEE MEMBERS' INTERESTS:

a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

7. SECRETARY:

The Company Secretary of the Company shall act as Secretary of the Committee.

8. VOTING:

a) Decisions of the Committee shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

9. MINUTES OF COMMITTEE MEETING:

The minutes of all the proceedings of all meetings must be signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board meetings.

10. EFFECTIVE DATE & AMENDMENTS:

This policy will be effective from 23rd May, 2015 and may be amended subject to the approval of Board of Directors.

Annexure – II

Form No. MR-3

Secretarial Audit Report
For the financial year ended 31 .03.2021.

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

To,
The Members,
Vardhman Holdings Limited.
Vardhman Premises, Chandigarh Road,
LUDHIANA-141010,
Punjab (India).

We have conducted the secretarial audit compliance of applicable statutory provisions and the adherence to good corporate practices by Vardhman Holdings 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 **Vardhman Holdings Limited** books, papers, minutes 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 **31.03.2021** 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 book, forms and returns filed and other records maintained by the company for the financial year ended on **31.03.2021** 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; not applicable to the company during period of audit.

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; not applicable during the period of audit.

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; not applicable to the company during period of audit.

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; not applicable to the company during period of audit.

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; not applicable to the company during period of audit. and

(i) Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective 1st December 2015)

(vi) Other Applicable laws like environmental laws and labour laws; are not applicable during the audit period as the company is not undertaking any manufacturing process or division. Company is undertaking the business of Non Banking Financial Company, under the provisions and regulations of master circular issued by the RBI, and the provisions related to NBFC's, to the extent applicable to the NBFC category (NBFC – ND-SI), being 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 (ICSI) - ICSI had issued Secretarial Standards numbering 1 and 2 corresponding with reference to the provisions of the Companies Act, 2013 (effective 1 July 2015) and the Management adheres to them;

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

(iii) NBFC Reporting Compliances with regards to filing of various returns as applicable to the company.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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, if any, 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.

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.

Sd/-
Signature:
(Ashwani Kumar Khanna)
FCS No. 3254
CP No. 2220

Place: Ludhiana
Date: 26th May, 2021
UDIN: F003254C000345717

* **Note:** This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure: -A

To,
The Members,
Vardhman Holdings Limited.
Vardhman Premises, Chandigarh Road,
LUDHIANA-141010,
Punjab (India).

1. Maintenance of secretarial record 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 the random test basis to ensure that 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc and we have relied on such representation for giving our report.

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 random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with the management has conducted the affairs of the Company.

Sd/-
Signature:
(Ashwani Kumar Khanna)
FCS No. 3254
CP No. 2220

Place: Ludhiana
Date: 26th May, 2021
UDIN: F003254C000345717

Annexure – III

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

1. Brief outline on CSR Policy of the Company.

Broad contours of CSR Policy of the Company are:

1) Promotion of Education
2) Rural Development
3) Promoting Healthcare
4) Any other project/programme pertaining to activities listed in Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

Sl. 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.	Mrs. Suchita Jain	Chairperson, Non-Independent, Non-Executive Director	2	2
2.	Mrs. Apinder Sodhi	Member, Independent, Non-Executive Director	2	2
3.	Mr. Chaman Lal Jain	Member, Non-Independent, Non-Executive Director	2	2

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/user_files/investor/Composition%20of%20Board%20&%20Committees_VHL.pdf

Link of Policy- https://www.vardhman.com/user_files/investor/d2741c4bbc072fc76df0539a029aeab5b86073411436265583.pdf

Link of CSR Projects - https://www.vardhman.com/investor-desk#!compliances

4. Provide the details 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 (attach the report) – NA

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-21	NIL	NIL

6. Average net profit of the company as per section 135(5).

₹ 41.14 Crores

7.

7 (a)	7 (b)	7 (c)	7 (d)
Two percent of average net profit of the company as per section 135(5)	**Surplus arising out of the CSR projects or programmes or activities of the previous financial years.**	**Amount required to be set off for the financial year, if any**	**Total CSR obligation for the financial year (7a+7b-7c).**
₹ 82.28 lakhs	NIL	NIL	₹ 82.28 lakhs

8.

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
2020-21	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 8.00 lakhs	₹ 74.28 lakhs	29th April, 2021	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Project Duration	Amount allocated for the project (in ₹ lakhs)	Amount spent in the current financial Year (in ₹ lakhs)	Amount transferred to unspent CSR Account for the project as per Section 135(6) (in ₹ lakhs)	Mode of implementa-tion - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District						Name	CSR registration number
1	Contribution towards construction of "The Mother Auditorium" at Sri Aurobindo College of Commerce & Management (SACCM), Ludhiana.	Promoting Education	Yes	Punjab	Ludhiana	24 Months	100.00	-	74.28#	No	Sri Aurobindo Socio Economic & Management Research Institute	CSR00000873

Against this ongoing project, an amount of ₹ 74.28 lakhs (i.e. Unspent CSR obligation for FY 2020-21) has been transferred to the Unspent CSR a/c of the Company.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹ lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
1	Contributed to Saptak Public Charitable Trust Ahmedabad, working for the promotion of folk, classical music and local traditional culture among youths.	Promotion of Arts & Culture	No	Gujarat	Ahmedabad	3.00	Yes	NA	NA
2	Provided financial support to CMC Hospital, Ludhiana	Promoting Healthcare including Preventive Healthcare	Yes	Punjab	Ludhiana	5.00	Yes	NA	NA
						8.00			

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 8.00 lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 82.28 lakhs
(ii)	Total amount spent for the Financial Year	₹ 8.00 lakhs
(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)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ lakhs)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
NA							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s). : NA

(b) Amount of CSR spent for creation or acquisition of capital asset. : NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

An amount of ₹ 74.28 lakhs remaining unspent pertains to the Ongoing Project.. This amount has been transferred to a separate unspent CSR Account. The said Ongoing Project will be completed in the FY 2021-22.

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

Sd/-
Suchita Jain
(Chairman of CSR Committee)

Annexure – IV

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

A. 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 MANAGEMENT PERSONNEL) RULES, 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2020-21. and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2020-21 are as under:

Sr No	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for Financial Year 2020-21 (Amount in lakhs)	% Increase in Remuneration in the Financial Year 2020-21	Ratio of remuneration of each Director/ KMP to median remuneration of employees
1	Shri Paul Oswal Chairman & Managing Director	38.66	17.45	3.84
2	Shakun Oswal Non-Executive Director	-	-	-
3	Sachit Jain Non-Executive Director	-	-	-
4	Suchita Jain Non-Executive Director	-	-	-
5	Chaman Lal Jain Non-Executive Director	0.55	450.00	0.05
6	Jagdish Rai Singal Non-Executive Independent Director	0.40	6.67	0.04
7	Apinder Sodhi Non-Executive Independent Director	1.15	70.37	0.11
8	Sat Pal Kanwar Non-Executive Independent Director	1.00	33.33	0.10
9	Om Parkash Sharma Non-Executive Independent Director	0.78	29.17	0.07
10	Rajeev Kumar Mittal Non-Executive Independent Director	0.10	-42.86	0.01
11	Sanjeev Jain Non-Executive Independent Director	0.78	29.17	0.07

Sr No	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for Financial Year 2020-21 (Amount in lakhs)	% Increase in Remuneration in the Financial Year 2020-21	Ratio of remuneration of each Director/ KMP to median remuneration of employees
12	Vikas Kumar Non-Executive Director	-	-	-
13	Poorva Bhatia Chief Financial Officer	10.08	2.65	1.00
14	Swati Mangla* Company Secretary	5.25	NA	0.52

* Ms. Swati Mangla was appointed as a Company Secretary of the Company w.e.f. 24th May, 2019.

2. The median remuneration of employees of the Company during the Financial Year was ₹ 10.08 lakhs(previous year ₹ 7.20 lakhs)

3. In the financial year, there was an increase of 40% in the median remuneration of employees.

4. There were 3 permanent employees on the rolls of the Company as on March 31, 2021.

5. Average percentage decrease in the salaries of employees other than the managerial personnel in the last financial year 2020-21 was 15.32% whereas the increase in the managerial remuneration for the same financial year was 17.45%.

6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

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

1. Persons employed throughout the financial year, who were in receipt of remuneration which, in aggregate, was not less than ₹ 1,02,00,000/- per annum – NIL.

2. 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 that ₹ 8,50,000/- per month – Nil.

3. A statement showing names of Top 10 Employees in terms of remuneration drawn during the year is as follows:

   S No., Name, Age, Designation, Gross Remuneration (in ₹ lakhs p.a.), Nature of Employment, Qualifications, Experience (in years), Date of Joining, Previous Employment and Percentage of equity shares held as on 31st March, 2021

   1) Shri Paul Oswal, 79, Chairman & Managing Director, 38.66, Regular, M. Com (Gold Medalist), 53, 12.04.1971, Started career with Vardhman, 1.78. 2) Poorva Bhatia, 32, Assistant Manager, 10.08, Regular, B. Com, Chartered Accountant, 10, 24.10.2011, Started career with Vardhman, Nil. 3) Swati Mangla, 31, Officer, 5.25, Regular, B.Com, MBA, Company Secretary, 6 , 01.07.2014, Started career with Vardhman, Nil

Note: Except Mr. Shri Paul Oswal, 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 shareholder's value and fulfill its responsibilities to the community, customers, employees, Government and other segments of society. Your Company is committed to adopting the best practices of Corporate Governance as manifested in the Company's functioning to achieve the business excellence by enhancing long-term shareholder's value. Efficient conduct of the business of the Company through commitment to transparency and business ethics in discharging its corporate responsibilities is hallmarks 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. VARDHMAN GROUP'S PHILOSOPHY:

- 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.
- Integrated diversification/ product range expansion.
- Global Orientation.
- 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 31st March, 2021:

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

Category	Name of Directors
Promoter Directors	# Shri Paul Oswal (Chairman & Managing Director)
	# Shakun Oswal (Non- Executive, Non- Independent Director)
	# Sachit Jain (Non- Executive, Non- Independent Director)
	# Suchita Jain (Non- Executive, Non- Independent Director)
Independent Directors	# Apinder Sodhi
	# Om Parkash Sharma
	# Sanjeev Jain
	# Sat Pal Kanwar
	# Jagdish Rai Singal
	# Rajeev Kumar Mittal
Non-Executive Non-Independent Director	# Chaman Lal Jain
	# Vikas Kumar

Relationship Inter-se:

Except Mr. Shri Paul Oswal, Mrs. Shakun Oswal, Mr. Sachit Jain and Mrs. Suchita Jain, none of the Directors of the Company are related to any other Director of the Company.

ii. Board Meetings:

During the Financial Year 2020-21, the Board met 4 times on the following dates:

- 29th June, 2020
- 11th August, 2020
- 3rd November, 2020
- 4th February, 2021

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 Directorship/Chairmanship 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 Chairmanship in other Companies	Total No. of Committee Chairmanship in other companies
Shri Paul Oswal	1	No	7	Vardhman Textiles Limited	Executive Director	3	3	3
				Vardhman Acrylics Limited	Non-Executive Director			
Shakun Oswal	1	No	3	-	-	3	-	-
Sachit Jain	1	No	8	Vardhman Textiles Limited –	Non – Executive Director	1	-	-
				Vardhman Acrylics Limited	Non – Executive Director			
				Vardhman Special Steels Limited –	Executive Director			
Suchita Jain	4	Yes	9	Vardhman Textiles Limited	Executive Director	6	1	1
				Vardhman Special Steels Limited	Non-Executive Director			
				Vardhman Acrylics Limited	Non-Executive Director			
Chaman Lal Jain	4	No	-	-	-	-	-	-
Apinder Sodhi	4	Yes	2	Vardhman Acrylics Limited	Non-Executive-Director	2	-	-
Jagdish Rai Singal	4	No	5	-	-	-	-	-
Om Parkash Sharma	4	No	-	-	-	-	-	-
Sat Pal Kanwar	4	No	-	-	-	-	-	-
Rajeev Kumar Mittal	1	No	3	-	-	-	-	-
Vikas Kumar	1	No	4	-	-	1	-	-
Sanjeev Jain	4	No	-	-	-	-	-	-

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

2. BOARD COMMITTEES:

i. Board Committees, their composition and terms of reference are provided as under:

NAME OF COMMITTEE	COMPOSITION	TERMS OF REFERENCE
Audit Committee	Apinder Sodhi (Chairperson) Sat Pal Kanwar Om Parkash Sharma Sanjeev 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) Regulations, 2015.
Nomination and Remuneration Committee	Apinder Sodhi (Chairperson) Sat Pal Kanwar Sachit Jain	• The role of the Nomination and Remuneration Committee is as per Section 178 of the Companies Act, 2013 read with Regulation 19 of the 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. • Nomination and Remuneration Policy of the Company forms part of the Board Report as **Annexure I**.
Corporate Social Responsibility Committee	Suchita Jain (Chairperson) Apinder Sodhi Chaman Lal Jain	• 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/user_files/investor/d2741c4bbc072fc76df0539a029aeab5b86073411436265583.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 III**.
Stakeholders Relationship Committee	Apinder Sodhi (Chairperson) Sat Pal Kanwar Sachit Jain	• The Committee reviews and ensures redressal of investor grievances. • The Committee noted that during the year the Company had received 1 complaint from Investors and the same had been duly resolved by the Company.

Ms. Swati Mangla, 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
Meetings held	4	2	1	2
Sachit Jain	N.A.	N.A.	0	0
Suchita Jain	N.A.	2	N.A.	N.A.
Apinder Sodhi	4	2	1	2
Om Parkash Sharma	4	N.A.	N.A.	N.A.
Chaman Lal Jain	N.A.	2	N.A.	N.A.
Sat Pal Kanwar	4	N.A.	1	2
Sanjeev Jain	4	N.A.	N.A.	N.A.
Shri Paul Oswal	N.A.	N.A.	N.A.	N.A.
Shakun Oswal	N.A.	N.A.	N.A.	N.A.
Vikas Kumar	N.A.	N.A.	N.A.	N.A.
Rajeev Kumar Mittal	N.A.	N.A.	N.A.	N.A.
Jagdish Rai Singal	N.A.	N.A.	N.A.	N.A.

N.A. - Not a member of the Committee

iii. Meeting of Independent Directors:

The meeting of Independent Directors of the Company for the Financial Year 2020-21 was held on 4th February, 2021 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, Listing Regulations 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 Director of the Company are available on the Company's website at the link: https://www.vardhman.com/user_files/investor/VHL_Familisation%20program.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
Shri Paul Oswal	Strategic Planning Leadership Industry Experience Financial Expertise
Shakun Oswal	Strategic Planning Leadership Industry Experience Financial Expertise

Name of Director	Area of Expertise
Sachit Jain	Strategic Planning Leadership Industry Experience Financial Expertise
Suchita Jain	Strategic Planning Leadership Industry Experience Financial Expertise
Chaman Lal Jain	Leadership Industry Experience
Apinder Sodhi	Leadership Industry Experience
Jagdish Rai Singal	Strategic Planning Leadership Industry Experience Financial Expertise
Om Parkash Sharma	Leadership Industry Experience
Sat Pal Kanwar	Leadership Industry Experience Financial Expertise
Rajeev Kumar Mittal	Strategic Planning Leadership Industry Experience Financial Expertise
Vikas Kumar	Strategic Planning Leadership Industry Experience Financial Expertise
Sanjeev Jain	Leadership Industry Experience Financial Expertise

4. DIRECTOR'S REMUNERATION:

i) Chairman & Managing Director:

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

A detail of remuneration paid to the Managing Director during the year 2020-21 is as given below:

(₹ in lakhs)

Name	Shri Paul Oswal
Designation	Chairman & Managing Director
Salary	21.20
Perquisites & Allowances	17.46
Retirement Benefit	-
Commission	-
Performance Linked Incentive	-

The tenure of office of Mr. S.P. Oswal is 3 (three) years from the date of his appointment and can be terminated by either party by giving three months notice in writing. There is no separate provision for the payment of Severance Fees.

ii) Non-Executive Directors:

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

The Non-Executive Directors are paid sitting fees @ ₹ 10,000/- per Board Meeting and @ ₹ 7,500/- per Committee Meeting. The detail of sitting fees paid to the Non-Executive Directors during the Financial Year 2020-21 is given hereunder: -

S. NO.	NAME OF DIRECTOR	SITTING FEE (Rs.)
1.	Apinder Sodhi	1,15,000
2.	Sat Pal Kanwar	1,00,000
3.	Om Parkash Sharma	77,500
4.	Chaman Lal Jain	55,000
5.	Sanjeev Jain	77,500
6.	Jagdish Rai Singal	40,000
7.	Rajeev Kumar Mittal	10,000

5. SHAREHOLDING DETAIL OF DIRECTORS AS ON 31.03.2021:

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

S. NO.	NAME OF DIRECTOR	NUMBER OF SHARES HELD
1.	Shri Paul Oswal	56,880
2.	Shakun Oswal	19,084
3.	Sachit Jain	2,330
4.	Suchita Jain	28,416
5.	Sat Pal Kanwar	1267

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

6. 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
56th Annual General Meeting for financial year ended 31st March, 2020	Monday, 28th September, 2020 at 3.00 p.m.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	3
55th Annual General Meeting for financial year ended 31st March, 2019	Monday, 30th September, 2019 at 10.00 a.m.	Regd. Office, Chandigarh Road, Ludhiana- 141010	1
54th Annual General Meeting for financial year ended 31st March, 2018	Thursday, 27th September, 2018 at 4.00 p.m.	Regd. Office, Chandigarh Road, Ludhiana- 141010.	3

* In compliance with circulars of the Ministry of Corporate Affairs dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 and SEBI Circular No. SEBI/ HO/ CFD/ CMD1/ CIR/ P/ 2020/ 79 dated May 12, 2020, permitting the holding of the Annual General Meeting ("AGM") through Video Conferencing without the physical presence of the Members at a common venue, the AGM of the Company was held through Video Conferencing.

(ii) Postal Ballot:

During the year, no resolution was passed through postal ballot. There is no immediate proposal for passing any resolution through postal ballot in financial year 2021-22.

7. DISCLOSURES:

i. There was no materially significant related party transaction. 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/user_files/investor/VHL_RPT%20Policy.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 Exchange Board of India (SEBI) or any other Statutory Authority during the last three years.

iii. The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. 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/user_files/investor/VIGIL_MECHANISM_VHL_updated.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 the Board of Directors of the Company. The aim of Risk Management Policy is to maximize opportunities in all activities and to minimize adversity.

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

ix. 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/user_files/investor/VHL_Material_Subsidiary%20Policy.pdf

x. As on March 31, 2021, there was no outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

xi. As the Company is an Investment Company, Commodity Price Risk / Foreign Exchange Risk and Hedging is not applicable to the Company.

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/entity of which statutory auditor is part is ₹ 1.00 lakhs.

8. MEANS OF COMMUNICATION:

The Company communicates with the shareholders at large through its Annual Reports, publication of financial results, press releases in leading newspapers 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., "Financial Express" 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) 57th Annual General Meeting:

Date : 28th September, 2021

Time : 03:00 p.m.

Venue : through Video Conferencing ("VC")/ Other AudioVisual Means ("OAVM").

ii) Financial Calendar 2021-22 (Tentative)

First Quarter Results : August, 2021

Second Quarter Results : November, 2021

Third Quarter Results : February, 2022

Annual Results : May, 2022

iii) Dates of Book Closure : 18th September, 2021 to 28th September, 2021

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 fee, as applicable, has been duly paid to both the aforesaid Stock Exchanges.

vi) Stock Code:

- BSE Limited, Mumbai : 500439
- National Stock Exchange of India Limited : VHL

vii) Stock Market Data:

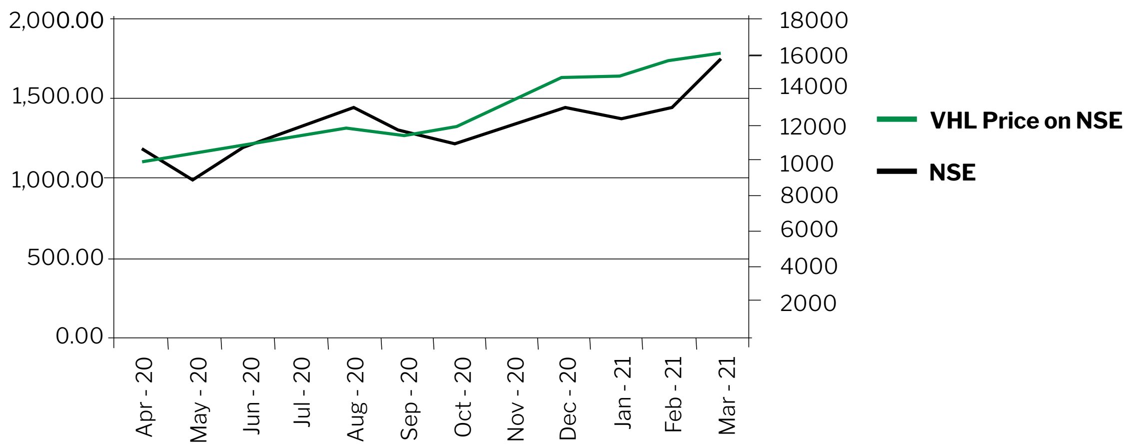
The month-wise highest and lowest and closing stock prices of NSE vis-a-vis BSE during the financial year 2020-21 are given below:-

Financial Year 2020-21	Share Prices of Vardhman Holdings Limited on NSE				Share Prices of Vardhman Holdings Limited on BSE			
	Highest (₹)	Lowest (₹)	Closing (₹)	%age change over last month's closing	Highest (₹)	Lowest (₹)	Closing (₹)	%age change over last month's closing
April	1298	881	1147.20	22.46	1211.80	900	1136.55	21.56
May	1135.90	960	1000	-12.83	1073.30	914	999.95	-12.02
June	1263	966.65	1173.55	17.36	1232.40	901.05	1155.05	15.51

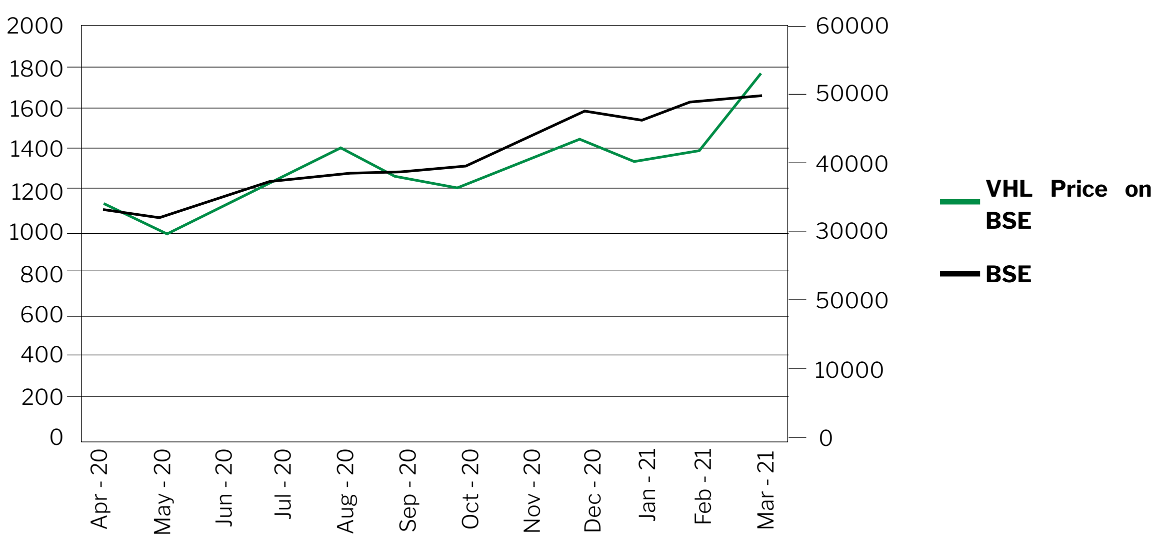
Financial Year 2020-21	Share Prices of Vardhman Holdings Limited on NSE				Share Prices of Vardhman Holdings Limited on BSE			
	Highest (₹)	Lowest (₹)	Closing (₹)	%age change over last month's closing	Highest (₹)	Lowest (₹)	Closing (₹)	%age change over last month's closing
July	1334.70	1133.00	1262.45	7.58	1329	1127.75	1284.65	11.22
August	1546.50	1215.25	1412.40	11.88	1599	1223.10	1413.30	10.01
September	1444	1211	1273.45	-9.84	1430	1214.05	1270.05	-10.14
October	1331.95	1205.15	1234.40	-3.07	1358	1202	1235	-2.76
November	1400	1206.05	1306.35	5.83	1369	1203	1296.05	4.94
December	1510	1292	1444.40	10.57	1525	1274.90	1446.05	11.57
January	1536.75	1359.80	1365.50	-5.46	1631.95	1355.05	1356	-6.23
February	1449.95	1335	1414.50	3.59	1459.95	1330	1401.05	3.32
March	2169.75	1436.25	1758.60	24.33	2146.70	1449	1774	26.62

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

NSE:



BSE:



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 2012-13 have been transferred to the Investors' Education and Protection Fund (IEPF). The unclaimed or unpaid dividend relating to the Financial Year 2013-14 is due for remittance in the month of November, 2021 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,
205-208, Anarkali Complex,
Jhandewalan Extension,
New Delhi-110055
Phone: (011) 42541234/23541234,
Fax: (011) 41540064,
E-mail: rta@alankit.com

xi) Share Transfer System:

With effect from April 1, 2019, SEBI has mandated that no share can be transferred by the Company in physical mode. Accordingly, the Company has stopped accepting any fresh lodgement for transfer of shares in physical form. The Company had sent communication to the shareholders encouraging them to dematerialise their holding in the Company. The procedure for dematerialisation of shares is available on the website of the Company.

The shares of the Company are traded on the Stock Exchanges compulsorily in demat form. The Company has participated as an issuer both with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The shareholders may operate through any of the depositories, based on tariffs, quality and range of services being offered by them. The International Securities Identification Number (ISIN) of the Company is **INE701A01023**.

xii) Distribution of Shareholding as on 31st March, 2021:

Range	SHAREHOLDERS		SHARES	
No. of Shares	Numbers of total Holders	% to Total Holders	Numbers of shares Held	% to Total Shares
Upto-500	8040	98.52	246,473	7.72
501-1000	48	0.59	35,861	1.12
1001-5000	45	0.55	77,692	2.43
5001-10000	6	0.07	46,756	1.47
10001-above	22	0.27	27,84,754	87.25
Total	8161	100	3,191,536	100

xiii) Dematerialisation of shares:

As on 31st March, 2021, 98.51% of the capital comprising 31,43,890 shares, out of total of 3,191,536 shares, were dematerialized.

xiv) Address for correspondence:

Registered office: Vardhman Premises, Chandigarh Road, Ludhiana-141010

Tel : 0161-2228943-48
Fax : 0161-2601048, 2602710, 2222616
E-mail : secretarial.lud@vardhman.com
(Exclusively for redressal of investors' grievances)

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DP).

xv) List of credit ratings:

The Company has not obtained rating from any credit rating agency during the financial year 2020-21 as the Company has not taken any Long term/ Short term borrowings.

Chairman & Managing Director's Declaration

A. I, S.P. Oswal, Chairman & Managing Director of Vardhman Holdings 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, 2021.

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

Dated 26th May, 2021
Place :Ludhiana

B. I, S.P. Oswal, Chairman & Managing Director of Vardhman Holdings 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.

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

Dated 26th May, 2021
Place :Ludhiana

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 Holdings 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 the Directors
1.	00121737	Mr. Shri Paul Oswal
2.	00121915	Mrs. Shakun Oswal
3.	00746409	Mr. Sachit Jain
4.	00746471	Mrs. Suchita Jain
5.	07650988	Mr. Vikas Kumar
6.	00307280	Mr. Chaman Lal Jain
7.	01504398	Mr. Sat Pal Kanwar
8.	02721270	Mr. Om Parkash Sharma
9.	00699341	Mr. Jagdish Rai Singal
10.	00765697	Mr. Rajeev Kumar Mittal
11.	01242929	Mr. Sanjeev Jain
12.	06642994	Mrs. Apinder Sodhi

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:-F002004C000370713

Place: Ludhiana
Date: 26th May, 2021

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
Vardhman Holdings Limited

We have examined the compliance of conditions of corporate governance by Vardhman Holdings Limited (hereinafter referred "the Company"), for the year ended on 31st March, 2021 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company

Place: Ludhiana
Date: 26th May, 2021
UDIN: F003254C000345741

For Khanna Ashwani & Associates
(Company Secretaries)

Sd/-
Ashwani Kumar Khanna
(Practising Company Secretary)
(B.Com, FCS, CAIIB)
M.No. 3254
CP No. 2220

Business Responsibility Report

About The Company

Vardhman Holdings Limited (VHL) is a Non-Banking Financing Company Non-deposit taking Systematically important (NBFC-ND-SI) registered with Reserve Bank of India. The Company is listed on National Stock Exchange of India Limited and BSE Limited at Mumbai. The Company is purely an Investment Company and does not accept any public deposit. The main source of Income of the Company is dividend and interest received on its investments. The Company has its two associate Companies i.e. Vardhman Textiles Limited and Vardhman Spinning and General Mills Limited.

About This Report

The Securities and Exchange Board of India (SEBI) as per its (Listing Obligations and Disclosure Requirements) Regulations, 2015 has mandated the inclusion of a “Business Responsibility Report” (BRR) as part of Company’s Annual Report for top 1000 listed entities based on market capitalization at the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The reporting framework is based on the ‘National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)’ released by the Ministry of Corporate Affairs, Government of India, in July 2011 which contains 9 Principles and Core Elements for each of those 9 Principles. Following is the Business Responsibility Report of our Company based on the format suggested by SEBI. Detailed Business Responsibility Report for 2020-21 (available at: www.vardhman.com) is based on the 9 Principles enshrined in the NVGs.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:** L17111PB1962PLC002463
2. **Name of the Company:** Vardhman Holdings Limited
3. **Registered address:** Vardhman Premises, Chandigarh Road, Ludhiana- 141010.
4. **Website:** www.vardhman.com
5. **E-mail id:** secretarial.lud@vardhman.com
6. **Financial Year reported:** 2020-21
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):** The Company holds a certificate of registration issued by the Reserve Bank of India to carry on business of Non-deposit taking systematically Important (NBFC-ND-SI) under section 45-IA of the Reserve Bank of India 1934. NIC Code: 6430
8. **List three key products/services that the Company manufactures/provides (as in balance sheet):** The Company does not manufacture any product or provide any service. The Company is purely an Investment Company. It does not accept deposit from public.
9. **Total number of locations where business activity is undertaken by the Company**

   (a) **Number of International Locations (Provide details of major 5):** Nil

   (b) **Number of National Locations:** Nil
10. **Markets served by the Company – Local/State/ National/International:** Nil

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR):** ₹ 319.15 lakhs
2. **Total Turnover (INR):** ₹ 1,978.51 lakhs
3. **Total profit after taxes (INR):** ₹ 1,505.01 lakhs
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 0.53%
5. **List of activities in which expenditure in 4 above has been incurred: The following activities are covered under CSR initiatives of the Company:**

   a. Promoting Healthcare

   b. Promoting Art & Culture

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?** No
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):** Not Applicable

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:** No

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR: The Board is responsible for the implementation of the BR policies.**

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

1. DIN Number: 07650988
2. Name: Mr. Vikas Kumar
3. Designation: Director

(b) Details of the BR head

Sr. No.	Particulars	Details
1	DIN number	07650988
2	Name	Vikas Kumar
3	Designation	Director
4	Telephone number	0161-2228943
5	Email id	vikaskumar@vardhman.com

2. **Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)**

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policies for:	Y	N	Y	Y	Y	N	Y	Y	N
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	NA	Y	Y	Y	NA	Y	Y	NA
3.	Does the policy conform to any national / international standards? If yes, specify?	N	NA	N	N	N	NA	N	Y	NA
4.	Is it a board approved policy? If yes, has it been signed by MD /owner / CEO /appropriate Board Director?	Y	NA	N	Y	N	NA	N	Y	NA
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	NA	N	Y	Y	NA	N	Y	NA
6.	Indicate the link for the policy to be viewed online	Various policies of the Company are available on the website of the Company at http://www.vardhman.com/investordesk#!company_information								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	NA	Y	Y	Y	NA	Y	Y	NA

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8.	Does the company have an in-house structure to implement the policy?	Y	NA	Y	Y	Y	NA	Y	Y	NA
9.	Does the Company have a grievance redressal mechanism related to the policy to address stakeholders' grievances related to the policy?	Y	NA	Y	Y	Y	NA	N	Y	NA
10.	Has the company carried out independent audit /evaluation of the working of this policy by an internal or external agency?	Y	NA	Y	Y	Y	NA	N	Y	NA

(b) If answer to the question at serial number 1 against any principal, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within the next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)		*				*			*

* Being purely an investment Company, this is not applicable.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year - **Annually**

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes The hyperlink for viewing the same is https://www.vardhman.com/user_files/investor/Vardhman%20Holings%20BRR.pdf **It is published annually in the Annual Report.**

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Corporate Governance for Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?**

   We are committed to adopting the best corporate governance practices as manifested in the Company's functioning to achieve business excellence by enhancing the long term shareholder's value. Efficient conduct of the business of the Company through commitment to transparency and business ethics in discharging its corporate responsibilities are hallmarks of the best practices being followed at VHL.

   The Composition of the Board of Directors of the Company is governed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. As on March 31, 2021, the Company has 12 directors on its board (including the Chairman), of which 6 are independent, 1 is non-independent, 5 are non-executive non-independent directors.

   To ensure accountability and monitoring, the Board has constituted various committees such as: Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders' Responsibility Committee. The committees meet periodically during the year to supervise, review performance and advice on the necessary direction to be taken.

   Code of Conduct: VHL has its Code of Conduct which extends to all directors and employees of Company which aims at maintaining highest standards of business conduct in line with the ethics of the Company, provides guidance in difficult situations involving conflict of interest & moral dilemma and ensures compliance with all applicable laws. All employees have to read and understand this code and agree to abide by it.

   The Code of Conduct is available at the Company's website link https://www.vardhman.com/user_files/investor/2948733239a4d994828004e0480a7fcde13c05ed1436265512.pdf

   Vigil Mechanism/ Whistle Blower Policy: The Vigil Mechanism of the Company, which also incorporates a Whistle Blower Policy in terms of the Uniform Listing Agreement aims to provide a channel to the Employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The mechanism provides for adequate safeguards against victimization of Employees and Directors to avail of the mechanism and also provide for direct access to the Chairman/ Chairman of the Audit Committee in exceptional cases.

   The Vigil Mechanism/ Whistle Blower Policy is available at the company's website link https://www.vardhman.com/user_files/investor/VIGIL_MECHANISM_VHL_updated.pdf.'

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof in about 50 words or so.**

   During the financial year under review, one complaint was received from the shareholders and the same was duly resolved.

Principle 2: Sustainability of Products & Services across Life-cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   The Company is a Non Banking Financing Company {Non- Deposit taking Systematically important (ND-SI)} registered with Reserve Bank of India. The Company is engaged in purely in Investment activities. It does not produce any goods/ provide any services.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   Considering the nature of business of the Company, the detail in respect to the resource use (energy, water, raw material etc.) per unit of product is not applicable to the Company.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so.**

   As the Company is in Investment activities, the requirements regarding procedures in place for sustainable sourcing is not applicable to the Company.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Not Applicable.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also provide details thereof in 50 words or so.

Considering the nature of business of the Company, the requirement to have mechanism to recycle product and waste is not applicable to Company.

Principle 3: Employee Well-being

1. Please indicate the Total number of employees.

The Company had 3 (three) employees as on 31st March, 2021 .

2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.

During the financial year under review, no employee was hired on temporary/ contractual/ casual basis by the Company.

3. Please indicate the Number of permanent women employees.

The Company had 2 (Two) permanent women employees as on 31st March, 2021.

4. Please indicate the Number of permanent employees with disabilities.

The Company did not have any permanent employee having disability as on 31st March, 2021.

5. Do you have an employee association that is recognized by management?

The Company does not have any employee association that is recognized by the Management.

6. What percentage of your permanent employees is members of this recognized employee association?

Not applicable.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(a) Permanent Employees- Nil

(b) Permanent Women Employees- Nil

(c) Casual/Temporary/Contractual Employees-Nil

(d) Employees with Disabilities-Nil

Principle 4: Stakeholder Engagement

1. Has the company mapped its internal and external stakeholders? Yes/No

The Company recognizes employees and shareholders/ investors as our key stakeholders. The internal stakeholders like employees of the Company are reached through regular engagements. The external stakeholders are reached through defined activities such as posting of quarterly results and regular updates at Stock Exchanges etc.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Since the Company has only three employees and does not deal with public at large, this point is not applicable.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof in 50 words or so.**

   The Company being an investment company not accepting deposits does not deal with public at large.

Principle 5: Human Rights

1. **Does the policy of the Company on Human Rights cover only the Company or extends to the Group/ Joint Ventures /Suppliers / Contractors/ NGOs/ others?**

   The Company adhere to all statutes which embody the principles of human rights such as prevention of child labour, prevention of sexual harassment, equal employment opportunities, rights to raise grievances over relevant issues etc. The Company is committed to foster a work environment in which all individuals are treated with respect and dignity.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No complaint was received pertaining to human rights violation during the past financial year.

Principle 6: Protection and Restoration of the Environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures / Suppliers / Contractors/ NGOs/ others?**

   The Company does not have any specific policy on protection and restoration of the environment.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Since the business of the Company is purely making investments, It does not have any strategies/initiatives to address global environmental issues.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Since the business of the Company is purely making investments, it does not call for any direct identification and assessment of potential environmental risks.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof in, about 50 words or so. If Yes, whether any environmental compliance report is filed?**

   Since, the Company is engaged in the activities related to investment, Clean Development Mechanism is not applicable to the Company.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Our initiative to reduce waste generation at our offices include using jet hand dryers in washrooms to minimize usage of tissue rolls, printing on both sides of paper and generating awareness in employees to shift to paperless office model.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Being in the business of making investments only, the Company do not generate any emissions/ waste.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   The Company has not received any legal notices for causing any environmental issues.

Principle 7: Responsible Advocacy

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   The Company is not a member of any trade and chamber or association.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   As the Company is not a member of any trade and chamber or association, this point is not applicable on the Company.

Principle 8: Supporting Inclusive Growth and Equitable Development

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Through CSR (Corporate Social Responsibility) initiatives, the Company supports the principles of inclusive growth and equitable development. The Company has in effect, a detailed CSR policy monitored by a CSR committee appointed by the Board of Directors. CSR initiatives are developed with a key emphasis on promoting education, offering advanced healthcare facilities, contribution to rural development, conservation of environment etc. The areas of emphasis are covered in Schedule VII of the Companies Act, 2013.

2. **Are the programmes / projects undertaken through in-house team / own foundation /external NGO / government structures/any other organization?**

   The programmes/projects are undertaken either directly by the Company or through implementing agency.

3. **Have you done any impact assessment of your initiative?**

   The Company, in order to ensure that the benefit of CSR initiatives reaches the people who need to be supported, internally performs an impact assessment at the end of each financial year. This assessment helps us in understanding the efficacy of the programs in terms of delivering desired benefits to the community and gaining insights for improving the design and impact of future initiatives.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

   The Company has spent an amount of ₹ 8.00 lakhs during the financial year 2020-21 towards CSR related activities. The details of projects undertaken are given in Annexure-III of Board Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   We strive to continuously engage with surrounding communities and offer aid by understanding the problems being faced. Initiatives to be adopted are designed and delivered in a transparent manner, considering the inputs from the residents of the locality.

   The Company's CSR policy is available online on its website at the following link: https://www.vardhman.com/user_files/investor/d2741c4bbc072fc76df0539a029aeab5b86073411436265583.pdf

Principle 9: Providing Value to Customers, Employees and Consumers

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year**

   The Company does not have any direct customer/ consumer being a Non-deposit accepting Investment Company. The Company has a well-defined system of addressing shareholder complaints. All complaints are appropriately addressed and resolved. There are no customer complaints/consumer cases pending against the Company as on 31st March, 2021.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)**

   Not applicable, since the Company is engaged in the Investment activities.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   During the last five years, no cases have been filed by any stakeholders against the Company regarding unfair trade practices, irresponsible advertising and/ or anti–competitive behaviour.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   No, the Company does not have any customers.

Standalone Financial Statements

Independent Auditor's Report

To
The Members of
Vardhman Holdings Limited.

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Vardhman Holdings Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

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, 2021, the profit and other comprehensive income, changes in equity and its cash flows 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), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities 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 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained 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 for the financial year ended 31 March 2021. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibility described in the Auditor's responsibility for the audit of standalone financial statement section of our report, including in relation to the matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
(a) Assessment of carrying value of investments (as described in note 2.9.1.3 and 2.9.1.4 of the financial statements)	
The accounting for investments is a Key Audit matter as there is a risk that fair valuation of investments in not done appropriately. Accordingly, the existence and valuation of investments is considered as a key audit matter. The impairment assessment and fair valuation for such investments have been done by the management in accordance with Ind AS 113.	We performed the following procedures in relation to existence and valuation of investments: • Assessed the design and implementation of controls over valuation and existence of investments. • On a sample basis, tested the key controls set up by the management on existence and valuation of investments. • Traced the quantity held from the confirmation provided by the Custodian with the books as at March 31st, 2021 • Tested the valuation of the investments as per the investment valuation policy approved by the management.
(b) Deferred Tax asset (uncertainty in estimation in the future profits and the accuracy of the provision)	
As per Ind AS 12- Income Taxes, The amounts of income taxes recoverable in future periods in respect of deductible temporary differences and the carry forward of unused tax losses and credits. The reversal of deferred tax assets depends upon the management estimates and future realizable profits which have a degree of uncertainty.	On review of the deferred Tax Asset the following factors were considered: • Existence of sufficient taxable temporary difference. • Convincing other evidence that sufficient taxable profits will be available in the future. Based on the future projections and representations provided to us, the Company's judgment on recoverability of Deferred Tax Asset as mentioned in Note 2.5.2 of the Standalone Financial Statements is fair and reasonable.

Emphasis of Matter

We draw your attention to Note 31 to the standalone financial statement which explains the management's assessment of the financial impact due to Covid-19 pandemic situation, for which definitive assessment of the impact in the subsequent period is highly dependent upon the circumstances as they evolve. Our opinion is not modified in respect of this matter.

Other information

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, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report and Shareholder Information, but does not include the 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 such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements 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 going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities 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 include our opinion. Reasonable assurance is the 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. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 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 system 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 management.
- Conclude on 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 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 annual standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the annual 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 annual 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 the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "Annexure- A", which forms part of this report, a statement on the matters prescribed in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report 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;

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

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended;

   e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure- B", and

   g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, 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 financial statements. Refer Note No. 27 to the standalone financial statements;

      II. The Company did not have any long-term contracts including derivatives

          contracts for which there were any material foreseeable losses;

      III. There are no amounts required to be transferred to the Investors Education and Protection Fund by the Company.

For **R. Dewan & Co.**
Chartered Accountants
Firm Reg. No.017883N

(Rakesh Marwaha)
Partner
M.No.: 504991
UDIN: 21504991AAAABK3423

Place: Ludhiana
Date: 26th May, 2021

Annexure – A to the Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the company on the financial statements for the year ended 31st March, 2021.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

(i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

b) According to the information and explanations given to us, Fixed Assets are verified by rotation every year. No discrepancies were observed in the Fixed Assets physically verified during the financial year.

c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of the immovable properties are held in the name of the company.

(ii) The company has not held any inventory during the year, therefore, the provision of clause 3(ii) of the Order are not applicable to the company.

(iii) According to the information and explanations given to us we report that the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.Therefore the provisions of paragraph 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has complied with the requirements of the section 186 of the Companies Act, 2013 pursuant to loans granted and investments made. The company has not granted loans to directors or to the person in whom directors are interested. Therefore the provisions of the section 185 of the Companies Act, 2013 are not applicable to the company.

(v) According to the information and explanations given to us, the Company has not accepted deposits covered under the provisions of sections 73 to 76, other relevant provisions of the Companies Act, 2013 and the rules framed there under. According to the information and explanations given to us, no order under the aforesaid sections has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company.

(vi) The provision of Clause 3(vi) of the Order regarding maintenance of cost records is not applicable to the company.

(vii) a) According to the information and explanations given to us and on the basis of the records of the Company examined by us, in our opinion, the Company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods and Services Tax (GST), cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts in respect of statutory dues payable were outstanding as on the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, the dues of Income tax, which has not been deposited on March 31, 2021 on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	23,54,947	2018-19	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	28,41,242	2017-18	Commissioner of Income Tax (Appeals)

(viii) According to the information and explanations given to us, the Company has not taken any loans or borrowings from any financial institution, bank or government. Therefore, the provisions of clause 3(viii) of the Order are not applicable to the company.

(ix) The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Further no money was borrowed by way of term loan. Therefore, the provisions of clause 3(ix) of the Order are not applicable to the company.

(x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of records of company, the company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to Companies Act, 2013.

(xii) According to the information and explanation given to us, the company is not a Nidhi Company. Therefore the provisions of paragraph 3(xii) of the Order are not applicable.

(xiii) According to the information and explanations given to us, and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details of the transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Thus the provisions of paragraph 3(xiv) of the Order are not applicable.

(xv) According to information and explanations given to us, and based on our examination of the records of the company, the company has not entered into non-cash transactions with director or person connected with him. Accordingly, provisions of paragraph 3 (xv) of the Order are not applicable.

(xvi) The company is registered as a Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India ('RBI') Act, 1934.

For **R. Dewan & Co.**
Chartered Accountants
Firm Reg. No.017883N

(Rakesh Marwaha)
Partner
M.No.: 504991
UDIN: 21504991AAAABK3423

Place: Ludhiana
Date: 26th May, 2021

Annexure - B to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of Vardhman Holdings Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

2. Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (the "Guidance Note") 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 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.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting with reference to these standalone financial statements were 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 system over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 judgment, 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 system over financial reporting with reference to these standalone financial statements.

4. Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these 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 over financial reporting with reference to these 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

5. Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at 31st March 2021, based on the internal control over financial reporting 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.

For **R. Dewan & Co.**
Chartered Accountants
Firm Reg. No.017883N

(Rakesh Marwaha)
Partner
M.No.: 504991
UDIN: 21504991AAAABK3423

Place: Ludhiana
Date: 26th May, 2021

Balance Sheet as at March 31, 2021

(All amounts in Lakhs unless otherwise stated)

	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and bank balances	3	7,638.83	468.75
(b)	Bank Balances other than above	4	9.79	12.10
(c)	Receivables			
	(I) Trade Receivables		-	-
	(II) Other Receivables	5	577.05	604.74
(d)	Loans		-	-
(e)	Investments	6	53,001.43	45,707.17
(f)	Other Financial assets	7	1,572.51	9,685.94
			62,799.61	**56,478.71**
(2)	**Non Financial Assets**			
(a)	Deferred Tax Asset (Net)	8	3,913.66	3,918.52
(b)	Property, Plant and Equipment	9	321.67	322.55
(c)	Other non-financial assets	10	24.73	28.16
			4,260.06	**4,269.22**
	TOTAL ASSETS		**67,059.67**	**60,747.93**
	LIABILITIES AND EQUITY			
	Liabilities			
(1)	**Financial Liabilities**			
(a)	Payables			
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(b)	Other financial liabilities	11	81.27	337.42
(2)	**Non Financial Liabilities**			
(a)	Current tax liabilities (Net)	12	43.30	34.97
(b)	Provisions	13	2.90	2.13
(c)	Other non-financial liabilities	14	27.10	33.56
			154.57	**408.08**
(3)	**Equity**			
(a)	Equity Share Capital	15	319.24	319.24
(b)	Other Equity	16	66,585.86	60,020.60
			66,905.10	**60,339.85**
	TOTAL LIABILITIES AND EQUITY		**67,059.67**	**60,747.93**
	See accompanying notes to the financial statements	1 to 32		

As per our report of even date
R. Dewan & Co.
Chartered Accountants
Firm Regn. No. 017883N

Rakesh Marwaha	**Swati Mangla**	**Poorva Bhatia**	**Suchita Jain**	**S.P.Oswal**
Partner	Company Secretary	Chief Financial Officer	Director	Chairman & Managing Director
M. No. 504991	Membership no.50475		DIN:00746471	DIN:00121737

PLACE : LUDHIANA
DATED : 26.05.2021

Statement of Profit and Loss for year ended March 31, 2021

(All amounts in Lakhs unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
(I) Revenue from operations			
(i) Interest Income	17	779.91	559.88
(ii) Dividend Income	18	6.38	3,097.22
(iii) Net gain on fair value changes	19	1,192.22	266.58
Total Revenue from operations		**1,978.51**	**3,923.68**
II Other income	20	124.69	138.01
III Total Income (I + II)		**2,103.20**	**4,061.69**
IV Expenses			
Employee benefits expense	21	56.11	53.52
Depreciation and amortization expenses	9	0.88	0.88
Other expenses	22	170.92	544.09
Total Expenses		**227.91**	**598.49**
v Profit/(Loss) before exceptional Items and Tax (III-IV)		**1,875.29**	**3,463.20**
VI Exeptional Items		-	-
VII Profit before tax (V-VI)		**1,875.29**	**3,463.20**
VIII Tax expense :			
- Current Tax		365.42	109.32
- Deferred tax		4.86	24.12
IX Profit for the year (VII - VIII)		**1,505.01**	**3,329.76**
X Other Comprehensive Income/(Loss)			
(A) (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefits plans		0.10	(0.46)
- Net Gain/loss on Fair Valuation of Equity instruments carried at FVOCI		5,060.18	(2,958.07)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.03)	0.01
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other comprehensive Income/(loss) for the period		**5,060.25**	**(2,958.52)**
XI Total Comprehensive income/loss for the period (IX+X) (Comprising profit (Loss) and other Comprehensive Income for the period)		**6,565.26**	**371.25**
XII Earnings per equity share			
[Earning per equity share ₹ 10/- (Previous Year: ₹ 10/-)]			
Basic		47.16	104.33
Diluted		47.16	104.33
See accompanying notes to the financial statements	1 to 32		

As per our report of even date

R. Dewan & Co.
Chartered Accountants
Firm Regn. No. 017883N

Rakesh Marwaha
Partner
M. No. 504991

Swati Mangla
Company Secretary
Membership no.50475

Poorva Bhatia
Chief Financial Officer

Suchita Jain
Director
DIN:00746471

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

PLACE : LUDHIANA
DATED : 26.05.2021

Cash Flow Statement for year ended March 31, 2021

(All amounts in Lakhs unless otherwise stated)

Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and extraordinary items		1,875.29		3,463.20
Adjustments for :				
Depreciation and amortization	0.88		0.88	
'Net (Profit)/Loss on sale of Current Investments	(579.16)		(1,096.51)	
'Fair Valuation (Gain)/Loss on Current Investments	(613.06)		829.93	
Provisions no longer required written Back	-		(0.14)	
		(1,191.34)		(265.84)
Operating profit before working capital changes		**683.95**		**3,197.36**
Adjustments for :				
(Increase)/Decrease in trade receivables & other assets	8,146.86		(9,724.16)	
Increase/(Decrease) in trade payables and other liabilities	(259.43)		305.77	
		7,887.43		(9,418.39)
Cash Generation from Operations		8,571.38		(6,221.03)
Taxes Paid		(357.11)		(556.18)
Net Cash flow from / (used in) Operating activities (A)		**8,214.27**		**(6,777.21)**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Investments		(8,909.84)		(8,735.17)
Sale of Investments		7,867.96		15,969.33
Purchase of Fixed Assets		-		(18.82)
Net Cash flow from / (used in) investing activities (B)		**(1,041.88)**		**7,215.35**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividend Paid (including tax thereon)		(2.31)		(191.64)
Net Cash flow from / (used in) Financing Activities (C)		**(2.31)**		**(191.64)**
Net Increase in cash & cash equivalents (A+B+C)		**7,170.08**		**246.50**
Cash & cash equivalents as at the beginning		**468.75**		**222.25**
Cash & cash equivalents as at the end		**7,638.83**		**468.75**
See accompanying notes to the financial statements 1 to 32				

As per our report of even date
R. Dewan & Co.
Chartered Accountants
Firm Regn. No. 017883N

Rakesh Marwaha	**Swati Mangla**	**Poorva Bhatia**	**Suchita Jain**	**S.P.Oswal**
Partner	Company Secretary	Chief Financial Officer	Director	Chairman & Managing Director
M. No. 504991	Membership no.50475		DIN:00746471	DIN:00121737

PLACE : LUDHIANA
DATED : 26.05.2021

Statement of changes in Equity for year ended March 31, 2021

(All amounts in Lakhs unless otherwise stated)

A Equity Share Capital

Particulars	
Balances as at 1st April 2019	319.24
Changes in Equity Share Capital during the year	-
Balances as at 31st March 2020	**319.24**
Changes in Equity Share Capital during the year	-
Balances as at 31st March 2021	**319.24**

B Other Equity

	OTHER EQUITY							Total
	Reserves & Surplus						Items of other comprehensive income	
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings	Equity instruments through other comprehensive income	
Balance as of 1 April 2020	**0.11**	**70.00**	**781.28**	**9,659.72**	**9,828.43**	**38,973.76**	**707.30**	**60,020.60**
Transfer to Statutory Reserve u/s 45-IC of RBI Act,1934	-	-	-	-	301.00	(301.00)	-	-
Profit/Loss for the period	-	-	-	-	-	1,505.01		1,505.01
Other Comprehensive Income for the period	-	-	-	-	-	0.07	5,060.18	5,060.25
Balance as of 31 March 2021	**0.11**	**70.00**	**781.28**	**9,659.72**	**10,129.43**	**40,177.84**	**5,767.48**	**66,585.86**

Statement of changes in Equity for year ended March 31, 2021

(All amounts in Lakhs unless otherwise stated)

B Other Equity (Contd..)

	OTHER EQUITY							
	Reserves & Surplus						Items of other comprehensive income	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings	Equity instruments through other comprehensive income	
Balance as of 1 April 2019	**0.11**	**70.00**	**781.28**	**9,659.72**	**9,162.48**	**36,502.78**	**3,665.37**	**59,841.74**
Transfer to Statutory Reserve u/s 45-IC of RBI Act,1934	-	-	-	-	665.95	(665.95)	-	-
Profit/Loss for the period	-	-	-	-	-	3,329.76	-	3,329.76
Other Comprehensive Income for the period	-	-	-	-	-	(0.45)	(2,958.07)	(2,958.52)
Dividend @ ₹ 5/Share for financial year 2018-19	-	-	-	-	-	(159.58)	-	(159.58)
Dividend Distribution Tax on dividend paid during the period	-	-	-	-	-	(32.80)	-	(32.80)
Balance as of 31 March 2020	**0.11**	**70.00**	**781.28**	**9,659.72**	**9,828.43**	**38,973.76**	**707.30**	**60,020.60**

As per our report of even date
R. Dewan & Co.
Chartered Accountants
Firm Regn. No. 017883N

Rakesh Marwaha
Partner
M. No. 504991

Swati Mangla
Company Secretary
Membership no.50475

Poorva Bhatia
Chief Financial Officer

Suchita Jain
Director
DIN:00746471

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

PLACE : LUDHIANA
DATED : 26.05.2021

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

1 GENERAL INFORMATION

"Vardhman Holdings Limited ('the company') is registered as a Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India ('RBI') Act, 1934. The company is principally engaged in lending and investing activities. 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 the directors on May 26, 2021"

2 SIGNIFICANT ACCOUNTING POLICIES, SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS AND APPLICABLITY OF NEW AND REVISED IND AS

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 Rule3 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 17, 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.

2.3 Revenue recognition

Effective April 1, 2018, the Company adopted Ind AS 115 'Revenue from Contracts with Customers'. First time adoption has been conducted retrospectively with cumulative effect of initially applying this standard as on the transition date. The effect on the transition to Ind AS 115 is insignificant.

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue recognised from major business activities:

2.3.1 Income from Investments

Profit/loss earned on sale of investments is recognised on settlement date basis. Profit or loss on sale of investments is determined on the basis of weighted average cost method. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

2.3.2 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

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 proportion 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

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

initial recognition.

2.3.3 Rental income

"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"

2.3.4 Receipt against License Agreement:

Revenue in respect of receipt against License Agreement is recognized on accrual basis in accordance with the Terms of the relevant agreement.

2.4 Employee benefits

2.4.1 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 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.

2.4.2 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

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

to be made by the Company in respect of services provided by employees up to the reporting date.

2.5 Taxation

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

2.5.1 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.

2.5.2 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 Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income-tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income-tax. Accordingly, MAT Credit is recognised as asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

2.5.3 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.

2.6 Property, plant and equipment

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

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

of having used the item during a particular period for purposes other than to produce inventories during that period.

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	60 years
Furniture and Fixtures & Office Equipment	3-10 years
Vehicles	8 years

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.

2.7 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 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.

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.

2.8 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

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

a provision are expected to be recovered from a third party, a receivable is recognised as 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.

2.9 Financial instruments

Financial assets and financial liabilities are recognised when a Company entity 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.

2.9.1 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

2.9.1.1 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.

2.9.1.2 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.

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

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.

2.9.1.3 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.

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.

2.9.1.4 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.

2.9.1.5 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

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

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.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

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 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 11 and 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.

2.9.1.6 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

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

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.

2.9.2 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

2.9.2.1 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

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

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.

2.9.2.2 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.

2.9.2.3 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.

2.10 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.

2.11 Significant accounting judgements, estimates and assumptions

"In the application of the Company'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."

2.11.1 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

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

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:

2.11.1.1 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 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.

2.11.1.2 Useful lives of depreciable tangible assets

"Management reviews the useful lives of depreciable/amortisable assets at each reporting date.

As at March 31, 2021 management assessed that the useful lives represent the expected utility of the assets to the Company.

2.11.1.3 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.

2.12 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 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.

2.13 Applicability of new and revised IND AS

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020 notifies new standard or amendments to the standards. There is no such new notification which would be applicable from April 1, 2021.

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

3 Cash and Bank Balances

Particulars	As at 31.03.2021	As at 31.03.2020
Cash and cash equivalents		
a) Cash on hand	0.03	0.03
b) Balances with banks		
- On current accounts	23.03	468.72
- Fixed Deposits with less 3 months maturity	7,615.77	-
	7,638.83	**468.75**

4 Bank Balances other than above

Particulars	As at 31.03.2021	As at 31.03.2020
Other Bank Balances		
- Earmarked balances with banks (Dividend accounts)	9.79	12.10
	9.79	**12.10**

5 Receivables other Receivables

Particulars	As at 31.03.2021	As at 31.03.2020
Interest Receivable	577.05	604.74
	577.05	**604.74**

6 Investments

Particulars	As at 31.03.2021	As at 31.03.2020
A Long Term investments		
I TRADE INVESTMENTS		
Financial assets carried at cost		
Investment in Associates		
a. (Quoted)		
15,895,095 (31 March 2020: 15,353,628) Equity Shares of ₹ 10/- each fully paid up of Vardhman Textiles Limited	30,798.20	25,383.15
b. (Unquoted)		
25,000 (31 March 2020: 25,000) Equity Shares of ₹ 10/- each fully paid up of Vardhman Spinning & General Mills Limited	2.50	2.50

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

6 Investments (Contd..)

Particulars	As at 31.03.2021	As at 31.03.2020
Financial assets measured at fair value through other comprehensive income		
a. Investment in equity instruments (Quoted)		
733,762 (31 March 2020: 733,762) Equity Shares of ₹ 10/- each fully paid up of Vardhman Acrylics Limited	268.92	196.28
5,218,954 (31 March 2020: 5,134,195) Equity Shares of ₹ 10/- each fully paid up of Vardhman Special Steels Limited	7,189.11	2,122.99
Other Investments:-		
a Investment in equity/preference instruments of other entities (quoted)		
1,150 (31 March 2020: 1,150) Equity shares of ₹ 1/- each fully paid-up of Hindustan Unilever Ltd.	27.96	25.00
8,000(31 March 2020: 8,000) Preference shares of ₹ 10000/- each fully paid-up of Infrastructure Leasing & Financial Services Limited	-	-
Total (A)	**38,286.69**	**27,729.92**
B CURRENT INVESTMENTS		
Investment in Equity instruments of other entities (quoted)		
1,059,890 (31 March 2020: 1,059,890) Equity Shares of ₹ 1/- each of Welspun India Limited	856.92	228.94
Nil (31 March 2020: 25714) Equity Shares of ₹ 5/- each of Infosys Limited	-	164.95
Total	**856.92**	**393.89**
Investment in Debentures (Unquoted)		
* 72,261 (31 March 2020: 72,261) 10% Convertible Debentures of ₹ 100 each of Ambojini Property Developers Private Limited	142.16	142.16
Nil (31 March 2020: 100) Units of ₹ 1000000/- each of Kotak Mahindra Prime Limited BR NCD 17JL20	-	1,153.30
Nil (31 March 2020:10) Units of ₹ 10000000/- each of 7.50% HDFC Ltd NCD 07-07-2020	-	1,002.32
* 129 (31 March 2020: 129) Units of ₹ 100,000/- each of Shambhavi Reality Pvt. Ltd.	35.58	43.00
* 80 (31 March 2020: 80) Units of ₹ 100,000/- each of Sutlej Housing Pvt. Ltd.	80.00	80.00
* 68 (31 March 2020: 68) Units of ₹ 100,000/- each of ASP Infraprojects Pvt. Ltd.	22.52	47.40
* 35 (31 March 2020: 35) Units of ₹ 100,000/- each of Midcity Infrastructure Pvt. Ltd.	35.00	35.00
* 62 (31 March 2020: 62) Units of ₹ 100,000/- each of Gulam Mustafa Enterprises Pvt. Ltd.	30.14	33.10
	345.40	**2,536.28**
Investment in /Liquid Funds/Debt Funds (quoted)		
63,644.04 (31 March 2020: 853) Units of ₹ 1000/- each of SBI Liquid Fund Direct Plan Growth	2,050.37	26.52

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

6 Investments (Contd..)

Particulars	As at 31.03.2021	As at 31.03.2020
Nil (31 March 2020: 10,303) Units of ₹ 1000/- each of SBI Overnight fund Direct Growth	-	335.25
15,000,000 (31 March 2020: 15,000,000) Units of ₹ 10/- each of SBI Debt Fund Series C-38(1224 Days)Direct Growth	1,827.41	1,687.91
Nil (31 March 2020: 20,36,861) Units of ₹ 10/- each of Sbi Arbitrage Opportunities Direct Plan-Growth	-	539.12
Nil (31 March 2020: 9,529,198.29) Units of ₹ 1000/- each of IDFC Arbitrage Fund Growth Direct Plan	-	2,451.94
	3,877.78	**5,040.74**
Investment in Equity Fund/Liquid Funds/Debt Funds/Monthly Income Plans/Alternate Investment Funds (Unquoted)		
5,827,545 (31 March 2020: 5,676,969.95) Units of ₹ 100,000/- each of Zodius Technology Fund	686.26	1,140.43
299,950.89(31 March 2020: 239,950.89) Units of ₹ 100/- each of IVY Cap Venture Fund-II	362.69	234.17
133.57 (31 March 2020: 172.07) Units of ₹ 100,000/- each of India Venture Trust fund -I	25.02	35.52
3,905,499.21 (31 March 2020: 3,685,317) Units of ₹ 10/- each of IIFL Seed Venture Fund 1	896.76	836.88
695,050(31 March 2020: 822,729) Units of ₹ 100/- each of ICICI Prudential Real Estate fund AIF-I	783.81	883.20
18,547,493 (31 March 2020: 18,547,493) Units of ₹ 10/- each of IIFL Real Estate Fund Domestic Series-2	873.18	1,100.59
3,183.66 (31 March 2020: 3,183.66) Units of ₹ 100,000/- each of ASK Real Estate Fund	4,422.24	4,624.36
1,000 (31 March 2020: 750) Units of ₹ 100000/- each of Baring Private Equity India AIF	1,583.13	1,149.64
	9,633.09	**10,004.79**
Investment in Equity Shares (Unquoted)		
* 7,870 (31 March 2020: 7,870) Equity Shares of ₹ 10/- each fully paid up of Ambojini Property Developers Private Limited	1.55	1.55
	1.55	**1.55**
Total (B)	**14,714.73**	**17,977.25**
Total (A) + (B)	**53,001.43**	**45,707.17**
Notes:		
1. Aggregate amount of quoted investments (Gross)	43,018.89	33,162.05
2. Aggregate amount of unquoted investments (Gross)	9,982.54	12,545.12
3. Market value of quoted investments	2,18,491.34	1,03,746.76

* Investments are purchased through Portfolio Management Services

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

6C.Investments (Contd..)

Investments	AS AT 31.03.2021			
	Carrying Cost	At Fair Value		Total
		Through Other Comprehensive Income	Through profit or loss	
Mutual Funds			13,510.86	13,510.86
Government securities				-
Other approved securities				-
Debt securities			345.40	345.40
Equity instruments		7,458.03	886.44	8,344.47
Preference instruments			-	-
Subsidaries				-
Associates	30,800.70			30,800.70
Joint Ventures				-
Others (specify)				-
Total-Gross (A)	**30,800.70**	**7,458.03**	**14,742.70**	**53,001.43**
(i) Investments outside india	-	-	-	-
(ii) Investments in India	30,800.70	7,458.03	14,742.70	53,001.43
Total (B)	**30,800.70**	**7,458.03**	**14,742.70**	**53,001.43**
Less-Allowance for Impairment				
Total- Net D = (A) - (C)	**30,800.70**	**7,458.03**	**14,742.70**	**53,001.43**

Investments	AS AT 31.03.2020			
	Carrying Cost	At Fair Value		Total
		Through Other Comprehensive Income	Through profit or loss	
Mutual Funds	-	-	15,045.53	15,045.53
Government securities	-	-	-	-
Other approved securities	-	-	-	-
Debt securities	-	-	2,536.28	2,536.28
Equity instruments	-	2,319.27	420.45	2,739.72
Preference instruments	-	-	-	-
Subsidaries	-	-	-	-
Associates	25,385.65	-	-	25,385.65
Joint Ventures	-	-	-	-
Others (specify)	-	-	-	-
Total-Gross (A)	**25,385.65**	**2,319.27**	**18,002.26**	**45,707.18**
(i) Investments outside india	-	-	-	-
(ii) Investments in India	25,385.65	2,319.27	18,002.26	45,707.18
Total (B)	**25,385.65**	**2,319.27**	**18,002.26**	**45,707.18**
Less-Allowance for Impairment				
Total- Net D = (A) - (C)	**25,385.65**	**2,319.27**	**18,002.26**	**45,707.18**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

6 (D). Maturity pattern of certain items of assets and liabilities

Particulars	As at March 31, 2021								
	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-
Assets									
Advances	-	-	-	-	-	-	-	-	-
Investments	2,050.37	-	-	-	856.92	8,253.58	-	41,840.56	53,001.43

Particulars	As at March 31, 2020								
	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-
Assets									
Advances	-	-	-	-	-	-	-	-	-
Investments	361.78	-	-	5,146.66	393.89	8,678.28	-	31,126.56	45,707.17

7 Other Financial assets

Particulars	As at 31.03.2021	As at 31.03.2020
(Unsecured and considered good), unless otherwise stated		
- Other Recoverable	664.87	185.94
- Fixed deposits more than 3 month maturity	907.64	9,500.00
	1,572.51	**9,685.94**

Notes to Standalone Financial Statement for the year ended March 31, 2021

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8 Deferred tax assets (net)

Particulars	As at 31.03.2021	As at 31.03.2020
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting period	127.11	101.30
Gross deferred tax liability	127.11	**101.30**
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis	0.56	0.47
MAT Credit Recoverable	4,040.21	4,019.35
Gross deferred tax asset	4,040.77	**4,019.82**
Deferred tax Assets (Net)	**3,913.66**	**3,918.52**

9 Property, Plant & Equipment

Particulars	DEEMED COST				DEPRECIATION				NET BLOCK	
	Balance as at 01.04.2020	Additions/ Adjustments	Disposal	Balance as at 31.03.2021	Balance as at 01.04.2020	Depreciation during the year	Eliminated on disposal of assets	Balance as at 31.03.2021	Balance as at 31.03.2021	Balance as at 31.03.2020
TANGIBLE ASSETS										
1. Freehold land	284.33	-	-	284.33	-	-	-	-	284.33	284.33
2. Buildings	40.14	-	-	40.14	2.17	0.72	-	2.89	37.25	37.97
3. Office Equipment	0.73	-	-	0.73	0.48	0.16	-	0.64	0.09	0.25
Total	325.20	-	-	325.20	2.65	0.88	-	3.53	321.67	322.55

Particulars	DEEMED COST				DEPRECIATION				NET BLOCK	
	Balance as at 01.04.2019	Additions/ Adjustments	Disposal	Balance as at 31.03.2020	Balance as at 01.04.2019	Depreciation during the year	Eliminated on disposal of assets	Balance as at 31.03.2020	Balance as at 31.03.2020	Balance as at 31.03.2019
TANGIBLE ASSETS										
1. Freehold land	265.51	18.82	-	284.33	-	-	-	-	284.33	265.51
2. Buildings	40.14	-	-	40.14	1.45	0.72	-	2.17	37.97	38.70
3. Office Equipment	0.73	-	-	0.73	0.32	0.16	-	0.48	0.25	0.40
Total	306.38	18.82	-	325.20	1.77	0.88	-	2.65	322.55	304.61

Notes to Standalone Financial Statement for the year ended March 31, 2021

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10 Other Non Financial Assets

Particulars	As at 31.03.2021	As at 31.03.2020
(unsecured, considered good)		
Prepaid Expenses	4.05	4.03
Other recoverable	16.42	19.88
Security Deposit	4.26	4.25
	24.73	**28.16**

11 Other financial liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Other Payables:-		
- Expenses Payable	3.83	35.44
- Dues to Employees	3.16	1.98
- Other Liabilities	74.28	300.00
	81.27	**337.42**

12 Current Tax Liabilities (Net)

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Tax*	43.30	34.97
	43.30	**34.97**

* Provision for tax is net of Advance tax of Rs .6,065.75 lacs (Previous Year ₹ 5,801.43 lacs)

13 Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for employee benefits :		
- Gratuity	1.59	1.31
- Leave encashment	1.31	0.82
	2.90	**2.13**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

14 Other Current Liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Statutory Remittances	17.31	21.46
Unpaid dividends#	9.79	12.10
	27.10	**33.56**

#unpaid dividends do not include any amount due and outstanding required to be credited to the Investors' Education and Protection Fund

15 Equity share capital

Particulars	As at 31.03.2021	As at 31.03.2020
Authorised share capital:		
3,00,00,000 equity shares of ₹ 10 each (March 31, 2020: 3,00,00,000 equity shares of ₹ 10 each)	3,000.00	3,000.00
1,00,00,000 redeemable cumulative preference shares of ₹ 10 each (March 31, 2020: 1,00,00,000 redeemable cumulative preference shares of ₹ 10 each)	1,000.00	1,000.00
	4,000.00	**4,000.00**
Issued up share capital comprises:		
31,91,536 equity shares of ₹ 10 each (March 31, 2020: 31,91,536 equity shares of ₹ 10 each)	319.15	319.15
	319.15	**319.15**
Subscribed and fully paid up share capital comprises:		
31,91,536 equity shares of ₹ 10 each (March 31, 2020: 31,91,536 equity shares of ₹ 10 each)	319.15	319.15
Add: Forfeited Shares (Amount originally paid-up)	0.09	0.09
	319.24	**319.24**

15.1 Rights, preference and restriction attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10/- 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

15.2 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.

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

15 Equity share capital

15.3 Reconciliation of number of shares

Particulars	As at 31.03.2021		As at 31.03.2020	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	31,91,536	319.24	31,91,536	319.24
Add:- Shares Issued during year	-	-	-	-
Balance as at the end of the year	**31,91,536**	**319.24**	**31,91,536**	**319.24**

15.4 Details of shares held by the holding Company

There is no Holding / Ultimate Holding Company of the Company.

15.5 Details of shares held by each shareholder holding more than 5% shares

Particulars	As at 31.03.2021		As at 31.03.2020	
	Number of shares	% holding	Number of shares	% holding
Adishwar Enterprises LLP	10,48,770	32.86%	10,48,770	32.86%
Devakar Investment & Trading Company (P) Limited	10,94,330	34.29%	10,94,330	34.29%

16 Other equity

Particulars	As at 31.03.2021	As at 31.03.2020
Capital Reserve	0.11	0.11
Capital Redemption Reserve	70.00	70.00
Securities Premium	781.28	781.28
General reserve	9,659.72	9,659.72
Statutory Reserve (u/s 45-IC of RBI Act, 1934)	10,129.43	9,828.43
Retained Earnings	40,177.84	38,973.76
Equity instrument through other comprehensive income	5,767.48	707.30
	66,585.86	**60,020.60**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

16 Other equity (Contd..)

	OTHER EQUITY							Total
	Reserves & Surplus						Items of other comprehensive income	
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings	Equity instruments through other comprehensive income	
Balance as of 1 April 2020	**0.11**	**70.00**	**781.28**	**9,659.72**	**9,828.43**	**38,973.76**	**707.30**	**60,020.60**
Transfer to statutory Reserve u/s 45-IC of RBI Act,1934		-	-		301.00	(301.00)		-
Profit/Loss for the period						1,505.01	-	1,505.01
Other Comprehensive Income for the period						0.07	5,060.18	5,060.25
Dividend @ ₹ 5/Share for financial year 2018-19						-		-
Dividend Distribution Tax on dividend paid during the period	-					-		-
Balance as of 31st March 2021	**0.11**	**70.00**	**781.28**	**9,659.72**	**10,129.43**	**40,177.84**	**5,767.48**	**66,585.86**

	OTHER EQUITY							Total
	Reserves & Surplus						Items of other comprehensive income	
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings	Equity instruments through other comprehensive income	
Balance as of 1 April 2019	**0.11**	**70.00**	**781.28**	**9,659.72**	**9,162.48**	**36,502.78**	**3,665.37**	**59,841.74**
Transfer to statutory Reserve u/s 45-IC of RBI Act,1934		-	-		665.95	(665.95)		-
Profit/Loss for the period						3,329.76		3,329.76
Other Comprehensive Income for the period						(0.45)	(2,958.07)	(2,958.52)
Dividend @ ₹ 5/Share for financial year 2018-19						(159.58)		(159.58)
Dividend Distribution Tax on dividend paid during the period	-					(32.80)		(32.80)
Balance as of 31st March 2020	**0.11**	**70.00**	**781.28**	**9,659.72**	**9,828.43**	**38,973.76**	**707.30**	**60,020.60**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

16 Other equity (Contd..)

a. Capital reserve

Capital reserve represents reserve recognised on amalgamation being the difference between consideration amount and net assets of the transferee Company.

b. 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.

c. Securities premium

Securities premium represents amount of premium recognised on issue of shares to shareholders at a price more than its face value.

d. 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.

e. Statutory Reserve (u/s 45-IC of RBI Act, 1934)

Statutory Reserve is mandatrory 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.

f. 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.

h. 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.

17 Interest Income

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
Interest Income from investments (On financial assets classified at fair value through profit or loss)	779.91	559.88
	779.91	**559.88**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

18 Dividend Income

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
Dividend Income from investments:		
- Associates	-	2,680.04
- others	6.38	417.18
	6.38	**3,097.22**

19 Net gain on fair value changes

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	-	-
- Derivatives	-	-
- Others	579.16	1,096.51
(ii) MTM Gain / (Loss) on Investments (Net of Reversal)	613.06	(829.93)
Total Net gain/(loss) on fair value changes (B)	1,192.22	**266.58**
Fair Value changes		
- Realised	579.16	1,096.51
- Unrealised	613.06	(829.93)
Total Net gain/(loss) on fair value changes (C) to tally with (B)	**1,192.22**	**266.58**

20 Other Income

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
Receipt against License agreement	122.77	135.94
Rent received	1.80	1.80
Excess Provision written back	-	0.14
Miscellaneous	0.12	0.13
	124.69	**138.01**

21 Employee Benefits Expense

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
Salaries and wages	56.11	53.52
	56.11	**53.52**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

22 Other Expenses

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
Rates and taxes	0.01	-
Printing and stationery	0.04	6.67
Other Financial Charges	8.85	8.80
Director's fees, allowances and expenses	5.35	3.84
Auditor's fees and expenses	0.84	0.49
Legal and Professional charges	58.22	95.26
Insurance	3.81	4.03
Charity and Donation#	85.92	416.06
Other expenditure	7.88	8.94
	170.92	**544.09**

During the year, the company paid ₹ Nil (March 31, 2020 ₹ 50 Lacs) political contribution via Electoral Bond Scheme.

23 Tax balances

The following is the analysis of deferred tax assets / (liabilities) presented in the standalone balance sheet

23.1 Particulars	Opening Balance	MAT Credit Adjustment	Recognised in profit or loss	Recognised in OCI	Closing Balance
2020-21					
Deferred tax assets					
Expenses deductible in future years	0.39	-	0.06	-	0.45
MAT credit recoverable	4,019.35	20.86	-	-	4,040.21
Property, plant and equipment	0.08	-	0.03	-	0.11
	4,019.82	**20.86**	**0.09**	**-**	**4,040.77**
Deferred tax liabilities					
Investment in bonds, mutual funds and equity instruments	101.30	-	25.81	-	127.11
	101.30	**-**	**25.81**	**-**	**127.11**
Net deferred tax asset	**3,918.52**	**20.86**	**(25.72)**	**-**	**3,913.66**
2019-20					
Deferred tax assets					
Expenses deductible in future years	0.39	-	(0.02)	0.01	0.38
MAT credit recoverable	4,016.01	3.34	-	-	4,019.35
Property, plant and equipment	0.06	-	0.02	-	0.08
	4,016.46	**3.34**	**0.00**	**0.01**	**4,019.81**
Deferred tax liabilities					
Investment in bonds, mutual funds and equity instruments	73.84	-	27.46	-	101.30
	73.84	**-**	**27.46**	**-**	**101.30**
Net deferred tax asset	**3,942.62**	**3.34**	**(27.46)**	**0.01**	**3,918.51**

Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

23 Tax balances (Contd..)

23.2 Income tax recognised in profit or loss

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Current tax		
In respect of the current year	365.42	109.32
Deferred tax		
In respect of the current year	4.86	24.12
Total income tax expense recognised	**370.28**	**133.44**

23.3 The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Profit before tax	1,875.29	3,463.20
Tax at the Indian Tax Rate of 29.12% (2019-20: 27.82 %)	546.08	963.46
Exempt Long Term Capital Gain	-	(187.27)
Effect of exempted dividend income	-	(841.46)
Donation Disallowed	1.69	9.20
Effect of indexation benefit on value of investment	(3.42)	-
Tax Difference on MTM Gain on investment	(152.71)	305.46
Capital Gain tax rate difference	(45.47)	(117.78)
Others	24.11	1.83
	370.28	**133.44**

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

24.1 Financial instruments by category

	AS AT 31.03.2021			
	FVTPL	Amortised Cost#	FVTOCI	Total
Financial Assets				
Investments*	14,742.70	-	7,458.03	22,200.73
Other Receivables	-	577.05	-	577.05
Cash and cash equivalents	-	7,638.83	-	7,638.83
Bank balances other than above	-	9.79	-	9.79
Other Financial Assets	-	1,572.51	-	1,572.51
	14,742.70	**9,798.18**	**7,458.03**	**31,998.91**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd..)

24.1Financial instruments by category (Contd..)

	As at March 31, 2020			
	FVTPL	Amortised Cost#	FVTOCI	Total
Financial Assets				
Investments*	18,002.25	-	2,319.27	20,321.52
Other Receivables	-	604.74	-	604.74
Cash and cash equivalents	-	468.75	-	468.75
Bank balances other than above	-	12.10	-	12.10
Other Financial Assets	-	9,685.94	-	9,685.94
	18,002.25	**10,771.53**	**2,319.27**	**31,093.05**

	AS AT 31.03.2021		
	FVTPL	Amortised Cost#	Total
Financial Liabilities			
Trade Payables	-	-	-
Other financial liabilities	-	81.27	81.27
	-	**81.27**	**81.27**

	As at March 31, 2020		
	FVTPL	Amortised Cost#	Total
Financial Liabilities			
Trade Payables	-	-	-
Other financial liabilities	-	337.42	337.42
	-	**337.42**	**337.42**

Carrying value of the financial assets and financial liabilities designated at amortised cost approximates its fair value.

* Investment value excludes investment in Subsidiaries/Associates/Joint ventures of ₹ 30,800.70 Lacs (March 31, 2020: ₹ 25,385.65 lacs) which are shown at cost in balance sheet as per Ind AS 27 “Separate Financial Statements”.

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd..)

24.2 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, 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in mutual funds/bonds/preference shares	2,050.37	3,410.52	8,395.36	13,856.25
Investments in quoted equity instruments	8,342.93	-	-	8,342.93
Investments in unquoted equity instruments	-	-	1.55	1.55
	10,393.30	**3,410.52**	**8,396.91**	**22,200.73**

As at March 31, 2020	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in mutual funds/bonds/preference shares	3,352.83	4,993.16	9,235.81	17,581.80
Investments in quoted equity instruments	2,738.17	-	-	2,738.17
Investments in unquoted equity instruments	-	-	1.55	1.55
	6,091.00	**4,993.16**	**9,237.36**	**20,321.52**

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.

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.

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd..)

24.2 Fair value hierarchy

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.

Reconciliation of Level 3 fair value measurements

	Unlisted equity instruments	Unlisted Mutual Funds/ bonds/preference shares
As at March 31, 2019	**142.16**	**7,599.54**
Purchases	-	751.00
Sales	-	(390.30)
Gain / (loss) recognised in OCI/Profit/Loss	(140.61)	1,275.58
As at March 31, 2020	**1.55**	**9,235.82**
Purchases	-	60.00
Sales	-	(519.81)
Gain / (loss) recognised in OCI/Profit/Loss	-	(380.65)
As at March 31, 2021	**1.55**	**8,395.36**

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).

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 Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd..)

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, 2021 would increase / decrease by ₹ 372.90 lacs (March 31, 2020: 461.87 lacs) 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, 2021 would increase / decrease by ₹ 138.56 Lacs (March 31, 2020 by ₹ 174.39 Lacs) as a result of the changes in fair value of mutual fund investments."

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:

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd..)

24.2 Fair value hierarchy

Financial Assets	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
As at March 31, 2021					
Investments	2,907.29	8,253.58	-	41,840.56	53,001.43
Other Receivables	577.05	-	-	-	577.05
Cash and cash equivalents	7,638.83	-	-	-	7,638.83
Bank balances other than above	9.79	-	-	-	9.79
Other financial Assets	1,572.51				1,572.51
	12,705.45	**8,253.58**	**-**	**41,840.56**	**62,799.59**

	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
As at March 31, 2021					
Trade payables	-	-	-	-	-
Other financial liabilities	81.27	-	-	-	81.27
	81.27	**-**	**-**	**-**	**81.27**

Financial Assets	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
As at March 31, 2020					
Investments	5,902.33	8,678.28	-	31,126.56	45,707.17
Other Receivables	604.74	-	-	-	604.74
Cash and cash equivalents	468.75	-	-	-	468.75
Bank balances other than above	12.10	-	-	-	12.10
Loans	-	-	-	-	-
Other financial Assets	9,685.94	-	-	-	9,685.94
	16,673.87	**8,678.28**	**-**	**31,126.56**	**56,478.71**

	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
As at March 31, 2020					
Trade payables	-	-	-	-	-
Other financial liabilities	337.42	-	-	-	337.42
	337.42	**-**	**-**	**-**	**337.42**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

25 EMPLOYEE BENEFITS

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.

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.

The principal assumption used for the purpose of the actuarial valuation were as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
Discount Rate	6.79%	6.80%
Salary increase	6.00%	6.00%
Expected average remaining working life	26.66	27.66
Mortality Rates	IALM (2012-14)	IALM (2012-14)
Method used	Project unit credit method	Project unit credit method

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

25 EMPLOYEE BENEFITS (Contd..)

Longevity Risk (Contd..)

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.

Amounts recognised in statement of profit and loss in respect of these benefit plans are as follows:

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Current Service cost	0.29	0.29
Net interest expenses	0.09	0.04

The current service cost, past service cost and the net interest expenses for the year are included in Note 22 "Employee Benefits Expenses" under the head "Salary and Wages".

Amounts recognised in Other Comprehensive Income:

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Actuarial gain/(losses) arising from changes in financial assumptions	(0.00)	(0.23)
Actuarial gain/(losses) arising from changes in experience adjustments	0.14	(0.20)
Actuarial gain/(losses) arising from changes in Demographic Assumption	-	0.00
Actuarial gain/(losses) arising on Asset	(0.04)	(0.03)
	0.10	**(0.46)**

The amount included in balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
Present value of funded defined benefit obligation	2.53	2.28
Fair Value of Plan Assets	0.94	0.97
Net assets / (liability)	**(1.59)**	**(1.31)**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

25 EMPLOYEE BENEFITS (Contd..)

Movements in the present value of defined benefit obligation are as follows:

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Opening defined benefit obligation	2.28	1.44
Current Service Cost	0.29	0.29
Interest Cost	0.15	0.11
Actuarial (gain)/losses arising from changes in experience adjustments	(0.14)	0.43
Benefits Paid	(0.06)	-
Closing defined benefit obligation	**2.52**	**2.27**

Movements in the fair value of plan assets are as follows:

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Opening fair value of plan assets	0.97	0.93
Interest Income	0.03	0.04
Benefits paid	(0.06)	-
Closing fair value of plan assets	**0.94**	**0.97**

Plan assets comprises of mutual fund, Government of India securities and bank balances. The average duration of the defined benefit obligation is 14.13 years (2020: 14.37 years). The Company expects to make a contribution of ₹ 0.42 (March 31, 2020: ₹ 0.41 lacs lacs) to the defined benefit plans during the next financial year

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 31.03.2021	As at 31.03.2020
Discount Rate		
0.50% Increase	(0.15)	(0.14)
0.50% decrease	0.17	0.15
Future Salary increase		
0.50% Increase	0.17	0.16
0.50% decrease	(0.16)	(0.14)

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

25 EMPLOYEE BENEFITS (Contd..)

Maturity Profile of Defined Benefit Obligation

Particulars	Year	Amount
a)	0 to 1 Year	0.14
b)	1 to 2 Year	0.05
c)	2 to 3 Year	0.05
d)	3 to 4 Year	0.05
e)	4 to 5 Year	0.05
f)	5 to 6 Year	0.05
g)	6 Year onwards	2.14

26 RELATED PARTY TRANSACTIONS

Particulars	Key management personnel (KMP)
	Mr. S.P. Oswal, Chairman and Managing Director
Description of related parties	Mrs. Poorva Bhatia (Chief Financial Officer)
	Ms. Swati Mangla, Company Secretary (w.e.f. 24.05.2019)
Associates	Mr. Satin Katyal, Company Secretary (upto 05.05.2019)
Vardhman Textiles Limited	Mrs. Shakun Oswal (Non-Executive Director)
Vardhman Spinning and General Mills Limited	Mr. Sachit Jain (Non-Executive Director)
	Mrs. Suchita Jain (Non-Executive Director)
	Mr. Vikas Kumar (Non-Executive Director)
	Mr. Chaman Lal Jain (Non-Executive Director)
	Mr. Jagdish Rai Singal (Independent Director)
	Mr. Rajeev Kumar Mittal (Independent Director)
	Mr. Sanjeev Jain (Independent Director)
	Mr. Sat Pal Kanwar (Independent Director)
	Mr. Om Parkash Sharma (Independent Director)
	Mrs. Apinder Sodhi (Independent Director)

Transactions with related parties

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
Receipt against licence agreement*		
Associates	84.31	97.96
	84.31	**97.96**
Rent Received		
Associates	1.80	1.80
	1.80	**1.80**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

26 RELATED PARTY TRANSACTIONS (Contd..)

Transactions with related parties

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
Managerial Remuneration		
Key Managerial Personnel	53.70	43.78
	53.70	**43.78**

* excluding Goods and Service Tax

27 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31.03.2021	As at 31.03.2020
Claims against the Company not acknowledged as debts:		
Income-tax	52.05	17.02
Uncalled Laibility on Investment Commitment	-	110.00

27A SEGMENT INFORMATION

The Company is primarily in the Investment business. 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.

28 EARNINGS PER SHARE

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
Basic earnings per share (INR)	47.16	104.33
Profit attributable to the equity holders of the Company used in calculating basic earning per share	1,505.01	3,329.76
Weighted average number of equity shares for the purpose of basic earning per share (numbers)	31,91,536	31,91,536
Dilutive Earning per share (INR)	47.16	104.33
Profit attributable to the equity holders of the Company used in calculating dilutive earning per share	1,505.01	3,329.76
Weighted average number of equity shares for the purpose of dilutive earning per share (numbers)	31,91,536	31,91,536

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

29 MSME NOTE

Sundry Creditors 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 period ended March 31, 2021	For the period ended March 31, 2020
Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of year		
- 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	-	-
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	-	-

30 CSR*

In accordance with the provisiona of Section 135 of the Companies Act,2013 the company has contributed as sum of ₹ 8 lacs (Previous year 364 lacs) towards approved CSR activities. The said amount stands debited under the head "other expenses".

Particulars	For the period ended March 31, 2021
Preventive Health Care	5.00
Others	3.00
Total	**8.00**

* During financial year 2020-21 Gross Amount to be spent by the Company during the year was ₹ 82.28 Lacs (FY 2019-20 ₹ 184.48 lacs).As per IND-AS 37 Provision and Contingent Liabilities and Contingent Assets read with clarification issued by ICAI we have made provision for 74.28 Lacs during the year and same amount has been deposited with Seperate bank account as per requirement.

31 On account of COVID-19 pandemic, the resultant impact on the fair value of the investments held by the Company is reflected in the Total Comprehensive Income and Total Equity of the Company for the year ended March 31, 2021, in line with the Accounting Policy consistently followed by the Company. 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 impact on its business.

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

32 Other Disclosures

(A) CRAR

S. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	CRAR (%)	157.03	105.31
2	CRAR-Tier I Capital (%)	157.03	105.31
3	CRAR-Tier II Capital (%)	-	-
4	Amount of subordinated debt raised as Tier-II capital	-	-
5	Amount raised by issue of Perpetual Debt Instruments	-	-

(B)

S. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	Value of Investments		
	Gross Value of Investments		
	(a) In India	53,001.43	45,707.17
	(b) Outside India	-	-
	Provisions for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-
	Net Value of Investments		
	(a) In India	53,001.43	45,707.17
	(b) Outside India		
2	Movement of provisions held towards depreciation on investments		
	(a) Opening balance	-	-
	(b) Add: Provisions made during the year	-	-
	(c) Less:- Write off/ write back of excess provisions during the year	-	-
	(d) Closing balance	-	-

(C)

S. No	Category	As at 31.03.2021	As at 31.03.2020
1	(a) Direct exposure	-	-
	(i) Residential mortgages -		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented: (Individual housing loans up to H 15 lakh may be shown seperately)	-	-
	(ii) Commercial real estate -		
	Lending secured by mortgages on commercial real estate (office building, retail space, multipurpose commercial premises, multi-family residential buildings, multitenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based (NFB) limits	-	-
	(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	(a) Residential	-	-
	(b) Commercial real estate	-	-

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

32 Other Disclosures (Contd..)

D (i) Exposure to Capital Market

S. No	Category	As at 31.03.2021	As at 31.03.2020
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	52,981.72	44,297.03
(ii)	Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares/ bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows/issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	19.71	1,410.14

(E) Break up of 'Provisions and Contingencies' shown under the head expenditure in Profit & Loss Account

S. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	Provisions for depreciation on investment.	-	-
2	Provision towards NPA	-	-
3	Provision made towards income-tax	365.42	109.32
4	Other provision and contingencies	52.05	127.02
5	Provision for standard assets	-	-

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

32 Other Disclosures (Contd..)

F Break-up of Investments (Net of Provisions):

Particulars	As at 31.03.2021	As at 31.03.2020
Current Investments :		
1. Quoted :		
(i) Shares : (a) Equity	856.92	393.89
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	3,877.77	5,040.73
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted :		
(i) Shares : (a) Equity	1.55	1.55
(b) Preference	-	-
(ii) Debentures and Bonds	345.40	2,536.28
(iii) Units of Mutual Funds	9,633.09	10,004.79
(iv) Government Securities	-	-
(v) Others	-	-
TOTAL (A=1+2)	**14,714.73**	**17,977.24**
Long Term investments :		
1. Quoted :		
(i) Shares : (a) Equity	38,284.20	27,727.43
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted :		
(i) Shares : (a) Equity	2.50	2.50
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
TOTAL (B=1+2)	**38,286.70**	**27,729.93**
GRAND TOTAL (A+B)	**53,001.43**	**45,707.17**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

32 Other Disclosures (Contd..)

G Particulars	Current Year		Previous Year		Amount overdue
	Amount outstanding	Amount overdue	Amount	Amount overdue	
Liabilities side :					
1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:					
(a) Debentures : Secured	-	-	-	-	-
: Unsecured	-	-	-	-	-
(other than falling within the meaning of public deposits)					-
(b) Deferred Credits	-	-	-	-	-
(c) Term Loans	-	-	-	-	-
(d) Inter-corporate loans and borrowings	-	-	-	-	-
(e) Commercial Paper	-	-	-	-	-
(f) Public Deposits					
(g) Other Loans	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	
2 Break-up of 1 (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid)					
(a) In the form of Unsecured Debentures	-	-	-	-	-
(b) In the form of Partly Secured Debentures i.e. debentures where there is a shortfall in value of security	-	-	-	-	-
(c) Other public deposits	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**

Assets side :	Amount outstanding		Previous Year
	Current Year	Previous Year	
3 Break-up of Loans and Advances including bills receivables :			
(a) Secured	-	-	-
(b) Unsecured	-	-	-
TOTAL	**-**	**-**	**-**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

32 Other Disclosures (Contd..)

Assets side :	Amount outstanding		Previous Year
	Current Year	Previous Year	
4 Break up of leased assets and stock on hire and other assets counting towards Asset Finance Company (AFC) activities			
(i) Lease assets including lease rentals under sundry debtors :			
(a) Financial lease	-	-	-
(b) Operating lease	-	-	-
(ii) Stock on hire including hire charges under sundry debtors:			
(a) Assets on hire	-	-	
(b) Repossessed Assets	-	-	
(iii) Other loans counting towards AFC activities			
(a) Loans where assets have been repossessed	-	-	
(b) Loans other than (a) above	-	-	

5 Borrower group-wise classification of assets financed as in (2) and (3) above :

Category	Amount net of provisions					
	Current Year			Previous Year		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

Notes to Standalone Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

32 Other Disclosures (Contd..)

6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Current Year		Previous Year	
	Market Value / Break up or Fair Value or Net Asset Value	Book Value (Net of Provisions)	Market Value / Break up or Fair Value or Net Asset Value	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	2,13,731.19	38,258.73	98,289.64	27,704.92
(c) Other related parties				
2. Other than related parties	14,742.69	14,742.70	18,002.24	18,002.25
Total	**2,28,473.88**	**53,001.43**	**1,16,291.88**	**45,707.17**

7 Other information

Particulars	Current Year	Previous Year
(i) Gross Non-Performing Assets		
(a) Related parties	-	
(b) Other than related parties	-	-
(ii) Net Non-Performing Assets		
(a) Related parties	-	
(b) Other than related parties	-	-
(iii) Assets acquired in satisfaction of debt	-	

Notes :

1. In case of unquoted shares, book value is taken as market value.

As per our report of even date
R. Dewan & Co.
Chartered Accountants
Firm Regn. No. 017883N

Rakesh Marwaha
Partner
M. No. 504991

Swati Mangla
Company Secretary
Membership no.50475

Poorva Bhatia
Chief Financial Officer

Suchita Jain
Director
DIN:00746471

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

PLACE : LUDHIANA
DATED : 26.05.2021

Consolidated Financial Statements

Independent Auditor's Report

To
The Members of
Vardhman Holdings Limited.

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Vardhman Holdings Limited ("the Company") & its associates, which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 India Accounting Standards (Ind AS) 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 Company & its associates as at March 31, 2021, of consolidated profit & Loss and other comprehensive income, consolidated changes in equity and its consolidated cash flows 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), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Company & its associates in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained 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 for the financial year ended 31 March 2021. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibility described in the Auditor's responsibility for the audit of consolidated financial statement section of our report, including in relation to the matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
(a) Assessment of carrying value of investments (as described in note 2.11.1.3 & 2.11.1.4 of the consolidated financial statements)	
The accounting for investments is a Key Audit matter as there is a risk that fair valuation of investments in not done appropriately. Accordingly, the existence and valuation of investments is considered as a key audit matter. The impairment assessment and fair valuation for such investments have been done by the management in accordance with Ind AS 113.	We performed the following procedures in relation to existence and valuation of investments: • Assessed the design and implementation of controls over valuation and existence of investments. • On a sample basis, tested the key controls set up by the management on existence and valuation of investments. • Traced the quantity held from the confirmation provided by the Custodian with the books as at March 31st, 2021 • Tested the valuation of the investments as per the investment valuation policy approved by the management.
(b) Deferred Tax asset (uncertainty in estimation in the future profits and the accuracy of the provision)	
As per Ind AS 12- Income Taxes, The amounts of income taxes recoverable in future periods in respect of deductible temporary differences and the carry forward of unused tax losses and credits. The reversal of deferred tax assets depends upon the management estimates and future realizable profits which have a degree of uncertainty.	On review of the deferred Tax Asset the following factors were considered: • Existence of sufficient taxable temporary difference. • Convincing other evidence that sufficient taxable profits will be available in the future. Based on the future projections and representations provided to us, the Company's & its associate's judgment on recoverability of Deferred Tax Asset as mentioned in Note 2.7.2 of the Consolidated Ind AS Financial Statements is fair and reasonable.

Emphasis of Matter

We draw your attention to Note 32 to the standalone financial statement which explains the management's assessment of the financial impact due Covid-19 pandemic situation, for which definitive assessment of the impact in the subsequent period is highly dependent upon the circumstances as they evolve. Our opinion is not modified in respect of this matter.

Other information

The company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report and Shareholder Information, 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 and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 statement of changes in equity of the Company & its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. The Board of Directors of the Company & its associates are responsible for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company & its associates and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors of the company & its associates are responsible for assessing the ability of the company & its associates to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intents to liquidate the company & its associates or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the company's & its associates financial reporting process.

Auditor's Responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that include our opinion. Reasonable assurance is the 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. Misstatement 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 judgement and maintain professional scepticism 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 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on 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 company & its associates to continue as a going concern. If we conclude that 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 company & 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 Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statement of the company included in the consolidated financial

statements of which we are the independent auditors. We did not audited the financial statements / financial information of two associates included in the consolidated financial statement, whose Financial Statements reflect total assets of ₹ 9627.18 Crores as at 31st March, 2021, total revenue from operation ₹ 6139.87 Crores, total net profit after tax of ₹ 422.47 crores and total comprehensive income of ₹ 427.21 Crores for the year ended 31st March, 2021 as considered in the Consolidated Financial Statements. 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 associates and our report in terms of sub sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid associates is based solely on the reports of the other auditors. Our opinion on the Consolidated Financial Statements 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 other auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the company 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.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report 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 relating to preparation of the aforesaid consolidation of the financial statements have been kept by the Company so far as it appears from our examination of those books;

   c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts maintained for the purpose of preparation of the consolidated financial statements;

   d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended;

e) On the basis of written representations received from the directors of the company as on March 31, 2021, and taken on record by the Board of Directors of the company and the reports of the Statutory Auditors who are appointed under section 139 of the Act, of its associate companies, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the company and its associates companies, referred to our separate report in "Annexure- A" to this report, and

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

I. The consolidated financial statements Company disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements. Refer Note No. 27 to the consolidated financial statements;

II. The Company and its associate companies did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;

III. There are no amounts required to be transferred to the Investors Education and Protection Fund by the Company.

For **R. Dewan & Co.**
Chartered Accountants
FRN 017883N

(Rakesh Marwaha)
Partner
M.No. 504991
UDIN: 21504991AAAABL1745

Place: Ludhiana
Date: 26th May, 2021

Annexure - A to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of Vardhman Holdings Limited as of and for the year ended 31st March, 2021, we have audited the internal financial controls over financial reporting of Vardhman Holdings Limited ("the company") and its associate companies which are companies incorporated in India, as of that date.

2. Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the company and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (the "Guidance Note") 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 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.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the consolidated 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 internal financial controls system over financial reporting.

4. Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 consolidated 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 consolidated financial statements

5. Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. Opinion

In our opinion, the Company and its associates companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal control over financial reporting 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.

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to two associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **R. Dewan & Co.**
Chartered Accountants
FRN 017883N

(Rakesh Marwaha)
Partner
M.No. 504991
UDIN: 21504991AAAABL1745

Place: Ludhiana
Date: 26th May, 2021

Consolidated Balance Sheet as at March 31, 2021

(All amounts in Lakhs, unless otherwise stated)

	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and bank balances	3	7,638.83	468.75
(b)	Bank Balances other than (a) above	4	9.79	12.10
(c)	Receivables			
	(I) Trade Receivables		-	-
	(II) Other Receivables	5	577.05	604.74
(d)	Loans		-	-
(e)	Investments	6	2,16,675.61	1,97,935.22
(f)	Other Financial assets	7	1,572.52	9,685.94
			2,26,473.80	**2,08,706.75**
(2)	**Non Financial Assets**			
(a)	Deferred Tax Asset (Net)	8	3,913.66	3,918.52
(b)	Property, Plant and Equipment	9	321.67	322.55
(c)	Other non-financial assets	10	24.73	28.16
			4,260.06	**4,269.22**
	TOTAL ASSETS		**2,30,733.86**	**2,12,975.97**
	LIABILITIES AND EQUITY			
	Liabilities			
(1)	**Financial Liabilities**			
(a)	Payables			
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(i) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(b)	Other financial liabilities	11	81.27	337.42
(2)	**Non Financial Liabilities**			
(a)	Current tax liabilities (Net)	12	43.30	34.97
(b)	Provisions	13	2.90	2.13
(c)	Other non-financial liabilities	14	27.11	33.56
			154.58	**408.08**
(3)	**Equity**			
(a)	Equity Share Capital	15	319.24	319.24
(b)	Other Equity	16	2,30,260.04	2,12,248.65
			2,30,579.28	**2,12,567.89**
	TOTAL		**2,30,733.86**	**2,12,975.97**
	See accompanying notes to the consolidated financial statements	1 to 34		

As per our report of even date
R. Dewan & Co.
Chartered Accountants
Firm Regn. No. 017883N

Rakesh Marwaha
Partner
M. No. 504991

Swati Mangla
Company Secretary
Membership no.50475

Poorva Bhatia
Chief Financial Officer

Suchita Jain
Director
DIN:00746471

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

PLACE : LUDHIANA
DATED : 26.05.2021

Consolidated Statement of Profit and Loss for year ended March 31, 2021

(All amounts in Lakhs, unless otherwise stated)

	Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
	Revenue from operations			
(i)	Interest Income	17	779.91	559.88
(ii)	Dividend Income	18	6.38	417.17
(iii)	Net gain on fair value changes	19	1,192.22	266.58
I	**Total Revenue from operations**		**1,978.51**	**1,243.63**
II	**Other income**	20	124.69	138.01
III	**Total Income (I + II)**		**2,103.20**	**1,381.63**
	Expenses			
	Employee benefits expense	21	56.11	53.52
	Depreciation and amortization expenses	9	0.88	0.88
	Other expenses	22	170.92	544.09
IV	**Total Expenses**		**227.91**	**598.49**
V	**Income from associates**		**11,446.14**	**15,321.74**
VI	Profit/(Loss) before exceptional Items and Tax (III-IV+V)		13,321.43	16,104.89
VII	**Exeptional Items**			-
VIII	**Profit before tax (VI+VII)**		**13,321.43**	**16,104.89**
IX	**Tax expense :**			
	- Current Tax		365.42	109.32
	- Deferred tax		4.86	24.12
X	**Profit for the year (VIII-IX)**		**12,951.15**	**15,971.45**
XI	**Other Comprehensive Income/(Loss)**			
	(A) (i) Items that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefits plans		0.10	(0.46)
	- Net Gain/loss on Fair Valuation of Equity instruments carried at FVOCI		5,060.18	(2,958.07)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.03)	0.01
	(B) (i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other comprehensive Income/(loss) for the period		**5,060.25**	**(2,958.52)**
XII	**Total Comprehensive income for the period (X+XI) (Comprising profit (Loss) and other Comprehensive Income/Loss for the period)**		**18,011.40**	**13,012.94**
XIII	**Earnings per equity share**			
	[Earning per equity share ₹ 10/-(Previous Year: ₹ 10/-)]			
	Basic		405.80	500.43
	Diluted		405.80	500.43
	See accompanying notes to the consolidated financial statements	1 to 34		

As per our report of even date

R. Dewan & Co.
Chartered Accountants
Firm Regn. No. 017883N

Rakesh Marwaha	**Swati Mangla**	**Poorva Bhatia**	**Suchita Jain**	**S.P.Oswal**
Partner	Company Secretary	Chief Financial Officer	Director	Chairman & Managing Director
M. No. 504991	Membership no.50475		DIN:00746471	DIN:00121737

PLACE : LUDHIANA
DATED : 26.05.2021

Consolidated Cash Flow Statement for year ended March 31, 2021

(All amounts in Lakhs, unless otherwise stated)

Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and extraordinary items		13,321.43		16,104.89
Adjustments for :				
Depreciation and amortization	0.88		0.88	
Income from associates	(11,446.14)		(15,321.74)	
Net Gain on sale of Current Investments	(579.16)		(1,096.51)	
Fair Valuation Gain on sale of Current Investments	(613.06)		829.93	
Provisions no longer required written Back	-		(0.14)	
		(12,637.48)		**(15,587.58)**
Operating profit before working capital changes		683.95		517.31
Adjustments for :				
(Increase)/Decrease in trade receivables & Other assets	8,146.86		(9,724.16)	
Increase/(Decrease) in trade payables and other liabilities	(259.43)		305.79	
		7,887.43		(9,418.37)
Cash Generation from Operations		8,571.38		(8,901.06)
Taxes Paid		(357.11)		(556.18)
Net Cash flow from / (used in) Operating activities (A)		**8,214.27**		**(9,457.25)**
B.CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Investments	(8,909.84)		(8,735.17)	
Sale of Investments	7,867.96		18,649.36	
Purchase of Fixed Assets	-		(18.82)	
Sale of Fixed Assets	-		-	
Net Cash flow from / (used in) investing activities (B)		**(1,041.88)**		**9,895.38**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividend Paid (including tax thereon)	(2.31)		(191.64)	
Net Cash flow from / (used in) Financing Activities (C)		**(2.31)**		**(191.64)**
Net Increase in cash & cash equivalents (A+B+C)		**7,170.08**		**246.50**
Cash & cash equivalents as at the beginning		**468.75**		**222.25**
Cash & cash equivalents as at the end		**7,638.83**		**468.75**
See accompanying notes to the consolidated financial statements 1 to 34				

As per our report of even date
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PLACE : LUDHIANA
DATED : 26.05.2021

Consolidated Statement of changes in Equity for year ended March 31, 2021

(All amounts in Lakhs, unless otherwise stated)

A Equity Share Capital

Particulars	
Balance as at 1st April 2019	319.24
Changes in Equity Share Capital during the year	-
Baqlance as at 31st March 2020	**319.24**
Changes in Equity Share Capital during the year	-
Balance as at 31st March 2021	**319.24**

B Other Equity

	OTHER EQUITY							Total
	Reserves & Surplus						Items of other comprehensive income	
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings	Equity instruments through other comprehensive income	
Balance as of 1 April 2020	**0.11**	**70.00**	**781.28**	**9,659.72**	**9,828.43**	**1,91,201.81**	**707.30**	**2,12,248.65**
Transfer to statutory Reserve u/s 45-IC of RBI Act,1934		-	-		301.00	(301.00)	-	-
Profit/Loss for the period					-	12,951.15	-	12,951.15
Other Comprehensive Income for the year					-	0.07	5,060.18	5,060.25
Balance as of 31 March 2021	**0.11**	**70.00**	**781.28**	**9,659.72**	**10,129.43**	**2,03,852.02**	**5,767.48**	**2,30,260.04**

Statement of changes in Equity for year ended March 31, 2021

(All amounts in Lakhs, unless otherwise stated)

B Other Equity (Contd..)

	OTHER EQUITY							
	Reserves & Surplus						Items of other comprehensive income	
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings	Equity instruments through other comprehensive income	Total
Balance as of 1 April 2019	**0.11**	**70.00**	**781.28**	**9,659.72**	**9,162.48**	**1,76,089.13**	**3,665.37**	**1,99,428.09**
Transfer to statutory Reserve u/s 45-IC of RBI Act,1934		-	-		665.95	(665.95)	-	-
Profit/Loss for the period					-	15,971.45	-	15,971.45
Other Comprehensive Income for the year					-	(0.45)	(2,958.07)	(2,958.52)
Dividend @ ₹ 5/Share for financial year 2018-19					-	(159.58)	-	(159.58)
Dividend Distribution Tax on dividend paid during the period	-				-	(32.80)	-	(32.80)
Balance as of 31 March 2020	**0.11**	**70.00**	**781.28**	**9,659.72**	**9,828.43**	**1,91,201.81**	**707.30**	**2,12,248.65**

As per our report of even date
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PLACE : LUDHIANA
DATED : 26.05.2021

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

1 GENERAL INFORMATION

"Vardhman Holdings Limited ('the company') is registered as a Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India ('RBI') Act, 1934. The company is principally engaged in lending and investing activities. 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 the directors on May 26, 2021"

2 SIGNIFICANT ACCOUNTING POLICIES, SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS AND APPLICABLITY OF NEW AND REVISED IND AS

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 Rule3 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 17, 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.

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 Group 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 Group 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 Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group 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.

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

"Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group 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 Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group 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 Group's accounting policies.

All intra Group 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 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.

"An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, 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 or a joint venture 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 or a joint venture.

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 a joint venture, or when the investment is classified as held for sale. When the Company retains an interest in the former associate or joint venture 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 or joint venture 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 or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Company accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture 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.

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

When a group entity transacts with an associate or a joint venture of the Company, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Company's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Company."

2.5 Revenue recognition

Effective April 1, 2018, the Company adopted Ind AS 115 'Revenue from Contracts with Customers'. First time adoption has been conducted retrospectively with cumulative effect of initially applying this standard as on the transition date. The effect on the transition to Ind AS 115 is insignificant.

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue recognised from major business activities:

2.5.1 Income from Investments

Profit/loss earned on sale of investments is recognised on settlement date basis. Profit or loss on sale of investments is determined on the basis of weighted average cost method. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

2.5.2 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

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.

2.5.3 Rental income

"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"

2.5.4 Receipt against License Agreement:

"Revenue in respect of receipt against License Agreement is recognized on accrual basis in accordance with the Terms of the relevant agreement.

2.6 Employee benefits

2.6.1 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 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

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

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.

2.6.2 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.

2.7 Taxation

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

2.7.1 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.

2.7.2 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.

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income-tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income-tax. Accordingly, MAT Credit is recognised as asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

2.7.3 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.

2.8 Property, plant and equipment

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.

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	60 years
Furniture and Fixtures & Office Equipment	3-10 years
Vehicles	8 years

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.

2.9 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 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

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

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.

2.10 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.

2.11 Financial instruments

Financial assets and financial liabilities are recognised when a Company entity 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.

2.11.1 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

2.11.1.1 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):

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

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.

2.11.1.2 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.

2.11.1.3 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.

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.

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2.11.1.4 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.

2.11.1.5 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.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

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

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of the change in the amount of expected credit 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 11 and Ind AS 18, 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.

2.11.1.6 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.

2.11.2 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

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All Amounts in Lakhs unless otherwise stated

2.11.2.1 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.

2.11.2.2 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.

2.11.2.3 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

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liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.12 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.

2.13 Significant accounting judgements, estimates and assumptions

"In the application of the Company'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."

2.13.1 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:

2.13.1.1 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 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.

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

2.13.1.2 Useful lives of depreciable tangible assets

"Management reviews the useful lives of depreciable/ amortisable assets at each reporting date.

2.13.1.3 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.

2.13.1.4 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 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.

2.14 Applicability of new and revised IND AS

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020 notifies new standard or amendments to the standards. There is no such new notification which would be applicable from April 1, 2021

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

3 CASH AND BANK BALANCES

Particulars	As at 31.03.2021	As at 31.03.2020
Cash and cash equivalents		
a) Cash on hand	0.03	0.03
b) Balances with banks		
- On current accounts	23.03	468.72
- Fixed Deposits with less 3 months maturity	7,615.77	-
	7,638.83	**468.75**

4 Bank Balances other than above

Particulars	As at 31.03.2021	As at 31.03.2020
Other Bank Balances		
- Earmarked balances with banks (Dividend accounts)	9.79	12.10
	9.79	**12.10**

5 Receivables other Receivables

Particulars	As at 31.03.2021	As at 31.03.2020
Interest Receivable	577.05	604.74
	577.05	**604.74**

6 INVESTMENTS

Particulars	As at 31.03.2021		As at 31.03.2020	
A Long Term investments				
I TRADE INVESTMENTS				
Financial assets carried at cost				
Investment in Associates				
a. (Quoted)				
15,895,095 (31 March 2020: 15,353,628) Equity Shares of ₹ 10/- each fully paid up of Vardhman Textiles Limited	30,798.20		25,383.15	
Add: Share of Profit from associate company during the year	11,446.05		15,321.26	
Add: Accumulated income in associate company	1,52,222.71		1,39,581.50	
Less: Dividend received during the year from associate company	-		(2,680.04)	
		1,94,466.96		**1,77,605.86**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

6 INVESTMENTS (Contd..)

Particulars	As at 31.03.2021		As at 31.03.2020	
b. (Unquoted)				
25,000 (31 March 2020: 25,000) Equity Shares of ₹ 10/- each fully paid up of Vardhman Spinning & General Mills Limited	2.50		2.50	
Add: Share of Profit from associate company during the year	0.09		0.49	
Add: Accumulated income in associate company	5.33		4.84	
		7.92		7.83
Financial assets measured at fair value through other comprehensive income				
b. Investment in equity instruments (Quoted)				
733,762 (31 March 2020: 733,762) Equity Shares of ₹ 10/- each fully paid up of Vardhman Acrylics Limited		268.92		196.28
5,218,954 (31 March 2020: 5,134,195) Equity Shares of ₹ 10/- each fully paid up of Vardhman Special Steels Limited		7,189.11		2,122.99
II Other Investments measured at fair value through profit & loss:-				
a Investment in equity instruments of other entities (quoted)				
1,150 (31 March 2020: 1,150) Equity shares of ₹ 1/- each fully paid-up of Hindustan Unilever Ltd.		27.96		25.01
8,000(31 March 2020: 8,000) Preference shares of ₹ 10000/- each fully paid-up of Infrastructure Leasing & Financial Services Limited		-		-
		2,01,960.87		**1,79,957.97**
B CURRENT INVESTMENTS				
Investment in Equity instruments of other entities (quoted)				
1,059,890 (31 March 2020: 1,059,890) Equity Shares of ₹ 1/- each of Welspun India Limited		856.92		228.94
Nil (31 March 2020: 25714) Equity Shares of ₹ 5/- each of Infosys Limited		-		164.95
Total		**856.92**		**393.89**
Investment in Bonds/Debentures/Certificate of Deposits (Unquoted)				
* 72,261 (31 March 2020: 72,261) 10% Convertible Debentures of ₹ 100 each of Ambojini Property Developers Private Limited		142.16		142.16
Nil (31 March 2020: 100) Units of ₹ 1000000/- each of Kotak Mahindra Prime Limited BR NCD 17JL20		-		1,153.30
Nil (31 March 2020:10) Units of ₹ 10000000/- each of 7.50% HDFC Ltd NCD 07-07-2020		-		1,002.33
129 (31 March 2020: 129) Units of ₹ 100,000/- each of Shambhavi Reality Pvt. Ltd.		35.58		43.00

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6 INVESTMENTS (Contd..)

Particulars	As at 31.03.2021	As at 31.03.2020
80 (31 March 2020: 80) Units of ₹ 100,000/- each of Sutlej Housing Pvt. Ltd.	80.00	80.00
68 (31 March 2020: 68) Units of ₹ 100,000/- each of ASP Infraprojects Pvt. Ltd.	22.52	47.40

Particulars	As at 31.03.2021	As at 31.03.2020
35 (31 March 2020: 35) Units of ₹ 100,000/- each of Midcity Infrastructure Pvt. Ltd.	35.00	35.00
62 (31 March 2020: 62) Units of ₹ 100,000/- each of Gulam Mustafa Enterprises Pvt. Ltd.	30.14	33.10
	345.40	**2,536.28**
Investment in Equity Fund/Liquid Funds/Debt Funds/Monthly Income Plans (quoted)		
63,644.04 (31 March 2020: 853) Units of ₹ 1000/- each of SBI Liquid Fund Dir Plan Growth	2,050.37	26.52
Nil (31 March 2020: 10,303) Units of ₹ 1000/- each of SBI Overnight fund Direct Growth	-	335.25
15,000,000(31 March 2020: 15,000,000) Units of ₹ 10/- each of SBI Debt Fund Series C-38(1224 Days)Direct Growth	1,827.41	1,687.91
Nil (31 March 2020: 20,36,861) Units of ₹ 10/- each of Sbi Arbitrage Opportunities Direct Plan-Growth	-	539.12
Nil (31 March 2020: 9,529,198.29) Units of ₹ 1000/- each of IDFC Arbitrage Fund Growth Direct Plan	-	2,451.94
	3,877.78	**5,040.74**
Investment in Equity Fund/Liquid Funds/Debt Funds/Monthly Income Plans/ Alternate Investment Funds (Unquoted)		
5,827,545 (31 March 2020: 5,676,969.95) Units of ₹ 100,000/- each of Zodius Technology Fund	686.26	1,140.43
299,950.89(31 March 2020: 239,950.89) Units of ₹ 100/- each of IVY Cap Venture Fund-II	362.69	234.17
133.57 (31 March 2020: 172.07) Units of ₹ 100,000/- each of India Venture Trust fund -I	25.02	35.52
3,905,499.21 (31 March 2020: 3,685,317) Units of ₹ 10/- each of IIFL Seed Venture Fund 1	896.76	836.88
695,050(31 March 2020: 822,729) Units of ₹ 100/- each of ICICI Prudential Real Estate fund AIF-I	783.81	883.20
18,547,493 (31 March 2020: 18,547,493) Units of ₹ 10/- each of IIFL Real Estate Fund Domestic Series-2	873.18	1,100.59
3,183.66 (31 March 2020: 3,183.66) Units of ₹ 100,000/- each of ASK Real Estate Fund	4,422.24	4,624.36

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6 INVESTMENTS (Contd..)

Particulars	As at 31.03.2021	As at 31.03.2020
1,000 (31 March 2020: 750) Units of ₹100000/- each of Baring Private Equity India AIF	1,583.13	1,149.64
	9,633.09	**10,004.79**
Investment in Equity Shares (Unquoted)		
7,870 (31 March 2020: 7,870) Equity Shares of ₹10/- each fully paid up of Ambojini Property Developers Private Limited	1.55	1.55
	1.55	**1.55**
Total (B)	**14,714.73**	**17,977.25**
Total (A) + (B)	**2,16,675.61**	**1,97,935.22**
Notes:		
1. Aggregate amount of quoted investments (Gross)	2,06,687.66	1,85,384.77
2. Aggregate amount of unquoted investments (Gross)	9,987.95	12,550.45
3. Market value of quoted investments	2,18,491.34	1,03,746.76

C Investments	AS AT 31.03.2021			
	Carrying Cost	Current Year		
		At Fair Value		Total
		Through Other Comprehensive Income	Through profit or loss	
Mutual Funds	-	-	13,510.86	13,510.86
Government securities	-	-	-	-
Other approved securities	-	-	-	-
Debt securities	-	-	345.40	345.40
Equity instruments	-	7,458.03	886.43	8,344.46
Preference instruments	-	-	-	-
Subsidiaries	-	-	-	-
Associates	1,94,474.88	-	-	1,94,474.88
Joint Ventures	-	-	-	-
Others (specify)	-	-	-	-
Total-Gross (A)	**1,94,474.88**	**7,458.03**	**14,742.70**	**2,16,675.61**
(i) Investments outside india	-	-	-	-
(ii) Investments in India	1,94,474.88	7,458.03	14,742.70	2,16,675.61
Total (B)	**1,94,474.88**	**7,458.03**	**14,742.70**	**2,16,675.61**
Less-Allowance for Impairment (c)				
Total- Net D = (A) - (C)	**1,94,474.88**	**7,458.03**	**14,742.70**	**2,16,675.61**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

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6 INVESTMENTS (Contd..)

C Investments	AS AT 31.03.2020			
	Carrying Cost	At Fair Value		Total
		Through Other Comprehensive Income	Through profit or loss	
Mutual Funds	-	-	15,045.53	15,045.53
Government securities	-	-	-	-
Other approved securities	-	-	-	-
Debt securities	-	-	2,536.28	2,536.28
Equity instruments	-	2,319.27	420.45	2,739.72
Preference instruments	-	-	-	-
Subsidiaries	-	-	-	-
Associates	1,77,613.69	-	-	1,77,613.69
Joint Ventures	-	-	-	-
Others (specify)	-	-	-	-
Total-Gross (A)	**1,77,613.69**	**2,319.27**	**18,002.26**	**1,97,935.22**
(i) Investments outside india	-	-	-	-
(ii) Investments in India	1,77,613.69	2,319.27	18,002.26	1,97,935.22
Total (B)	**1,77,613.69**	**2,319.27**	**18,002.26**	**1,97,935.22**
Less-Allowance for Impairment (c)	-	-	-	-
Total- Net D = (A) - (C)	**1,77,613.69**	**2,319.27**	**18,002.26**	**1,97,935.22**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

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6 (D). Maturity pattern of certain items of assets and liabilities

Particulars	As at March 31, 2021								
	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-
Assets									
Advances	-			-	-	-	-	-	-
Investments	2,050.37	-	-	-	856.92	8,253.58	-	2,05,514.74	2,16,675.61

Particulars	As at March 31, 2020								
	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-
Assets									
Advances	-		-	-	-	-	-	-	-
Investments	361.78	-	-	5,146.66	393.89	8,678.28	0.00	1,83,354.60	1,97,935.22

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

7 Other Financial assets

Particulars	As at 31.03.2021	As at 31.03.2020
(Unsecured and considered good), unless otherwise stated		
- Other Recoverable	664.88	185.94
- Fixed Deposits more than 12 months maturity	907.64	9,500.00
	1,572.52	**9,685.94**

8 Deferred tax assets (net)

Particulars	As at 31.03.2021	As at 31.03.2020
Deferred tax liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting period	127.11	101.30
Gross deferred tax liability	127.11	101.30
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis	0.56	0.47
MAT Credit Recoverable	4,040.21	4,019.35
Gross deferred tax asset	4,040.77	4,019.82
Deferred tax Assets (Net)	**3,913.66**	**3,918.52**

9 Property, Plant & Equipment

Particulars	Deemed Cost				DEPRECIATION				NET BLOCK	
	Balance as at 01.04.2020	Additions/ Adjustments	Disposal	Balance as at 31.03.2021	Balance as at 01.04.2020	Depreciation during the year	Eliminated on disposal of assets	Balance as at 31.03.2021	Balance as at 31.03.2021	Balance as at 31.03.2020
TANGIBLE ASSETS										
1. Freehold land	284.33	-	-	284.33	-	-	-	-	284.33	284.33
2. Buildings	40.14	-	-	40.14	2.17	0.72	-	2.89	37.25	37.97
3. Office Equipment	0.73	-	-	0.73	0.48	0.16	-	0.64	0.09	0.25
Total	**325.20**	**-**	**-**	**325.20**	**2.65**	**0.88**	**-**	**3.53**	**321.67**	**322.55**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

9 Property, Plant & Equipment (Contd..)

Particulars	Deemed Cost				DEPRECIATION				NET BLOCK	
	Balance as at 01.04.2019	Additions/ Adjustments	Disposal	Balance as at 31.03.2020	Balance as at 01.04.2019	Depreciation during the year	Eliminated on disposal of assets	Balance as at 31.03.2020	Balance as at 31.03.2020	Balance as at 31.03.2019
TANGIBLE ASSETS										
1. Freehold land	265.51	18.82	-	284.33	-	-	-	-	284.33	265.51
2. Buildings	40.14	-	-	40.14	1.45	0.72	-	2.17	37.97	38.69
3. Office Equipment	0.73	-	-	0.73	0.32	0.16	-	0.48	0.25	0.41
Total	**306.38**	**18.82**	**-**	**325.20**	**1.77**	**0.88**	**-**	**2.65**	**322.55**	**304.61**

10 Other Non Financial Assets

Particulars	As at 31.03.2021	As at 31.03.2020
(unsecured, considered good)		
Prepaid Expenses	4.05	4.03
Other recoverable	16.42	19.88
Security Deposit	4.26	4.25
	24.73	**28.16**

11 Other financial liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Other Payables:-		
- Expenses Payables	3.83	35.44
- Dues to Employees	3.16	1.98
- Other Liabilities	74.28	300.00
	81.27	**337.42**

12 Current Tax Liabilities (Net)

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Tax*	43.30	34.97
	43.30	**34.97**

* Provision for tax is net of Advance tax of ₹ 6,065.75 lacs (Previous Year ₹ 5,801.43 lacs)

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

13 Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for employee benefits :		
- Gratuity	1.59	1.31
- Leave encashment	1.31	0.82
	2.90	**2.13**

14 Other Current Liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Statutory Remittances	17.32	21.46
Unpaid dividends#	9.79	12.10
	27.11	**33.56**

#unpaid dividends do not include any amount due and outstanding required to be credited to the Investors' Education and Protection Fund

15 Equity share capital

Particulars	As at 31.03.2021	As at 31.03.2020
Authorised share capital:		
3,00,00,000 equity shares of ₹ 10 each (March 31, 2020: 3,00,00,000 equity shares of ₹ 10 each)	3,000.00	3,000.00
1,00,00,000 redeemable cumulative preference shares of ₹ 10 each (March 31, 2020: 1,00,00,000 redeemable cumulative preference shares of ₹ 10 each)	1,000.00	1,000.00
	4,000.00	**4,000.00**
Issued up share capital comprises:		
31,91,536 equity shares of ₹ 10 each (March 31, 2020: 31,91,536 equity shares of ₹ 10 each)	319.15	319.15
	319.15	**319.15**
Subscribed and fully paid up share capital comprises:		
31,91,536 equity shares of ₹ 10 each (March 31, 2020: 31,91,536 equity shares of ₹ 10 each)	319.15	319.15
Add: Forfeited Shares (Amount originally paid-up)	0.09	0.09
	319.24	**319.24**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

15 Equity share capital (Contd..)

15.1 Rights, preference and restriction attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10/- 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

15.2 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.

15.3 Reconciliation of number of shares

Particulars	As at 31.03.2021		As at 31.03.2020	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	31,91,536	319.24	31,91,536	319.24
Add:- Shares issued during year	-	-	-	-
Balance as at the end of the year	**31,91,536**	**319.24**	**31,91,536**	**319.24**

15.4 Details of shares held by the holding Company

There is no Holding / Ultimate Company of the Company.

15.5 Details of shares held by each shareholder holding more than 5% shares

Particulars	As at 31.03.2021		As at 31.03.2020	
	Number of shares	% holding	Number of shares	% holding
Adishwar Enterprises LLP	10,48,770	32.86%	10,48,770	32.86%
Devakar Investment & Trading Company (P) Limited	10,94,330	34.29%	10,94,330	34.29%

16 Other equity

Particulars	As at 31.03.2021	As at 31.03.2020
Capital Reserve	0.11	0.11
Capital Redemption Reserve	70.00	70.00
Securities Premium	781.28	781.28
General reserve	9,659.72	9,659.72
Statutory Reserve (u/s 45-IC of RBI Act, 1934)	10,129.43	9,828.43
Retained Earnings	2,03,852.02	1,91,201.81
Equity instrument through other comprehensive income	5,767.48	707.30
	2,30,260.04	**2,12,248.65**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

16 Other equity (Contd..)

Other Equity

	OTHER EQUITY							Total
	Reserves & Surplus						Items of other comprehensive income	
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings	Equity instruments through other comprehensive income	
Balance as of 1 April 2020	**0.11**	**70.00**	**781.28**	**9,659.72**	**9,828.43**	**1,91,201.81**	**707.30**	**2,12,248.65**
Transfer to statutory Reserve u/s 45-IC of RBI Act,1934		-	-		301.00	(301.00)	-	-
Profit/Loss for the period						12,951.15	-	12,951.15
Other Comprehensive Income for the period						0.07	5,060.18	5,060.25
Balance as of 31 March 2021	**0.11**	**70.00**	**781.28**	**9,659.72**	**10,129.43**	**2,03,852.02**	**5,767.48**	**2,30,260.04**

	OTHER EQUITY							Total
	Reserves & Surplus						Items of other comprehensive income	
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings	Equity instruments through other comprehensive income	
Balance as of 1 April 2019	**0.11**	**70.00**	**781.28**	**9,659.72**	**9,162.48**	**1,76,089.13**	**3,665.37**	**1,99,428.09**
Transfer to statutory Reserve u/s 45-IC of RBI Act,1934		-	-		665.95	(665.95)	-	-
Profit/Loss for the period						15,971.45	-	15,971.45
Other Comprehensive Income for the period						(0.45)	(2,958.07)	(2,958.52)
Dividend @ ₹ 5/Share for financial year 2018-19						(159.58)		(159.58)
Dividend Distribution Tax on dividend paid during the period	-					(32.80)		(32.80)
Balance as of 31 March 2020	**0.11**	**70.00**	**781.28**	**9,659.72**	**9,828.43**	**1,91,201.81**	**707.30**	**2,12,248.65**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

16 Other equity (Contd..)

a. Capital reserve

Capital reserve represents reserve recognised on amalgamation being the difference between consideration amount and net assets of the transferee Company.

b. 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.

c. Securities premium

Securities premium represents amount of premium recognised on issue of shares to shareholders at a price more than its face value.

d. 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.

e. Statutory Reserve (u/s 45-IC of RBI Act, 1934)

Statutory Reserve is mandatrory reserve to created by NBFC Companies u/s 45-IC of RBI Act, 1934 every year @ 20% of net profit after tax during the year.

f. 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.

g. 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.

17 Interest Income

Particulars	For the period ended March, 31 2021	For the period ended March, 31 2020
Interest Income from investments (On financial assets classified at fair value through profit or loss)	779.91	559.88
	779.91	**559.88**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

18 Dividend Income

Particulars	For the period ended March, 31 2021	For the period ended March, 31 2020
Dividend Income from investments:		
- others	6.38	417.17
	6.38	**417.17**

19 Net gain on fair value changes

Particulars	For the period ended March, 31 2021	For the period ended March, 31 2020
(A). Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	-	-
- Derivaties	-	-
- Others	579.16	1,096.51
(ii) MTM Gain / (Loss) on Investments (Net of Reversal)	613.06	(829.93)
Total Net gain/(loss) on fair value changes (B)	**1,192.22**	**266.58**
Fair Value changes		
- Realised	579.16	1,096.51
- Unrealised	613.06	(829.93)
Total Net gain/(loss) on fair value changes (C) to tally with (B)	**1,192.22**	**266.58**

20 Other Income

Particulars	For the period ended March, 31 2021	For the period ended March, 31 2020
Receipt against License agreement	122.77	135.94
Rent received	1.80	1.80
Excess Provision written back	-	0.14
Miscellaneous	0.12	0.13
	124.69	**138.01**

21 Employee benefit expense

Particulars	For the period ended March, 31 2021	For the period ended March, 31 2020
Salaries and wages	56.11	53.52
	56.11	**53.52**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

22 Other Expenses

Particulars	For the period ended March, 31 2021	For the period ended March, 31 2020
Rates and taxes	0.01	-
Printing and stationery	0.04	6.67
Other Financial Charges	8.85	8.80
Director's fees, allowances and expenses	5.35	3.84
Auditor's fees and expenses	0.84	0.49
Legal and Professional charges	58.22	95.26
Insurance	3.81	4.03
Charity and Donation#	85.92	416.06
Other expenditure	7.88	8.94
	170.92	**544.09**

During the year, the company paid ₹ Nil (March 31, 2020 ₹ 50 Lacs) political contribution via Electoral Bond Scheme.

23 Tax balances

The following is the analysis of deferred tax assets / (liabilities) presented in the consolidated balance sheet

23.1 Deferred Tax Assets (Net)

Particulars	Opening Balance	Mat Credit Adjustment	Recognised in profit or loss	Recognised in OCI	Closing Balance
2020-21					
Deferred tax assets					
Expenses deductible in future years	0.39	-	0.06	-	0.45
MAT credit recoverable	4,019.35	20.86	-	-	4,040.21
Property, plant and equipment	0.08		0.03		0.11
	4,019.82	**20.86**	**0.09**	**-**	**4,040.77**
Deferred tax liabilities					
Investment in bonds, mutual funds and equity instruments	101.30	-	25.81	-	127.11
	101.30	**-**	**25.81**	**-**	**127.11**
Net deferred tax assets	**3,918.51**	**20.86**	**(25.72)**	**-**	**3,913.66**
2019-20					
Deferred tax assets					
Expenses deductible in future years	0.43	-	(0.02)	0.01	0.39
Provision for doubtful debts / advances					
MAT credit recoverable	4,016.01	3.34	-	-	4,019.35
Property, plant and equipment	0.06	-	0.02	-	0.08
	4,016.50	**3.34**	**0.00**	**0.01**	**4,019.82**
Deferred tax liabilities					
Investment in bonds, mutual funds and equity instruments	73.84	-	27.46	-	101.30
	73.84	**-**	**27.46**	**-**	**101.30**
Net deferred tax assets	**3,942.66**	**3.34**	**(27.46)**	**0.01**	**3,918.52**

Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

23 Tax balances (Contd..)

23.2 Income tax recognised in profit or loss

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax		
In respect of the current year	365.42	109.32
Deferred tax		
In respect of the current year	4.86	24.12
Total income tax expense recognised	**370.28**	**133.44**

23.3 The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	13,321.43	16,104.89
Less:- Income from Associates	11,446.14	15,321.74
Profit before tax and share of profit of Associates	1,875.29	783.15
Tax at the Indian Tax Rate of 29.12% (2019-20: 27.82 %)	546.08	217.87
Exempt Long Term Capital Gain	-	(187.27)
Effect of exempted dividend income	-	(95.87)
Donation Disallowed	1.69	9.20
Effect of indexation benefit on value of investment	(3.42)	-
Tax Difference on MTM Gain on investment	(152.71)	305.46
Capital Gain tax rate difference	(45.47)	(117.78)
Others	24.11	1.83
	370.28	**133.44**

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

24.1 Financial instruments by category

	AS AT 31.03.2021			
	FVTPL	Amortised Cost#	FVTOCI	Total
Financial Assets				
Investments*	14,742.70	-	7,458.03	22,200.73
Other Receivables	-	577.05	-	577.05
Cash and cash equivalents	-	7,638.83	-	7,638.83
Bank balances other than above	-	9.79	-	9.79
Other Financial Assets		1,572.52		1,572.52
	14,742.70	**9,798.17**	**7,458.03**	**31,998.90**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd..)

24.1 Financial instruments by category (Contd..)

	As at March 31, 2020			
	FVTPL	Amortised Cost#	FVTOCI	Total
Financial Assets				
Investments*	18,002.26	-	2,319.27	20,321.53
Other Receivables	-	604.74	-	604.74
Cash and cash equivalents	-	468.75	-	468.75
Bank balances other than above	-	12.10	-	12.10
Other Financial Assets		9,685.94		9,685.94
	18,002.26	**10,771.54**	**2,319.27**	**31,093.07**

	AS AT 31.03.2021		
	FVTPL	Amortised Cost#	Total
Financial Liabilities			
Borrowings (including current maturity of term loan)	-	-	-
Trade Payables	-	-	-
Other financial liabilities	-	81.27	81.27
	-	**81.27**	**81.27**

	As at March 31, 2020		
	FVTPL	Amortised Cost#	Total
Financial Liabilities			
Trade Payables	-	-	-
Other financial liabilities	-	337.42	337.42
	-	**337.42**	**337.42**

Carrying value of the financial assets and financial liabilities designated at amortised cost approximates its fair value.

* Investment value excludes investment in subsidiaries/Associates/Joint ventures of ₹ 1,94,474.89 Lacs (March 31, 2020: ₹ 177613.69 Lacs) which are shown at cost in balance sheet as per Ind AS 27 "Separate Financial Statements".

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd..)

24.2 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, 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in mutual funds/bonds/preference shares	2,050.37	3,410.53	8,395.36	13,856.26
Investments in quoted equity instruments	8,342.93	-	-	8,342.93
Investments in unquoted equity instruments	-	-	1.55	1.55
	10,393.30	**3,410.53**	**8,396.91**	**22,200.73**

As at March 31, 2020	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in mutual funds/bonds/preference shares	3,352.83	4,993.16	9,235.82	17,581.81
Investments in quoted equity instruments	2,738.17	-	-	2,738.17
Investments in unquoted equity instruments	-	-	1.55	1.55
	6,091.00	**4,993.16**	**9,237.37**	**20,321.53**

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.

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.

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd..)

24.2 Fair value hierarchy (Contd..)

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.

Reconciliation of Level 3 fair value measurements

	Unlisted equity instruments	Unlisted Mutual Funds/bonds/ preference shares
As at March 31, 2019	142.16	7,599.54
Purchases	-	751.00
Sales	-	(390.30)
Gain / (loss) recognised in OCI/Profit/Loss	(140.61)	1,275.58
As at March 31, 2020	**1.55**	**9,235.82**
Purchases	-	60.00
Sales	-	(519.81)
Gain / (loss) recognised in OCI/Profit/Loss	-	(380.65)
As at March 31, 2021	**1.55**	**8,395.36**

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).

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 for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd..)

24.2 Fair value hierarchy (Contd..)

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, 2021 would increase / decrease by ₹ 372.90 lacs (March 31, 2020: 461.87 lacs) 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, 2021 would increase / decrease by ₹ 138.56 Lacs (March 31, 2020 by ₹ 174.39 Lacs) as a result of the changes in fair value of mutual fund investments.

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:

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

24 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Contd..)

24.2 Fair value hierarchy (Contd..)

Financial Assets	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
As at March 31, 2021					
Investments	2,907.29	8,253.58	-	2,05,514.74	2,16,675.61
Other Receivables	577.05	-	-	-	577.05
Cash and cash equivalents	7,638.83	-	-	-	7,638.83
Bank balances other than above	9.79	-	-	-	9.79
Other financial Assets	1,572.52	-	-	-	1,572.52
	12,705.46	**8,253.58**	**-**	**2,05,514.74**	**2,26,473.78**

	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
As at March 31, 2021					
Trade payables	-	-	-	-	-
Other financial liabilities	81.27	-	-	-	81.27
	81.27	**-**	**-**	**-**	**81.27**

Financial Assets	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
As at March 31, 2020					
Investments	5,902.33	8,678.28	-	1,83,354.60	1,97,935.22
Other Receivables	604.74	-	-	-	604.74
Cash and cash equivalents	468.75	-	-	-	468.75
Bank balances other than above	12.10	-	-	-	12.10
Other financial Assets	9,685.94				9,685.94
	16,673.87	**8,678.28**	**-**	**1,83,354.60**	**2,08,706.76**

	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
As at March 31, 2020					
Trade payables	-	-	-	-	-
Other financial liabilities	337.42	-	-	-	337.42
	337.42	**-**	**-**	**-**	**337.42**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

25 EMPLOYEE BENEFITS

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.

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.

The principal assumption used for the purpose of the actuarial valuation were as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
Discount Rate	6.79%	6.80%
Salary increase	6.00%	6.00%
Expected average remaining working life	26.66	27.66
Mortality Rates	IALM (2012-14)	IALM (2012-14)
Method used	Project unit credit method	Project unit credit method

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

25 EMPLOYEE BENEFITS (Contd..)

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.

Amounts recognised in statement of profit and loss in respect of these benefit plans are as follows:

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Current Service cost	0.29	0.29
Net interest expenses	0.09	0.04

The current service cost, past service cost and the net interest expenses for the year are included in Note 22 “Employee Benefits Expenses” under the head “Salary and Wages”.

Amounts recognised in Other Comprehensive Income:

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Actuarial (gain)/losses arising from changes in financial assumptions	(0.00)	(0.23)
Actuarial (gain)/losses arising from changes in experience adjustments	0.14	(0.20)
Actuarial (gain)/losses arising from changes in Demographic Assumption	-	0.00
Actuarial gain/(losses) arising on Asset	(0.04)	(0.03)
	0.10	**(0.46)**

The amount included in balance sheet arising from the entity’s obligation in respect of its defined benefit plans is as follows:

Particulars	As at 31.03.2021	As at 31.03.2020
Present value of funded defined benefit obligation	2.53	2.28
Fair Value of Plan Assets	0.94	0.97
Net assets / (liability)	**(1.59)**	**(1.31)**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

25 EMPLOYEE BENEFITS (Contd..)

Movements in the present value of defined benefit obligation are as follows:

Particulars	For the year ended	
	March 31, 2021	**March 31, 2020**
Opening defined benefit obligation	2.28	1.44
Current Service Cost	0.29	0.29
Interest Cost	0.15	0.11
Actuarial (gain)/losses arising from changes in experience adjustments	(0.14)	0.43
Benefits Paid	(0.06)	-
Closing defined benefit obligation	**2.53**	**2.28**

Movements in the fair value of plan assets are as follows:

Particulars	For the year ended	
	March 31, 2021	**March 31, 2020**
Opening fair value of plan assets	0.97	0.93
Interest Income	0.03	0.04
Benefits paid	(0.06)	-
Closing fair value of plan assets	**0.94**	**0.97**

Plan assets comprises of mutual fund, Government of India securities and bank balances. The average duration of the defined benefit obligation is 14.13 years (2020: 14.37 years). The Company expects to make a contribution of ₹ 0.42 (March 31, 2020: ₹ 0.41 lacs lacs) to the defined benefit plans during the next financial year

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 31.03.2021	As at 31.03.2020
Discount Rate		
0.50% Increase	(0.15)	(0.14)
0.50% decrease	0.17	0.15
Future Salary increase		
0.50% Increase	0.17	0.16
0.50% decrease	(0.16)	(0.14)

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

25 EMPLOYEE BENEFITS (Contd..)

Maturity Profile of Defined Benefit Obligation

Particulars	Year	Amount
a)	0 to 1 Year	0.14
b)	1 to 2 Year	0.05
c)	2 to 3 Year	0.05
d)	3 to 4 Year	0.05
e)	4 to 5 Year	0.05
f)	5 to 6 Year	0.05
g)	6 Year onwards	2.14

26 RELATED PARTY TRANSACTIONS

	Key management personnel (KMP)
	Mr. S.P. Oswal, Chairman and Managing Director
Description of related parties	Mrs. Poorva Bhatia (Chief Financial Officer)
	Ms. Swati Mangla, Company Secretary (w.e.f. 24.05.2019)
Associates	Mr. Satin Katyal, Company Secretary (upto 05.05.2019)
Vardhman Textiles Limited	Mrs. Shakun Oswal (Non-Executive Director)
Vardhman Spinning and General Mills Limited	Mr. Sachit Jain (Non-Executive Director)
	Mrs. Suchita Jain (Non-Executive Director)
	Mr. Vikas Kumar (Non-Executive Director)
	Mr. Chaman Lal Jain (Non-Executive Director)
	Mr. Jagdish Rai Singal (Independent Director)
	Mr. Rajeev Kumar Mittal (Independent Director)
	Mr. Sanjeev Jain (Independent Director)
	Mr. Sat Pal Kanwar (Independent Director)
	Mr. Om Parkash Sharma (Independent Director)
	Mrs. Apinder Sodhi (Independent Director)

Transactions with related parties

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
Receipt against licence agreement*		
Associates	84.31	97.96
	84.31	**97.96**
Rent Received		
Associates	1.80	1.80
	1.80	**1.80**
Managerial Remuneration		
Key Managerial Personnel	53.70	43.78
	53.70	**43.78**

* excluding Goods and Service Tax

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

27 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31.03.2021	As at 31.03.2020
Claims against the Company not acknowledged as debts:		
Income-tax	52.05	17.02
Uncalled Laibility on Investment Commitment	-	110.00

28 SEGMENT INFORMATION

The Company is primarily in the Investment business. 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.

29 EARNINGS PER SHARE

Particulars	For the period ended March, 31 2021	For the period ended March, 31 2020
Basic earnings per share (INR)	405.80	500.43
Profit attributable to the equity holders of the Company used in calculating basic earning per share	12,951.15	15,971.45
Weighted average number of equity shares for the purpose of basic earning per share (numbers)	31,91,536	31,91,536
Dilutive Earning per share (INR)	405.80	500.43
Profit attributable to the equity holders of the Company used in calculating dilutive earning per share	12,951.15	15,971.45
Weighted average number of equity shares for the purpose of dilutive earning per share (numbers)	31,91,536	31,91,536

30 MSME NOTE

Sundry Creditors 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 period ended March, 31 2021	For the period ended March, 31 2020
Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of year		
- 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, 2021

All Amounts in Lakhs unless otherwise stated

30 MSME NOTE (Contd..)

Particulars	For the period ended March, 31 2021	For the period ended March, 31 2020
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		

31 CSR*

In accordance with the Provisions of Section 135 of the Companies Act,2013 the company has contributed as sum of ₹ 8 lacs (Previous year 364 lacs) towards approved CSR activities. The said amount stands debited under the head “other expenses”.

Particulars	For the period ended March, 31 2021
Preventive Health Care	5.00
Others	3.00
Total	**8.00**

* During financial year 2020-21 Gross Amount to be spent by the Company during the year was ₹ 82.28 Lacs (FY 2019-20 ₹ 184.48 lacs).As per IND-AS 37 Provision and Contingent Liabilities and Contingent Assets read with clarification issued by ICAI we have made provision for 74.28 Lacs during the year and same amount has been deposited with Seperate bank account as per requirement.

32 On account of COVID-19 pandemic, the resultant impact on the fair value of the investments held by the Company is reflected in the Total Comprehensive Income and Total Equity of the Company for the year ended March 31, 2021, in line with the Accounting Policy consistently followed by the Company. Given the uncertainties associated with nature, condition and duration of COVID-19, the Company will closely monitor any material changes arising of the future economic conditions and impact on its business.

33 Interest in Other Entities

(a) The Consolidated Financial Statements present the Consolidated Accounts of Vardhman Holdings Limited with its following Associates.

Name of Company	Country of Incorporation	Activities	Proportion of Ownership of Interest	
			As at March 31, 2021	As at March 31, 2020
A. Associates				
(i) Vardhman Textiles Limited	India	Textiles	27.61%	26.69%
(ii) Vardhman Spinning and General Mills Limited	India	Trading of Cotton & Manmade Fibre	50.00%	50.00%

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

33 Interest in Other Entities (Contd..)

(b) Summarized Financial Information

Particulars	Vardhman Textiles Limited		Vardhman Spinning and General Mills Limited	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
I. Assets				
(A) Non Current Assets	4,42,477.33	4,47,098.01	-	-
(B) Current Assets				
i) Cash & Cash Equivalent	9,264.00	21,485.00	2.08	2.08
ii) Others	5,10,956.54	4,66,768.84	17.56	16.80
Total Current Assets	**5,20,220.54**	**4,88,253.84**	**19.64**	**18.88**
Total Assets (A+B)	**9,62,697.87**	**9,35,351.85**	**19.64**	**18.88**
II. Liabilities				
(A) Non Current Liabilities				
i) Financial Liabilities	1,29,957.00	1,27,027.00	-	-
ii) Non Financial Liabilities	29,170.21	27,923.64	-	-
Total Non Current Liabilities	1,59,127.21	1,54,950.64	-	-
(B) Current Liabilities				
i) Financial Liabilities	1,30,462.54	1,55,499.66	-	-
ii) Non Financial Liabilities	12,400.91	8,050.61	5.14	4.29
Total Current Liabilities	**1,42,863.45**	**1,63,550.27**	**5.14**	**4.29**
Total Liabilities (A+B)	**3,01,990.66**	**3,18,500.91**	**5.14**	**4.29**
Net Assets (I-II)	**6,60,707.21**	**6,16,850.94**	**14.50**	**14.59**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

33 Interest in Other Entities (Contd..)

(c) Summarized Financial Information

Particulars	Vardhman Textiles Limited		Vardhman Spinning and General Mills Limited	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from Opreations	6,13,986.70	6,73,500.84		-
Profit & Loss Before Tax	55,889.51	65,547.16	0.23	0.97
Tax Expense	13,643.68	6,450.53	0.06	-
Profit & Loss after Tax	42,246.51	59,097.16	0.17	0.97
Other Comprehensive Income	474.53	(362.71)		-
Total Comprehensive Income	42,721.04	58,734.45	0.17	0.97
Depreciation & Amortisation	36,380.77	33,322.01		-
Interest Expense (Net of Interest Income)	11,332.00	13,527.00	0.01	0.01

(d) Movement of Investment in Joint venture and Associates using equity method

Particulars	Vardhman Textiles Limited		Vardhman Spinning and General Mills Limited	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Investment as at the beginning of the Period	1,77,605.86	1,64,596.50	7.83	7.34
Add: Share of Total Comprehensive Income for the period	11,446.05	15,321.26	0.09	0.49
Add:-Investment purchase for the period	5,415.05	368.14	-	-
Less: Dividend distributed during the period (including DDT)	-	(2,680.04)	-	-
Less: Disposed off Investment	-	-	-	-
Investment as at the end of the Period	**1,94,466.96**	**1,77,605.86**	**7.92**	**7.83**

Notes to Consolidated Financial Statement for the year ended March 31, 2021

All Amounts in Lakhs unless otherwise stated

34. For disclosures mandated by Schedule III of Companies Act, 2013, by way of additional information refer below:-

Name of Enterprise	As at March 31, 2021 Net Assets i.e total assets minus total liabilities Amount	As at March 31, 2020 Net Assets i.e total assets minus total liabilities Amount	As at March 31, 2021 Share in Total comprehensive income Amount	As at March 31, 2020 Share in Total comprehensive income Amount
Parent				
Vardhman Holdings Limited	66,905.10	60,339.85	6,565.26	371.24
Subsidaries				
Indian	-	-	-	-
Non Controlling Interest in subsidaries	-	-	-	-
Associates (Investment as per the equity method)				
Indian				
(i) Vardhman Textiles Limited	1,94,466.96	1,77,605.86	11,446.05	15,321.26
(ii) Vardhman Spinning & General Mills Limited	7.92	7.83	0.09	0.49
Less:- Investments in Associates	(30,800.70)	(25,385.64)	-	-
Less:- Adjustmenst due to Consolidation	-	-	-	(2,680.04)
Total	**2,30,579.28**	**2,12,567.89**	**18,011.40**	**13,012.94**

As per our report of even date
R. Dewan & Co.
Chartered Accountants
Firm Regn. No. 017883N

Rakesh Marwaha
Partner
M. No. 504991

Swati Mangla
Company Secretary
Membership no.50475

Poorva Bhatia
Chief Financial Officer

Suchita Jain
Director
DIN:00746471

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

PLACE : LUDHIANA
DATED : 26.05.2021

FORM AOC-1, pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part-B

Name of Associates	**Vardhman Textiles Limited**
1. Latest audited Balance Sheet Date	31.03.2021
2. Shares of Associate held by the company on the year end	
No.	1,58,95,095
Amount of Investment in Associate	₹ 30,798.20 Lakhs
Extend of Holding %	27.61%
3. Description of how there is significant influence	More than 20% shares of Vardhman Textiles 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	₹ 1,82,421.20 Lakhs
6. Profit / Loss for the year	₹ 42,721.64 Lakhs
i. Considered in Consolidation	₹ 11,446.05 Lakhs
ii. Not Considered in Consolidation	N.A.

For and on behalf of the Board of Directors

Swati Mangla
Company Secretary
Membership no.50475

Poorva Bhatia
Chief Financial Officer

Suchita Jain
Director
DIN:00746471

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

PLACE : LUDHIANA
DATED : 26.05.2021

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part-B

Name of Associates	**Vardhman Spinning and General Mills Limited**
1. Latest audited Balance Sheet Date	31.03.2021
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 and 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	0.17 lakhs
i. Considered in Consolidation	₹ 0.09 Lakhs
ii. Not Considered in Consolidation	N.A.

For and on behalf of the Board of Directors

Swati Mangla
Company Secretary
Membership no.50475

Poorva Bhatia
Chief Financial Officer

Suchita Jain
Director
DIN:00746471

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

PLACE : LUDHIANA
DATED : 26.05.2021

Vardhmān

VARDHMAN HOLDINGS LIMITED

CHANDIGARH ROAD, LUDHIANA - 141 010

CIN: L17111PB1962PLC002463

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