



Ref. VHL:SCY:SEP:2019-20

Dated: 6-Sep-2019

| | |
|--|---|
| BSE Limited, 1 st Floor, New Trading Ring, Rotunda Building, P.J Towers, Dalal Street, MUMBAI-400001. Scrip Code: 500439 | The National Stock Exchange of India Ltd, "Exchange Plaza, Bandra-Kurla Complex, Bandra (East), MUMBAI-400 051 Scrip Code: VHL |
|--|---|

Dear Sir,

SUB: ANNUAL REPORT (F.Y. 2018-19) OF THE COMPANY, NOTICE CONVENING 55TH 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 55th Annual General Meeting ('AGM') of the members of the Company will be held on Monday, 30th September, 2019 at 10:00 a.m. at Registered Office of the Company, Vardhman Premises, Chandigarh Road, Ludhiana-141010, Punjab, India.

The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 20th September, 2019 to Monday, 30th September, 2019 (both days inclusive) for the purpose of AGM and dividend. The dividend, if declared at the Annual General Meeting, will be paid or warrants thereof despatched within a week from the conclusion of the Annual General Meeting.

Further, the Company has fixed Monday, 23rd September, 2019 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 same cut-off date would also ascertain the members, who do not cast their vote electronically and wish to cast their vote physically at the ensuing AGM. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The e-voting schedule is as under:

| | |
|--------------------------|---------------------------------------|
| Commencement of e-voting | September 27, 2019 (09:00 am onwards) |
| End of e-voting | September 29, 2019 (upto 05:00 pm) |



Vardhman

Delivering Excellence. Since 1965.

VARDHMAN HOLDINGS LIMITED

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

Pursuant to Regulation 34(1) of the Listing Regulations, please find enclosed the Annual Report (F.Y. 2018-19) alongwith the Notice convening the 55th 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 MANGLA)
Company Secretary

YARNS | FABRICS | THREADS | GARMENTS | FIBRES | STEELS

PAN NO.: AABCV8088P CIN: L17111PB1962PLC002463
WWW.VARDHMAN.COM

55th
Annual Report
2018-19



Vardhmān

Vardhman Holdings Limited

BOARD OF DIRECTORS

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

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
Web site: www.vardhman.com
CIN: L17111PB1962PLC002463
PAN: AABCV8088P

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NOTICE

NOTICE is hereby given that the **FIFTY FIFTH ANNUAL GENERAL MEETING** of members of Vardhman Holdings Limited will be held on Monday, the 30th day of September, 2019 at 10.00 a.m. at the Registered Office of the Company situated at Chandigarh Road, Ludhiana, to transact the following business:-

ORDINARY BUSINESS:

Item No. 1 – Adoption of 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, 2019 together with Report of Board of Directors and Auditors thereon.

Item No. 2 – Declaration of Dividend

To declare a dividend of Rs. 5/- per equity share for the year ended 31st March, 2019.

Item No. 3a– Appointment of Mr. Sachit Jain as a director liable to retire by rotation

To appoint a Director in place of Mr. Sachit Jain (DIN No. 00746409), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

Item No. 3b – Appointment of Mrs. Suchita Jain as a director liable to retire by rotation

To appoint a Director in place of Mrs. Suchita Jain (DIN No. 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. 4 – Appointment of Statutory Auditors

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

“RESOLVED THAT M/s. R. Dewan & Company, Chartered Accountants (Registration No. 017883N), be and are hereby appointed as Statutory Auditors of the Company for a term starting from conclusion of the 55th Annual General Meeting till the conclusion of 58th Annual General Meeting of the Company, at such remuneration and reimbursement of out-of-pocket expenses and applicable taxes as may be finalized from time to time by the Board of Directors of the Company on the recommendation of the Audit Committee.”

SPECIAL BUSINESS:

Item No. 5 - To re-appoint Mr. S.P. Oswal as the Managing Director of the Company

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, Mr. S.P. Oswal, be and is hereby re-appointed as the Managing Director of the Company, not liable to retire by rotation, for a period of Three (3) years w.e.f. 9th August, 2019, at a remuneration as detailed below:-

| SR. NO. | REMUNERATION | DETAILS |
|---------|-----------------------|---|
| I. | Basic Salary | Rs. 1,70,000 - 10,000 - Rs. 1,90,000 per month. |
| II. | Special Allowance | Rs. 25,000/- p.m. |
| III. | Perquisites | The following perquisites shall be allowed in addition to the basic salary and special allowance. |
| a) | Car & Telephone | Free use of Company's car for official work as well as for personal purposes along with driver and telephone at Company's cost. |
| b) | Medical Reimbursement | Reimbursement of medical expenses incurred by the appointee (including medi-claim insurance premium) on self and his family, on actual basis. |

Explanation: “Family” means the spouse, the dependent children and dependent parents of the appointee.

RESOLVED FURTHER THAT Mr. Sachit Jain, Director, be and is hereby authorised to execute an agreement on behalf of the Company with Mr. S.P. Oswal.”

BY ORDER OF THE BOARD

Sd/-
(Swati Mangla)
Company Secretary
Membership No. ACS-50475

PLACE: Ludhiana
DATE: 24th May, 2019

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. **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/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. THE BLANK PROXY FORM IS ENCLOSED.**

However, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. Corporate members intending to send their authorised representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN and bank details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and bank details to Alankit Assignments Limited. A blank form in this regard is being sent with this Annual Report.
7. The Members holding shares in physical mode are requested to notify the change in their address, if any, at the earliest to the Registrar & Transfer Agent/Company. However, members holding shares in electronic mode may

notify the change in their address, if any, to their respective Depository Participants.

8. **The Register of Members and the Share Transfer Books of the Company shall remain closed from September 20, 2019 to September 30, 2019. (both days inclusive).**
9. The information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 regarding the Directors seeking appointment/re-appointment in the Annual General Meeting is also being annexed hereto separately and forms part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
10. Members desiring any information, as regards Accounts, are requested to write to the Company at its Registered Office at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready.
11. The copies of relevant documents can be inspected at the Registered Office of the Company on any working day between 10.30 a.m. to 12.30 p.m.
12. Members holding shares in the same/identical name(s) under different folios are requested to apply for consolidation of such folios and send relevant share certificates to the Company/Registrar and Transfer Agent.
13. The Ministry of Corporate Affairs, Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars allowing Companies to send official documents to their members electronically. In support of the Green Initiative, your Company proposes to send the documents like Notice calling the Annual General Meeting and Annual Report containing Balance sheet, Statement of Profit & Loss and Director's Report etc. and other communications in electronic form. The members are requested to support this Green Initiative by registering/ updating their e-mail addresses with the Depository Participant (in case of shares held in dematerialized form) or with Registrar and Transfer Agent, Alankit Assignments Limited, New Delhi (in case of shares held in physical form).
14. The Results of the resolutions passed at the AGM of the Company will be declared within 48 working hours of conclusion of AGM. The results declared alongwith the Scrutinizer's report shall be placed on the Company's website www.vardhman.com and on the website of CDSL and will be communicated to the stock exchanges.

15. The Annual Report 2018-19 is being sent through electronic mode only to the members whose email addresses are registered with the Company/Depository Participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email addresses, physical copies of the Annual Report 2018-19 are being sent by permitted mode.
16. M/s. Harsh Goyal & Associates, Company Secretaries have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner (including the ballot forms received from members who do not have access to the e-voting process). The Scrutinizer shall within a period of three working days from 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 favour or against, if any, forthwith to the Chairman of the Company.
17. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations And Disclosure Requirements) Regulation 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited. The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.
- 18. The instructions for shareholders voting electronically are as under:**
- (i) The e-voting period commences on 27th September, 2019 (9:00 a.m.) and ends on 29th September, 2019 (5:00 p.m.). During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after end of voting period. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the e-voting website **www.evotingindia.com**.
 - (iv) Click on "Shareholders" tab.
 - (v) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (vi) Next enter the Image Verification as displayed and Click on Login.
 - (vii) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.
 - (viii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on Attendance slip provided with the Annual report. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>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.</p> <ul style="list-style-type: none"> • 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 (v). |

- (ix) After entering these details appropriately, click on **"SUBMIT"** tab.

- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN: 190829081 for <**VARDHMAN HOLDINGS LIMITED**> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "**RESOLUTIONS FILE LINK**" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "**CONFIRM**" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting" available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**
- 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 as Corporates.
 - 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 on.
 - 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.
- (xxi) Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 23rd September, 2019 may follow the same instructions as mentioned above for e-Voting.
- (xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at **www.evotingindia.com**, under help section or write an email to **helpdesk.evoting@cdslindia.com**
- MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

BY ORDER OF THE BOARD

Sd/-
(Swati Mangla)
Company Secretary
Membership No. ACS-50475

PLACE: Ludhiana
DATE: 24th May, 2019

ANNEXURE TO THE NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

(For Items no. 4 and 5)

ITEM NO. 4

M/s. R. Dewan & Co., Chartered Accountants (Firm Registration no. 017883N) were appointed as Statutory Auditors of the Company by the Members for a term of five consecutive years starting from the conclusion of 50th Annual General Meeting till the conclusion of 55th Annual General Meeting of the Company. Their tenure of five years is going to complete at the conclusion of the forthcoming Annual General Meeting. Upon the recommendation of Audit Committee, the Board of Directors in its meeting held on 24th May, 2019 had re-appointed M/s. R. Dewan & Co., Chartered Accountants, as Statutory Auditors of the Company for a second term of 3 (three) years at such remuneration as may be finalised from time to time by the Board of Directors of the Company on the recommendation of the Audit Committee.

M/s. R. Dewan & Co. is a Chartered Accountants firm having rich experience of more than 15 years. The firm is having extensive experience in the field of Statutory & Internal Audit of Public & Private Sector Undertakings including banks & Co-operative societies. Apart from Audit, the firm is dealing in all types of matters relating to direct taxes. M/s R. Dewan & Co. is empanelled with various Government Institutions viz. Comptroller and Auditor General of India (CAG), Reserve Bank of India (RBI), Commercial Banks, Public Financial Institutions etc. The re-appointment of Statutory Auditors is subject to the approval of the members.

The Board of Directors recommend the re-appointment of Statutory Auditors as set out at Item No. 4 of the Notice for approval of the Members.

Memorandum of Interest

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed re-appointment of Statutory Auditors as set out at Item No. 4 of the Notice.

ITEM NO. 5

The members of the Company in their Annual General Meeting held on 22nd September, 2017 had approved appointment of Mr. S.P. Oswal as Managing Director of the Company for three years term w.e.f 09.08.2016. The present term of his appointment is expiring on 09.08.2019. However, the Board of Directors in its meeting held on 24th May, 2019 has re-appointed Mr. S.P. Oswal as Managing Director for a period of three years w.e.f. 09.08.2019 to 09.08.2022, at remuneration as detailed in the resolution. The said re-appointment of Mr. S.P. Oswal is subject to the approval of the members. The Board of Directors recommend the Special Resolution as set out at Item No. 5 of the Notice for approval of the members.

Memorandum of Interest:

Except Mr. S.P. Oswal, being appointee and Mrs. Shakun Oswal, Mr. Sachit Jain and Mrs. Suchita Jain, being relatives of appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the proposed Special resolution set out at Item No. 5 of the Notice.

Information Pursuant To Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the Directors seeking appointment/re-appointment in the Annual General Meeting.

| Name of the Director | Sachit Jain | Suchita Jain | Shri Paul Oswal |
|--|--|--|---|
| Date of Birth | 08.07.1966 | 20.03.1968 | 08.04.1942 |
| Date of Appointment | 30.03.2005 | 30.03.2005 | 12.04.1971 |
| Expertise in specific functional area | Business Executive having experience of more than 29 years in Textiles & Steel Industry. | Rich experience of more than 26 years in Textiles Industry. | Rich business experience of more than 50 years in Textiles Industry |
| Qualification | B.Tech, MBA | M.Com | M.Com (Gold Medalist) |
| Directorships in other Listed Companies as on 31st March, 2019 | 1. Vardhman Textiles Limited 2. Vardhman Acrylics Limited 3. Vardhman Special Steels Limited | 1. Vardhman Textiles Limited 2. Vardhman Special Steels Limited | 1. Vardhman Textiles Limited 2. Vardhman Acrylics Limited |
| Chairman/Member of Committees of Other Listed Companies as on 31st March, 2019 | Stakeholders' Relationship Committee ➤ Vardhman Textiles Limited-Member | Stakeholders' Relationship Committee ➤ Vardhman Special Steels Limited-Member | Audit Committee- Nil Stakeholders' Relationship Committee- Nil |
| No. of Shares held | 2,330 | 28,416 | 56,880 |
| Relationship with other Director(s) | Related to Mr. Shri Paul Oswal, Mrs. Shakun Oswal and Mrs. Suchita Jain. | Related to Mr. Shri Paul Oswal, Mrs. Shakun Oswal and Mr. Sachit Jain. | Related to Mrs. Shakun Oswal, Mr. Sachit Jain and Mrs. Suchita Jain |

DIRECTORS' REPORT

Dear Members,

The Directors of your Company have pleasure in presenting their 55th Annual Report of the business and operations of the Company along with the Audited Financial Statements for the year ended, 31st March, 2019.

1. FINANCIAL RESULTS:

The financial performance of your Company for the year ended 31st March, 2019 is as under:-

| PARTICULARS | Standalone | | Consolidated | |
|--|-----------------|-----------------|------------------|------------------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| Revenue from operations (Net) | 3,201.75 | 4,929.51 | 904.57 | 2,784.03 |
| Other Income | 139.54 | 136.14 | 139.54 | 136.14 |
| Income from Associates | - | - | 19,455.28 | 15,539.45 |
| Profit before Depreciation, Interest & Tax (PBDIT) | 3,044.32 | 4,715.03 | 22,202.42 | 18,109.00 |
| Interest and Financial expenses | - | - | - | - |
| Profit before Depreciation and Tax (PBDT) | 3,044.32 | 4,715.03 | 20,202.42 | 18,109.00 |
| Depreciation | 0.88 | 1.44 | 0.88 | 1.44 |
| Profit before Tax (PBT) | 3,043.44 | 4,713.59 | 20,201.54 | 18,107.56 |
| Provision for Tax - Current | 218.49 | 756.57 | 218.48 | 756.56 |
| - Deferred Tax | (199.79) | (516.04) | (199.79) | (516.04) |
| -MAT Credit Entitlement | - | - | - | - |
| Profit after tax (PAT) | 3,024.74 | 4,473.06 | 20,182.85 | 17,867.04 |
| Other Comprehensive Income | (2,436.71) | 3015.00 | (2,436.71) | 3015.00 |
| Total Comprehensive Income | 588.03 | 7,488.06 | 17746.14 | 20,882.05 |
| Balance brought forward | 4,0377.45 | 34,202.98 | 1,62,805.69 | 1,43,237.24 |
| Profit available for appropriation | 588.03 | 7,488.06 | 17,746.14 | 20,882.05 |
| Appropriations: | | | | |
| Proposed Dividend on Equity Shares | 159.58 | 159.58 | 159.58 | 159.58 |
| Corporate Dividend Tax | 32.80 | 32.49 | 32.80 | 32.49 |
| Transfer to General Reserve | - | - | - | - |
| Transfer to Statutory Reserve | 604.95 | 1,121.53 | 604.95 | 1,121.53 |
| Closing balance of surplus i.e. balance in statement of Profit & Loss | 4,0168.15 | 4,0377.45 | 1,79,754.50 | 1,62,805.69 |
| Earnings per share (₹) | | | | |
| - Basic | 94.77 | 140.15 | 632.39 | 559.83 |
| - Diluted | 94.77 | 140.15 | 632.39 | 559.83 |
| Dividend per share (₹) | 5.00 | 5.00 | 5.00 | 5.00 |

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A. FINANCIAL ANALYSIS:

(i) STANDALONE

During the year under review, your Company has registered Revenue from Operations of ₹ 3,201.75 lakhs as compared to ₹ 4,929.51 lakhs in the previous year. The Company earned other income of ₹ 139.54 lakhs during the year as against ₹ 136.14 lakhs during last year.

PROFITABILITY:

The Company earned profit before depreciation, interest and tax of ₹ 3,044.32 lakhs as against ₹ 4,715.03 lakhs in the previous year. After providing for depreciation of ₹ 0.88 lakhs (Previous Year ₹ 1.44 lakhs), provision for current tax ₹ 218.49 lakhs (Previous Year ₹ 756.56 lakhs), deferred tax ₹ (199.79) lakhs [Previous Year ₹ (516.04) lakhs], the net profit from operations worked out to ₹ 3,024.74 lakhs as compared to ₹ 4,473.06 lakhs in the previous year.

The balance available for appropriation after adding balance in surplus account is ₹ 40,965.48 lakhs. Out of this, a sum of ₹ 159.58 lakhs and ₹ 32.80 lakhs have been appropriated towards proposed dividend and corporate dividend tax respectively thereon, ₹ 604.95 lakhs is proposed to be transferred to Special reserve account and the balance of ₹ 40,168.15 lakhs is proposed to be carried as surplus to the balance sheet.

Return on Net Worth for the financial year 2018-19 is 5.03% as against 7.48% in the previous financial year. Return on Net Worth decreased primarily on account of reduction in profits during financial year 2018-19.

(ii) CONSOLIDATED

During the year under review, your Company has registered Revenue from Operations of ₹ 904.57 lakhs as compared to ₹ 2,784.03 lakhs in the previous year. The Company earned other income of ₹ 139.54 lakhs during the year as against ₹ 136.14 lakhs during last year.

PROFITABILITY:

The Company earned profit before depreciation, interest and tax of ₹ 20,202.42 lakhs as against ₹ 18,109.00 lakhs in the previous year. After providing for depreciation of ₹ 0.88 lakhs (Previous Year ₹ 1.44 lakhs), provision for current tax ₹ 218.48 lakhs (Previous Year ₹ 756.56 lakhs), deferred tax ₹ (199.79) lakhs [Previous Year ₹ (516.04) lakhs], the net profit from operations worked out to ₹ 20182.85 lakhs as compared to ₹ 17,867.04 lakhs in the previous year.

The balance available for appropriation after adding balance in surplus account is ₹ 1,80,551.83 lakhs. Out of this, a sum of ₹ 159.58 lakhs and ₹ 32.80 lakhs have been appropriated towards proposed dividend and corporate dividend tax respectively thereon, ₹ 604.95 lakhs is proposed to be transferred to Special reserve account and the balance of ₹ 1,79,754.50 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, 2019 was ₹ 304.61 lakhs as compared to ₹ 303.40 lakhs in the previous year.
- b) **Current Assets:** The current assets as on 31st March, 2019 were ₹ 56,461.87 lakhs as against ₹ 55,990.46 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 | 2018-19 | 2017-18 |
| Cash and Cash equivalents: | | |
| Beginning of the year | 158.58 | 120.75 |
| End of the year | 222.25 | 158.58 |
| Net cash provided (used) by: | | |
| Operating Activities | 2,896.52 | 2,368.60 |
| Investing Activities | (2,642.38) | (2,137.93) |
| Financial Activities | (190.47) | (192.84) |

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. The investment is made in accordance with the asset allocation model fixed by the Board.

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 aim is a well diversified portfolio to mitigate the market risk.

The Company is prone to all the financial risks and capital market fluctuations.

3. PUBLIC DEPOSITS:

The Company has not accepted and does not intend to accept any deposits from the public. As at 31st March, 2019, there are no outstanding/unclaimed deposits from the public.

4. DIVIDEND:

The Board of Directors in its meeting held on 24th May, 2019 has recommended dividend of ₹ 5 per share on the fully paid up Equity Shares of the Company.

5. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government after the completion of seven years from the date of transfer to the Unpaid Dividend Account of the Company. The shareholders whose dividends have been transferred to the IEPF Authority can claim their dividend from the Authority. The unclaimed or unpaid dividend relating to the financial year 2011-12 is due for remittance in the month of October, 2019 to the 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 published requisite advertisement in the newspaper.

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

6. CONSOLIDATED FINANCIAL STATEMENT:

In accordance with Companies Act 2013 & 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 2018-19 are given below:-

Vardhman Textiles Limited (VTXL)

Vardhman Textiles Limited (VTXL) is an Associate Company of the Company. The Company holds 26.66% shares of VTXL as on 31st March, 2019. VTXL is engaged in manufacturing of world class textiles. During the year, the Revenue from Operations (Consolidated) was ₹ 6,877.92 crores as compared to ₹ 6,248.27 crores in the previous year. VTXL has a Net Profit after comprehensive income (Consolidated) of ₹ 739.99 crores as compared to ₹ 594.04 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, 2019. It is a trading Company dealing in trading of Cotton and Fibre. During the year, the Company has not traded any goods, however, the other income is ₹ 1,70,212 for the Financial Year 2018-19 as compared to ₹ 65,964. The Company earned a Net Profit of ₹ 1,38,983 as compared to ₹ 29,404 in the previous year.

8. DIRECTORS:

Liable to retire by rotation: In accordance with the provisions of the Articles of Association of the Company, Mr. Sachit Jain and Mrs. Suchita Jain, Directors of the Company, retire by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offers themselves for re-appointment. The Board recommended their appointment for the consideration of the members of the Company at the ensuing Annual General Meeting.

Declaration under Section 149(6):

Mr. Sanjeev Jain, Mr. Rajeev Kumar Mittal, Mr. Jagdish Rai Singal, Mr. Sat Pal Kanwar, Mr. Om Parkash Sharma & Mrs. Apinder Sodhi being Independent Directors have submitted their disclosures to the Board that they fulfill 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.

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 forms 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 calendar year 2018 was held on 13th November, 2018 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):

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the following are the KMPs of the Company as on 31st March, 2019.

| Sr. No. | Name | Designation |
|---------|-------------------|------------------------------------|
| 1. | S.P. Oswal | Chairman & Managing Director (CMD) |
| 2. | Poorva Bhatia | Chief Financial Officer (CFO) |
| 3. | *Mr. Satin Katyal | Company Secretary (CS) |

* Mr. Amrender Kumar Yadav, Company Secretary resigned from the Company w.e.f. 21st July, 2018 and Mr. Satin Katyal was appointed as Company Secretary in his place w.e.f. 13th November, 2018.

* Mr. Satin Katyal, Company Secretary resigned from the Company w.e.f. 5th May, 2019 and Ms. Swati Mangla has been appointed as Company Secretary in his place w.e.f. 24th May, 2019.

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 Companies Act, 2013. The details of Board Meetings are set out in Corporate Governance Report which form part of this Annual Report.

11. AUDITORS AND AUDITOR'S REPORT:

Statutory Auditors:

M/s R. Dewan & Co., the existing Statutory Auditors of the Company have submitted Auditors' Report on the accounts of the Company for the financial year ended 31st March, 2019. The Auditors' Report is self-explanatory and requires no comments.

M/s. R. Dewan & Co., Chartered Accountants (Firm Registration no. 017883N) were appointed as Statutory Auditors of the Company by the Members for a term of five consecutive years starting from the conclusion of 50th Annual General Meeting till the conclusion of 55th Annual General Meeting of the Company. Their tenure of five years is going to complete at the conclusion of the forthcoming Annual General Meeting. The Audit Committee of the Company has proposed and on 24th May, 2019, the Board of Directors of the Company has recommended the re-appointment of M/s R. Dewan & Co., Chartered Accountants the statutory auditors of the Company for a second term of three years starting from the conclusion of 55th Annual General Meeting till the conclusion of 58th Annual General Meeting. The said re-appointment is subject to the approval of the Members of the Company.

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 22nd May, 2018 for the financial year 2018-19.

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, 2019. This Report is self-explanatory and requires no comments. The Report forms part of Directors' 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, as on 31st March, 2019.

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/5a743d3b9b143130ad8cc8ffbb5845a504d81a531436265717.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. 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 Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Corporate Governance Clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the report on Corporate Governance.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Vision & Core areas of CSR: Your Company is committed to and fully aware of its 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 ₹ 0.97 crores 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**.

16. 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

17. 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 A** and Independent Auditor's Report on Consolidated Financial Statements as **Annexure A**.

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

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The particulars of Contracts or Arrangements made with related parties as required under Section 134(3)(h) of the Companies Act, 2013 in specified form AOC-2 are covered under Note No. 28 to the Financial Statements, which is set out for Related Party Transactions.

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/0f9092fa713917ea04091bdf2fa3b2f2ee3272721436265640.pdf

19. 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 6 and 7 to the standalone financial statement).

20. 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.

21. 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/MGT-9%20\(2018-19\).pdf](https://www.vardhman.com/user_files/investor/MGT-9%20(2018-19).pdf)

22. HUMAN RESOURCES /INDUSTRIAL RELATIONS:

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

23. 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 forms part of this report.

None of the employees has received salary of ₹ 1.02 crores per annum or ₹ 8.50 lakh per month or more during the Financial Year 2018-19. 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.

24. 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 this financial statements relate and the date of this report.

25 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, 2019 and of the profit of the Company for the year ended on 31st March, 2019;
- 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.

26. 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.

**27. 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

PLACE: Ludhiana

DATE: 24th May, 2019

Sd/-

(S.P. Oswal)

Chairman & Managing Director

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 2018-19. |
| III | CSR Activities – Annual Report FY 2018-19. |
| IV | Particulars of employees and related disclosures. |

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.

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2019.

[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 **31st March, 2019** 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 **31st March, 2019** 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, 2009; 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 a 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) are 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 1st 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 as per Circular No. **DNBS (PD).CC.No.03/03.02.02/2015-16** issued on 26th November, 2015.

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 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.

Place: Ludhiana
Date: 24th May, 2019

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

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.

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.

Place: Ludhiana
Date: 24th May, 2019

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

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2018-19

| Sr. NO. | Particulars | Details |
|---------|--|---|
| 1. | Brief outline of CSR Policy | Broad contours of CSR Policy of the Company: 1. Promotion of Education 2. Promotion of Healthcare 3. Rural Development 4. Any other project/ programme pertaining to activities listed in Companies (Corporate Social Responsibility) Rules, 2014. |
| 2. | Composition of CSR Committee | The CSR Committee of the Company consists of: i. Mrs. Suchita Jain- Chairperson ii. Mrs. Apinder Sodhi- Member iii. Mr. C.L. Jain- Member |
| 3. | Average net profit of the Company for last three financial years | ₹ 98.59 crores |
| 4. | Prescribed CSR Expenditure | ₹ 1.97 crores |
| 5. | Details of CSR spent during the year: | |
| | Total amount spent for the financial year | ₹ 0.97 crores |
| | Amount unspent, if any | ₹ 1.00 crores |
| | Manner in which the amount spent during the financial year | ANNEXURE – A |
| 6. | In case the Company has failed to spend two percent, reason thereof. | The Company has spent 0.97 Crores in the financial year 2018-19 on activities as provided in Annexure-A . The prescribed unspent amount will be spent on the projects to be approved by the CSR Committee in the next financial year. |
| 7. | A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company | ANNEXURE- B |

ANNEXURE - A

Manner in which the amount spent during the financial year is detailed below:

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|--------|--|---|--|---|---|--|---|
| Sr. No | CSR Project or activity identified | Sector in which the project is covered | Projects or Programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken | Amount outlay (budget) project or programs wise | Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads: | Cumulative expenditure up to the reporting period. | Amount spent: Direct or through implementing agency |
| 1. | Providing various Medical equipments to ENT Department of CMC Hospital, Ludhiana. | Promoting Healthcare | Ludhiana, Punjab | 35,00,000 | 12,28,000 | 12,28,000 | Through Implementing Agency |
| 2. | Contribution made to Poor Patients Welfare Fund of DMCH, Ludhiana for treatment of Heart related ailments. | Promoting Healthcare | Ludhiana, Punjab | 15,00,000 | 15,00,000 | 15,00,000 | Direct |
| 3. | Contribution made to DMCH, Ludhiana for treatment of BPL and Marginal Sections of Society. | Promoting Healthcare | Ludhiana, Punjab | 30,00,000 | 30,00,000 | 30,00,000 | Direct |
| 4. | Contribution made to PGI, Chandigarh for treatment of BPL and Marginal Sections of Society. | Promoting Healthcare | Chandigarh | 30,00,000 | 30,00,000 | 30,00,000 | Direct |
| 5. | Provided Scholarships to meritorious students of Sri Aurobindo Socio Economic & Management Research Institute. | Promoting Education | Ludhiana, Punjab | 3,75,000 | 3,75,000 | 3,75,000 | Direct |
| 6. | Donation to Prime Minister's Relief Fund for Rehabilitation of Kerala Flood Victims. | PM Relief Fund | Kerala | 5,00,000 | 5,00,000 | 5,00,000 | Direct |
| 7. | Distribution of woolen clothes & bed sheets to war widows. | Measures for the benefit of Armed Force Veteran | Ludhiana, Punjab | 1,00,000 | 1,00,000 | 1,00,000 | Through Implementing Agency |

ANNEXURE- B

RESPONSIBILITY STATEMENT

It is hereby affirmed that the implementation and monitoring of CSR policy is in compliance with CSR objectives of the Company.

Date: 22nd May, 2019
Place: Ludhiana

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

Sd/-
(Suchita Jain)
Chairperson of CSR Committee

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 MANAGERIAL PERSONNEL) RULES, 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2018-19. and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2018-19 are as under:

| Sr. No | Name of Director/KMP and Designation | Remuneration of Director/ KMP for the Financial Year 2018-19 (Amount in lakhs) | % Increase in Remuneration in the Financial Year 2018-19 | Ratio of remuneration of each Director/ KMP to median remuneration of employees |
|--------|---|---|--|---|
| 1 | S.P. Oswal Chairman & Managing Director | 32.35 | 21.85 | 5.81 |
| 2. | Shakun Oswal Non-Executive Director | - | - | - |
| 3. | Sachit Jain Non-Executive Director | - | - | - |
| 4. | Suchita Jain Non-Executive Director | - | - | - |
| 5. | C.L. Jain Non-Executive Director | 0.55 | 6.80 | 0.10 |
| 6. | J.R. Singal Non-Executive and Independent Director | 0.375 | 25 | 0.07 |
| 7. | Apinder Sodhi Non-Executive and Independent Director | 1.00 | - | 0.18 |
| 8. | S.P. Kanwar Non-Executive and Independent Director | 0.85 | 13.33 | 0.15 |
| 9. | O.P. Sharma Non-Executive and Independent Director | 0.525 | - | 0.09 |
| 10. | Rajeev Kumar Mittal Non-Executive and Independent Director | 0.30 | 200 | 0.05 |
| 11. | Sanjeev Jain* Non-Executive and Independent Director | 0.775 | 121.43 | 0.14 |
| 12. | Vikas Kumar Non-Executive Director | - | - | - |
| 13. | Poorva Bhatia Chief Financial Officer | 8.53 | - | 1.53 |
| 14. | Amrender Kumar Yadav** Company Secretary | 1.14 | - | 0.20 |
| 15. | Satin Katyal*** Company Secretary | 1.34 | - | 0.24 |

* Mr. Sanjeev Jain was appointed as an Additional Director (Independent) w.e.f. 13th November, 2017.

** Mr. Amrender Kumar Yadav has left the services of the Company w.e.f. 21st July, 2018.

*** Mr. Satin Katyal was appointed as Company Secretary of the Company w.e.f. 13th November, 2018.

Vardhman Holdings Limited

2. The median remuneration of employees of the Company during the Financial Year was 5.57 lakhs (previous year 5.62 lakhs)
3. The percentage decrease in the median remuneration of employees in the financial year – 0.89%
4. There were 3 permanent employees on the rolls of the Company as on 31st March, 2019.
5. 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 than ₹ 8,50,000/- per month – Nil
3. A statement showing names of Top Ten Employees in terms of remuneration drawn during the year is as follows:

| S. No. | Name | Age | Designation | Gross Remuneration (in lacs per annum) | Nature of Employment | Qualification | Expreience | Date of Joining (dd/mm/yyyy) | Previous Employment | % of Equity shares held on 31.03.2019 |
|--------|------------------------|-----|-------------------|--|----------------------|-----------------------------|------------|------------------------------|------------------------------|---------------------------------------|
| 1. | Poorva Bhatia | 30 | Assistant Manager | 8.53 | Regular | B.Com, Chartered Accountant | 8.00 | 24/10/2011 | Started Career with Vardhman | Nil |
| 2. | Chandan Narang* | 30 | Executive | 2.38 | Regular | Chartered Accountant | 5.00 | 07/12/2017 | Self employed | Nil |
| 3. | Satin Katyal** | 29 | Officer | 1.34 | Regular | B.Com, Company Secretary | 4.00 | 06/08/2015 | Started Career with Vardhman | Nil |
| 4. | Amrender Kumar Yadav** | 27 | Officer | 1.14 | Regular | B.Com, Company Secretary | 2.00 | 23/12/2015 | Started Career with Vardhman | Nil |

* Mr. Chandan Narang has left the services of the organisation w.e.f. 1st September, 2018.

** Mr. Amrender Kumar Yadav has left the services of the organisation w.e.f. 21st July, 2018 and Mr. Satin Katyal was appointed w.e.f. 13th November, 2018.

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, 2019:

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. S.P. 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 2018-19, the Board met 4 times on the following dates:

- 22nd May, 2018
- 3rd August, 2018
- 13th November, 2018
- 13th February, 2019

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 | 3 | No | 7 | Vardhman Textiles Limited Vardhman Acrylics Limited | Executive Director Non-Executive Director | - | 3 | - |
| Shakun Oswal | 2 | No | 3 | - | - | - | - | - |
| Sachit Jain | 2 | Yes | 4 | Vardhman Textiles Limited Vardhman Acrylics Limited Vardhman Special Steels Limited | Non –Executive Director Non –Executive Director Executive Director | 1 | - | - |
| Suchita Jain | 3 | No | 7 | Vardhman Textiles Limited Vardhman Special Steels Limited | Executive Director Non-Executive Director | 1 | - | - |
| Chaman Lal Jain | 4 | No | - | - | - | - | - | - |
| Apinder Sodhi | 4 | Yes | 2 | Vardhman Acrylics Limited | Non-Executive Director | 1 | - | - |
| Jagdish Rai Singal | 3 | No | 5 | - | - | - | - | - |
| Om Parkash Sharma | 3 | No | - | - | - | - | - | - |
| Sat Pal Kanwar | 4 | No | - | - | - | - | - | - |
| Rajeev Kumar Mittal | 3 | No | 2 | - | - | - | - | - |
| Vikas Kumar | 4 | No | 1 | - | - | - | - | - |
| Sanjeev Jain | 4 | No | - | - | - | - | - | - |

Video conferencing facilities were 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 | <ul style="list-style-type: none"> The role of the Audit Committee is as per Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. |
| Nomination and Remuneration Committee | Apinder Sodhi (Chairperson) Sat Pal Kanwar Sachit Jain | <ul style="list-style-type: none"> The role of the Nomination and Remuneration Committee is as per Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Formulated and recommended Nomination and Remuneration Policy. The Nomination & Remuneration Policy includes policy on Director's appointment and remuneration including the criteria for determining qualifications, positive attributes, independence of a Director and other matters as provided under Section 178(3) of the Companies Act, 2013. 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 | <ul style="list-style-type: none"> 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 During the year, the Company has spent ₹ 97.03 lakhs on CSR activities. 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 | <ul style="list-style-type: none"> The Committee reviews and ensures redressal of investor grievances. The Committee noted that during the year the Company had received 5 complaints from Investors. All complaints were duly resolved by the Company. There is no pendency in respect of shares received for transfer during 2018-2019 except those that are disputed/ sub-judice. |

Company Secretary of the Company, is the Secretary of all Board Committees constituted under the Companies Act, 2013 and Uniform Listing Agreement.

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 | 0 | 1 |
| Sachit Jain | N.A. | N.A. | 0 | 1 |
| Suchita Jain | N.A. | 1 | N.A. | N.A. |
| Apinder Sodhi | 4 | 2 | 0 | 1 |
| Om Parkash Sharma | 2* | N.A. | N.A. | N.A. |
| Chaman Lal Jain | N.A. | 2 | N.A. | N.A. |
| Sat Pal Kanwar | 4 | N.A. | 0 | 1 |
| Sanjeev Jain | 4 | N.A. | N.A. | N.A. |

N.A. - Not a member of the Committee

*Mr. O.P. Sharma was appointed as a member of Audit Committee w.e.f. 22nd May, 2018.

iii. Meeting of Independent Directors:

The meeting of Independent Directors of the Company for the Calendar Year 2018 was held on 13th November, 2018 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 has been formulated by the Company.

Familiarisation programme for Independent Directors

The details of the Familiarisation Programme conducted for the Independent Directors of the Company are available on the Company's website at the link: https://www.vardhman.com/user_files/investor/VHL_Familisation%20program.pdf

iv. Core Skills/ Expertise/ Competence of the Board of Directors:-

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 following skills/ expertise/ competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Industry Experience
- Strategic Planning
- Leadership
- Financial Expertise

4. DIRECTORS' REMUNERATION:

i) 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.

The detail of remuneration paid to the Managing Director during the year 2018-19 is as given below:

(₹ in lakhs)

| | |
|--|------------------------------|
| Name | Shri Paul Oswal |
| Designation | Chairman & Managing Director |
| Salary | 21.00 |
| Perquisites & Allowances | 11.35 |
| Retirement Benefit | - |
| Commission | - |
| Performance Linked Incentive and criteria thereof | - |
| Stock Option details | - |

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 2018-19 is given hereunder:-

| S. No. | Name of Director | Sitting Fee (₹) |
|--------|---------------------|-----------------|
| 1. | Apinder Sodhi | 1,00,000 |
| 2. | Sat Pal Kanwar | 85,000 |
| 3. | Om Parkash Sharma | 52,500 |
| 4. | Chaman Lal Jain | 55,000 |
| 5. | Sanjeev Jain | 77,500 |
| 6. | Jagdish Rai Singal | 37,500 |
| 7. | Rajeev Kumar Mittal | 30,000 |

5. SHAREHOLDING DETAIL OF DIRECTORS AS ON 31.03.2019:

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. | Chaman Lal Jain | 5 |
| 6. | Sat Pal Kanwar | 1212 |

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

1. 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 |
|--|--|--|----------------------------|
| 54 th Annual General Meeting for financial year ended 31 st March, 2018 | Thursday, 27 th September, 2018 at 04:00 p.m. | Regd. Office, Chandigarh Road, Ludhiana- 141010. | 3 (Three) |
| 53 rd Annual General Meeting for financial year ended 31 st March, 2017. | Friday, 22 nd September, 2017 at 04:00 p.m | Regd. Office, Chandigarh Road, Ludhiana- 141010. | 5 (Five) |
| 52 nd Annual General Meeting for financial year ended 31 st March, 2016. | Monday, 5 th September, 2016 at 03:00 p.m | Regd. Office, Chandigarh Road, Ludhiana- 141010. | NIL |

Postal Ballot: No Special Resolution has been passed by the Members of the Company through postal ballot during the financial year. Further, there is no immediate proposal for passing any resolution through Postal Ballot in the financial year 2019-20.

7. DISCLOSURES:

- i. There was no materially significant related party transaction that may have any potential conflict with interest of the Company at large. 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/0f9092fa713917ea04091bdf2fa3b2f2ee3272721436265640.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/5a743d3b9b143130ad8cc8ffbb5845a504d81a531436265717.pdf
- iv. 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.
- v. The Company has complied with all the applicable requirements specified in Regulation 17 to 27 and 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi. 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.
- 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. 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_Subsidary%20Policy.pdf
- ix. During the year no complaint was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- x. As the Company is an Investment Company, Commodity Price Risk / Foreign Exchange Risk and Hedging is not applicable to the Company.
- xi. During the year the Company has not raised any funds through preferential allotment or qualified institutional placement.
- xii. 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.
- xiii. There is no such instance where the Board has not accepted any recommendation of any committee of the board which is mandatorily required.
- xiv. 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 ₹ 60,000.

**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., "Business Standard" and "Desh Sewak". The Financial Results of the Company are also made available at the Company's web-site www.vardhman.com.

GENERAL INFORMATION FOR SHAREHOLDERS**i) 55th Annual General Meeting:**Date : 30th September, 2019

Time : 10:00 a.m.

Venue : Regd. Office, Vardhman Premises, Chandigarh Road, Ludhiana- 141 010.

ii) Financial Calendar 2019-20 (Tentative)

First Quarter Results : August, 2019

Second Quarter Results : October, 2019

Third Quarter Results : February, 2020

Annual Results : May, 2020

iii) Dates of Book Closure : 20th September, 2019 to 30th September, 2019 (both days inclusive)**iv) Dividend payment date : Within 30 days after declaration****v) Listing : The securities of the Company are listed on the following Stock Exchanges: -**

1. BSE Limited, Mumbai, 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai-400 001.
2. The National Stock Exchange of India Limited (NSE), "Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai." Listing fee, as applicable, has duly been paid to both the aforesaid Stock Exchanges.

vi) Stock Code:

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

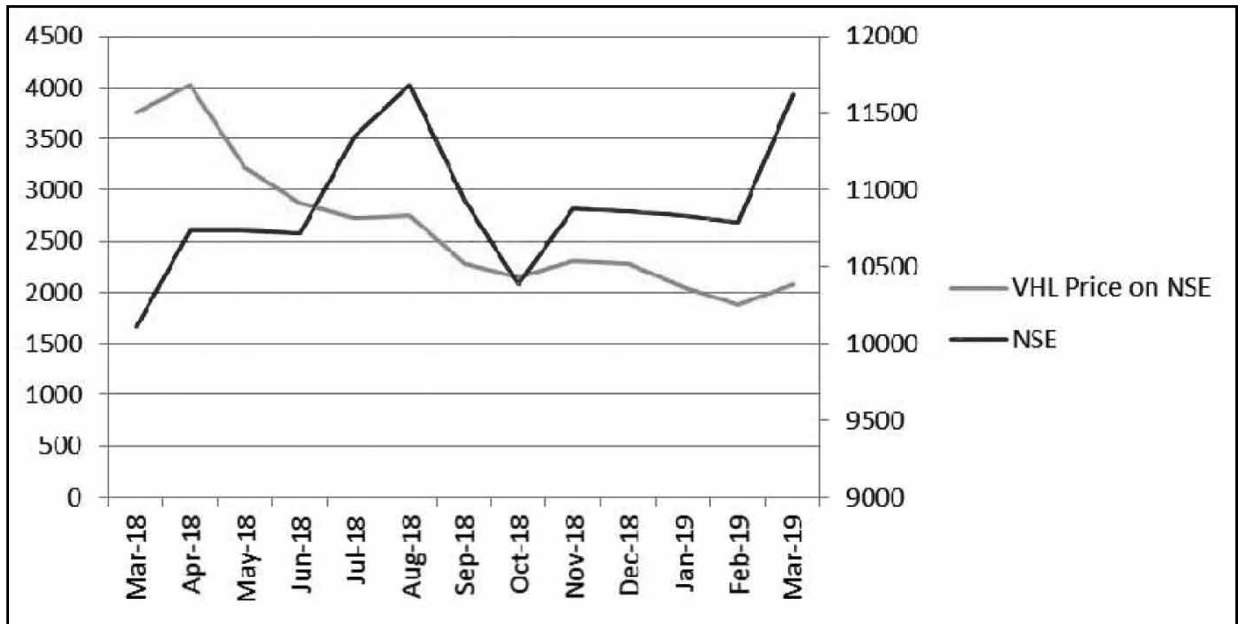
vii) Stock Market Data:

The month-wise highest and lowest and closing stock prices of NSE vis-a-vis BSE during the financial year 2018-19 is given below: -

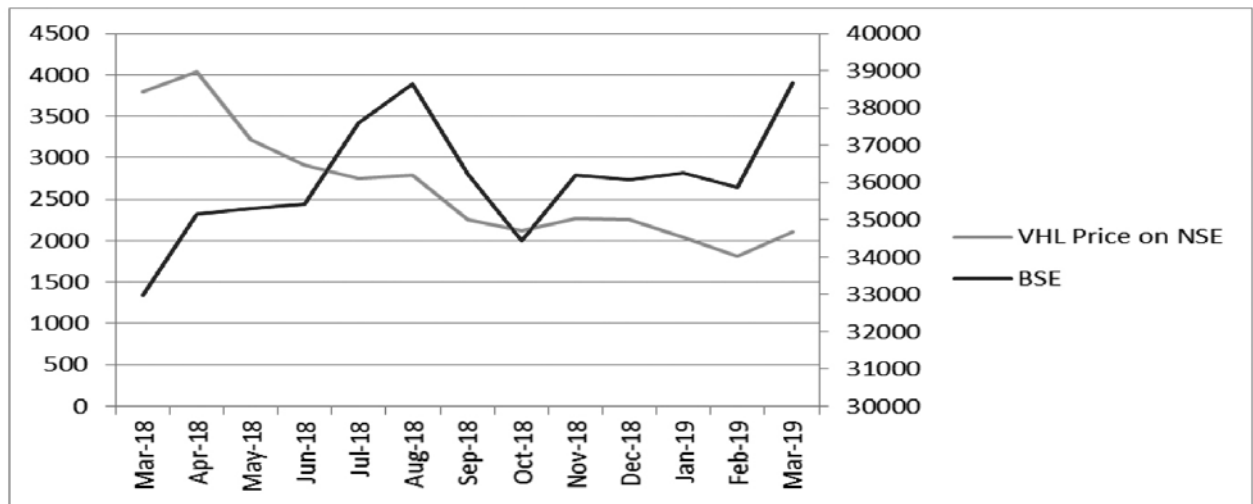
| Financial Year 2018-19 | Share Prices of Vardhman Holdings Limited on NSE | | | | Share Prices of Vardhman Holdings Limited on BSE | | | |
|------------------------|--|------------|-------------|---------------------------------------|--|------------|-------------|---------------------------------------|
| | Highest (₹) | Lowest (₹) | Closing (₹) | %age change over last month's closing | Highest (₹) | Lowest (₹) | Closing (₹) | %age change over last month's closing |
| April | 4,250.00 | 3,800.05 | 4,021.10 | 6,839.00 | 4,499.95 | 3,712.25 | 4,044.55 | 64.92 |
| May | 4,100.00 | 3,150.00 | 3,226.70 | -197.56 | 4,180.00 | 3,085.00 | 3,220.00 | -203.87 |
| June | 3,259.65 | 2,805.00 | 2,867.20 | -111.41 | 3,231.00 | 2,810.00 | 2,914.95 | -94.74 |
| July | 2,974.00 | 2,625.00 | 2,722.95 | -50.31 | 2,985.00 | 2,635.25 | 2,750.00 | -56.59 |
| August | 3,084.30 | 2,601.00 | 2,754.55 | 11.61 | 3,040.00 | 2,615.10 | 2,785.00 | 12.73 |
| September | 2,798.80 | 2,272.00 | 2,275.15 | -174.04 | 2,770.00 | 2,100.00 | 2,250.00 | -19.20 |
| October | 2,387.75 | 2,001.00 | 2,144.35 | -57.49 | 2,450.00 | 1,857.00 | 2,122.00 | -56.89 |
| November | 2,664.15 | 2,080.00 | 2,303.30 | 74.13 | 2,661.15 | 2,112.25 | 2,262.30 | 66.12 |
| December | 2,449.95 | 2,205.65 | 2,278.75 | -10.66 | 2,485.00 | 2,213.00 | 2,253.00 | -04.11 |
| January | 2,898.00 | 1,856.00 | 2,058.40 | -96.70 | 2,940.00 | 1,924.25 | 2,043.90 | -92.81 |
| February | 2,132.00 | 1,831.00 | 1,878.55 | -87.37 | 2,114.95 | 1,608.00 | 1,812.10 | -113.41 |
| March | 2,447.75 | 1,881.00 | 2,085.60 | 110.22 | 2,446.95 | 1,960.00 | 2,111.00 | 164.95 |

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

NSE:



BSE:



ix) Investor Education and Protection Fund (IEPF):

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 2010-11 has been transferred to the Investors' Education and Protection Fund (IEPF). The unclaimed or unpaid dividend relating to the Financial Year 2011-12 is due for remittance in the month of October, 2019 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 share 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,

1E/13, Alankit House, Jhandewalan Extension, New Delhi - 110 055.

Phone: (011) 41540060-63, Fax: (011) 41540064, E-mail: rta@alankit.com

xi) Share Transfer System:

The Company has constituted a Share Transfer Committee of its Directors. The Committee meets on an average once in 10 days. The list of valid transfers prepared by the Transfer Agent in respect of transfer cases received by them and objections, if any, are placed before the Committee for its approval/confirmation. The Share Certificates are returned back to the shareholders by Transfer Agent within 15 days from the date of receipt by them.

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, 2019:

| Range No. of Shares | SHAREHOLDERS | | SHARES | |
|------------------------|-------------------------|--------------------|-----------------------|-------------------|
| | Number of Total Holders | % to Total Holders | Number of shares Held | % to Total Shares |
| Upto-500 | 9,219 | 98.61 | 2,56,107 | 8.02 |
| 501-1000 | 52 | 0.56 | 38,440 | 1.20 |
| 1001-5000 | 38 | 0.41 | 66,604 | 2.09 |
| 5001-10000 | 10 | 0.11 | 73,713 | 2.31 |
| 10001-above | 30 | 0.32 | 27,56,672 | 86.37 |
| Total | 9,349 | 100 | 31,91,536 | 100 |

xiii) Dematerialisation of shares:

As on 31st March, 2019, 98.19% of the capital comprising 31,33,682 shares, out of total of 31,91,536 shares, were dematerialized.

xiv) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion dates and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments during the year.

xv) 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).

xvi) List of credit ratings:

The Company has not obtained rating from any credit rating agency during the financial year 2018-19 as the Company has not taken any Long term/Short term borrowings.

**CHAIRMAN'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, 2019.

Place: Ludhiana

Dated: 24th May, 2019

Sd/-

(S.P. Oswal)

Chairman and Managing Director

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.

Place: Ludhiana

Dated: 24th May, 2019

Sd/-

(S.P. Oswal)

Chairman and Managing Director

CERTIFICATE FROM PRACTISING COMPANY SECRETARIES

This certificate is issued pursuant to Clause 10 (i) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

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 |

For Ashok K Singla & Associates
Company Secretaries,

Ashok Singla
Proprietor

Place: Ludhiana

Date: 24th May, 2019

Membership No. 2004

Certificate of Practice No. 1942

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, 2019 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: 24th May, 2019

Sd/-
Ashwani Kumar Khanna
FCS No. 3254
CP No. 2220

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, 2019, 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 Ind AS 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, 2019, 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements for the financial year ended 31 March 2019. These matters were addressed in the context of our audit of the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| (a) Transition to Ind AS accounting framework (as described in note 24 of the Ind AS financial statements) | |
| <p>The company has adopted Ind AS from 1st April 2018 with an effective date of 1st April 2017 for such transition. For periods up to and including the year ended on 31st March 2018, the Company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). To give effect of the transition to Ind AS, these financial statements for the year ended on 31st March 2019, together with the comparative financial information for the previous year ended on 31st March 2018 and the transition date Balance Sheet as at 1st April 2017 have been prepared under Ind AS.</p> <p>The transition has involved significant change in the Company's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind AS on accounting and disclosure requirements prescribed under extant Reserve Bank of India(RBI) directions.</p> <p>In view of the complexity involved, Ind AS transition and the preparation of financial statements subsequent to the transition date have been areas of key focus in our audit.</p> | <ul style="list-style-type: none"> • Read the Ind AS impact assessment performed by the Management and the resultant changes made to the accounting policies considering the requirements of the new framework. • Evaluated the exemption and exception allowed by Ind AS and applied by the Management in applying the first time adoption principles of Ind AS 101 in respect of fair valuation of assets and liabilities existing as on the transition date. • Tested the accounting adjustments posted as on the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS. • Tested the disclosures prescribed under Ind AS. |
| (b) Assessment of carrying value of investments (as described in note 2.9.1.3 and 2.9.1.4 of the Ind AS financial statements) | |
| <p>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.</p> | <p>We performed the following procedures in relation to existence and valuation of investments:</p> <ul style="list-style-type: none"> • 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, 2019 • Tested the valuation of the investments as per the investment valuation policy approved by the management. |
| (c) Deferred Tax asset (uncertainty in estimation in the future profits and the accuracy of the provision) | |
| <p>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.</p> | <p>On review of the deferred Tax Asset the following factors were considered:</p> <ul style="list-style-type: none"> • Existence of sufficient taxable temporary difference. • Convincing other evidence that sufficient taxable profits will be available in the future. <p>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.</p> |

Other information

The other information comprises the information included in the Annual Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The company's Board of Directors is responsible for the other information.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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 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 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 Ind AS 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 Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS 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.

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, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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. 29 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
FRN 017883N

(Rajiv Dewan)
Partner
M.No.: 084718

Place: Ludhiana
Date: 24th May, 2019

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, 2019.

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 except in respect of flat of which sale deed is still to be executed.

| Particulars of Land and Building | Carrying Value as at March 31,2019 (Rs. In Lakhs) | Remarks |
|---|---|---|
| 2 Plots of Land Measuring 850 Sq. Yards at New Mullanpur, SAS Nagar, Mohali | 262.28 | Pending Registration in name of 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, 2019 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 | 1,46,53,763/- | 2017-18 | Commissioner of Income Tax (Appeals) |

Vardhman Holdings Limited

- (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(xii) 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**

**(Rajiv Dewan)
Partner
M.No.: 084718**

**Place: Ludhiana
Date: 24th May, 2019**

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, 2019 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS 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 Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at 31st March 2019, 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**

**(Rajiv Dewan)
Partner
M.No.: 084718**

**Place: Ludhiana
Date: 24th May, 2019**



Vardhmān

BALANCE SHEET AS AT 31ST MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

| Particulars | Note no. | As at 31st March 2019 | As at 31st March 2018 | As at 31st March 2017 |
|---|----------|-----------------------|-----------------------|-----------------------|
| ASSETS | | | | |
| (1) Financial Assets | | | | |
| (a) Cash and bank balances | 3 | 222.25 | 158.58 | 120.75 |
| (b) Bank Balances other than (a) above | 4 | 11.36 | 9.45 | 10.21 |
| (c) Receivables | | | | |
| (I) Trade Receivables | | - | - | - |
| (II) Other Receivables | 5 | 408.21 | 442.85 | 354.68 |
| (d) Loans | 6 | - | 0.08 | - |
| (e) Investments | 7 | 55,632.84 | 55,189.91 | 48,521.74 |
| (f) Other Financial assets | 8 | 145.88 | 167.89 | 135.14 |
| | | 56,420.54 | 55,968.77 | 49,142.51 |
| (2) Non Financial Assets | | | | |
| (a) Deferred Tax Asset (Net) | 9 | 3,942.62 | 3,770.83 | 3,254.80 |
| (b) Property, Plant and Equipment | 10 | 304.61 | 303.40 | 82.14 |
| (c) Other non-financial assets | 11 | 41.33 | 21.69 | 273.57 |
| | | 4,288.56 | 4,095.93 | 3,610.51 |
| TOTAL ASSETS | | 60,709.10 | 60,064.69 | 52,753.02 |
| 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 | 12 | 32.90 | 38.20 | 91.10 |
| (2) Non Financial Liabilities | | | | |
| (a) Current tax liabilities (Net) | 13 | 481.96 | 232.27 | 179.86 |
| (b) Provisions | 14 | 1.34 | 0.57 | 0.50 |
| (c) Other non-financial liabilities | 15 | 31.91 | 28.32 | 12.22 |
| | | 548.11 | 299.36 | 283.69 |
| (3) EQUITY | | | | |
| (a) Equity Share Capital | 16 | 319.24 | 319.24 | 319.24 |
| (b) Other Equity | 17 | 59,841.74 | 59,446.09 | 52,150.09 |
| | | 60,160.98 | 59,765.33 | 52,469.34 |
| TOTAL LIABILITIES AND EQUITY | | 60,709.10 | 60,064.69 | 52,753.02 |

Significant Accounting Policies

1 to 34

As per our report of even date

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

For and on behalf of the Board of Directors

Rajiv Dewan
Partner
M. No. 084718

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
Date: 24th May, 2019

Vardhman Holdings Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

| Particulars | Note no. | For the period ended 31st March 2019 | For the year ended 31st March 2018 |
|--|-----------|---|---------------------------------------|
| (I) Revenue from operations | | | |
| (i) Interest Income | 18 | 491.43 | 504.57 |
| (ii) Dividend Income | 19 | 2,471.10 | 2,693.49 |
| (iii) Net gain on fair value changes | 20 | 239.23 | 1,731.45 |
| (I) Total Revenue from operations | | 3,201.75 | 4,929.51 |
| II Other income | 21 | 139.54 | 136.14 |
| III Total Income (I + II) | | 3,341.29 | 5,065.64 |
| Expenses | | | |
| Employee benefits expense | 22 | 40.71 | 40.41 |
| Depreciation and amortization expenses | 9 | 0.88 | 1.44 |
| Other expenses | 23 | 256.25 | 310.21 |
| IV Total Expenses | | 297.85 | 352.06 |
| v Profit/(Loss) before exceptional Items and Tax (III-IV) | | 3,043.44 | 4,713.59 |
| VI Exceptional Items | | - | - |
| VII Profit before tax (V-VI) | | 3,043.44 | 4,713.59 |
| VIII Tax expense : | | | |
| - Current Tax | | 218.49 | 756.57 |
| - Deferred tax | | (199.79) | (516.04) |
| IX Profit for the year (VII - VIII) | | 3,024.74 | 4,473.06 |
| X Other Comprehensive Income/(Loss) | | | |
| (A) (i) Items that will not be reclassified to profit or loss | | | |
| -Remeasurements of the defined benefits plans | | (0.16) | (0.08) |
| -Net Gain/loss on Fair Valuation of Equity instruments carried at FVOCI | | (2,436.57) | 3,015.07 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | 0.01 | 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 | | (2,436.71) | 3,015.00 |
| XI Total Comprehensive income/loss for the period (IX+X) (Comprising profit (Loss) and other Comprehensive Income for the period) | | 588.03 | 7,488.06 |
| XII Earnings per equity share | | | |
| [Earning per equity share ₹10/- (Previous Year: ₹10)] | | | |
| Basic | | 94.77 | 140.15 |
| Diluted | | 94.77 | 140.15 |

Significant Accounting Policies

1 to 34

As per our report of even date

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

Rajiv Dewan
Partner
M. No. 084718

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
Date: 24th May, 2019

**CASH FLOW STATEMENT for the year ended 31st March, 2019**

(All amounts in ₹ Lakhs, unless otherwise stated)

| Particulars | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
|--|---------------------------------------|---------------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax and extraordinary items (after other comprehensive income) | 606.88 | 7,728.66 |
| Adjustments for : | | |
| Depreciation and amortization | 0.88 | 1.44 |
| 'Loss/(Profit) on sale of Property Plant & Equipment | - | (6.42) |
| 'Net Gain on sale of Current Investments | (239.23) | (1,646.02) |
| 'Net Gain on sale of Non-Current Investments | 2,436.57 | (3,100.50) |
| Provisions no longer required written Back | - | 6.56 |
| | 2,198.22 | (4,744.94) |
| Operating profit before working capital changes Adjustments for : | 2,805.10 | 2,983.72 |
| (Increase)/Decrease in trade receivables & Other assets | 35.20 | 131.62 |
| Increase/(Decrease) in trade payables and other liabilities | (2.98) | (42.59) |
| | 32.22 | 89.03 |
| Cash Generation from Operations | 2,837.32 | 3,072.75 |
| Taxes Paid | 59.20 | (704.15) |
| Net Cash flow from / (used in) Operating activities (A) | 2,896.52 | 2,368.60 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Investments | (10,093.12) | (30,800.19) |
| Sale of Investments | 7,453 | 28,878.55 |
| Purchase of Fixed Assets | (2.09) | (262.28) |
| Sale of Fixed Assets | - | 46.00 |
| Net Cash flow from / (used in) investing activities (B) | (2,642.38) | (2,137.93) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividend Paid (including tax thereon) | (190.47) | (192.84) |
| Net Cash flow from / (used in) Financing Activities (C) | (190.47) | (192.84) |
| Net Increase in cash & cash equivalents (A+B+C) | 63.67 | 37.84 |
| Cash & cash equivalents as at the beginning | 158.58 | 120.75 |
| Cash & cash equivalents as at the end | 222.25 | 158.58 |
| Significant Accounting Policies | 1 to 34 | |

As per our report of even date

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

For and on behalf of the Board of Directors

Rajiv Dewan
Partner
M. No. 084718

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
Date: 24th May, 2019

Statement of changes in Equity for the period ended 31st March 2019

(All amounts in ₹ Lakhs, unless otherwise stated)

A Equity Share Capital

| | |
|---|---------------|
| Balance as at 1st April, 2017 | 319.15 |
| Changes in Equity Share Capital during the year | - |
| Balance as at 31st March, 2018 | 319.15 |
| Changes in Equity Share Capital during the year | - |
| Balance as at 31st March, 2019 | 319.15 |

B Other Equity

(₹ in lakhs)

| Particulars | 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 1st April, 2018 | 0.11 | 70.00 | 781.28 | 9,659.72 | 8,557.53 | 34,275.51 | 6,101.94 | 59,446.09 |
| Transfer to statutory Reserve u/s 45-IC of RBI Act,1934 | | - | - | | 604.95 | (604.95) | | - |
| Profit/Loss for the period | | | | | | 3,024.74 | | 3,024.74 |
| Other Comprehensive Income for the period | | | | | | (0.15) | (2,436.57) | (2,436.71) |
| Dividend @ Rs.5/Share for financial year 2017-18 | | | | | | (159.58) | | (159.58) |
| Dividend Distribution Tax on dividend paid during the period | - | | | | | (32.80) | | (32.80) |
| Balance as of 31st March, 2019 | 0.11 | 70.00 | 781.28 | 9,659.72 | 9,162.48 | 36,502.78 | 3,665.37 | 59,841.74 |
| Balance as of 1st April, 2017 | 0.11 | 70.00 | 781.28 | 9,659.72 | 7,436.00 | 31,116.12 | 3,086.87 | 52,150.09 |
| Transfer to statutory Reserve u/s 45-IC of RBI Act,1934 | | | | | 1,121.53 | (1,121.53) | | - |
| Profit/Loss for the period | | | | | | 4,473.06 | | 4,473.06 |
| Other Comprehensive Income for the period | | | | | | (0.07) | 3,015.07 | 3,015.00 |
| Dividend @ Rs.5/Share for financial year 2016-17 | | | | | | (159.58) | | (159.58) |
| Dividend Distribution Tax on dividend paid during the period | | | | | | (32.49) | | (32.49) |
| Balance as of 31st March, 2018 | 0.11 | 70.00 | 781.28 | 9,659.72 | 8,557.53 | 34,275.51 | 6,101.94 | 59,446.09 |

As per our report of even date

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

For and on behalf of the Board of Directors

Rajiv Dewan
Partner
M. No. 084718

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
Date: 24th May, 2019

Notes to standalone financial statement for the year ended March 31, 2019

(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 24, 2019

2. SIGNIFICANT ACCOUNTING POLICIES, SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS AND APPLICABILITY 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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 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 basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.3.3 Rental income

As a lessee: Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of the 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 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:

- its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates
- any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use and
- 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 Rs. 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.

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.

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

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 54 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.

2.15.1.4 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 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 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 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 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, 2019 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.

2.12.1.4 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.

2.13 Applicability of new and revised IND AS

Ministry of Corporate affairs has notified Ind AS 116 - Leases, which is effective from April 1, 2019, which will replace the existing lease standard, Ind AS 17 Leases and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosure of lease for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward lessor accounting requirements. The Company is evaluating the impact of Ind AS 116 and its effect on the financial statements.

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs (“MCA”) has notified Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is evaluating the requirements and its effect on the financial statements.

Amendments to Ind AS 12 - Income taxes: On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, ‘Income Taxes’, in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not expect any impact from this pronouncement.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement: On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, ‘Employee Benefits’, in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- 1) to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- 2) to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Ind AS 109 – Prepayment Features with Negative Compensation: The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

Ind AS 23 – Borrowing Costs: The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company/Group does not expect any impact from this amendment.

3. CASH AND BANK BALANCES

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 31.03.2017 |
|----------------------------------|------------------|------------------|------------------|
| Cash and cash equivalents | | | |
| a) Cash in hand | 0.01 | 0.01 | 0.01 |
| b) Balances with banks | | | |
| - On current accounts | 222.24 | 158.57 | 120.74 |
| | 222.25 | 158.58 | 120.75 |

4. Bank Balances other than (a) above

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 31.03.2017 |
|--|------------------|------------------|------------------|
| Other Bank Balances | | | |
| -Earmarked balances with banks (Dividend accounts) | 11.36 | 9.45 | 10.21 |
| | 11.36 | 9.45 | 10.21 |

5. Receivable
Other Receivables

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 31.03.2017 |
|---------------------|------------------|------------------|------------------|
| Interest Receivable | 408.21 | 442.85 | 354.68 |
| | 408.21 | 442.85 | 354.68 |

6. Loans and advances (at Amortised Cost)

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 31.03.2017 |
|---------------------------------|------------------|------------------|------------------|
| Loans and advances to employees | - | 0.08 | - |
| Total Gross | - | 0.08 | - |
| Less:-impairment Loss Allowance | - | - | - |
| Total Net | - | 0.08 | - |
| Secured | - | - | - |
| Unsecured | - | 0.08 | - |
| Total Gross | - | 0.08 | - |
| Less:-impairment Loss Allowance | - | - | - |
| Total Net | - | 0.08 | - |

7. INVESTMENTS

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---|------------------|------------------|------------------|
| A Long Term investments (at cost unless otherwise stated) | | | |
| I TRADE INVESTMENTS | | | |
| Investment in equity instruments | | | |
| a. of associates (Quoted) | | | |
| 15,314,517 (31 March 2018: 15,314,517 01 April 2017: 14,058,157) Equity Shares of Rs. 10/- each fully paid up of Vardhman Textiles Limited | 25,015.00 | 25,015.00 | 7,670.36 |
| b. of associates (Unquoted) | | | |
| 25,000 (31 March 2018: 25,000 01 April 2017: 25,000) Equity Shares of Rs.10/- each fully paid up of Vardhman Spinning & General Mills Limited | 2.50 | 2.50 | 2.50 |
| b. of Other entities (Quoted) | | | |
| 733,762 (31 March 2018: 733,762 01 April 2017: 733,762) Equity Shares of Rs.10/- each fully paid up of Vardhman Acrylics Limited | 292.04 | 348.90 | 395.86 |
| 5,134,195 (31 March 2018: 5,134,195 01 April 2017: 51,34,195) Equity Shares of Rs.10/- each fully paid up of Vardhman Special Steels Limited | 4,985.30 | 7,365.00 | 3,276.13 |
| II OTHER THAN TRADE | | | |
| a Investment in equity instruments of other entities (quoted) | | | |
| 112 (31 March 2018: 112 01 April 2017: 112) Equity shares of Rs.10/- each fully paid-up of Garware Nylon Ltd. | - | - | - |
| 1,150 (31 March 2018: 1,150 01 April 2017: 1,150) Equity shares of Rs.1/- each fully paid-up of Hindustan Unilever Ltd. | 19.63 | 15.33 | 10.49 |
| 8,000(31 March 2018: Nil 01 April 2017: Nil) Preference shares of Rs.10000/- each fully paid-up of IL & FS Preference Shares (RCPs) | 539.20 | - | - |
| | 30,853.66 | 32,746.74 | 11,355.34 |

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---|------------------|------------------|------------------|
| B CURRENT INVESTMENTS | | | |
| Investment in Equity instruments of other entities (quoted) | | | |
| Nil (31 March 2018: Nil 01 April 2017: 553,755) Equity Shares of Rs.10/- each of Trident Limited | | - | 477.89 |
| 1,059,890 (31 March 2018: 1,059,890 01 April 2017: 1,059,890) Equity Shares of Rs.1/- each of Welspun India Limited | 632.22 | 615.27 | 927.93 |
| 51,428 (31 March 2018: 25714 01 April 2017: 28,650) Equity Shares of Rs.5/- each of Infosys Limited | 382.55 | 291.03 | 292.87 |
| * Nil (31 March 2018: Nil 01 April 2017: 5,1231) Equity Shares of Rs.2/- each of Lupin Limited | - | - | 74.02 |
| * Nil (31 March 2018: Nil 01 April 2017: 11,531) Equity Shares of Rs.1/- each of Sun Pharmaceutical Industries Limited | - | - | 78.44 |
| * 19,470 (31 March 2018: 119,566 01 April 2017: Nil) Equity Shares of Rs.2/- each of TV18 Broadcast Ltd | 6.91 | 80.23 | - |
| * 5,369 (31 March 2018: 10,442 01 April 2017: 12,391) Equity Shares of Rs. 2/- each of Bajaj Finance Limited | 162.41 | 184.73 | 145.39 |
| * 1,747 (31 March 2018: 2,355 01 April 2017: 3,011) Equity Shares of Rs.5/- each of Bajaj Finserve Limited | 122.91 | 121.95 | 123.14 |
| * 250 (31 March 2018: 01 April 2017: Nil) Equity Shares of Rs.10/- each of Bayer Cropscience Limited | 11.01 | 10.57 | - |
| * 10,569 (31 March 2018: 10,569 01 April 2017: Nil) Equity Shares of Rs.10/- each of Central Depository Services (india)ltd | 25.63 | 29.87 | - |
| * 4,133 (31 March 2018: 5,845 01 April 2017: Nil) Equity Shares of Rs.2/- each of Divis Laboratories | 70.39 | 63.68 | - |
| * 26,000 (31 March 2018: 26,000 01 April 2017: Nil) Equity Shares of Rs.2/- each of Titagarh Wagons Ltd | 18.19 | 28.52 | - |
| * NIL (31 March 2018: 3,540 01 April 2017: Nil) Equity Shares of Rs.2/- each of Ratnamani Metals & Tubes Ltd | - | 30.13 | - |
| * NIL (31 March 2018: 7,100 01 April 2017: Nil) Equity Shares of Rs.10/- each of Narayana Hrudayalaya Ltd | - | 19.83 | - |
| * 7,089 (31 March 2018: 1,159 01 April 2017: Nil) Equity Shares of Rs.2/- each of Minda Industries Ltd | 23.16 | 12.47 | - |
| * Nil (31 March 2018: 2,044 01 April 2017: Nil) Equity Shares of Rs.5/- each of General Insurance Corporation Of india | - | 15.01 | - |
| * 11,210 (31 March 2018: 11,210 01 April 2017: Nil) Equity Shares of Rs.10/- each of Surya Roshni Ltd | 28.28 | 42.77 | - |
| * 33,377 (31 March 2018: 30,705 01 April 2017: Nil) Equity Shares of Rs.2/- each of Jindal Saw Ltd | 28.84 | 36.46 | - |
| * 6,639 (31 March 2018: 7,904 01 April 2017: 6,801) Equity Shares of Rs.1/- each of Havells India Limited | 51.18 | 38.55 | 31.84 |
| * 613 (31 March 2018: 746 01 April 2017: 825) Equity Shares of Rs.10/- each of Page Industries Limited | 152.80 | 169.23 | 120.73 |
| * 28,446 (31 March 2018: 33,668 01 April 2017: 23,927) Equity Shares of Rs.1/- each of Motherson Sumi Systems Limited | 42.46 | 104.96 | 89.20 |
| * 2,252 (31 March 2018: 4,076 01 April 2017: 4,076) Equity Shares of Rs.2/- each of HDFC Bank Limited | 52.17 | 77.10 | 58.79 |
| * 6,299 (31 March 2018: 7,020 01 April 2017: 6,676) Equity Shares of Rs.1/- each of Asian Paints Limited | 93.97 | 85.40 | 71.51 |
| * Nil (31 March 2018: Nil 01 April 2017: 891) Equity Shares of Rs.10/- each of Blue Dart express Limited | - | - | 46.13 |
| * Nil (31 March 2018: Nil 01 April 2017: 3,054) Equity Shares of Rs.2/- each of Ajanta Pharma Limited | - | - | 53.76 |
| * Nil (31 March 2018: Nil 01 April 2017: 8,646) Equity Shares of Rs.1/- each of Amara Raja Batteries Limited | - | - | 76.86 |
| * 2,083 (31 March 2018: 2,083 01 April 2017: 2,083) Equity Shares of Rs.2/- each of Cummins India Limited | 15.54 | 14.59 | 19.78 |
| * 15,973 (31 March 2018: 14,229 01 April 2017: 14,229) Equity Shares of Rs.2/- each of Gruh Finance Limited | 44.09 | 82.12 | 56.31 |
| * 8,689 (31 March 2018: 11,080 01 April 2017: 11,080) Equity Shares of Rs.1/- each of P I Industries Limited | 89.61 | 98.38 | 92.77 |

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|--|-------------------------|-------------------------|-------------------------|
| * 99 (31 March 2018: 99 01 April 2017: 160) Equity Shares of Rs.10/- each of Shree Cements Limited | 18.45 | 16.02 | 27.23 |
| * Nil (31 March 2018: 33,705 01 April 2017: 35,440) Equity Shares of Rs.1/- each of Welspun India Ltd. | - | 19.53 | 31.06 |
| * 8,620 (31 March 2018: 8,120 01 April 2017: 8,120) Equity Shares of Rs.1/- each of K R B L Ltd. | 29.00 | 35.42 | 33.56 |
| * 13,200 (31 March 2018: 13,200 01 April 2017: 12,200) Equity Shares of Rs.10/- each of Deepak Fertilisers Petrochemicals Corporation Ltd. | 17.36 | 38.08 | 31.76 |
| * 32,007 (31 March 2018: 6,799 01 April 2017: 6,000) Equity Shares of Rs.10/- each of Lumax Auto Technologies Ltd. | 44.70 | 56.50 | 29.73 |
| * Nil (31 March 2018: Nil 01 April 2017: 25,122) Equity Shares of Rs.2/- each of Graphite India Ltd. | - | - | 28.16 |
| * Nil (31 March 2018: Nil 01 April 2017: 3,750) Equity Shares of Rs.2/- each of Gulf Oil Lubricants India Limited | - | - | 26.42 |
| * Nil (31 March 2018: Nil 01 April 2017: 8,000) Equity Shares of Rs.2/- each of Mahindra and Mahindra Financial Services Ltd. | - | - | 25.19 |
| * Nil (31 March 2018: 1,780 01 April 2017: 2,750) Equity Shares of Rs.10/- each of Bharat Bijlee Ltd. | - | 26.74 | 25.17 |
| * Nil (31 March 2018: 12,740 01 April 2017: 10,290) Equity Shares of Rs.1/- each of Exide Industries Ltd. | - | 28.39 | 23.09 |
| * 18,600 (31 March 2018: 18,600 01 April 2017: Nil) Equity Shares of Rs.1/- each of Time Technoplast Ltd. | 19.08 | 29.79 | 23.03 |
| * 1,375 (31 March 2018: 1,800 01 April 2017: 1,400) Equity Shares of Rs.10/- each of S R F Ltd. | 33.04 | 35.19 | 22.78 |
| * 3,085 (31 March 2018: 3,085 01 April 2017: 3,085) Equity Shares of Rs.10/- each of Garware-Wall Ropes Ltd. | 34.90 | 28.41 | 21.90 |
| * 29,286 (31 March 2018: 25,536 01 April 2017: 15,000) Equity Shares of Rs.1/- each of Balrampur Chini Mills Ltd. | 40.15 | 19.32 | 21.80 |
| * Nil (31 March 2018: Nil 01 April 2017: 5,641) Equity Shares of Rs.10/- each of Dewan Housing Finance Corpn. Ltd. | - | - | 20.71 |
| * 5,686 (31 March 2018: 5,670 01 April 2017: 3,000) Equity Shares of Rs.1/- each of Shilpa Medicare Ltd | 19.39 | 26.29 | 19.12 |
| * Nil (31 March 2018: Nil 01 April 2017: 1,110) Equity Shares of Rs.10/- each of Siyaram Silk Mills Ltd. | - | - | 18.81 |
| * Nil (31 March 2018: Nil 01 April 2017: 21,915) Equity Shares of Rs.1/- each of Orient Paper Inds. Ltd. | - | - | 17.72 |
| * 27,100 (31 March 2018: 27,100 01 April 2017: 17,500) Equity Shares of Rs.10/- each of Prism Cement Ltd. | 25.92 | 29.39 | 17.13 |
| * Nil (31 March 2018: Nil 01 April 2017: 10,000) Equity Shares of Rs.2/- each of Bodal Chemicals Ltd. | - | - | 16.05 |
| * 5,235 (31 March 2018: 4,150 01 April 2017: 4,150) Equity Shares of Rs.2/- each of Balaji Amines Ltd. | 25.95 | 23.28 | 15.73 |
| * 31,779 (31 March 2018: 43,670 01 April 2017: 29,020) Equity Shares of Rs.5/- each of Pennar Industries Ltd. | 11.63 | 21.99 | 11.88 |
| * 16,032 (31 March 2018: 16,183 01 April 2017: 16,183) Equity Shares of Rs.5/- each of Tech Mahindra Ltd. | 124.39 | 103.36 | 74.30 |
| * 6,461 (31 March 2018: 23,623 01 April 2017: 23,623) Equity Shares of Rs.2/- each of Simplex Infrastructures Ltd. | 11.62 | 125.39 | 72.77 |
| * 13,544 (31 March 2018: 37,275 01 April 2017: 37,275) Equity Shares of Rs.10/- each of Mahindra CIE Automotive Ltd. | 91.27 | 80.05 | 79.21 |
| * 91,650 (31 March 2018: 91,650 01 April 2017: 91,650) Equity Shares of Rs.5/- each of Kirloskar Ferrous Industries | - | 77.49 | 88.26 |
| * 51,292 (31 March 2018: 53,447 01 April 2017: 55,527) Equity Shares of Rs.2/- each of KEC International | 153.75 | 208.31 | 115.83 |
| * 35,100 (31 March 2018: 29,225 01 April 2017: 37,225) Equity Shares of Rs.2/- each of Kalpataru Power Transmission | 165.23 | 141.52 | 120.13 |
| * 34,446 (31 March 2018: 34,446 01 April 2017: 34,446) Equity Shares of Rs.1/- each of Carborundum Universal | 141.35 | 119.67 | 100.07 |
| * 7,137 (31 March 2018: 7,137 01 April 2017: 7,137) Equity Shares of Rs.1/- each of Aegis Logistics Ltd. | 14.50 | 18.53 | 13.89 |

Vardhman Holdings Limited

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---|------------------|------------------|------------------|
| * 1,796 (31 March 2018: 1,721 01 April 2017: 1,721) Equity Shares of Rs.2/- each of L&T Technology Services Ltd. | 28.24 | 21.26 | 13.40 |
| * 4,529 (31 March 2018: 4,529 01 April 2017: 2,348) Equity Shares of Rs.1/- each of Godrej Industries | 24.29 | 24.90 | 11.86 |
| * 3,276 (31 March 2018: 3,450 01 April 2017: 2,610) Equity Shares of Rs.10/- each of Cholamandalam Investment and Finance Company | 47.42 | 50.01 | 25.17 |
| * 113 (31 March 2018: 154 01 April 2017: 56) Equity Shares of Rs.10/- each of M R F Ltd. | 65.60 | 111.34 | 34.01 |
| * Nil (31 March 2018: 1,169 01 April 2017: 1488) Equity Shares of Rs.2/- each of Dalmia Bharat Ltd. | - | 33.73 | 29.27 |
| * Nil (31 March 2018: 6,892 01 April 2017: 6,892) Equity Shares of Rs.1/- each of Ramco Cements Ltd. | - | 50.55 | 46.14 |
| * 423 (31 March 2018: 757 01 April 2017: 881) Equity Shares of Rs.5/- each of Maruti Suzuki India Ltd. | 28.22 | 67.09 | 53.07 |
| * 3,550 (31 March 2018: 4,908 01 April 2017: 14,736) Equity Shares of Rs.1/- each of Astral Poly Technik Limited | 41.12 | 43.96 | 26.87 |
| * 3,581 (31 March 2018: 2,592 01 April 2017: 3,471) Equity Shares of Rs.1/- each of Pidilite Industries Limited | 44.49 | 23.81 | 24.26 |
| * 15632 (31 March 2018: 18,299 01 April 2017: 19,284) Equity Shares of Rs.5/- each of Kotak Mahindra Bank Limited | 208.66 | 191.76 | 168.19 |
| * 5,414 (31 March 2018: 5,672 01 April 2017: 2,643) Equity Shares of Rs.10/- each of Indusind Bank Limited | 96.48 | 119.80 | 37.25 |
| * 445 (31 March 2018: 482 01 April 2017: 482) Equity Shares of Rs.10/- each of Eicher Motors Limited | 91.41 | 136.64 | 123.22 |
| * 6,651 (31 March 2018: 21,345 01 April 2017: 27,776) Equity Shares of Rs.10/- each of Hindustan Petroleum Corporation Limited | 18.88 | 107.98 | 145.98 |
| * Nil (31 March 2018: 20,821 01 April 2017: 29,581) Equity Shares of Rs.10/- each of National Buildings Construction Limited | - | 39.63 | 50.91 |
| * 6,885 (31 March 2018: 7,960 01 April 2017: 7,960) Equity Shares of Rs.2/- each of Kajaria Ceramics Limited | 40.67 | 45.14 | 46.55 |
| * 3,893 (31 March 2018: 3,592 01 April 2017: 1,796) Equity Shares of Rs.2/- each of Bharat Forge Limited | 19.95 | 25.13 | 18.72 |
| * 2,774 (31 March 2018: 908 01 April 2017: 1034) Equity Shares of Rs.2/- each of Britannia Industries Limited | 85.49 | 45.14 | 34.98 |
| * 148 (31 March 2018: 148 01 April 2017: 148) Equity Shares of Rs.10/- each of Bosch Limited | 26.91 | 26.67 | 33.67 |
| * 5,623 (31 March 2018: 16,005 01 April 2017: 12,854) Equity Shares of Rs.2/- each of Max Financial Services Limited | 24.47 | 72.60 | 74.14 |
| * 17,691 (31 March 2018: 16,822 01 April 2017: 15,293) Equity Shares of Rs.1/- each of City Union Bank Limited | 36.24 | 29.01 | 23.18 |
| * Nil (31 March 2018: 10,183 01 April 2017: 10,183) Equity Shares of Rs.10/- each of Development Credit Bank Limited | - | 16.45 | 17.34 |
| * 9,715 (31 March 2018: 9,715 01 April 2017: 9,715) Equity Shares of Rs.1/- each of Jammu & Kashmir Bank Ltd. | 5.22 | 5.86 | 7.29 |
| * 10,170 (31 March 2018: 10,293 01 April 2017: 10,293) Equity Shares of Rs.1/- each of Voltas Limited | 64.02 | 63.91 | 42.42 |
| * 3,918 (31 March 2018: 3,918 01 April 2017: 3,918) Equity Shares of Rs.5/- each of Engineers India Limited | 4.60 | 6.21 | 5.64 |
| * 226 (31 March 2018: 226 01 April 2017: 226) Equity Shares of Rs.10/- each of GlaxoSmithkline Consumer Healthcare Limited | 16.38 | 13.79 | 11.65 |
| * 3,850 (31 March 2018: 1,925 01 April 2017: 1,925) Equity Shares of Rs.1/- each of Emami Limited | 15.40 | 20.58 | 20.49 |
| * 1,301 (31 March 2018: 1,301 01 April 2017: 1,610) Equity Shares of Rs.1/- each of Colgate Palmolive (India) Limited | 16.37 | 13.75 | 12.95 |
| * 3,369 (31 March 2018: 841 01 April 2017: 673) Equity Shares of Rs.10/- each of Container Corporation of India Limited | 17.70 | 10.47 | 8.57 |
| * 2,145 (31 March 2018: 2,145 01 April 2017: 2,145) Equity Shares of Rs.2/- each of IPCA Laboratories Limited | 21.06 | 14.06 | 13.38 |
| * 775 (31 March 2018: 775 01 April 2017: 1,264) Equity Shares of Rs.2/- each of Alkem Laboratories Limited | 13.57 | 15.41 | 17.09 |



| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---|------------------|------------------|------------------|
| 12,927 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Dabur india Ltd | 52.88 | - | - |
| 7,828 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Hdfc Life Insurance co, Ltd | 29.63 | - | - |
| 4,601 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Titan co ltd | 52.34 | - | - |
| 2,928 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of odisha cement ltd | 28.98 | - | - |
| 16,940 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Federal Bank of india ltd | 16.34 | - | - |
| 34,244 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of icici bank ltd | 137.15 | - | - |
| 4,405 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Cadila Healthcre Ltd | 15.29 | - | - |
| 17,372 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Equitas Holding ltd | 23.78 | - | - |
| 5,114 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Muthoot Finance ltd | 31.48 | - | - |
| 2,828 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Sbi Life Insurance Co,Ltd | 16.50 | - | - |
| 12,650 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of State bank of india | 40.57 | - | - |
| 1,853 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Tata Elxsi Ltd | 17.85 | - | - |
| 4,580 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Trent Ltd | 16.58 | - | - |
| Total | 4,658.23 | 5,008.18 | 5,187.50 |
| Investment in Bonds/Debentures/Certificate of Deposits (Unquoted) | | | |
| * Nil (31 March 2018: 1,497 01 April 2017: 12,845) 3 % Debentures of Rs. 100/- each of Prabal Traders and Advisors Pvt Ltd | - | 1.50 | 12.85 |
| * Nil (31 March 2018: Nil 01 April 2017: 15,851) 8.25% Debentures of Rs. 100/- each of Sherin Advisors & Traders Pvt Ltd | - | - | 15.85 |
| * 72,261 (31 March 2018: 72,261 01 April 2017: 72,261) 10% Convertible Debentures of Rs. 100 each of Ambojini Property Developers Private Limited | 142.16 | 142.16 | 136.77 |
| * Nil (31 March 2018: Nil 01 April 2017: 14,954) Convertible Debentures of Rs. 100 each Godrej Landmark Redevelopers P Ltd | - | - | 43.20 |
| 2000 (31 March 2018: 2000 01 April 2017: Nil) Units of Rs.100000/- each of Ecap Secured Market Linked Non Convertible Debentures | 2,250.86 | 2,014.68 | - |
| | 2,393.02 | 2,158.34 | 208.67 |
| Investment in Equity Fund/Liquid Funds/Debt Funds/Monthly Income Plans (quoted) | | | |
| 58,46357.941(31 March 2018: 25,156,988.35 01 April 2017: Nil) Units of Rs.10/- each of Aditya birla sun life Arbitrage Fund Div-Direct Re-Investment | 644.54 | 2,777.61 | - |
| Nil (31 March 2018: 58,287.80 01 April 2017: Nil) Units of Rs.10/- each of Aditya birla sun life Equity Fund _Growth Direct | - | 420.77 | - |
| Nil (31 March 2018: Nil 01 April 2017: 46,457,176) Units of Rs.10/- each of Reliance Arbitrage Advantage Fund-Direct Monthly Dividend Plan Reinvestment | - | - | 5,014.26 |
| Nil (31 March 2018: Nil 01 April 2017: 2154) Units of Rs.1000/- each of DSP Liquidity Fund Direct Plan-Growth | - | - | 50.09 |
| Nil (31 March 2018: Nil 01 April 2017: 2,669) Units of Rs.1000/- each of L&T Liquid Fund Direct Plan-Growth | - | - | 59.54 |
| 11,48,052.35 (31 March 2018: 11,48,052.35 01 April 2017: 2,88,596) Units of Rs.10/- each of L&T lindia Value Fund Direct Plan-Growth | 435.84 | 429.58 | 95.83 |
| Nil (31 March 2018: 12,189,374 01 April 2017: 12,189,374) Units of Rs.10/- each of L&T Resurgent India Corporate Bond Fund Direct Growth | - | 1,628.54 | 1,520.98 |
| Nil (31 March 2018: 51,486.68 01 April 2017: 383,282) Units of Rs.10/- each of Mirae Asset Emerging Bluechip Fund - Direct Plan - Growth | - | 25.66 | 169.84 |
| Nil (31 March 2018: Nil 01 April 2017: 96,841) Units of Rs.1000/- each of Kotak Floater Short Term-Direct Plan-Growth | - | - | 2,585.04 |
| Nil (31 March 2018: Nil 01 April 2017: 21,094,637) Units of Rs.10/- each of Kotak Equity Arbitrage Fund-Direct Plan-Fortnight Dividend | - | - | 5,013.20 |

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|--|------------------|------------------|------------------|
| Nil (31 March 2018: 1,046,795.39 01 April 2017: 2,74,038) Units of Rs.10/- each of Kotak Emerging Equity Scheme-Direct Plan-Growth | - | 433.11 | 100.81 |
| Nil (31 March 2018: Nil 01 April 2017: 15,206) Units of Rs.100/- each of Birla Sun Life Equity Fund-Growth-Direct | - | - | 98.68 |
| Nil (31 March 2018: Nil 01 April 2017: 2,567) Units of Rs.100/- each of Birla Sun Life Floating Rate Fund STP GR-DIRECT | - | - | 5.57 |
| Nil (31 March 2018: 8,098.96 01 April 2017: 2) Units of Rs.1000/- each of HDFC Cash Management Fund - Savings Plan-Daily Dividend Option | - | 86.14 | 0.02 |
| Nil (31 March 2018: Nil 01 April 2017: 31,23,985) Units of Rs.10/- each of IDFC Dynamic Bond Fund - Growth - (Regular Plan) | - | - | 629.89 |
| Nil (31 March 2018: Nil 01 April 2017: 16,37,830) Units of Rs.10/- each of IDFC Dynamic Bond Fund - Growth - (Direct Plan) | - | - | 343.15 |
| Nil (31 March 2018: Nil 01 April 2017: 90,44,535) Units of Rs.10/- each of Edelweiss Government Securities Fund - Regular Plan Growth | - | - | 1,237.71 |
| 9,943 (31 March 2018: 24,420.38 01 April 2017: 9,486) Units of Rs.1000/- each of SBI Liquid Fund Dir Plan Growth | 291.19 | 665.56 | 242.11 |
| Nil (31 March 2018: Nil 01 April 2017: 24,889) Units of Rs.1000/- each of SBI Ultra Short term debt fund Direct Plan Growth | - | - | 524.64 |
| Nil (31 March 2018: Nil 01 April 2017: 7,15,884) Units of Rs.10/- each of BNP Paribas Equity Fund -Direct Plan Growth Option | - | - | 553.74 |
| Nil (31 March 2018: Nil 01 April 2017: 7,15,884) Units of Rs.10/- each of BNP Paribas Equity Fund -Direct Plan Growth Option | - | - | 564.77 |
| Nil (31 March 2018: Nil 01 April 2017: 41,48,364) Units of Rs.10/- each of Reliance Dynamic bond Fund Growth Plan Growth Option | - | - | 927.58 |
| Nil (31 March 2018: Nil 01 April 2017: 2,500,000) Units of Rs.10/- each of Reliance Capital Builder Fund II Series A Growth Plan Growth Option | - | - | 297.74 |
| Nil (31 March 2018: Nil 01 April 2017: 419,938) Units of Rs.10/- each of ICICI Value Discovery Fund- DP Growth | - | - | 574.39 |
| Nil (31 March 2018: 494,730.64 01 April 2017: Nil) Units of Rs.10/- each of DSP Small & Mid Cap Fund -Direct Growth | - | 280.52 | - |
| Nil (31 March 2018: Nil 01 April 2017: 400,091) Units of Rs.10/- each of DSP Micro Cap Fund Regular Growth | - | - | 231.62 |
| Nil (31 March 2018: Nil 01 April 2017: 29,866) Units of Rs.1000/- each of DSP Black Rock Strategic Bond Fund-Institutional Plan - Growth | - | - | 585.41 |
| Nil(31 March 2018: 523,809.34 01 April 2017: 2,087,273) Units of Rs.10/- each of Kotak Select Focus Fund Direct plan Growth | - | 175.35 | 624.07 |
| Nil(31 March 2018: 500,000 01 April 2017: 500,000) Units of Rs.10/- each of Kotak India Growth Fund Series-1 - Growth (Regular Plan) | - | 63.30 | 58.77 |
| Nil (31 March 2018: Nil 01 April 2017: 35,28,159) Units of Rs.10/- each of SBI Bluechip Fund Regular Plan Growth | - | - | 1,184.48 |
| Nil (31 March 2018: Nil 01 April 2017: 1,77,100) Units of Rs.10/- each of SBI Bluechip Fund Direct Plan Growth | - | - | 61.61 |
| Nil (31 March 2018: 2,280,356 01 April 2017: 2,280,356) Units of Rs.10/- each of IDFC Money Manager Fund-Investment Plan-Growth-Direct Plan | - | 619.32 | 587.08 |
| | 1,371.57 | 7,605.46 | 23,942.61 |
| Investment in Equity Fund/Liquid Funds/Debt Funds/Monthly Income Plans (Unquoted) | | | |
| Nil (31 March 2018: Nil 01 April 2017: 48,99,324) Units of Rs.10/- each of IIFL National Development agenda fund | - | - | 613.39 |
| 6632939.93 (31 March 2018: 6712775.40 01 April 2017: 6693566.43) Units of Rs.100,000/- each of Zodiac Technology Fund | 661.47 | 670.42 | 752.95 |
| 180,000 (31 March 2018: 120,000 01 April 2017: 120,000) Units of Rs.100/- each of IVY Cap Venture Fund-II | 167.29 | 100.51 | 127.27 |
| 204.67 (31 March 2018: 207.69 01 April 2017: 335) Units of Rs.100,000/- each of India Venture Trust fund -I | 82.20 | 83.42 | 147.30 |
| * 129 (31 March 2018: 129 01 April 2017: 129) Units of Rs.100,000/- each of Shambhavi Reality Pvt. Ltd. | 43.00 | 96.75 | 135.93 |
| * Nil (31 March 2018: Nil 01 April 2017: 48) Units of Rs.100,000/- each of Avigna Properties Pvt. Ltd. | - | - | 51.29 |
| * 80 (31 March 2018: 80 01 April 2017: 80) Units of Rs.100,000/- each of Sutlej Housing Pvt. Ltd. | 80.00 | 80.00 | 81.85 |



| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---|------------------|------------------|------------------|
| * 68 (31 March 2018: 68 01 April 2017: 68) Units of Rs.100,000/- each of ASP Infraprojects Pvt. Ltd. | 58.34 | 66.30 | 68.97 |
| * Nil (31 March 2018: Nil 01 April 2017: 54) Units of Rs.100,000/- each of Spenta Enclave Pvt. Ltd. | - | - | 56.00 |
| * 35 (31 March 2018: 35 01 April 2017: 35) Units of Rs.100,000/- each of Midcity Infrastructure Pvt. Ltd. | 35.00 | 35.00 | 38.42 |
| * 62 (31 March 2018: 62 01 April 2017: 62) Units of Rs.100,000/- each of Gulam Mustafa Enterprises Pvt. Ltd. | 36.41 | 52.35 | 65.78 |
| 3,685,317 (31 March 2018: 3,685,317 01 April 2017: 2,659,247) Units of Rs.10/- each of IIFL Seed Venture Fund 1 | 726.86 | 591.55 | 377.42 |
| 9,45,128 (31 March 2018: 9,77,528 01 April 2017: 9,77,528) Units of Rs.100/- each of ICICI Prudential Real Estate fund AIF-I | 993.33 | 1,043.80 | 1,075.64 |
| 18,547,493 (31 March 2018: 18,547,493 01 April 2017: 18,547,493) Units of Rs.10/- each of IIFL Real Estate Fund Domestic Series-2 | 1,485.32 | 1,560.94 | 2,009.75 |
| * 2499.040 (31 March 2018: 2093.96 01 April 2017: 1656.41) Units of Rs.100,000/- each of ASK Real Estate Fund | 3,230.32 | 2,841.83 | 2,160.93 |
| 750 (31 March 2018: 500 01 April 2017: Nil) Units of Rs.100000/- each of Baring Private Equity India AIF | 831.84 | 446.48 | - |
| 15,000,000 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.10/- each of Sdfc c-38(1224 Days)Direct Growth | 1,537.29 | - | - |
| 234,71,520 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.10/- each of Sbi Arbitrage Opp Dir Div | 3,330.59 | - | - |
| 30,73,223.31 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.10/- each of Idfc Arbitrage Fund Monthly Div-Direct Reinvestment | 404.14 | - | - |
| 3,350 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.10/- each of Hdfc Overnight Fund | 94.50 | - | - |
| 50 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.1000000/- each of 8.02% Lic Housing Finance Ltd | 499.38 | - | - |
| 100 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.1000000/- each of Kotak Mahindra Prime Ltd Ncd 17jl20 | 1,066.80 | - | - |
| 10 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.10000000/- each of 7.50% Hdfc 015NCD 07jL0 Fvrsicr | 990.73 | - | - |
| | 16,354.82 | 7,669.35 | 7,762.91 |
| Investment in Equity Shares (Unquoted) | | | |
| * Nil (31 March 2018: 01 April 2017: 15,011) Equity Shares of Rs.1/- each fully paid up of Vahin Advisors and Traders Pvt Ltd | - | 0.15 | 0.15 |
| * Nil (31 March 2018: 01 April 2017: 14,975) Equity Shares of Rs.1/- each fully paid up of Prabal Traders and Advisors Pvt Ltd | - | 0.15 | 0.15 |
| * Nil (31 March 2018: 01 April 2017: 14,919) Equity Shares of Rs.1/- each fully paid up of Sherin Advisors & Traders Pvt Ltd | - | - | 0.15 |
| * 7,870 (31 March 2018: 01 April 2017: 7,870) Equity Shares of Rs.10/- each fully paid up of Ambojini Property Developers Private Limited | 1.55 | 1.55 | 1.49 |
| * Nil (31 March 2018: 01 April 2017: 15) Equity Shares of Rs.10/- each fully paid up of Mantri Hamlet Private Limited | - | - | 0.01 |
| * NIL (31 March 2018: 01 April 2017: 266) Equity Shares of Rs. 100/- each fully paid up of Godrej Landmark Redevelopers P Ltd | - | - | 62.80 |
| | 1.55 | 1.85 | 64.76 |
| Total (B) | 24,779.18 | 22,443.18 | 37,166.40 |
| Total (A) + (B) | 55,632.84 | 55,189.91 | 48,521.74 |
| Notes: | | | |
| 1. Aggregate amount of quoted investments (Gross) | 36,880.96 | 45,357.88 | 40,482.95 |
| 2. Aggregate amount of unquoted investments (Gross) | 18,751.88 | 9,832.04 | 8,038.83 |
| 3. Market value of quoted investments | 209,362.04 | 240,261.14 | 231,650.08 |
| * Investments are purchased through Portfolio Management Services | | | |

C Investments

| AS AT 31.03.2019 | | | | |
|---------------------------------|------------------|------------------------------------|------------------------|------------------|
| Investments | Carrying Cost | At Fair Value | | Total |
| | | Through Other Comprehensive Income | Through profit or loss | |
| Mutual Funds | | | 17,726.38 | 17,726.38 |
| Government securities | | | | - |
| Other approved securities | | | | - |
| Debt securities | | | 2,393.02 | 2,393.02 |
| Equity instruments | | 5,277.34 | 4,679.40 | 9,956.75 |
| Preference instruments | | | 539.20 | 539.20 |
| Subsidiaries | | | | - |
| Associates | 25,017.50 | | | 25,017.50 |
| Joint Ventures | | | | - |
| Others (specify) | | | | - |
| Total-Gross (A) | 25,017.50 | 5,277.34 | 25,338.01 | 55,632.84 |
| (i) Investments outside india | - | - | - | - |
| (ii) Investments in India | 25,017.50 | 5,277.34 | 25,338.01 | 55,632.84 |
| Total (B) | 25,017.50 | 5,277.34 | 25,338.01 | 55,632.84 |
| Less-Allowance for Impairment | | | | |
| Total- Net D = (A) - (C) | 25,017.50 | 5,277.34 | 25,338.01 | 55,632.84 |
| AS AT 31.03.2018 | | | | |
| Mutual Funds | - | - | 15,274.81 | 15,274.81 |
| Government securities | - | - | - | - |
| Other approved securities | - | - | - | - |
| Debt securities | - | - | 2,158.34 | 2,158.34 |
| Equity instruments | - | 7,713.91 | 5,025.36 | 12,739.27 |
| Subsidiaries | - | - | - | - |
| Associates | 25,017.50 | - | - | 25,017.50 |
| Joint Ventures | - | - | - | - |
| Others (specify) | - | - | - | - |
| Total-Gross (A) | 25,017.50 | 7,713.91 | 22,458.51 | 55,189.91 |
| (i) Investments outside india | - | - | - | - |
| (ii) Investments in India | 25,017.50 | 7,713.91 | 22,458.51 | 55,189.91 |
| Total (B) | 25,017.50 | 7,713.91 | 22,458.51 | 55,189.91 |
| Less-Allowance for Impairment | - | - | - | - |
| Total- Net D = (A) - (C) | 25,017.50 | 7,713.91 | 22,458.51 | 55,189.91 |
| AS AT 01.04.2017 | | | | |
| Mutual Funds | - | - | 31,705.52 | 31,705.52 |
| Government securities | - | - | - | - |
| Other approved securities | - | - | - | - |
| Debt securities | - | - | 208.67 | 208.67 |
| Equity instruments | - | 3,672.00 | 5,262.70 | 8,934.69 |
| Subsidiaries | - | - | - | - |
| Associates | 7,672.86 | - | - | 7,672.86 |
| Joint Ventures | - | - | - | - |
| Others (specify) | - | - | - | - |
| Total-Gross (A) | 7,672.86 | 3,672.00 | 37,176.88 | 48,521.74 |
| (i) Investments outside india | - | - | - | - |
| (ii) Investments in India | 7,672.86 | 3,672.00 | 37,176.88 | 48,521.74 |
| Total (B) | 7,672.86 | 3,672.00 | 37,176.88 | 48,521.74 |
| Less-Allowance for Impairment | - | - | - | - |
| Total- Net D = (A) - (C) | 7,672.86 | 3,672.00 | 37,176.88 | 48,521.74 |

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

| As at March 31, 2019 | | | | | | | | | |
|-----------------------|---------------------------------|----------------------------|------------------------------|---------------------------|-------------------------|------------------------|-------------------------|--------------|-----------|
| | 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 | 291.19 | - | - | 4,379.00 | 3,765.00 | 7,913.00 | 8,431.65 | 30,853.00 | 55,632.84 |
| As at March 31, 2018 | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Borrowings from banks | - | - | - | - | - | - | - | - | - |
| Market Borrowings | - | - | - | - | - | - | - | - | - |
| Assets | | | | | | | | | |
| Advances | - | - | - | - | - | - | - | - | - |
| Investments | 665.56 | - | - | 2,778.00 | - | 12,200.35 | 6,800.00 | 32,746.00 | 55,189.91 |
| As at April 1, 2017 | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Borrowings from banks | - | - | - | - | - | - | - | - | - |
| Market Borrowings | - | - | - | - | - | - | - | - | - |
| Assets | | | | | | | | | |
| Advances | - | - | - | - | - | - | - | - | - |
| Investments | 3,467.01 | - | - | 10,640.85 | 3,723.74 | 2,108.06 | 17,237.27 | 11,344.81 | 48,521.74 |

8. OTHER FINANCIAL ASSETS

(₹ in lakhs)

| Particulars | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---|------------------|------------------|------------------|
| (Unsecured and considered good), unless otherwise stated | | | |
| -Other Recoverable | 145.88 | 167.89 | 135.14 |
| | 145.88 | 167.89 | 135.14 |

9. DEFERRED TAX ASSETS (NET)

| Particulars | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---|------------------|------------------|------------------|
| Deferred tax liabilities | | | |
| Fixed assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting period | 73.78 | 273.61 | 459.92 |
| Gross deferred tax liability | 73.78 | 273.61 | 459.92 |
| 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 | 0.39 | 0.43 | 0.23 |
| Mat Credit Recoverable | 4,016.01 | 4,044.01 | 3,714.49 |
| Gross deferred tax asset | 4,016.40 | 4,044.44 | 3,714.72 |
| Deferred tax Assets (Net) | 3,942.62 | 3,770.83 | 3,254.80 |

10. PROPERTY, PLANT & EQUIPMENT

| Particulars | Deemed Cost | | | DEPRECIATION | | | | NET BLOCK | | |
|------------------------|--------------------------|------------------------|----------|--------------------------|--------------------------|------------------------------|----------------------------------|--------------------------|--------------------------|--------------------------|
| | Balance as at 01.04.2018 | Additions/ Adjustments | Disposal | Balance as at 31.03.2019 | Balance as at 01.04.2018 | Depreciation during the year | Eliminated on disposal of assets | Balance as at 31.03.2019 | Balance as at 31.03.2019 | Balance as at 31.03.2018 |
| TANGIBLE ASSETS | | | | | | | | | | |
| 1. Freehold land* | 263.42 | 2.09 | - | 265.51 | - | - | - | - | 265.51 | 263.42 |
| 2. Buildings | 40.14 | - | - | 40.14 | 0.73 | 0.72 | - | 1.45 | 38.70 | 39.42 |
| 3. Office Equipment | 0.72 | - | - | 0.72 | 0.17 | 0.16 | - | 0.33 | 0.40 | 0.56 |
| Current Year | 304.29 | 2.09 | - | 306.37 | 0.89 | 0.88 | - | 1.77 | 304.61 | 303.40 |
| Previous Year | 93.24 | 262.28 | 45.64 | 309.88 | 11.10 | 1.44 | 6.06 | 6.48 | 303.40 | 82.14 |

| Particulars | Deemed Cost | | | DEPRECIATION | | | | NET BLOCK | | |
|------------------------|--------------------------|------------------------|----------|--------------------------|--------------------------|------------------------------|----------------------------------|--------------------------|--------------------------|--------------------------|
| | Balance as at 01.04.2017 | Additions/ Adjustments | Disposal | Balance as at 31.03.2018 | Balance as at 01.04.2017 | Depreciation during the year | Eliminated on disposal of assets | Balance as at 31.03.2018 | Balance as at 31.03.2018 | Balance as at 31.03.2017 |
| TANGIBLE ASSETS | | | | | | | | | | |
| 1. Freehold land* | 1.14 | 262.28 | - | 263.42 | - | - | - | - | 263.42 | 1.14 |
| 2. Buildings | 80.28 | - | 40.14 | 40.14 | - | 1.28 | 0.56 | 0.73 | 39.42 | 80.28 |
| 3. Office Equipment | 0.72 | - | - | 0.72 | - | 0.16 | - | 0.17 | 0.56 | 0.72 |
| Current Year | 82.14 | 262.28 | 40.14 | 304.29 | - | 1.44 | 0.56 | 0.89 | 303.40 | 82.14 |
| Previous Year | 114.49 | 0.82 | 22.07 | 93.24 | 16.92 | 3.95 | 9.77 | 11.10 | 82.14 | 97.56 |

* Freehold land includes Rs.262.28 lacs (March 31, 2018 262.28) for the cost of land for which title deeds are yet to be executed in favor of the Company, though the possession thereof has been taken by the Company.

11. OTHER NON FINANCIAL ASSETS

(₹ in lakhs)

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|--------------------------------|------------------|------------------|------------------|
| (unsecured, considered good) | | | |
| Capital advances | - | - | 266.53 |
| Prepaid Expenses | - | 3.17 | 2.88 |
| Other recoverable | 37.08 | 14.27 | 4.16 |
| Security Deposit | 4.25 | 4.25 | - |
| | 41.33 | 21.69 | 273.57 |

12. OTHER FINANCIAL LIABILITIES

| Particulars | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|--------------------|------------------|------------------|------------------|
| Other Payables:- | | | |
| -Expenses Payables | 31.64 | 31.95 | 88.67 |
| -Dues to Employees | 1.26 | 6.25 | 2.42 |
| | 32.90 | 38.20 | 91.10 |

13. CURRENT TAX LIABILITIES (NET)

| Particulars | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|--------------------|------------------|------------------|------------------|
| Provision for Tax* | 481.96 | 232.27 | 179.86 |
| | 481.96 | 232.27 | 179.86 |

* Provision for tax is net of Advance tax of Rs.5728.98 lacs (Previous Year Rs. 5056.03 lacs)

14. PROVISIONS

| Particulars | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|-----------------------------------|------------------|------------------|------------------|
| Provision for employee benefits : | | | |
| - Gratuity | 0.51 | 0.12 | - |
| - Leave encashment | 0.82 | 0.45 | 0.50 |
| | 1.34 | 0.57 | 0.50 |

15. OTHER NON-FINANCIAL LIABILITIES

(₹ in lakhs)

| Particulars | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|-----------------------|------------------|------------------|------------------|
| Statutory Remittances | 20.56 | 18.85 | 1.99 |
| Unpaid dividends# | 11.36 | 9.45 | 10.23 |
| | 31.91 | 28.32 | 12.22 |

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

16. EQUITY SHARE CAPITAL

| | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---|------------------|------------------|------------------|
| Authorised share capital: | | | |
| 3,00,00,000 equity shares of Rs. 10 each (March 31, 2018: 3,00,00,000 equity shares of Rs. 10 each) | 3,000.00 | 3,000.00 | 3,000.00 |
| 1,00,00,000 redeemable cumulative preference shares of Rs. 10 each (March 31, 2018: 1,00,00,000 redeemable cumulative preference shares of Rs. 10 each) | 1,000.00 | 1,000.00 | 1,000.00 |
| | 4,000.00 | 4,000.00 | 4,000.00 |
| Issued up share capital comprises: | | | |
| 31,91,536 equity shares of Rs. 10 each (March 31, 2018: 31,91,536 equity shares of Rs. 10 each) | 319.15 | 319.15 | 319.15 |
| | 319.15 | 319.15 | 319.15 |
| Subscribed and fully paid up share capital comprises: | | | |
| 31,91,536 equity shares of Rs. 10 each (March 31, 2018: 31,91,536 equity shares of Rs. 10 each) | 319.15 | 319.15 | 319.15 |
| Add: Forfeited Shares (Amount originally paid-up) | 0.09 | 0.09 | 0.09 |
| | 319.24 | 319.24 | 319.24 |

16.1 Rights, preference and restriction attached to equity shares

The Company has one class of equity shares having a par value of Rs.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.

16.2 Rights, preference and restriction attached to preference shares

The rate of dividend on preference shares will be decided by the Board of Directors as and when issued. Preferential shares as and when issued shall have the cumulative right to receive dividend as and when declared and shall have preferential right of repayment on amount of capital.

16.3 Reconciliation of number of shares

| | As at March 31, 2019 | | As at March 31, 2018 | |
|---|----------------------|---------------|----------------------|---------------|
| | Number of shares | Amount | Number of shares | Amount |
| Balance as at the beginning of the year | 3,191,536 | 319.24 | 3,191,536 | 319.24 |
| | - | - | | |
| | 3,191,536 | 319.24 | 3,191,536 | 319.24 |
| Balance as at the end of the year | 3,191,536 | 319.23 | 3,191,536 | 319.24 |

16.4 Details of shares held by the holding Company

There is no Holding / Ultimate Company of the Company.

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

| | As at March 31, 2019 | | As at March 31, 2018 | |
|--|----------------------|-----------|----------------------|-----------|
| | Number of shares | % holding | Number of shares | % holding |
| Adishwar Enterprises LLP | 1,048,770 | 32.86% | 1,048,770 | 32.86% |
| Devakar Investment & Trading Company (P) Limited | 1,094,330 | 34.29% | 1,094,330 | 34.29% |

17. OTHER EQUITY

| | As on March 31, 2019 | As on March 31, 2018 |
|--|----------------------|----------------------|
| 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) | 9,162.48 | 8,557.53 |
| Retained Earnings | 36,502.78 | 34,275.51 |
| Equity instrument through other comprehensive income | 3,665.37 | 6,101.94 |
| | 59,841.74 | 59,446.09 |

Other Equity

| Particulars | 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 2018 | 0.11 | 70.00 | 781.28 | 9,659.72 | 8,557.53 | 34,275.51 | 6,101.94 | 59,446.09 |
| Transfer to statutory Reserve u/s 45-IC of RBI Act,1934 | | - | - | | 604.95 | (604.95) | | - |
| Profit/Loss for the period | | | | | | 3,024.74 | | 3,024.74 |
| Other Comprehensive Income for the period | | | | | | (0.15) | (2,436.57) | (2,436.71) |
| Dividend @ Rs.5/Share for financial year 2017-18 | | | | | | (159.58) | | (159.58) |
| Dividend Distribution Tax on dividend paid during the period | - | | | | | (32.80) | | (32.80) |
| Balance as of 31 March 2019 | 0.11 | 70.00 | 781.28 | 9,659.72 | 9,162.48 | 36,502.78 | 3,665.37 | 59,841.74 |
| Balance as of 1 April 2017 | 0.11 | 70.00 | 781.28 | 9,659.72 | 7,436.00 | 31,116.12 | 3,086.87 | 52,150.09 |
| Transfer to statutory Reserve u/s 45-IC of RBI Act,1934 | | | | | 1,121.53 | (1,121.53) | | - |
| Profit/Loss for the period | | | | | | 4,473.06 | | 4,473.06 |
| Other Comprehensive Income for the period | | | | | | | 3,015.07 | 3,015.00 |
| Dividend @ Rs.5/Share for financial year 2016-17 | | | | | | (159.58) | | (159.58) |
| Dividend Distribution Tax on dividend paid during the period | | | | | | (32.49) | | (32.49) |
| Balance as of 31 March 2018 | 0.11 | 70.00 | 781.28 | 9,659.72 | 8,557.53 | 34,275.51 | 6,101.94 | 59,446.09 |

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

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.

18. INTEREST INCOME

| Particulars | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|---|--------------------------------------|--------------------------------------|
| Interest Income from investments (On financial assets classified at fair value through profit or loss) | 491.43 | 504.57 |
| | 491.43 | 504.57 |

19. DIVIDEND INCOME

| Particulars | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|---|--------------------------------------|--------------------------------------|
| Dividend Income from long term trade investments: | | |
| - Associates | 2,297.18 | 2,145.47 |
| - others | 173.92 | 548.01 |
| | 2,471.10 | 2,693.49 |

20. NET GAIN ON FAIR VALUE CHANGES

| Particulars | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|--|--------------------------------------|--------------------------------------|
| (A). Net gain/ (loss) on financial instruments at fair value through profit or loss | | |
| (i) On trading portfolio | | |
| -Investments | - | - |
| -Derivatives | - | - |
| -Others | 730.81 | 3,119.89 |
| (ii) On financial instruments designated at fair value | (491.58) | (1,388.44) |
| (B) Others (to be specified) | - | - |
| Total Net gain/(loss) on fair value changes (C) | 239.23 | 1,731.45 |
| Fair Value changes | | |
| -Realised | 730.81 | 3,119.89 |
| -Unrealised | (491.58) | (1,388.44) |
| Total Net gain/(loss) on fair value changes (D) to tally with (C) | 239.23 | 1,731.45 |

21. OTHER INCOME

| Particulars | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|---|--------------------------------------|--------------------------------------|
| Receipt against License agreement | 137.62 | 126.72 |
| Rent received | 1.80 | 2.96 |
| Excess Provision written back | - | 0.00 |
| Miscellaneous | 0.12 | 0.04 |
| Profit on sales of Property Plant & Equipment | - | 6.42 |
| | 139.54 | 136.14 |

22. EMPLOYEE BENEFITS EXPENSE

| Particulars | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|--------------------|--------------------------------------|--------------------------------------|
| Salaries and wages | 40.71 | 40.41 |
| | 40.71 | 40.41 |

23. OTHER EXPENSES

| Particulars | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|--|--------------------------------------|--------------------------------------|
| Rent and taxes | 0.02 | 1.54 |
| Repairs and maintenance | 0.42 | 0.50 |
| Communication Costs | 0.03 | - |
| Printing and stationery | 4.37 | 4.46 |
| Excess Provision written off | - | 6.56 |
| Other Financial Charges | 3.83 | 31.58 |
| Director's fees, allowances and expenses | 5.52 | 3.56 |
| Auditor's fees and expenses | 0.64 | 0.59 |
| Legal and Professional charges | 121.65 | 187.07 |
| Insurance | 3.38 | 2.88 |
| Charity and Donation | 107.53 | 51.00 |
| Other expenditure | 8.86 | 20.46 |
| | 256.25 | 310.21 |

24. FIRST TIME ADOPTION OF IND AS

This financial statement is the first financial statement that has been prepared in accordance with Ind AS together with the comparative period data as at and for the year ended 31st March 2018, as described in the summary of significant accounting policies. The transition to IND AS has been carried out in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards with 1st April 2017 as the transition date.

This note explains the exemptions availed by the company on first time adoption of Ind AS and the principal adjustments made by the Company in restating its previous GAAP financial statements as at 1st April 2017 and financial statements as at and for the year ended 31st March 2018 in accordance with Ind AS 101.

(a) Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has, accordingly, applied following exemptions:

- The Company has elected to consider carrying amount of all items of property, plant and equipments measured as per previous GAAP as recognized in the financial statements as at the date of transition, as deemed cost at the date of transition. The effect of consequential changes arising on the application of other Ind AS has been adjusted to the deemed cost of Property, Plant & Equipment.
- The Company has adopted to measure investments in associates at cost in accordance with IND AS 27 and therefore has measured such investments in its separate opening IND AS balance sheet at carrying amount as per previous GAAP at the date of transition in accordance with IND AS 101.
- The Company has availed the exemption of fair value measurement of financial assets or liabilities at initial recognition and accordingly will apply fair value measurement of financial assets or liabilities at initial recognition prospectively to transactions entered into on or after 01st April 2017.
- The estimates at 1st April 2017 and at 31st March, 2018 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items under previous GAAP did not require estimation:
 - Fair values of Financial Assets & Financial Liabilities
 - Discount rates

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at 1st April, 2017 and 31st March, 2018.

(b) Notes to the reconciliation of equity as at 1st April 2017 and 31st March 2018 and Total comprehensive income for the year ended 31st March 2018

1. Fair Valuation of Investments

Under Indian GAAP, investments in equity instruments, mutual funds and debt securities were classified as long term investments or current investments based on the intended holding period and realisability. Long term investments were carried at cost less provision for other than temporary diminution in the value of investments. Current investments were carried at lower of cost and fair value. Ind AS requires such investments to be measured at fair value except investments in subsidiaries, associates and joint venture for which exemption has been availed.

Accordingly, the Company has designated such investments as FVTPL/FVTOCI investments in accordance with Ind AS. The difference between the instrument's fair value and carrying amount as per Indian GAAP has been recognized in retained earnings. This has resulted in increase in retained earnings of ₹ 8652.11 lacs and ₹ 6665.70 lacs as at 31st March 2018 and 1st April 2017 respectively and decrease in net profit of ₹ 1121.96 lacs for the year ended 31st March 2018.

2. Proposed Dividend

Under Indian GAAP, proposed dividend (including DDT) is recognized as a liability in the period to which it relates, irrespective of when it is declared. Under Ind AS, proposed dividend is recognized as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

In the case of the Company, the declaration of dividend occurs after period end. Therefore, the liability for the year ended 31st March 2018 recorded as proposed dividend as on 1st April, 2017 along with dividend distribution tax amounting ₹ 192.07 lacs has been de-recognized and has been provided in the financial year 2017-18 in which it is declared/ paid under IND AS.

3. Defined benefit obligation

Under Ind AS, remeasurements i.e actuarial gains and losses are to be recognized in 'Other comprehensive income' and are not to be reclassified to profit and loss in a subsequent period. Under the Indian GAAP, these remeasurements were forming part of the profit or loss. Therefore, actuarial gain/(loss) amounting to ₹ (0.08) lacs for the financial year 2017-18 has been recognized in Other comprehensive income (net of tax ₹ 0.01 lacs) which was earlier recognized in Employee benefits expense. The same has decreased total equity by 0.13 lacs as at April 1, 2017.

4. Deferred tax

Under Indian GAAP, deferred tax was recognized for the temporary timing differences which focus on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Further, the application of Ind AS has resulted in recognition of deferred tax on certain temporary differences which was not required under Indian GAAP. Accordingly, deferred tax adjustments have been recognised in correlation to the underlying transactions in retained earnings/OCI in accordance with Ind AS. This has resulted decrease in retained earnings of ₹ 386.69 lacs and ₹ 479.67 lacs as at 31st March 2018 and 1st April 2017 respectively. The net profit has been increase with ₹ 92.98 lacs for the year ended 31st March 2018 with a corresponding adjustment in 'Deferred tax liability'.

5. Statement of cash flows

The transition from Indian GAAP to IND AS has not had a material impact on statement of cash flows.

24(a) Reconciliation of Equity as on 1st April, 2017

| Particulars | As per Previous GAAP | Ind AS Adjustments | As per Ind AS |
|--|----------------------|--------------------|------------------|
| ASSETS | | | |
| 1 Financial Assets | | | |
| (a) Cash and bank balances | 120.75 | - | 120.75 |
| (b) Bank Balances other than (a) above | 10.21 | - | 10.21 |
| (c) Receivables | | | |
| (I) Trade Receivables | | | |
| (II) Other Receivables | 354.68 | - | 354.68 |
| (d) Loans | | | |
| (e) Investments | 41,568.30 | 6,953.43 | 48,521.74 |
| (f) Other Financial assets | - | 135.14 | 135.14 |
| | 42,053.94 | 7,088.57 | 49,142.51 |
| (2) Non Financial Assets | | | |
| (a) Deferred Tax Asset (Net) | 20.10 | 3,234.69 | 3,254.80 |
| (b) Property, Plant and Equipment | 82.14 | - | 82.14 |
| (c) Other non-financial assets | 4,123.20 | (3,849.63) | 273.57 |
| | 4,225.44 | (614.93) | 3,610.51 |
| TOTAL ASSETS | 46,279.38 | 6,473.64 | 52,753.02 |

Liabilities and Equity

Liabilities

1 Financial Liabilities

| | | | |
|---|---|-------|-------|
| (a) Payables | | | |
| (l) 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 | - | 91.10 | 91.10 |

2 Non Financial Liabilities

| | | | |
|---|---------------|-----------------|---------------|
| (a) Current tax liabilities (Net) | 179.86 | - | 179.86 |
| (b) Provisions | 192.57 | (192.06) | 0.50 |
| (c) Other non-financial liabilities (to be specified) | 103.32 | (91.10) | 12.22 |
| | 475.75 | (192.06) | 283.69 |

(3) EQUITY

| | | | |
|--------------------------|------------------|-----------------|------------------|
| (a) Equity Share Capital | 319.24 | - | 319.24 |
| (b) Other Equity | 45,484.39 | 6,665.70 | 52,150.09 |
| | 45,803.63 | 6,665.70 | 52,469.34 |
| TOTAL | 46,279.38 | 6,473.64 | 52,753.02 |

24(b) **Reconciliation of Equity as on 31st March , 2018**

| Particulars | As per Previous GAAP | Ind AS Adjustments | As per Ind AS |
|--|----------------------|--------------------|------------------|
| ASSETS | | | |
| 1 Financial Assets | | | |
| (a) Cash and bank balances | 158.58 | - | 158.58 |
| (b) Bank Balances other than (a) above | 9.45 | - | 9.45 |
| (c) Derivative financial instruments | | | |
| (d) Receivables | | | |
| (l) Trade Receivables | | | |
| (II) Other Receivables | 442.85 | - | 442.85 |
| (e) Loans | 0.08 | - | 0.08 |
| (f) Investments | 46,343.33 | 8,846.58 | 55,189.91 |
| (f) Other Financial assets | - | 167.89 | 167.89 |
| | 46,954.29 | 9,014.47 | 55,968.77 |
| (2) Non Financial Assets | | | |
| (a) Deferred Tax Asset (Net) | 113.64 | 3,657.20 | 3,770.83 |
| (b) Property, Plant and Equipment | 303.40 | (0.00) | 303.40 |
| (c) Other non-financial assets | 4,233.62 | (4,211.92) | 21.69 |
| | 4,650.65 | (554.73) | 4,095.93 |
| TOTAL ASSETS | 51,604.95 | 8,459.74 | 60,064.69 |

Liabilities and Equity

Liabilities

1 Financial Liabilities

| | | | |
|---|---|-------|-------|
| (a) Payables | | | |
| (l) 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 (to be specified) | - | 38.20 | 38.20 |

2 Non Financial Liabilities

| | | | |
|--|--------|----------|--------|
| (a) Current tax liabilities (Net) | 232.27 | - | 232.27 |
| (b) Provisions | 192.95 | (192.38) | 0.57 |
| (d) Other non-financial liabilities (to be specified) | 66.51 | (38.19) | 28.32 |

| | | | |
|--|---------------|-----------------|---------------|
| | 491.73 | (192.37) | 299.36 |
|--|---------------|-----------------|---------------|

(3) EQUITY

| | | | |
|--------------------------|-----------|----------|-----------|
| (a) Equity Share Capital | 319.24 | - | 319.24 |
| (b) Other Equity | 50,793.98 | 8,652.11 | 59,446.09 |

| | | | |
|--|------------------|-----------------|------------------|
| | 51,113.22 | 8,652.11 | 59,765.33 |
|--|------------------|-----------------|------------------|

| | | | |
|--------------|------------------|-----------------|------------------|
| TOTAL | 51,604.95 | 8,459.74 | 60,064.69 |
|--------------|------------------|-----------------|------------------|

24 c) RECONCILIATION OF TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR 2017-18

| Particulars | As per previous GAAP | IND AS Adjustments | As per IND AS |
|--|----------------------|--------------------|-----------------|
| Revenue from operations | | | |
| (i) Interest Income | 504.57 | - | 504.57 |
| (ii) Dividend Income | 2,693.49 | - | 2,693.49 |
| (iii) Net gain on fair value changes | 3,119.89 | (1,388.44) | 1,731.45 |
| (I) Total Revenue from operations | 6,317.94 | (1,388.44) | 4,929.51 |
| II Other income | 136.14 | - | 136.14 |
| Inter unit transfer | | | |
| III Total Income (I + II) | 6,454.08 | (1,388.43) | 5,065.65 |
| Expenses | | | |
| Employee benefits expense | 40.49 | (0.08) | 40.41 |
| Finance costs | | - | |
| Depreciation and amortization expenses | 1.44 | - | 1.44 |
| Other expenses | 576.68 | (266.47) | 310.21 |
| IV Total Expenses | 618.61 | (266.55) | 352.06 |
| v Profit/(Loss) before exceptional Items and Tax (III-IV) | 5,835.47 | (1,121.87) | 4,713.60 |
| VI Exceptional Items | | | - |
| VII Profit before tax (V-VI) | 5,835.47 | (1,121.87) | 4,713.60 |
| VIII Tax expense : | | | |
| - Current Tax | 756.56 | 0.01 | 756.57 |
| - Deferred tax | (93.53) | (92.98) | (186.52) |
| - Mat Credit Entitlement | (329.53) | - | (329.53) |
| IX Profit for the year (VII - VIII) | 5,501.97 | (1,028.90) | 4,473.07 |
| X Other Comprehensive Income/(Loss) | | | |
| (A) (i) Items that will not be reclassified to profit or loss | | | |
| - Remeasurements of the defined benefits plans | - | (0.08) | (0.08) |
| - Net Gain/loss on Fair Valuation of Equity instruments carried at FVOCI | - | 3,015.07 | 3,015.07 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | - | 0.01 | 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 | - | 3,015.00 | 3,015.00 |
| XI Total Comprehensive income/loss for the period (IX+X) (Comprising profit (Loss) and other Comprehensive Income for the period) | 5,501.97 | 1,986.10 | 7,488.07 |

25. TAX BALANCES

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

| 25.1 Deferred tax liabilities (Net) | Opening Balance | Mat Credit Adjustment | Recognised in profit or loss | Recognised in OCI | Closing Balance |
|--|-----------------|-----------------------|------------------------------|-------------------|-----------------|
| 2018-19 | | | | | |
| Deferred tax assets | | | | | |
| Expenses deductible in future years | 0.43 | - | (0.04) | - | 0.39 |
| MAT credit recoverable | 4,044.01 | (28.00) | - | - | 4,016.01 |
| | 4,044.44 | (28.00) | (0.04) | - | 4,016.40 |
| Deferred tax liabilities | | | | | |
| Property, plant and equipment and Intangible assets | (0.02) | - | (0.04) | - | (0.06) |
| Investment in bonds, mutual funds and equity instruments | 273.63 | - | (199.79) | - | 73.84 |
| | 273.61 | - | (199.82) | - | 73.77 |
| Net deferred tax liabilities | 3,770.83 | (28.00) | 199.79 | - | 3,942.62 |

| Deferred tax liabilities (Net) | Opening Balance | Mat Credit Adjustment | Recognised in profit or loss | Recognised in OCI | Closing Balance |
|--|-----------------|-----------------------|------------------------------|-------------------|-----------------|
| 2017-18 | | | | | |
| Deferred tax assets | | | | | |
| Expenses deductible in future years | 0.23 | - | 0.20 | - | 0.43 |
| Provision for doubtful debts / advances | - | - | - | - | - |
| MAT credit recoverable | 3,714.49 | - | 329.53 | - | 4,044.01 |
| Others | - | - | - | - | - |
| | 3,714.72 | - | 329.73 | - | 4,044.44 |
| Deferred tax liabilities | | | | | |
| Property, plant and equipment and Intangible assets | 0.01 | - | (0.03) | - | (0.02) |
| Investment in bonds, mutual funds and equity instruments | 459.91 | - | (186.28) | - | 273.63 |
| Others | - | - | - | - | - |
| | 459.92 | - | (186.31) | - | 273.61 |
| Net deferred tax liabilities | 3,254.80 | - | 516.04 | - | 3,770.83 |

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

25.2 Income tax recognised in profit or loss

| Particulars | As At March 31,2019 | As At March 31,2018 |
|--|---------------------|---------------------|
| Current tax | | |
| In respect of the current year | 218.49 | 756.57 |
| Deferred tax | | |
| In respect of the current year | (199.79) | (516.04) |
| Total income tax expense recognised | 18.70 | 240.53 |

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

| Particulars | As At March 31,2019 | As At March 31,2018 |
|---|---------------------|---------------------|
| Profit before tax | 3,043.44 | 4,713.59 |
| Tax at the Indian Tax Rate of 27.82% (2017-18 : 34.608 %) | 846.69 | 1,631.28 |
| Exempt Long Term Capital Gain | (91.73) | (553.64) |
| Effect of exempted dividend income | (652.79) | (907.42) |
| Donation Disallowed | 14.96 | 8.83 |
| Effect of indexation benefit on value of investment | (23.18) | (93.58) |
| Index Benefit on land | - | (13.23) |
| Tax Difference on MTM Gain on investment | (63.07) | 294.00 |
| Capital Gain tax rate difference | (15.00) | (148.17) |
| Others | 2.83 | 22.47 |
| | 18.70 | 240.53 |

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

26.1 Financial instruments by category

| | As at March 31, 2019 | | | |
|--------------------------------|----------------------|-----------------|-----------------|------------------|
| | FVTPL | Amortised Cost# | FVTOCI | Total |
| Financial Assets | | | | |
| Investments* | 25,338.01 | - | 5,277.34 | 30,615.35 |
| Other Receivables | - | 408.21 | - | 408.21 |
| Cash and cash equivalents | - | 222.25 | - | 222.25 |
| Bank balances other than above | - | 11.36 | - | 11.36 |
| Loans | - | - | - | - |
| | 25,338.01 | 641.82 | 5,277.34 | 31,257.17 |

| | As at March 31, 2018 | | | |
|--------------------------------|----------------------|-----------------|-----------------|------------------|
| | FVTPL | Amortised Cost# | FVTOCI | Total |
| Financial Assets | | | | |
| Investments* | 22,458.51 | - | 7,713.91 | 30,172.42 |
| Other Receivables | - | 442.85 | - | 442.85 |
| Cash and cash equivalents | - | 158.58 | - | 158.58 |
| Bank balances other than above | - | 9.45 | - | 9.45 |
| Loans | - | 0.08 | - | 0.08 |
| | 22,458.51 | 610.96 | 7,713.91 | 30,783.38 |

| | As at April 1, 2017 | | | |
|--------------------------------|---------------------|-----------------|-----------------|------------------|
| | FVTPL | Amortised Cost# | FVTOCI | Total |
| Financial Assets | | | | |
| Investments* | 37,176.88 | - | 3,672.00 | 40,848.88 |
| Other Receivables | - | 354.68 | - | 354.68 |
| Cash and cash equivalents | - | 120.75 | - | 120.75 |
| Bank balances other than above | - | 10.21 | - | 10.21 |
| Loans | - | - | - | - |
| | 37,176.88 | 485.63 | 3,672.00 | 41,334.51 |

| | As at March 31, 2019 | | |
|------------------------------|----------------------|-----------------|--------------|
| | FVTPL | Amortised Cost# | Total |
| Financial Liabilities | | | |
| Trade Payables | - | - | - |
| Other financial liabilities | - | 32.90 | 32.90 |
| | - | 32.90 | 32.90 |

| | As at March 31, 2018 | | |
|------------------------------|----------------------|-----------------|--------------|
| | FVTPL | Amortised Cost# | Total |
| Financial Liabilities | | | |
| Trade Payables | - | - | - |
| Other financial liabilities | - | 38.20 | 38.20 |
| | - | 38.20 | 38.20 |

| | As at April 1, 2017 | | |
|------------------------------|---------------------|-----------------|--------------|
| | FVTPL | Amortised Cost# | Total |
| Financial Liabilities | | | |
| Trade Payables | - | - | - |
| Other financial liabilities | - | 91.10 | 91.10 |
| | - | 91.10 | 91.10 |

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 ₹ 25017.50 Lacs (March 31, 2018: ₹ 25017.50 lacs, April 01, 2017 ₹ 7672.86) which are shown at cost in balance sheet as per Ind AS 27 "Separate Financial Statements".

Vardhman Holdings Limited

26.2 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, 2019 | Level 1 | Level 2 | Level 3 | Total |
|---|------------------|-----------------|-----------------|------------------|
| Financial Assets | | | | |
| Investments in mutual funds/bonds/preference shares | 5,200.80 | 7,716.08 | 7,601.09 | 20,517.97 |
| Investments in quoted equity instruments | 9,955.17 | | | 9,955.17 |
| Investments in unquoted equity instruments | | | 142.16 | 142.16 |
| | 15,155.97 | 7,716.08 | 7,743.25 | 30,615.30 |
| As at March 31, 2018 | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | |
| Investments in mutual funds/bonds/preference shares | 7,542.16 | 2,524.46 | 7,224.72 | 17,291.34 |
| Investments in quoted equity instruments | 12,737.38 | | | 12,737.38 |
| Investments in unquoted equity instruments | | | 143.66 | 143.66 |
| | 20,279.54 | 2,524.46 | 7,368.38 | 30,172.38 |
| As at April 1, 2017 | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | |
| Investments in mutual funds/bonds/preference shares | 23,586.11 | 969.89 | 7,214.26 | 31,770.26 |
| Investments in quoted equity instruments | 8,869.99 | | | 8,869.99 |
| Investments in unquoted equity instruments | | | 208.67 | 208.67 |
| | 32,456.10 | 969.89 | 7,422.93 | 40,848.92 |

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.

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 April 1, 2017 | 208.67 | 7,214.26 |
| Purchases | - | 658.78 |
| Sales | (42.15) | (715.38) |
| Gain / (loss) recognised in OCI/Profit/Loss | (22.86) | 67.06 |
| As at March 31, 2018 | 143.66 | 7,224.72 |
| Purchases | - | 474.50 |
| Sales | (1.50) | (230.25) |
| Gain / (loss) recognised in OCI/Profit/Loss | - | 132.12 |
| As at March 31, 2019 | 142.16 | 7,601.09 |

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.

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, 2019 would increase / decrease by ₹ 263.87 lacs (March 31, 2018: increase / decrease by ₹ 385.70 crores) as a result of the change in fair value of equity investment measured at FVTOCI.

Exposure in mutual funds

The Company manages the surplus funds majorly through investments in debt based mutual fund schemes. The price of investment in these mutual fund schemes is reflected though Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Company is exposed to price risk on such Investments.

Mutual fund/debentures/Equity shares/bonds price sensitivity analysis

The sensitivity analysis below have been determined based on Mutual Fund Investment at the end of the year. If NAV has been 1% higher / lower:

Profit for the year ended March 31, 2019 would increase / decrease by ₹ 177.26 Lacs (March 31, 2018 by ₹ 152.45 crores) 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:

| 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, 2019 | | | | | |
| Investments* | 8,435.19 | 7,913.00 | 8431.65 | 30,853.00 | 55,632.84 |
| Other Receivables | 408.21 | - | - | - | 408.21 |
| Cash and cash equivalents | 222.25 | - | - | - | 222.25 |
| Bank balances other than above | 11.36 | - | - | - | 11.36 |
| Loans | - | - | - | - | - |
| | 9,077.02 | 7,913.00 | 8,431.65 | 30,853.00 | 56,274.67 |

| | 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, 2019 | | | | | |
| Trade payables | - | - | - | - | - |
| Other financial liabilities** | 32.90 | - | - | - | 32.90 |
| | 32.90 | - | - | - | 32.90 |

| 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, 2018 | | | | | |
| Investments* | 3,443.56 | 12,200.35 | 6800.00 | 32,746.00 | 55,189.90 |
| Other Receivables | 442.85 | - | - | - | 442.85 |
| Cash and cash equivalents | 158.58 | - | - | - | 158.58 |
| Bank balances other than above | 9.45 | - | - | - | 9.45 |
| Loans | 0.08 | - | - | - | 0.08 |
| | 4,054.52 | 12,200.35 | 6,800.00 | 32,746.00 | 55,800.86 |

| | 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, 2018 | | | | | |
| Trade payables | - | - | - | - | - |
| Other financial liabilities | 38.20 | - | - | - | 38.20 |
| | 38.20 | - | - | - | 38.20 |

| 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 April 1, 2017 | | | | | |
| Investments* | 17,831.60 | 2,108.36 | 17,237.27 | 11,344.81 | 48,521.74 |
| Other Receivables | 354.68 | - | - | - | 354.68 |
| Cash and cash equivalents | 120.75 | - | - | - | 120.75 |
| Bank balances other than above | 10.21 | - | - | - | 10.21 |
| Loans | - | - | - | - | - |
| | 18,317.23 | 2,108.36 | 17,237.27 | 11,344.81 | 49,007.37 |

| | 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 April 1, 2017 | | | | | |
| Trade payables | - | - | - | - | - |
| Other financial liabilities | 91.10 | - | - | - | 91.10 |
| | 91.10 | - | - | - | 91.10 |

* including Current Maturity of non-current borrowings

27. 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:

| | As at March 31, 2019 | As at March 31, 2018 |
|---|----------------------------|----------------------------|
| Discount Rate | 7.65% | 7.71% |
| Salary increase | 6.00% | 6.00% |
| Expected average remaining working life | 28.79 | 29.96 |
| Mortality Rates | IALM (2006-08) | IALM (2006-08) |
| Method used | Project unit credit method | Project unit credit method |

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. An actuarial valuations involves making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

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

| | For the year ended | |
|---|--------------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Current Service cost | 0.23 | 0.26 |
| Past service cost and (gain) /loss from settlements | - | - |
| Net interest expenses | 0.01 | (0.02) |

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:

| | For the year ended | |
|--|--------------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Actuarial gain/(losses) arising from changes in financial assumptions | (0.01) | 0.05 |
| Actuarial gain/(losses) arising from changes in experience adjustments | (0.11) | (0.10) |
| Actuarial gain/(losses) arising for the year on asset | (0.04) | (0.03) |
| | (0.16) | (0.08) |

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

| | March 31, 2019 | March 31, 2018 |
|--|----------------|----------------|
| Present value of funded defined benefit obligation | 1.44 | 1.07 |
| Fair Value of Plan Assets | 0.93 | 0.96 |
| Net assets / (liability) | (0.51) | (0.12) |

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

| | For the year ended | |
|--|--------------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Opening defined benefit obligation | 0.12 | (0.21) |
| Transferred during the year | | |
| Current Service Cost | 0.23 | 0.26 |
| Interest Cost | 0.01 | (0.02) |
| Actuarial (gain)/losses arising from changes in experience adjustments | 0.16 | 0.08 |
| Closing defined benefit obligation | 0.51 | 0.12 |

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

| | For the year ended | |
|--|--------------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Opening fair value of plan assets | 0.96 | 0.98 |
| Interest Income | 0.04 | 0.04 |
| Benefits paid | (0.06) | (0.06) |
| Closing fair value of plan assets | 0.93 | 0.96 |

Plan assets comprises of mutual fund, Government of India securities and bank balances. The average duration of the defined benefit obligation is 14.91 years (2018: 9.64 years). The Company expects to make a contribution of ₹ 0.07 lacs (March 31, 2018: ₹ 0.06 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 March 31, 2019 |
|-------------------------------|----------------------|
| Discount Rate | |
| 0.50% Increase | (0.09) |
| 0.50% decrease | 0.09 |
| Future Salary increase | |
| 0.50% Increase | 0.10 |
| 0.50% decrease | (0.09) |

Maturity Profile of Defined Benefit Obligation

| | Year | Amount |
|----|----------------|--------|
| a) | 0 to 1 Year | 0.07 |
| b) | 1 to 2 Year | 0.06 |
| c) | 2 to 3 Year | 0.07 |
| d) | 3 to 4 Year | 0.06 |
| e) | 4 to 5 Year | 0.06 |
| f) | 5 to 6 Year | 0.06 |
| g) | 6 Year onwards | 1.07 |

28. RELATED PARTY TRANSACTIONS
Description of related parties
Associates

Vardhman Textiles Limited
Vardhman Spinning and General Mills Limited

Key Management Personnel (KMP)

Mr. S.P. Oswal, Chairman and Managing Director
Mrs. Poorva Bhatia (Chief Financial Officer)
Mr. Amrender Kumar Yadav, Company Secretary (upto 21.07.2018)
Mr. Satin Katyal, Company Secretary (w.e.f. 13.11.2018)
Mrs. Shakun Oswal (Non-Executive Director)
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
Receipt against licence agreement (excluding service tax)

Associates
Key Managerial Personnel

Rent Received

Associates
Key Managerial Personnel

Managerial Remuneration

Associates
Key Managerial Personnel

| | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|--|--------------------------------------|--------------------------------------|
| | 96.02 | 88.58 |
| | 96.02 | 88.58 |
| | 1.80 | 1.80 |
| | 1.80 | 1.80 |
| | - | - |
| | 43.78 | 35.84 |
| | 43.78 | 35.84 |

29. CONTINGENT LIABILITIES AND COMMITMENTS
Claims against the Company not acknowledged as debts:

Income-tax
Uncalled Liability on Investment Commitment

| | As at March 31, 2019 | As at March 31, 2018 |
|--|----------------------|----------------------|
| | 63.91 | 15.12 |
| | 1,170.00 | 1,980.00 |

30. 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.

31. EARNINGS PER SHARE

Basic earnings per share (INR)
Profit attributable to the equity holders of the Company used in calculating basic earning per share
Weighted average number of equity shares for the purpose of basic earning per share (numbers)

| | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|--|--------------------------------------|--------------------------------------|
| | 94.77 | 140.15 |
| | 3,024.74 | 4,473.06 |
| | 3,191,536 | 3,191,536 |

32. 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.

| | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|--|--------------------------------------|--------------------------------------|
| 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 | - | - |

32. CSR

In accordance with the provisiona of Section 135 of the Companies Act,2013 the company has contributed as sum of ₹ 97.03 lacs (Previous year 51 lacs) towards approved CSR activities. The said amount stands debited under the head "other expenses".

| | For the year ended March, 31 2019 (Rs. Lacs) |
|------------------------|--|
| Preventive Health Care | 87.28 |
| Others | 9.75 |
| Total | 97.03 |

33. OTHER DISCLOSURES

CRAR

| S.No | Particulars | As at March 31, 2019 | As at March 31, 2018 |
|------|---|----------------------|----------------------|
| 1 | CRAR (%) | 87.84 | 98.54 |
| 2 | CRAR-Tier I Capital (%) | 87.84 | 98.54 |
| 3 | CRAR-Tier II Capital (%) | - | - |
| 4 | Amount of subordinated debt raised as Tier-II capital | - | - |
| 5 | Amount raised by issue of Perpetual Debt Instruments | - | - |

| S.No | Particulars | As at March 31, 2019 | As at March 31, 2018 |
|------|---|----------------------|----------------------|
| 1 | Value of Investments | | |
| | Gross Value of Investments | | |
| | (a) In India | 55,632.84 | 55,189.91 |
| | (b) Outside India | - | - |
| | Provisions for Depreciation | | |
| | (a) In India | - | - |
| | (b) Outside India | - | - |
| | Net Value of Investments | | |
| | (a) In India | 55,632.84 | 55,189.91 |
| | (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 | - | - |

| S.No | Category | As at March 31, 2019 | As at March 31, 2018 |
|------|---|----------------------|----------------------|
| 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 separately) | - | - |
| | (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 | - | - |
| | (i) Exposure to Capital Market | | |

(₹ in lakhs.)

| S.No | Category | As at March 31, 2019 | As at March 31, 2018 |
|--------|---|----------------------|----------------------|
| (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; | 55,632.84 | 55,189.91 |
| (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) | - | - |

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

| S.No | Particulars | As at March 31, 2019 | As at March 31, 2018 |
|------|--|----------------------|----------------------|
| 1 | Provisions for depreciation on investment. | 539.20 | - |
| 2 | Provision towards NPA | - | - |
| 3 | Provision made towards income-tax | 218.49 | 756.57 |
| 4 | Other provision and contingencies | 1,233.91 | 1,995.12 |
| 5 | Provision for standard assets | - | - |

| Break-up of Investments (Net of Provisions): | As at March 31, 2019 | As at March 31, 2018 |
|---|-----------------------------|-----------------------------|
| Current Investments : | | |
| 1. Quoted : | | |
| (i) Shares : (a) Equity | 4,658.23 | 5,008.18 |
| (b) Preference | | |
| (ii) Debentures and Bonds | | |
| (iii) Units of Mutual Funds | 1,371.57 | 7,605.46 |
| (iv) Government Securities | | |
| (v) Others | | |
| - Units of Fixed Maturity Plans | | |
| - Units of Income/Debt Plans (Net) | | |
| - Units of Liquid Floater Plans | | |
| 2. Unquoted : | | |
| (i) Shares : (a) Equity | 1.55 | 1.85 |
| (b) Preference | | |
| (ii) Debentures and Bonds | 2,393.02 | 2,158.34 |
| (iii) Units of Mutual Funds | 16,354.82 | 7,669.35 |
| (iv) Government Securities | | |
| (v) Others | | |
| - Units of Private Equity Fund (Health Care) | | |
| - Units of Income/Debt Plans (Net) | | |
| - Units of Liquid Floater Plans | | |
| TOTAL (A=1+2) | 24,779.18 | 22,443.18 |
| Long Term investments : | | |
| 1. Quoted : | | |
| (i) Shares : (a) Equity | 30,311.96 | 32,744.24 |
| (b) Preference | 539.20 | - |
| (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 / Fixed Maturity Plans | | |
| (iv) Government Securities | | |
| (v) Others | | |
| TOTAL (B=1+2) | 30,853.66 | 32,746.74 |
| GRAND TOTAL (A+B) | 55,632.84 | 55,189.91 |

34. FIGURES IN BRACKET INDICATE DEDUCTIONS.

As per our report of even date

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

For and on behalf of the Board of Directors

Rajiv Dewan
Partner
M. No. 084718

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
Date: 24th May, 2019

INDEPENDENT AUDITOR'S REPORT

To

The Members of
Vardhman Holdings Limited.

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Vardhman Holdings Limited ("the Company") & its associates, which comprise the Consolidated Balance Sheet as at March 31, 2019, 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 Ind AS 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 Ind AS 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, 2019, 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements for the financial year ended 31 March 2019. These matters were addressed in the context of our audit of the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

AS financial statements)

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| (a) Transition to Ind AS accounting framework (as described in note xx of the Ind | |
| <p>The company has adopted Ind AS from 1st April 2018 with an effective date of 1st April 2017 for such transition. For periods up to and including the year ended on 31st March 2018, the Company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). To give effect of the transition to Ind AS, these financial statements for the year ended on 31st March 2019, together with the comparative financial information for the previous year ended on 31st March 2018 and the transition date Balance Sheet as at 1st April 2017 have been prepared under Ind AS.</p> <p>The transition has involved significant change in the Company's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind AS on accounting and disclosure requirements prescribed under extant Reserve Bank of India(RBI) directions.</p> <p>In view of the complexity involved, Ind AS transition and the preparation of financial statements subsequent to the transition date have been areas of key focus in our audit.</p> | <ul style="list-style-type: none"> • Read the Ind AS impact assessment performed by the Management and the resultant changes made to the accounting policies considering the requirements of the new framework. • Evaluated the exemption and exception allowed by Ind AS and applied by the Management in applying the first time adoption principles of Ind AS 101 in respect of fair valuation of assets and liabilities existing as on the transition date. • Tested the accounting adjustments posted as on the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS. • Tested the disclosures prescribed under Ind AS. |
| (b) Assessment of carrying value of investment in unquoted equity instruments (as described in note xx of the Ind AS financial statements) | |
| <p>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.</p> | <p>We performed the following procedures in relation to existence and valuation of investments:</p> <ul style="list-style-type: none"> • 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, 2019 • Tested the valuation of the investments as per the investment valuation policy approved by the management. |
| (c) Deferred Tax asset (uncertainty in estimation in the future profits and the accuracy of the provision) | |
| <p>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.</p> | <p>On review of the deferred Tax Asset the following factors were considered:</p> <ul style="list-style-type: none"> • Existence of sufficient taxable temporary difference. • Convincing other evidence that sufficient taxable profits will be available in the future. <p>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 xx of the Consolidated Financial Statements is fair and reasonable.</p> |

Other information

The other information comprises the information included in the Annual Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The company's Board of Directors is responsible for the other information.

Our opinion on the consolidated Ind AS 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 Ind AS 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 Ind AS 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 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 Ind AS 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 Ind AS 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 intends 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 Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 this Consolidated Ind AS 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 Ind AS 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 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 statements of company included in the consolidated financial statements of which we are the independent 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 audit opinion.

We communicate with those charged with governance of the company included in the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements;
 - d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the 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, 2019, 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, 2019 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 Ind AS financial statements of the company and its associate 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 Ind AS financial statements Company disclosed the impact of pending litigations on its consolidated financial position in its consolidated Ind AS financial statements. Refer Note No. 20 to the consolidated Ind AS 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

(Rajiv Dewan)
Partner
M.No.: 084718

Place: Ludhiana

Date: 24th May, 2019

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 Ind AS financial statements of Vardhman Holdings Limited as of and for the year ended 31st March, 2019, 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 2019, 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
Firm Reg. No.017883N**

**(Rajiv Dewan)
Partner
M.No.: 084718**

**Place: Ludhiana
Date: 24th May, 2019**

**CONSOLIDATED BALANCE SHEET As at 31st March, 2019**

(All amounts in ₹ lakhs, unless otherwise stated)

| Particulars | Note no. | As at 31st March 2019 | As at 31st March 2018 | As at 31st March 2017 |
|---|----------|-----------------------|-----------------------|-----------------------|
| ASSETS | | | | |
| (1) Financial Assets | | | | |
| (a) Cash and bank balances | 3 | 222.25 | 158.58 | 120.75 |
| (b) Bank Balances other than (a) above | 4 | 11.36 | 9.45 | 10.21 |
| (c) Receivables | | | | |
| (I) Trade Receivables | | - | - | - |
| (II) Other Receivables | 5 | 408.21 | 442.85 | 354.68 |
| (d) Loans | 6 | - | 0.08 | - |
| (e) Investments | 7 | 195,219.13 | 177,618.14 | 157,556.00 |
| (f) Other Financial assets | 8 | 145.88 | 167.89 | 135.14 |
| | | 196,006.83 | 178,396.99 | 158,176.77 |
| (2) Non Financial Assets | | | | |
| (a) Deferred Tax Asset (Net) | 9 | 3,942.66 | 3,770.83 | 3,254.80 |
| (b) Property, Plant and Equipment | 10 | 304.61 | 303.40 | 82.14 |
| (c) Other non-financial assets | 11 | 41.33 | 21.69 | 273.57 |
| | | 4,288.59 | 4,095.93 | 3,610.51 |
| TOTAL ASSETS | | 200,295.42 | 182,492.92 | 161,787.28 |
| 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 | 12 | 32.90 | 38.20 | 91.10 |
| (2) Non Financial Liabilities | | | | |
| (a) Current tax liabilities (Net) | 13 | 481.95 | 232.27 | 179.86 |
| (b) Provisions | 14 | 1.34 | 0.57 | 0.50 |
| (c) Other non-financial liabilities | 15 | 31.90 | 28.31 | 12.22 |
| | | 548.09 | 299.35 | 283.69 |
| (3) EQUITY | | | | |
| (a) Equity Share Capital | 16 | 319.24 | 319.24 | 319.24 |
| (b) Other Equity | 17 | 199,428.09 | 181,874.33 | 161,184.34 |
| | | 199,747.33 | 182,193.57 | 161,503.59 |
| TOTAL | | 200,295.42 | 182,492.92 | 161,787.28 |

Significant Accounting Policies

1 to 36

As per our report of even date

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

For and on behalf of the Board of Directors

Rajiv Dewan
Partner
M. No. 084718

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
Date: 24th May, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2019

(All amounts in ₹ lakhs, unless otherwise stated)

| Particulars | Note no. | For the period ended 31st March 2019 | For the year ended 31st March 2018 |
|--|-----------|--------------------------------------|------------------------------------|
| (I) Revenue from operations | | | |
| (i) Interest Income | 18 | 491.43 | 504.57 |
| (ii) Dividend Income | 19 | 173.92 | 548.01 |
| (iii) Net gain on fair value changes | 20 | 239.23 | 1,731.45 |
| (I) Total Revenue from operations | | 904.57 | 2,784.03 |
| II Other income | 21 | 139.54 | 136.14 |
| III Total Income (I + II) | | 1,044.10 | 2,920.17 |
| Expenses | | | |
| Employee benefits expense | 22 | 40.71 | 40.41 |
| Depreciation and amortization expenses | 10 | 0.88 | 1.44 |
| Other expenses | 23 | 256.25 | 310.21 |
| IV Total Expenses | | 297.84 | 352.05 |
| V Income from associates | | 19,455.28 | 15,539.45 |
| VI Profit/(Loss) before exceptional Items and Tax (III-IV) | | 20,201.54 | 18,107.56 |
| VII Exceptional Items | | | - |
| VIII Profit before tax (V-VI) | | 20,201.54 | 18,107.56 |
| IX Tax expense : | | | |
| - Current Tax | | 218.48 | 756.56 |
| - Deferred tax | | (199.79) | (516.04) |
| X Profit for the year (VII - VIII) | | 20,182.85 | 17,867.05 |
| XI Other Comprehensive Income/(Loss) | | | |
| (A) (i) Items that will not be reclassified to profit or loss | | | |
| -Remeasurements of the defined benefits plans | | (0.16) | (0.08) |
| -Net Gain/loss on Fair Valuation of Equity instruments carried at FVOCI | | (2,436.57) | 3,015.07 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | 0.01 | 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 | | (2,436.71) | 3,015.00 |
| XII Total Comprehensive income for the period (IX+X) (Comprising profit (Loss) and other Comprehensive Income for the period) | | 17,746.14 | 20,882.05 |
| XIII Earnings per equity share | | | |
| [Earning per equity share ₹10/- (Previous Year: ₹10)] | | | |
| Basic | | 632.39 | 559.83 |
| Diluted | | 632.39 | 559.83 |

Significant Accounting Policies

1 to 36

As per our report of even date

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

For and on behalf of the Board of Directors

Rajiv Dewan
Partner
M. No. 084718

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
Date: 24th May, 2019

**CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2019**

(All amounts in ₹ lakhs, unless otherwise stated)

| Particulars | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|--|-------------------------------------|-------------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax and extraordinary items | 17,764.97 | 21,122.64 |
| Adjustments for : | | |
| Depreciation and amortization | 0.88 | 1.44 |
| 'Loss/(Profit) on sale of Property Plant & Equipment | | (6.42) |
| 'Income from associates | (19,455.28) | (15,539.45) |
| 'Net Gain on sale of Current Investments | (239.23) | (1,646.02) |
| 'Net Gain on sale of Non-Current Investments | 2,436.57 | (3,100.50) |
| Provisions no longer required written Back | | 6.56 |
| | (17,257.05) | (20,284.39) |
| Operating profit before working capital changes | 507.92 | 838.25 |
| Adjustments for : | | |
| (Increase)/Decrease in trade receivables & Other assets | 35.20 | 131.63 |
| Increase/(Decrease) in trade payables and other liabilities | (2.98) | (42.59) |
| | 32.22 | 89.04 |
| Cash Generation from Operations | 540.14 | 927.28 |
| Taxes Paid | 59.20 | (704.15) |
| Net Cash flow from / (used in) Operating activities (A) | 599.34 | 223.12 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Investments | (10,093.12) | (30,800.20) |
| Sale of Investments | 9,750 | 31,024.04 |
| Purchase of Fixed Assets | (2.09) | (262.28) |
| Sale of Fixed Assets | - | 46.00 |
| Net Cash flow from / (used in) investing activities (B) | (345.20) | 7.55 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividend Paid (including tax thereon) | (190.47) | (192.84) |
| Net Cash flow from / (used in) Financing Activities (C) | (190.47) | (192.84) |
| Net Increase in cash & cash equivalents (A+B+C) | 63.66 | 37.83 |
| Cash & cash equivalents as at the beginning | 158.58 | 120.75 |
| Cash & cash equivalents as at the end | 222.25 | 158.58 |

Significant Accounting Policies

1 to 36

As per our report of even date

For R. Dewan & Co.
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For and on behalf of the Board of Directors

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DIN:00746471

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

Place : Ludhiana
Date: 24th May, 2019

Consolidated Statement of changes in Equity for the period ended 31st March 2019

(All amounts in ₹ lakhs, unless otherwise stated)

A Equity Share Capital

| | |
|---|---------------|
| Balance as at 1st April, 2017 | 319.15 |
| Changes in Equity Share Capital during the year | - |
| Baqlance as at 31st March, 2018 | 319.15 |
| Changes in Equity Share Capital during the year | - |
| Baqlance as at 31st March, 2019 | 319.15 |

B Other Equity

(₹ in lakhs)

| Particulars | 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 | | |
| Balance as of 1 April 2018 | 0.11 | 70.00 | 781.28 | 9,659.72 | 8,557.53 | 156,703.75 | 6,101.94 | 181,874.33 |
| Transfer to statutory Reserve u/s 45-IC of RBI Act, 1934 | | - | - | | 604.95 | (604.95) | | - |
| Profit/Loss for the period | | | | | | 20,182.85 | | 20,182.85 |
| Other Comprehensive Income for the period | | | | | | (0.15) | (2,436.57) | (2,436.71) |
| Dividend @ ₹ 5/Share for financial year 2017-18 | | | | | | (159.58) | | (159.58) |
| Dividend Distribution Tax on dividend paid during the period | - | | | | | (32.80) | | (32.80) |
| Balance as of 31 March, 2019 | 0.11 | 70.00 | 781.28 | 9,659.72 | 9,162.48 | 176,089.13 | 3,665.37 | 199,428.09 |
| Balance as of 1 April, 2017 | 0.11 | 70.00 | 781.28 | 9,659.72 | 7,436.00 | 140,150.37 | 3,086.87 | 161,184.34 |
| Transfer to statutory Reserve u/s 45-IC of RBI Act, 1934 | | | | | 1,121.53 | (1,121.53) | | - |
| Profit/Loss for the period | | | | | | 17,867.05 | | 17,867.05 |
| Other Comprehensive Income for the period | | | | | | (0.07) | 3,015.07 | 3,015.00 |
| Dividend @ ₹ 5/Share for financial year 2016-17 | | | | | | (159.58) | | (159.58) |
| Dividend Distribution Tax on dividend paid during the period | | | | | | (32.49) | | (32.49) |
| Balance as of 31 March, 2018 | 0.11 | 70.00 | 781.28 | 9,659.72 | 8,557.53 | 156,703.75 | 6,101.94 | 181,874.33 |

As per our report of even date

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

For and on behalf of the Board of Directors

Rajiv Dewan
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Suchita Jain
Director
DIN:00746471

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

Place : Ludhiana
Date: 24th May, 2019

Notes to consolidated financial statement for the year ended March 31, 2019

(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 24, 2019

2. SIGNIFICANT ACCOUNTING POLICIES, SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS AND APPLICABILITY 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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 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.

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.

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 lessee: Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of the 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 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.

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.

2.7.2 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.

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:

- its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates
- any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use and
- 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 Rs. 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 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 an 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):

- 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.

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 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.

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 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.

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 has notified Ind AS 116 - Leases, which is effective from April 1, 2019, which will replace the existing lease standard, Ind AS 17 Leases and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosure of lease for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward lessor accounting requirements. The Company / Group is evaluating the impact of Ind AS 116 and its effect on the financial statements.

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs (“MCA”) has notified Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company /Group is evaluating the requirements and its effect on the financial statements.

Amendments to Ind AS 12 - Income taxes: On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, ‘Income Taxes’, in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company /Group does not expect any impact from this pronouncement.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement: On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, ‘Employee Benefits’, in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- 1) to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- 2) to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company/Group does not have any impact on account of this amendment.

Ind AS 109 – Prepayment Features with Negative Compensation: The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company\Group does not expect this amendment to have any impact on its financial statements.

Ind AS 23 – Borrowing Costs: The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company/Group does not expect any impact from this amendment.

3. CASH AND BANK BALANCES

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|----------------------------------|------------------|------------------|------------------|
| Cash and cash equivalents | | | |
| a) Cash in hand | 0.01 | 0.01 | 0.01 |
| b) Balances with banks | | | |
| - On current accounts | 222.24 | 158.57 | 120.74 |
| | 222.25 | 158.58 | 120.75 |

4. Bank Balances other than (a) above

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|--|------------------|------------------|------------------|
| Other Bank Balances | | | |
| -Earmarked balances with banks (Dividend accounts) | 11.36 | 9.45 | 10.21 |
| | 11.36 | 9.45 | 10.21 |

5. Receivables

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|--------------------------|------------------|------------------|------------------|
| Other Receivables | | | |
| Interest Receivable | 408.21 | 442.85 | 354.68 |
| | 408.21 | 442.85 | 354.68 |

6. Loans

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 31.03.2015 |
|--|------------------|------------------|------------------|
| Loans and advances to employees | - | 0.08 | - |
| Total Gross | - | 0.08 | - |
| Less:-impairment Loss Allowance | | | |
| Total Net | - | 0.08 | - |
| Secured | | | |
| Unsecured | - | 0.08 | - |
| Total Gross | - | 0.08 | - |
| Less:-impairment Loss Allowance | | | |
| Total Net | - | 0.08 | - |

7. INVESTMENTS

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|--|-------------------|-------------------|-------------------|
| A Long Term investments (at cost unless otherwise stated) | | | |
| I TRADE INVESTMENTS | | | |
| Investment in equity instruments | | | |
| a. of associates (Quoted) | | | |
| 15,314,517 (31 March 2018: 15,314,517 01 April 2017: 14,058,157) Equity Shares of ₹ 10/- each fully paid up of Vardhman Textiles Limited | 25,015.00 | 25,015.00 | 7,670.36 |
| Add: Share of Profit from associate company during the year | 19454.58 | 15,539 | 35,095.74 |
| Add: Accumulated income in associate company as on 01.04.2015 | 122,424 | 109,030 | 85,832.22 |
| Less: Dividend received during the year from associate company | (2,297) | (2,145) | |
| Less: Accumulated profit adjusted due to buy back | - | - | (11,897.70) |
| | 164,596.50 | 147,439.09 | 116,700.63 |
| b. of associates (Unquoted) | | | |
| 25,000 (31 March 2018: 25,000 01 April 2017: 25,000) Equity Shares of ₹10/- each fully paid up of Vardhman Spinning & General Mills Limited | 2.50 | 2.50 | 2.50 |
| Add: Share of Profit from associate company during the year | 0.69 | 0.15 | (0.17) |
| Add: Accumulated income in associate company as on 01.04.2015 | 4.15 | 4.00 | 4.17 |
| | 7.34 | 6.65 | 6.50 |
| b. of Other entities (Quoted) | | | |
| 733,762 (31 March 2018: 733,762 01 April 2017: 733,762) Equity Shares of ₹10/- each fully paid up of Vardhman Acrylics Limited | 292.04 | 348.90 | 395.86 |
| 5,134,195 (31 March 2018: 3,080,519 01 April 2017: 51,34,195) Equity Shares of Rs.10/- each fully paid up of Vardhman Special Steels Limited | 4,985.30 | 7,365.00 | 3,276.13 |
| II OTHER THAN TRADE | | | |
| a Investment in equity instruments of other entities (quoted) | | | |
| 112 (Previous year 112) Equity shares of ₹10/- each fully paid-up of Garware Nylon Ltd. | - | - | - |
| 1,150 (31 March 2018: 1,150 01 April 2017: 1,150) Equity shares of ₹1/- each fully paid-up of Hindustan Unilever Ltd. | 19.63 | 15.33 | 10.49 |
| 8,000(31 March 2018: Nil 01 April 2017: Nil) Preference shares of ₹10000/- each fully paid-up of IL and FS RCPC Preference Shares | 539.20 | - | - |
| | 170,440.01 | 155,174.98 | 120,389.61 |
| B CURRENT INVESTMENTS (AT LOWER OF COST AND FAIR VALUE) | | | |
| Investment in Equity instruments of other entities (quoted) | | | |
| Nil (31 March 2018: Nil 01 April 2017: 553,755) Equity Shares of ₹10/- each of Trident Limited | - | - | 477.89 |
| 1,059,890 (31 March 2018: 1,059,890 01 April 2017: 1,059,890) Equity Shares of ₹1/- each of Welspun India Limited | 632.22 | 615.27 | 927.93 |
| 51,428 (31 March 2018: 25714 01 April 2017: 28,650) Equity Shares of ₹5/- each of Infosys Limited | 382.55 | 291.03 | 292.87 |
| * Nil (31 March 2018: Nil 01 April 2017: 5,123l) Equity Shares of ₹ 2/- each of Lupin Limited | - | - | 74.02 |

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---|------------------|------------------|------------------|
| * Nil (31 March 2018: Nil 01 April 2017: 11,531) Equity Shares of ₹1/- each of Sun Pharmaceutical Industries Limited | - | - | 78.44 |
| * 19,470 (31 March 2018: 119,566 01 April 2017: Nil) Equity Shares of ₹2/- each of TV18 Broadcast Ltd | 6.91 | 80.23 | - |
| * 5,369 (31 March 2018: 10,442 01 April 2017: 12,391) Equity Shares of ₹ 2/- each of Bajaj Finance Limited | 162.41 | 184.73 | 145.39 |
| * 1,747 (31 March 2018: 2,355 01 April 2017: 3,011) Equity Shares of ₹5/- each of Bajaj Finserve Limited | 122.91 | 121.95 | 123.14 |
| * 250 (31 March 2018: 01 April 2017: Nil) Equity Shares of Rs.10/- each of Bayer Cropscience Limited | 11.01 | 10.57 | - |
| * 10,569 (31 March 2018: 10,569 01 April 2017: Nil) Equity Shares of ₹10/- each of Central Depository Services (india)ltd | 25.64 | 29.87 | - |
| * 4,133 (31 March 2018: 5,845 01 April 2017: Nil) Equity Shares of ₹2/- each of Divis Laboratories | 70.39 | 63.68 | - |
| * 26,000 (31 March 2018: 26,000 01 April 2017: Nil) Equity Shares of ₹2/- each of Titagarh Wagons Ltd | 18.19 | 28.52 | - |
| * 3,540 (31 March 2018: 3,540 01 April 2017: Nil) Equity Shares of ₹2/- each of Ratnamani Metals & Tubes Ltd | - | 30.13 | - |
| * 7,100 (31 March 2018: 7,100 01 April 2017: Nil) Equity Shares of ₹10/- each of Narayana Hrudayalaya Ltd | - | 19.83 | - |
| * 7,089 (31 March 2018: 1,159 01 April 2017: Nil) Equity Shares of ₹2/- each of Minda Industries Ltd | 23.16 | 12.47 | - |
| * Nil (31 March 2018: 2,044 01 April 2017: Nil) Equity Shares of ₹5/- each of General Insurance Corporation Of india | - | 15.01 | - |
| * 11,210 (31 March 2018: 11,210 01 April 2017: Nil) Equity Shares of ₹10/- each of Surya Roshni Ltd | 28.28 | 42.77 | - |
| * 33,377 (31 March 2018: 30,705 01 April 2017: Nil) Equity Shares of ₹2/- each of Jindal saw Ltd | 28.84 | 36.46 | - |
| * 6,639 (31 March 2018: 7,904 01 April 2017: 6,801) Equity Shares of ₹1/- each of Havells India Limited | 51.18 | 38.55 | 31.84 |
| * 613 (31 March 2018: 746 01 April 2017: 825) Equity Shares of ₹10/- each of Page Industries Limited | 152.80 | 169.23 | 120.73 |
| * 28,446 (31 March 2018: 33,668 01 April 2017: 23,927) Equity Shares of ₹1/- each of Motherson Sumi Systems Limited | 42.46 | 104.96 | 89.20 |
| * 2,252 (31 March 2018: 4,076 01 April 2017: 4,076) Equity Shares of ₹2/- each of HDFC Bank Limited | 52.17 | 77.10 | 58.79 |
| * 6,299 (31 March 2018: 7,020 01 April 2017: 6,676) Equity Shares of ₹1/- each of Asian Paints Limited | 93.97 | 85.40 | 71.51 |
| * Nil (31 March 2018: Nil 01 April 2017: 891) Equity Shares of ₹10/- each of Blue Dart express Limited | - | - | 46.13 |
| * Nil (31 March 2018: Nil 01 April 2017: 3,054) Equity Shares of ₹2/- each of Ajanta Pharma Limited | - | - | 53.76 |
| * Nil (31 March 2018: Nil 01 April 2017: 8,646) Equity Shares of ₹1/- each of Amara Raja Batteries Limited | - | - | 76.86 |
| * 2,083 (31 March 2018: 2,083 01 April 2017: 2,083) Equity Shares of ₹2/- each of Cummins India Limited | 15.54 | 14.59 | 19.78 |
| * 15,973 (31 March 2018: 14,229 01 April 2017: 14,229) Equity Shares of Rs.2/- each of Gruh Finance Limited | 44.09 | 82.12 | 56.31 |
| * 8,689 (31 March 2018: 11,080 01 April 2017: 11,080) Equity Shares of ₹1/- each of P I Industries Limited | 89.61 | 98.38 | 92.77 |
| * 99 (31 March 2018: 99 01 April 2017: 160) Equity Shares of ₹10/- each of Shree Cements Limited | 18.45 | 16.02 | 27.23 |
| * Nil (31 March 2018: 33,705 01 April 2017: 35,440) Equity Shares of ₹1/- each of Welspun India Ltd. | - | 19.53 | 31.06 |
| * 8,620 (31 March 2018: 8,120 01 April 2017: 8,120) Equity Shares of ₹1/- each of K R B L Ltd. | 29.00 | 35.42 | 33.56 |
| * 13,200 (31 March 2018: 13,200 01 April 2017: 12,200) Equity Shares of ₹10/- each of Deepak Fertilisers Petrochemicals Corpn. Ltd. | 17.36 | 38.08 | 31.76 |
| * 32,007 (31 March 2018: 6,799 01 April 2017: 6,000) Equity Shares of ₹10/- each of Lumax Auto Technologies Ltd. | 44.70 | 56.50 | 29.73 |

Vardhman Holdings Limited

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---|------------------|------------------|------------------|
| * Nil (31 March 2018: Nil 01 April 2017: 25,122) Equity Shares of ₹2/- each of Graphite India Ltd. | - | - | 28.16 |
| * Nil (31 March 2018: Nil 01 April 2017: 3,750) Equity Shares of ₹2/- each of Gulf Oil Lubricants India Limited | - | - | 26.42 |
| * Nil (31 March 2018: Nil 01 April 2017: 8,000) Equity Shares of ₹2/- each of Mahindra and Mahindra Financial Services Ltd. | - | - | 25.19 |
| * Nil (31 March 2018: 1,780 01 April 2017: 2,750) Equity Shares of ₹10/- each of Bharat Bijlee Ltd. | - | 26.74 | 25.17 |
| * Nil (31 March 2018: 12,740 01 April 2017: 10,290) Equity Shares of ₹1/- each of Exide Industries Ltd. | - | 28.39 | 23.09 |
| * 18,600 (31 March 2018: 18,600 01 April 2017: Nil) Equity Shares of ₹1/- each of Time Technoplast Ltd. | 19.08 | 29.79 | 23.03 |
| * 1,375 (31 March 2018: 1,800 01 April 2017: 1,400) Equity Shares of ₹10/- each of S R F Ltd. | 33.04 | 35.19 | 22.78 |
| * 3,085 (31 March 2018: 3,085 01 April 2017: 3,085) Equity Shares of ₹10/- each of Garware-Wall Ropes Ltd. | 34.90 | 28.41 | 21.90 |
| * 25,536 (31 March 2018: 25,536 01 April 2017: 15,000) Equity Shares of ₹1/- each of Balrampur Chini Mills Ltd. | 40.15 | 19.32 | 21.80 |
| * Nil (31 March 2018: Nil 01 April 2017: 5,641) Equity Shares of ₹10/- each of Dewan Housing Finance Corpn. Ltd. | - | - | 20.71 |
| * 5,686 (31 March 2018: 5,670 01 April 2017: 3,000) Equity Shares of ₹1/- each of Shilpa Medicare Ltd | 19.39 | 26.29 | 19.12 |
| * Nil (31 March 2018: Nil 01 April 2017: 1,110) Equity Shares of ₹10/- each of Siyaram Silk Mills Ltd. | - | - | 18.81 |
| * Nil (31 March 2018: Nil 01 April 2017: 21,915) Equity Shares of ₹1/- each of Orient Paper Inds. Ltd. | - | - | 17.72 |
| * 27,100 (31 March 2018: 27,100 01 April 2017: 17,500) Equity Shares of ₹10/- each of Prism Cement Ltd. | 25.92 | 29.39 | 17.13 |
| * Nil (31 March 2018: Nil 01 April 2017: 10,000) Equity Shares of ₹2/- each of Bodal Chemicals Ltd. | - | - | 16.05 |
| * 5,235 (31 March 2018: 4,150 01 April 2017: 4,150) Equity Shares of ₹2/- each of Balaji Amines Ltd. | 25.95 | 23.28 | 15.73 |
| * 31,779 (31 March 2018: 43,670 01 April 2017: 29,020) Equity Shares of ₹5/- each of Pennar Industries Ltd. | 11.63 | 21.99 | 11.88 |
| * 3,279 (31 March 2018: 16,183 01 April 2017: 16,183) Equity Shares of ₹5/- each of Tech Mahindra Ltd. | 25.44 | 103.36 | 74.30 |
| * 6,461 (31 March 2018: 23,623 01 April 2017: 23,623) Equity Shares of ₹2/- each of Simplex Infrastructures Ltd. | 11.62 | 125.39 | 72.77 |
| * 13,544 (31 March 2018: 37,275 01 April 2017: 37,275) Equity Shares of ₹10/- each of Mahindra CIE Automotive Ltd. | 91.27 | 80.05 | 79.21 |
| * Nil (31 March 2018: 91,650 01 April 2017: 91,650) Equity Shares of ₹5/- each of Kirloskar Ferrous Industries | - | 77.49 | 88.26 |
| * 51,292 (31 March 2018: 53,447 01 April 2017: 55,527) Equity Shares of ₹2/- each of KEC International | 153.75 | 208.31 | 115.83 |
| * 35,100 (31 March 2018: 29,225 01 April 2017: 37,225) Equity Shares of ₹2/- each of Kalpataru POWER Transmission | 165.23 | 141.52 | 120.13 |
| * 34,446 (31 March 2018: 34,446 01 April 2017: 34,446) Equity Shares of ₹1/- each of Carborundum Universal | 141.35 | 119.67 | 100.07 |
| * 7,137 (31 March 2018: 7,137 01 April 2017: 7,137) Equity Shares of ₹1/- each of Aegis Logistics Ltd. | 14.50 | 18.53 | 13.89 |
| * 1,796 (31 March 2018: 1,721 01 April 2017: 1,721) Equity Shares of ₹2/- each of L&T Technology Services Ltd. | 28.24 | 21.26 | 13.40 |
| * 4,529 (31 March 2018: 4,529 01 April 2017: 2,348) Equity Shares of ₹1/- each of Godrej Industries | 24.29 | 24.90 | 11.86 |
| * 3,276 (31 March 2018: 3,450 01 April 2017: 2,610) Equity Shares of ₹10/- each of Cholamandalam Investment and Finance Company | 47.42 | 50.01 | 25.17 |
| * 113 (31 March 2018: 154 01 April 2017: 56) Equity Shares of ₹10/- each of M R F Ltd. | 65.60 | 111.34 | 34.01 |
| * Nil (31 March 2018: 1,169 01 April 2017: 1488) Equity Shares of ₹2/- each of Dalmia Bharat Ltd. | - | 33.73 | 29.27 |

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|--|------------------|------------------|------------------|
| * Nil (31 March 2018: 6,892 01 April 2017: 6,892) Equity Shares of ₹1/- each of Ramco Cements Ltd. | - | 50.55 | 46.14 |
| * 423 (31 March 2018: 757 01 April 2017: 881) Equity Shares of ₹5/- each of Maruti Suzuki India Ltd. | 28.22 | 67.09 | 53.07 |
| * 3,550 (31 March 2018: 4,908 01 April 2017: 14,736) Equity Shares of ₹1/- each of Astral Poly Technik Limited | 41.12 | 43.96 | 26.87 |
| * 3,581 (31 March 2018: 2,592 01 April 2017: 3,471) Equity Shares of ₹1/- each of Pidilite Industries Limited | 44.49 | 23.81 | 24.26 |
| * 8,997 (31 March 2018: 18,299 01 April 2017: 19,284) Equity Shares of ₹5/- each of Kotak Mahindra Bank Limited | 120.11 | 191.76 | 168.19 |
| * 5,414 (31 March 2018: 5,672 01 April 2017: 2,643) Equity Shares of ₹10/- each of Indusind Bank Limited | 96.48 | 119.80 | 37.25 |
| * 445 (31 March 2018: 482 01 April 2017: 482) Equity Shares of ₹10/- each of Eicher Motors Limited | 91.41 | 136.64 | 123.22 |
| * 6,651 (31 March 2018: 21,345 01 April 2017: 27,776) Equity Shares of ₹10/- each of Hindustan Petroleum Corporation Limited | 18.88 | 107.98 | 145.98 |
| * Nil (31 March 2018: 20,821 01 April 2017: 29,581) Equity Shares of ₹10/- each of National Buildings Construction Limited | - | 39.63 | 50.91 |
| * 6,885 (31 March 2018: 7,960 01 April 2017: 7,960) Equity Shares of ₹2/- each of Kajaria Ceramics Limited | 40.67 | 45.14 | 46.55 |
| * 3,893 (31 March 2018: 3,592 01 April 2017: 1,796) Equity Shares of ₹2/- each of Bharat Forge Limited | 19.95 | 25.13 | 18.72 |
| * 2,774 (31 March 2018: 908 01 April 2017: 1034) Equity Shares of ₹2/- each of Britannia Industries Limited | 85.49 | 45.14 | 34.98 |
| * 148 (31 March 2018: 148 01 April 2017: 148) Equity Shares of ₹10/- each of Bosch Limited | 26.91 | 26.67 | 33.67 |
| * 5,623 (31 March 2018: 16,005 01 April 2017: 12,854) Equity Shares of ₹2/- each of Max Financial Services Limited | 24.47 | 72.60 | 74.14 |
| * 17,691 (31 March 2018: 16,822 01 April 2017: 15,293) Equity Shares of ₹1/- each of City Union Bank Limited | 36.24 | 29.01 | 23.18 |
| * Nil (31 March 2018: 10,183 01 April 2017: 10,183) Equity Shares of ₹10/- each of Development Credit Bank Limited | - | 16.45 | 17.34 |
| * 9,715 (31 March 2018: 9,715 01 April 2017: 9,715) Equity Shares of ₹1/- each of Jammu & Kashmir Bank Ltd. | 5.22 | 5.86 | 7.29 |
| * 10,170 (31 March 2018: 10,293 01 April 2017: 10,293) Equity Shares of ₹1/- each of Voltas Limited | 64.02 | 63.91 | 42.42 |
| * 3,918 (31 March 2018: 3,918 01 April 2017: 3,918) Equity Shares of ₹5/- each of Engineers India Limited | 4.60 | 6.21 | 5.64 |
| * 226 (31 March 2018: 226 01 April 2017: 226) Equity Shares of ₹10/- each of GlaxoSmithkline Consumer Healthcare Limited | 16.38 | 13.79 | 11.65 |
| * 3,850 (31 March 2018: 1,925 01 April 2017: 1,925) Equity Shares of ₹1/- each of Emami Limited | 15.40 | 20.58 | 20.49 |
| * 1,301 (31 March 2018: 1,301 01 April 2017: 1,610) Equity Shares of ₹1/- each of Colgate Palmolive (India) Limited | 16.37 | 13.75 | 12.95 |
| * 3,369 (31 March 2018: 841 01 April 2017: 673) Equity Shares of ₹10/- each of Container Corporation of India Limited | 17.70 | 10.47 | 8.57 |
| * 2,145 (31 March 2018: 2,145 01 April 2017: 2,145) Equity Shares of ₹2/- each of IPCA Laboratories Limited | 21.06 | 14.06 | 13.38 |
| * 775 (31 March 2018: 775 01 April 2017: 1,264) Equity Shares of ₹2/- each of Alkem Laboratories Limited | 13.57 | 15.41 | 17.09 |
| 12,927 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of ₹10/- each of Dabur india Ltd | 52.88 | - | - |
| 7,828 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of ₹10/- each of Hdfc Life Insurance co, Ltd | 29.63 | - | - |
| 4,601 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of ₹10/- each of Titan co ltd | 52.34 | - | - |
| 2,928 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of ₹10/- each of odisha cement ltd | 28.98 | - | - |
| 16,940 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of ₹10/- each of Federal Bank of india ltd | 16.34 | - | - |

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---|------------------|------------------|------------------|
| 34,244 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of icici bank ltd | 137.15 | - | - |
| 6,635 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Kotak bank ltd | 88.54 | - | - |
| 12,753 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Techm | 98.95 | - | - |
| 4,405 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Cadila Healthcre Ltd | 15.29 | - | - |
| 17,372 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Equitas Holding ltd | 23.78 | - | - |
| 5,114 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Muthoot Finance ltd | 31.48 | - | - |
| 2,828 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Sbi Life Insurance Co,Ltd | 16.50 | - | - |
| 12,650 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of State bank of india | 40.57 | - | - |
| 1,853 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Tata Elxsi Ltd | 17.85 | - | - |
| 4,580 (31 March 2018: Nil 01 April 2017: Nil) Equity Shares of Rs.10/- each of Trent Ltd | 16.58 | - | - |
| Total | 4,658.24 | 5,008.18 | 5,187.50 |
| Investment in Bonds/Debentures/Certificate of Deposits (Unquoted) | | | |
| * Nil (31 March 2018: 1,497 01 April 2017: 12,845) 3 % Debentures of Rs. 100/- each of Prabal Traders and Advisors Pvt Ltd | - | 1.50 | 12.85 |
| * Nil (31 March 2018: Nil 01 April 2017: 15,851) 8.25% Debentures of Rs. 100/- each of Sherin Advisors & Traders Pvt Ltd | - | - | 15.85 |
| * 72,261 (31 March 2018: 72,261 01 April 2017: 72,261) 10% Convertible Debentures of Rs. 100 each of Ambojini Property Developers Private Limited | 142.16 | 142.16 | 136.77 |
| * Nil (31 March 2018: Nil 01 April 2017: 14,954) Convertible Debentures of Rs. 100 each Godrej Landmark Redevelopers P Ltd | - | - | 43.20 |
| 2000 (31 March 2018: 2000 01 April 2017: Nil) Units of Rs.100000/- each of Ecap Equity Fund | 2,250.86 | 2,014.68 | - |
| | 2,393.02 | 2,158.34 | 208.67 |
| Investment in Equity Fund/Liquid Funds/Debt Funds/Monthly Income Plans (quoted) | | | |
| 58,46357.941(31 March 2018: 25,156,988.35 01 April 2017: Nil) Units of Rs.10/- each of Absl Enhanced Arbitrage Advantage Fund Div-Direct Investment | 644.54 | 2,777.61 | - |
| Nil (31 March 2018: 58,287.80 01 April 2017: Nil) Units of Rs.10/- each of Absl Equity Fund _Growth Direct | - | 420.77 | - |
| Nil (31 March 2018: Nil 01 April 2017: 46,457,176) Units of Rs.10/- each of RELIANCE ARBITRAGE ADVANTAGE FUND-DIRECT MONTHLY DIVIDEND PLAN REINVESTMENT | - | - | 5,014.26 |
| Nil (31 March 2018: Nil 01 April 2017: 46,457,176) Units of Rs.10/- each of RELIANCE ARBITRAGE ADVANTAGE FUND-DIRECT MONTHLY DIVIDEND PLAN REINVESTMENT | - | - | 50.09 |
| Nil (31 March 2018: Nil 01 April 2017: 2,669) Units of Rs.1000/- each of L&T LIQUID FUND DIRECT PLAN-GROWTH | - | - | 59.54 |
| 11,48,052.35 (31 March 2018: 11,48,052.35 01 April 2017: 2,88,596) Units of Rs.10/- each of L&T INDIA VALUE FUND | 435.84 | 429.58 | 95.83 |
| Nil (31 March 2018: 12,189,374 01 April 2017: 12,189,374) Units of Rs.10/- each of L&T Resurgent India Corporate Bond Fund Direct Growth | - | 1,628.54 | 1,520.98 |
| Nil (31 March 2018: 51,486.68 01 April 2017: 383,282) Units of Rs.10/- each of Mirae Asset Emerging Bluechip Fund - Direct Plan - Growth | - | 25.66 | 169.84 |
| Nil (31 March 2018: Nil 01 April 2017: 96,841) Units of Rs.1000/- each of KOTAK FLOATER SHORT TERM-DIRECT PLAN-GROWTH | - | - | 2,585.04 |
| Nil (31 March 2018: Nil 01 April 2017: 21,094,637) Units of Rs.10/- each of KOTAK EQUITY ARBITRAGE FUND-DIRECT PLAN-FORTNIGHT DIVIDEND | - | - | 5,013.20 |
| Nil (31 March 2018: 1,046,795.39 01 April 2017: 2,74,038) Units of Rs.10/- each of KOTAK EMERGING EQUITY SCHEME-DIRECT PLAN-GROWTH | - | 433.11 | 100.81 |

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|--|------------------|------------------|------------------|
| Nil (31 March 2018: Nil 01 April 2017: 15,206) Units of Rs.100/- each of BIRLA SUN LIFE EQUITY FUND-GROWTH-DIRECT | - | - | 98.68 |
| Nil (31 March 2018: Nil 01 April 2017: 2,567) Units of Rs.100/- each of BIRLA SUN LIFE FLOATING RATE FUND STP GR-DIRECT | - | - | 5.57 |
| Nil (31 March 2018: 8,098.96 01 April 2017: 2) Units of Rs.1000/- each of HDFC Cash Management Fund - Savings Plan-Daily Dividend Option | - | 86.14 | 0.02 |
| Nil (31 March 2018: Nil 01 April 2017: 31,23,985) Units of Rs.10/- each of IDFC Dynamic Bond Fund - Growth - (Regular Plan) | - | - | 629.89 |
| Nil (31 March 2018: Nil 01 April 2017: 16,37,830) Units of Rs.10/- each of IDFC Dynamic Bond Fund - Growth - (Direct Plan) | - | - | 343.15 |
| Nil (31 March 2018: Nil 01 April 2017: 90,44,535) Units of Rs.10/- each of Edelweiss Government Securities Fund - Regular Plan Growth | - | - | 1,237.71 |
| 9,943 (31 March 2018: 24,420.38 01 April 2017: 9,486) Units of Rs.1000/- each of SBI Liquid Fund Dir Plan Growth | 291.19 | 665.56 | 242.11 |
| Nil (31 March 2018: Nil 01 April 2017: 24,889) Units of Rs.1000/- each of SBI Ultra Short term debt fund Direct Plan Growth | - | - | 524.64 |
| Nil (31 March 2018: Nil 01 April 2017: 7,15,884) Units of Rs.10/- each of BNP Paribas Equity Fund -Direct Plan Growth Option | - | - | 553.74 |
| Nil (31 March 2018: Nil 01 April 2017: 7,15,884) Units of Rs.10/- each of BNP Paribas Equity Fund -Direct Plan Growth Option | - | - | 564.77 |
| Nil (31 March 2018: Nil 01 April 2017: 41,48,364) Units of Rs.10/- each of Reliance Dynamic bond Fund Growth Plan Growth Option | - | - | 927.58 |
| Nil (31 March 2018: Nil 01 April 2017: 2,500,000) Units of Rs.10/- each of Reliance Capital Builder Fund II Series A Growth Plan Growth Option | - | - | 297.74 |
| Nil (31 March 2018: Nil 01 April 2017: 419,938) Units of Rs.10/- each of ICICI Value Discovery Fund- DP Growth | - | - | 574.39 |
| Nil (31 March 2018: 494,730.64 01 April 2017: Nil) Units of Rs.10/- each of DSP Small & Mid Cap Fund -Direct Growth | - | 280.52 | - |
| Nil (31 March 2018: Nil 01 April 2017: 400,091) Units of Rs.10/- each of DSP Micro Cap Fund Regular Growth | - | - | 231.62 |
| Nil (31 March 2018: Nil 01 April 2017: 29,866) Units of Rs.1000/- each of DSP Black Rock Strategic Bond Fund-Institutional Plan - Growth | - | - | 585.41 |
| Nil(31 March 2018: 523,809.34 01 April 2017: 2,087,273) Units of Rs.10/- each of Kotak Select Focus Fund Direct plan Growth | - | 175.35 | 624.07 |
| Nil(31 March 2018: 500,000 01 April 2017: 500,000) Units of Rs.10/- each of Kotak India Growth Fund Series-1 - Growth (Regular Plan) | - | 63.30 | 58.77 |
| Nil (31 March 2018: Nil 01 April 2017: 35,28,159) Units of Rs.10/- each of SBI Bluechip Fund Regular Plan Growth | - | - | 1,184.48 |
| Nil (31 March 2018: Nil 01 April 2017: 1,77,100) Units of Rs.10/- each of SBI Bluechip Fund Direct Plan Growth | - | - | 61.61 |
| Nil (31 March 2018: 2,280,356 01 April 2017: 2,280,356) Units of Rs.10/- each of IDFC Money Manager Fund-Investment Plan-Growth-Direct Plan | - | 619.32 | 587.08 |
| | 1,371.57 | 7,605.46 | 23,942.61 |
| Investment in Equity Fund/Liquid Funds/Debt Funds/Monthly Income Plans (Unquoted) | | | |
| Nil (31 March 2018: Nil 01 April 2017: 48,99,324) Units of Rs.10/- each of IIFL National Development agenda fund | - | - | 613.39 |
| 6,278,781 (31 March 2018: 6,278,781 01 April 2017: 6,693,938) Units of Rs.100,000/- each of Zodiuss Technology Fund | 661.46 | 670.42 | 752.95 |
| 180,000 (31 March 2018: 120,000 01 April 2017: 120,000) Units of Rs.100/- each of IVY Cap Venture Fund | 167.29 | 100.51 | 127.27 |
| 204.67 (31 March 2018: 207.69 01 April 2017: 335) Units of Rs.100,000/- each of India Venture Trust fund | 82.20 | 83.42 | 147.30 |
| * 129 (31 March 2018: 97 01 April 2017: 97) Units of Rs.100,000/- each of Shambhavi Reality Pvt. Ltd. | 43.00 | 96.75 | 135.93 |
| * Nil (31 March 2018: Nil 01 April 2017: 48) Units of Rs.100,000/- each of Avigna Properties Pvt. Ltd. | - | - | 51.29 |
| * 80 (31 March 2018: 80 01 April 2017: 80) Units of Rs.100,000/- each of Sutlej Housing Pvt. Ltd. | 80.00 | 80.00 | 81.85 |

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---|-------------------|-------------------|-------------------|
| * 68 (31 March 2018: 68 01 April 2017: 68) Units of Rs.100,000/- each of ASP Infraprojects Pvt. Ltd. | 58.34 | 66.30 | 68.97 |
| * Nil (31 March 2018: Nil 01 April 2017: 54) Units of Rs.100,000/- each of Spenta Enclave Pvt. Ltd. | | - | 56.00 |
| * 35 (31 March 2018: 35 01 April 2017: 35) Units of Rs.100,000/- each of Midcity Infrastructure Pvt. Ltd. | 35.00 | 35.00 | 38.42 |
| * 62 (31 March 2018: 62 01 April 2017: 62) Units of Rs.100,000/- each of Gulam Mustafa Enterprises Pvt. Ltd. | 36.41 | 52.35 | 65.78 |
| 3,685,317 (31 March 2018: 3,685,317 01 April 2017: 2,659,247) Units of Rs.10/- each of IIFL Seed Venture Fund 1 | 726.86 | 591.57 | 377.42 |
| 9,45,128 (31 March 2018: 977,528 01 April 2017: 9,77,528) Units of Rs.100/- each of ICICI Prudential Real Estate fund AIF-I | 993.33 | 1,043.80 | 1,075.64 |
| 18,547,493 (31 March 2018: 18,547,493 01 April 2017: 18,547,493) Units of Rs.10/- each of IIFL Real Estate Fund Series-2 | 1,485.32 | 1,560.94 | 2,009.75 |
| * 3015 (31 March 2018: 2,515 01 April 2017: 2077.50) Units of Rs.100,000/- each of ASK Real Estate Fund | 3,230.32 | 2,841.83 | 2,160.93 |
| 500 (31 March 2018: 500 01 April 2017: Nil) Units of Rs.100000/- each of Baring Private Equity India Aif | 831.84 | 446.48 | - |
| 15,000,000(31 March 2018: Nil 01 April 2017: Nil) Units of Rs.10/- each of Sdfc c-38(1224 Days)Direct Growth | 1,537.28 | - | - |
| 234,71,520 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.10/- each of Sbi Arbitrage Opp Dir Div | 3,330.57 | - | - |
| 30,59,633 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.10/- each of Idfc Arbitrage Fund Monthly Div | 404.13 | - | - |
| 3,350 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.10/- each of Hdfc Overnight Fund | 94.50 | - | - |
| 50 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.1000000/- each of 8.02% Lic Housing Finance Ltd | 499.38 | - | - |
| 100 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.1000000/- each of Kotak Mahindra Prime Ltd Ncd 17j120 | 1,066.80 | - | - |
| 10 (31 March 2018: Nil 01 April 2017: Nil) Units of Rs.10000000/- each of 7.50% Hdfc 015NCD 07jL0 Fvrsicr | 990.72 | - | - |
| | 16,354.76 | 7,669.37 | 7,762.91 |
| Investment in Equity Shares (Unquoted) | | | |
| * Nil (31 March 2018: 01 April 2017: 15,011) Equity Shares of Rs.1/- each fully paid up of Vahin Advisors and Traders Pvt Ltd | - | 0.15 | 0.15 |
| * Nil (31 March 2018: 01 April 2017: 14,975) Equity Shares of Rs.1/- each fully paid up of Prabal Traders and Advisors Pvt Ltd | - | 0.15 | 0.15 |
| * Nil (31 March 2018: 01 April 2017: 14,919) Equity Shares of Rs.1/- each fully paid up of Sherin Advisors & Traders Pvt Ltd | - | - | 0.15 |
| * 7,870 (31 March 2018: 01 April 2017: 7,870) Equity Shares of Rs.10/- each fully paid up of Ambojini Property Developers Private Limited | 1.55 | 1.49 | 1.49 |
| * Nil (31 March 2018: 01 April 2017: 15) Equity Shares of Rs.10/- each fully paid up of Mantri Hamlet Private Limited | - | - | 0.01 |
| * NIL (31 March 2018: 01 April 2017: 266) Equity Shares of Rs. 100/- each fully paid up of Godrej Landmark Redevelopers P Ltd | - | - | 62.80 |
| | 1.55 | 1.79 | 64.76 |
| Total (B) | 24,779.09 | 22,443.16 | 37,166.39 |
| Total (A) + (B) | 195,219.13 | 177,618.14 | 157,556.00 |
| Notes: | | | |
| 1. Aggregate amount of quoted investments (Gross) | 36,880.96 | 45,357.88 | 40,482.95 |
| 2. Aggregate amount of unquoted investments (Gross) | 18,751.88 | 9,832.04 | 8,038.83 |
| 3. Market value of quoted investments | 209,362.04 | 240,261.14 | 231,650.08 |

C. Investments

| | AS AT 31.03.2019 | | | Total |
|---------------------------------|------------------|------------------------------------|------------------------|------------------|
| | Carrying Cost | At Fair Value | | |
| | | Through Other Comprehensive Income | Through profit or loss | |
| Mutual Funds | | | 17,726.36 | 17,726.36 |
| Government securities | | | | - |
| Other approved securities | | | | - |
| Debt securities | | | 2,393.02 | 2,393.02 |
| Equity instruments | | 5,277.34 | 4,679.40 | 9,956.75 |
| Preference instruments | | | 539.20 | 539.20 |
| Subsidiaries | | | | - |
| Associates | 25,017.50 | | | 25,017.50 |
| Joint Ventures | | | | - |
| Others (specify) | | | | - |
| Total-Gross (A) | 25,017.50 | 5,277.34 | 25,337.99 | 55,632.82 |
| (i) Investments outside india | 25,017.50 | 5,277.34 | 25,337.99 | 55,632.82 |
| (ii) Investments in India | | | | |
| Total (B) | 25,017.50 | 5,277.34 | 25,337.99 | 55,632.82 |
| Less-Allowance for Impairment | | | | |
| Total- Net D = (A) - (C) | 25,017.50 | 5,277.34 | 25,337.99 | 55,632.82 |

| | AS AT 31.03.2018 | | | Total |
|---------------------------------|------------------|------------------------------------|------------------------|------------------|
| | Carrying Cost | At Fair Value | | |
| | | Through Other Comprehensive Income | Through profit or loss | |
| Mutual Funds | | - | 15,274.80 | 15,274.80 |
| Government securities | - | - | - | - |
| Other approved securities | - | - | - | - |
| Debt securities | - | - | 2,158.34 | 2,158.34 |
| Equity instruments | - | 7,713.91 | 5,025.36 | 12,739.27 |
| Subsidiaries | - | - | - | - |
| Associates | 25,017.50 | - | - | 25,017.50 |
| Joint Ventures | - | - | - | - |
| Others (specify) | - | - | - | - |
| Total-Gross (A) | 25,017.50 | 7,713.91 | 22,458.50 | 55,189.90 |
| (i) Investments outside india | | | | |
| (ii) Investments in India | 25,017.50 | 7,713.91 | 22,458.50 | 55,189.90 |
| Total (B) | 25,017.50 | 7,713.91 | 22,458.50 | 55,189.90 |
| Less-Allowance for Impairment | - | - | - | - |
| Total- Net D = (A) - (C) | 25,017.50 | 7,713.91 | 22,458.50 | 55,189.90 |

| | AS AT 31.03.2017 | | | Total |
|---------------------------------|------------------|------------------------------------|------------------------|------------------|
| | Carrying Cost | At Fair Value | | |
| | | Through Other Comprehensive Income | Through profit or loss | |
| Mutual Funds | - | - | 31,705.52 | 31,705.52 |
| Government securities | - | - | - | - |
| Other approved securities | - | - | - | - |
| Debt securities | - | - | 208.67 | 208.67 |
| Equity instruments | - | 3,672.00 | 5,262.74 | 8,934.73 |
| Subsidiaries | - | - | - | - |
| Associates | 7,672.86 | - | - | 7,672.86 |
| Joint Ventures | - | - | - | - |
| Others (specify) | - | - | - | - |
| Total-Gross (A) | 7,672.86 | 3,672.00 | 37,176.92 | 48,521.78 |
| (i) Investments outside india | - | - | - | - |
| (ii) Investments in India | 7,672.86 | 3,672.00 | 37,176.92 | 48,521.78 |
| Total (B) | 7,672.86 | 3,672.00 | 37,176.92 | 48,521.78 |
| Less-Allowance for Impairment | - | - | - | - |
| Total- Net D = (A) - (C) | 7,672.86 | 3,672.00 | 37,176.92 | 48,521.78 |

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

| As at March 31, 2019 | | | | | | | | | |
|-----------------------------|---------------------------------|----------------------------|------------------------------|---------------------------|-------------------------|------------------------|-------------------------|--------------|-----------|
| | (₹ in lakhs) | | | | | | | | |
| | 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 | 291.19 | - | 0.00 | 4,379.00 | 3,765.00 | 7,913.00 | 8,431.65 | 30,853.00 | 55,632.84 |
| As at March 31, 2018 | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Borrowings from banks | - | - | - | - | - | - | - | - | - |
| Market Borrowings | - | - | - | - | - | - | - | - | - |
| Assets | | | | | | | | | |
| Advances | - | - | - | - | - | - | - | - | - |
| Investments | 665.56 | - | 0.00 | 2,778.00 | 0.00 | 12,200.35 | 6,800.00 | 32,746.00 | 55,189.91 |
| As at March 31, 2017 | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Borrowings from banks | - | - | - | - | - | - | - | - | - |
| Market Borrowings | - | - | - | - | - | - | - | - | - |
| Assets | | | | | | | | | |
| Advances | - | - | - | - | - | - | - | - | - |
| Investments | - | - | - | - | - | - | - | - | - |

8. Other Financial assets

| Particulars | As at 31.03.2019 (Rs. In lacs) | As at 31.03.2018 (Rs. In lacs) | As at 01.04.2017 (Rs. In lacs) |
|---|-----------------------------------|-----------------------------------|-----------------------------------|
| (Unsecured and considered good), unless otherwise stated | | | |
| -Other Recoverable | 145.88 | 167.89 | 135.14 |
| | 145.88 | 167.89 | 135.14 |

9. Deferred tax assets (net)

| Particulars | As at 31.03.2019 (Rs. In lacs) | As at 31.03.2018 (Rs. In lacs) | As at 01.04.2017 (Rs. In lacs) |
|---|-----------------------------------|-----------------------------------|-----------------------------------|
| Deferred tax liabilities | | | |
| Fixed assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting period | 73.78 | 273.61 | 459.92 |
| Gross deferred tax liability | 73.78 | 273.61 | 459.92 |
| 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 | 0.43 | 0.43 | 0.23 |
| Mat Credit Recoverable | 4,016.01 | 4,044.01 | 3,714.49 |
| Gross deferred tax asset | 4,016.44 | 4,044.44 | 3,714.72 |
| Deferred tax Assets (Net) | 3,942.66 | 3,770.83 | 3,254.80 |

10. PROPERTY, PLANT & EQUIPMENT

| Particulars | Deemed Cost | | | | DEPRECIATION | | | | NET BLOCK | |
|------------------------|--------------------------|------------------------|----------|--------------------------|--------------------------|------------------------------|----------------------------------|--------------------------|--------------------------|--------------------------|
| | Balance as at 01.04.2018 | Additions/ Adjustments | Disposal | Balance as at 31.03.2019 | Balance as at 01.04.2018 | Depreciation during the year | Eliminated on disposal of assets | Balance as at 31.03.2019 | Balance as at 31.03.2019 | Balance as at 31.03.2018 |
| TANGIBLE ASSETS | | | | | | | | | | |
| 1. Freehold land* | 263.42 | 2.09 | - | 265.51 | - | - | - | - | 265.51 | 263.42 |
| 2. Buildings | 40.14 | - | - | 40.14 | 0.73 | 0.72 | - | 1.45 | 38.70 | 39.42 |
| 3. Office Equipment | 0.72 | - | - | 0.72 | 0.17 | 0.16 | - | 0.33 | 0.40 | 0.56 |
| Current Year | 304.29 | 2.09 | - | 306.37 | 0.89 | 0.88 | - | 1.77 | 304.61 | 303.40 |
| Previous Year | 93.24 | 262.28 | 45.64 | 309.88 | 11.10 | 1.44 | 6.06 | 6.48 | 303.40 | 82.14 |

| Particulars | Deemed Cost | | | | DEPRECIATION | | | | NET BLOCK | |
|------------------------|--------------------------|------------------------|----------|--------------------------|--------------------------|------------------------------|----------------------------------|--------------------------|--------------------------|--------------------------|
| | Balance as at 01.04.2017 | Additions/ Adjustments | Disposal | Balance as at 31.03.2018 | Balance as at 01.04.2017 | Depreciation during the year | Eliminated on disposal of assets | Balance as at 31.03.2018 | Balance as at 31.03.2018 | Balance as at 31.03.2017 |
| TANGIBLE ASSETS | | | | | | | | | | |
| 1. Freehold land* | 1.14 | 262.28 | - | 263.42 | - | - | - | - | 263.42 | 1.14 |
| 2. Buildings | 80.28 | - | 40.14 | 40.14 | - | 1.28 | 0.56 | 0.73 | 39.42 | 80.28 |
| 3. Office Equipment | 0.72 | - | - | 0.72 | - | 0.16 | - | 0.17 | 0.56 | 0.72 |
| Current Year | 82.14 | 262.28 | 40.14 | 304.29 | - | 1.44 | 0.56 | 0.89 | 303.40 | 82.14 |
| Previous Year | 114.49 | 0.82 | 22.07 | 93.24 | 16.92 | 3.95 | 9.77 | 11.10 | 82.14 | 97.56 |

* Freehold land includes ₹ 262.28 lacs (March 31, 2018 262.28) for the cost of land for which title deeds are yet to be executed in favor of the Company, though the possession thereof has been taken by the Company.

11. Other Non Financial Assets

(₹ in lakhs)

| PARTICULARS | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
|---------------------------------------|------------------|------------------|------------------|
| (unsecured, considered good) | | | |
| Capital advances | | - | 266.53 |
| Prepaid Expenses | - | 3.17 | 2.88 |
| Other recoverable | 37.08 | 14.27 | 4.16 |
| Security Deposit | 4.25 | 4.25 | - |
| | 41.33 | 21.69 | 273.57 |

| 12. OTHER FINANCIAL LIABILITIES | | | |
|--|----------------------------------|----------------------------------|----------------------------------|
| | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
| Other Payables:- | | | |
| -Expenses Payables | 31.64 | 31.95 | 88.67 |
| -Dues to Employees | 1.26 | 6.25 | 2.42 |
| | 32.90 | 38.20 | 91.10 |
| 13. SHORT TERM PROVISIONS | | | |
| PARTICULARS | As at 31.03.2019 (₹ in lakhs) | As at 31.03.2018 (₹ in lakhs) | As at 01.04.2017 (₹ in lakhs) |
| Provision for Tax* | 481.95 | 232.27 | 179.86 |
| * Provision for tax is net of Advance tax of ₹ 5728.98 lacs (Previous Year ₹ 5056.03 lacs) | | | |
| | 481.95 | 232.27 | 179.86 |
| 14. LONG TERM PROVISIONS | | | |
| Particulars | As at 31.03.2019 (₹ in lakhs) | As at 31.03.2018 (₹ in lakhs) | As at 01.04.2017 (₹ in lakhs) |
| Provision for employee benefits : | | | |
| - Gratuity | 0.51 | 0.12 | - |
| - Leave encashment | 0.82 | 0.45 | 0.50 |
| | 1.34 | 0.57 | 0.50 |
| 15. OTHER NON FINANCIAL LIABILITIES | | | |
| PARTICULARS | As at 31.03.2019 (₹ in lakhs) | As at 31.03.2018 (₹ in lakhs) | As at 01.04.2017 (₹ in lakhs) |
| Statutory Remittances | 20.54 | 18.85 | 1.99 |
| Unpaid dividends# | 11.36 | 9.45 | 10.23 |
| | 31.90 | 28.31 | 12.22 |
| #unpaid dividends do not include any amount due and outstanding required to be credited to the Investors' Education and Protection Fund | | | |
| 16. EQUITY SHARE CAPITAL | | | |
| | As at March 31, 2019 | As at March 31, 2018 | As at March 31, 2019 |
| Authorised share capital: | | | |
| 3,00,00,000 equity shares of ₹ 10 each (March 31, 2018: 3,00,00,000 equity shares of ₹ 10 each) | 3,000.00 | 3,000.00 | 3,000.00 |
| 1,00,00,000 redeemable cumulative preference shares of ₹ 10 each (March 31, 2018: 1,00,00,000 redeemable cumulative preference shares of ₹ 10 each) | 1,000.00 | 1,000.00 | 1,000.00 |
| | 4,000.00 | 4,000.00 | 4,000.00 |
| Issued up share capital comprises: | | | |
| 31,91,536 equity shares of ₹ 10 each (March 31, 2018: 31,91,536 equity shares of ₹ 10 each) | 319.15 | 319.15 | 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, 2018: 31,91,536 equity shares of ₹ 10 each) | 319.15 | 319.15 | 319.15 |
| Add: Forfeited Shares (Amount originally paid-up) | 0.09 | 0.09 | 0.09 |
| | 319.24 | 319.24 | 319.24 |

16.1 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

16.2 Rights, preference and restriction attached to preference shares

The rate of dividend on preference shares will be decided by the Board of Directors as and when issued. Preferential shares as and when issued shall have the cumulative right to receive dividend as and when declared and shall have preferential right of repayment on amount of capital.

16.3 Reconciliation of number of shares

| | As at March 31, 2019 | | As at March 31, 2018 | |
|---|----------------------|---------------|----------------------|---------------|
| | Number of shares | Amount | Number of shares | Amount |
| Balance as at the beginning of the year | 3,191,536 | 319.24 | 3,191,536 | 319.24 |
| | 3,191,536 | 319.24 | 3,191,536 | 319.24 |
| Balance as at the end of the year | 3,191,536 | 319.23 | 3,191,536 | 319.24 |

16.4 Details of shares held by the holding Company

There is no Holding / Ultimate Company of the Company.

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

| | As at March 31, 2019 | | As at March 31, 2018 | |
|--|----------------------|--------|----------------------|--------|
| | Number of shares | Amount | Number of shares | Amount |
| Adishwar Enterprises LLP | 1,048,770 | 32.86% | 1,048,770 | 32.86% |
| Devakar Investment & Trading Company (P) Limited | 1,094,330 | 34.29% | 1,094,330 | 34.29% |

17. OTHER EQUITY

| | As on March 31, 2019 | As on March 31, 2018 |
|--|-------------------------|-------------------------|
| 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) | 9,162.48 | 8,557.53 |
| Retained Earnings | 176,089.13 | 156,703.75 |
| Equity instrument through other comprehensive income | 3,665.37 | 6,101.94 |
| | 199,428.09 | 181,874.33 |

| Other Equity | | | | | | | | (₹ in lakhs) |
|--|--------------------|----------------------------|--------------------|-----------------|--|-------------------|---|-------------------|
| Particulars | 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, 2018 | 0.11 | 70.00 | 781.28 | 9,659.72 | 8,557.53 | 156,703.75 | 6,101.94 | 181,874.33 |
| Transfer to statutory Reserve u/s 45-IC of RBI Act, 1934 | - | - | - | - | 604.95 | (604.95) | - | - |
| Profit/Loss for the period | | | | | | 20,182.85 | (2,436.57) | 20,182.85 |
| Other Comprehensive Income for the period | | | | | | (0.15) | (2,436.57) | (2,436.71) |
| Dividend @ ₹ 5/Share for financial year 2017-18 | | | | | | (159.58) | | (159.58) |
| Dividend Distribution Tax on dividend paid during the period | - | - | - | - | - | (32.80) | | (32.80) |
| Balance as of 31 March, 2019 | 0.11 | 70.00 | 781.28 | 9,659.72 | 9,162.48 | 176,089.13 | 3,665.37 | 199,428.09 |

(₹ in lakhs)

| Particulars | 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, 2017 | 0.11 | 70.00 | 781.28 | 9,659.72 | 7,436.00 | 140,150.37 | 3,086.87 | 161,184.34 |
| Transfer to statutory Reserve u/s 45-IC of RBI Act, 1934 | | | | | 1,121.53 | (1,121.53) | | - |
| Profit/Loss for the period | | | | | | 17,867.05 | - | 17,867.05 |
| Other Comprehensive Income for the period | | | | | | (0.07) | 3,015.07 | 3,015.00 |
| Dividend @ Rs.5/Share for financial year 2016-17 | | | | | | (159.58) | | (159.58) |
| Dividend Distribution Tax on dividend paid during the period | | | | | | (32.49) | | (32.49) |
| Balance as of 31 March, 2018 | 0.11 | 70.00 | 781.28 | 9,659.72 | 8,557.53 | 156,703.75 | 6,101.94 | 181,874.33 |

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

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.

18. INTEREST INCOME

| Particulars | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|---|--------------------------------------|--------------------------------------|
| Interest Income from investments (On financial assets classified at fair value through profit or loss) | 491.43 | 504.57 |
| | 491.43 | 504.57 |

19. DIVIDEND INCOME

| Particulars | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|---|--------------------------------------|--------------------------------------|
| Dividend Income from long term trade investments: | | |
| - Associates | - | - |
| - others | 173.92 | 548.01 |
| | 173.92 | 548.01 |

20. NET GAIN ON FAIR VALUE CHANGES

| Particulars | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|--|--------------------------------------|--------------------------------------|
| (A). Net gain/ (loss) on financial instruments at fair value through profit or loss | | |
| (i) On trading portfolio | | |
| -Investments | - | - |
| -Derivatives | - | - |
| -Others | 730.81 | 3,119.89 |
| (ii) On financial instruments designated at fair value | (491.58) | (1,388.44) |
| (B) Others (to be specified) | - | - |
| Total Net gain/(loss) on fair value changes (C) | 239.23 | 1,731.45 |
| Fair Value changes | | |
| -Realised | 730.81 | 3,119.89 |
| -Unrealised | (491.58) | (1,388.44) |
| Total Net gain/(loss) on fair value changes (D) to tally with (C) | 239.23 | 1,731.45 |

21. OTHER INCOME

| Particulars | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Receipt against License agreement | 137.62 | 126.72 |
| Rent received | 1.80 | 2.96 |
| Excess Provision written back | - | 0.00 |
| Miscellaneous | 0.12 | 0.04 |
| Profit on sales of fixed asset | - | 6.42 |
| | 139.54 | 136.14 |

22. EMPLOYEE BENEFITS EXPENSE

| Particulars | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|--------------------|--------------------------------------|--------------------------------------|
| Salaries and wages | 40.71 | 40.41 |
| | 40.71 | 40.41 |

23. OTHER EXPENSES

| Particulars | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|--|--------------------------------------|--------------------------------------|
| Rent, taxes and energy costs | 0.02 | 1.54 |
| Repairs and maintenance | 0.42 | 0.50 |
| Communication Costs | 0.03 | - |
| Printing and stationery | 4.37 | 4.46 |
| Excess Provision written off | - | 6.56 |
| Other Financial Charges | 3.83 | 31.58 |
| Director's fees, allowances and expenses | 5.52 | 3.56 |
| Auditor's fees and expenses | 0.64 | 0.59 |
| Legal and Professional charges | 121.65 | 187.07 |
| Insurance | 3.38 | 2.88 |
| Charity and Donation | 107.53 | 51.00 |
| Other expenditure | 8.86 | 20.46 |
| | 256.25 | 310.21 |

24. FIRST TIME ADOPTION OF IND AS

This financial statement is the first financial statement that has been prepared in accordance with Ind AS together with the comparative period data as at and for the year ended 31st March 2018, as described in the summary of significant accounting policies. The transition to IND AS has been carried out in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards with 1st April, 2017 as the transition date.

This note explains the exemptions availed by the company on first time adoption of Ind AS and the principal adjustments made by the Company in restating its previous GAAP financial statements as at 1st April, 2017 and financial statements as at and for the year ended 31st March, 2018 in accordance with Ind AS 101.

(a) Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has, accordingly, applied following exemptions:

- a) The Company has elected to consider carrying amount of all items of property, plant and equipments measured as per previous GAAP as recognized in the financial statements as at the date of transition, as deemed cost at the date of transition. The effect of consequential changes arising on the application of other Ind AS has been adjusted to the deemed cost of Property, Plant & Equipment.
- b) The Company has adopted to measure investments in associates at cost in accordance with IND AS 27 and therefore has measured such investments in its separate opening IND AS balance sheet at carrying amount as per previous GAAP at the date of transition in accordance with IND AS 101.
- c) The Company has availed the exemption of fair value measurement of financial assets or liabilities at initial recognition and accordingly will apply fair value measurement of financial assets or liabilities at initial recognition prospectively to transactions entered into on or after 01st April, 2017.
- d) All transactions qualifying as business combinations under Ind AS103, occurring before the transition date, the Group has opted not to restate any business combinations before the date of transition
- e) The estimates at 1st April, 2017 and at 31st March, 2018 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items under previous GAAP did not require estimation:
 - Fair values of Financial Assets & Financial Liabilities
 - Discount rates

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at 1st April, 2017 and 31st March, 2018.

(b) Notes to the reconciliation of equity as at 1st April, 2017 and 31st March, 2018 and Total comprehensive income for the year ended 31st March, 2018

1. Fair Valuation of Investments

Under Indian GAAP, investments in equity instruments, mutual funds and debt securities were classified as long term investments or current investments based on the intended holding period and realisability. Long term investments were carried at cost less provision for other than temporary diminution in the value of investments. Current investments were carried at lower of cost and fair value. Ind AS requires such investments to be measured at fair value except investments in subsidiaries, associates and joint venture for which exemption has been availed.

Accordingly, the Company has designated such investments as FVTPL/FVTOCI investments in accordance with Ind AS. The difference between the instrument's fair value and carrying amount as per Indian GAAP has been recognized in retained earnings. This has resulted in increase in retained earnings of ₹ 8652.11 lakhs and ₹ 6665.70 lakhs as at 31st March, 2018 and 1st April, 2017 respectively and decrease in net profit of ₹1121.96 lakhs for the year ended 31st March 2018.

2. Proposed Dividend

Under Indian GAAP, proposed dividend (including DDT) is recognized as a liability in the period to which it relates, irrespective of when it is declared. Under Ind AS, proposed dividend is recognized as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

In the case of the Company, the declaration of dividend occurs after period end. Therefore, the liability for the year ended 31st March, 2018 recorded as proposed dividend as on 1st April, 2017 along with dividend distribution tax amounting ₹ 192.07 lacs has been de-recognized and has been provided in the financial year 2017-18 in which it is declared/ paid under IND AS.

3. Defined benefit obligation

Under Ind AS, remeasurements i.e actuarial gains and losses are to be recognized in 'Other comprehensive income' and are not to be reclassified to profit and loss in a subsequent period. Under the Indian GAAP, these remeasurements were forming part of the profit or loss. Therefore, actuarial gain/(loss) amounting to ₹ (0.08) lacs for the financial year 2017-18 has been recognized in Other comprehensive income (net of tax Rs. 0.01 lacs) which was earlier recognized in Employee benefits expense. The same has decreased total equity by 0.13 lacs as at April 1, 2017.

4. Deferred tax

Under Indian GAAP, deferred tax was recognized for the temporary timing differences which focus on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Further, the application of Ind AS has resulted in recognition of deferred tax on certain temporary differences which was not required under Indian GAAP. Accordingly, deferred tax adjustments have been recognised in correlation to the underlying transactions in retained earnings/OCI in accordance with Ind AS. This has resulted decrease in retained earnings of ₹386.69 lacs and ₹ 479.67 lacs as at 31st March, 2018 and 1st April, 2017 respectively. The net profit has been increase with Rs. 92.98 lacs for the year ended 31st March 2018 with a corresponding adjustment in 'Deferred tax liability'.

5. Statement of cash flows

The transition from Indian GAAP to IND AS has not had a material impact on statement of cash flows.

24. (a) Reconciliation of Equity as on 1st April, 2017

| Particulars | As per Previous GAAP | Ind AS Adjustments | As per Ind AS |
|---|----------------------|--------------------|-------------------|
| ASSETS | | | |
| 1 Financial Assets | | | |
| (a) Cash and bank balances | 120.75 | - | 120.75 |
| (b) Bank Balances other than (a) above | 10.21 | - | 10.21 |
| (c) Receivables | | | |
| (I) Trade Receivables | | | |
| (II) Other Receivables | 354.68 | - | 354.68 |
| (d) Loans | | | |
| (e) Investments | 150,602.55 | 6,953.44 | 157,556.00 |
| (f) Other Financial assets | - | 135.14 | 135.14 |
| | 151,088.19 | 7,088.58 | 158,176.77 |
| (2) Non Financial Assets | | | |
| (a) Deferred Tax Asset (Net) | 20.10 | 3,234.69 | 3,254.80 |
| (b) Property, Plant and Equipment | 82.14 | - | 82.14 |
| (c) Other non-financial assets | 4,123.20 | (3,849.63) | 273.57 |
| | 4,225.44 | (614.93) | 3,610.51 |
| TOTAL ASSETS | 155,313.63 | 6,473.65 | 161,787.28 |
| 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 (to be specified) | - | 91.10 | 91.10 |
| 2 Non Financial Liabilities | | | |
| (a) Current tax liabilities (Net) | 179.86 | - | 179.86 |
| (b) Provisions | 192.57 | (192.07) | 0.50 |
| (c) Other non-financial liabilities | 103.32 | (91.10) | 12.22 |
| | 475.75 | (192.07) | 283.69 |

| | | | |
|--------------------------|-------------------|-----------------|-------------------|
| (3) EQUITY | | | |
| (a) Equity Share Capital | 319.24 | - | 319.24 |
| (b) Other Equity | 154,518.64 | 6,665.70 | 161,184.34 |
| | 154,837.89 | 6,665.70 | 161,503.59 |
| TOTAL | 155,313.64 | 6,473.64 | 161,787.28 |

24. (b) Reconciliation of Equity as on 31st March, 2018

| Particulars | As per Previous GAAP | Ind AS Adjustments | As per Ind AS |
|---|----------------------|--------------------|-------------------|
| ASSETS | | | |
| 1 Financial Assets | | | |
| (a) Cash and bank balances | 158.58 | - | 158.58 |
| (b) Bank Balances other than (a) above | 9.45 | - | 9.45 |
| (c) Derivative financial instruments | | | |
| (d) Receivables | | | |
| (I) Trade Receivables | | | |
| (II) Other Receivables | 442.85 | - | 442.85 |
| (e) Loans | 0.08 | - | 0.08 |
| (f) Investments | 168,771.56 | 8,846.57 | 177,618.14 |
| (g) Other Financial assets | 0.00 | 167.89 | 167.89 |
| | 169,382.53 | 9,014.46 | 178,396.99 |
| (2) Non Financial Assets | | | |
| (a) Deferred Tax Asset (Net) | 113.64 | 3,657.20 | 3,770.83 |
| (b) Property, Plant and Equipment | 303.40 | (0.00) | 303.40 |
| (c) Other non-financial assets | 4,233.62 | (4,211.92) | 21.69 |
| | 4,650.65 | (554.73) | 4,095.93 |
| TOTAL ASSETS | 174,033.18 | 8,459.73 | 182,492.92 |
| 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 | - | 38.20 | 38.20 |
| 2 Non Financial Liabilities | | | |
| (a) Current tax liabilities (Net) | 232.27 | - | 232.27 |
| (b) Provisions | 192.95 | (192.38) | 0.57 |
| (d) Other non-financial liabilities (to be specified) | 66.51 | (38.20) | 28.31 |
| | 491.73 | (192.38) | 299.35 |
| (3) EQUITY | | | |
| (a) Equity Share Capital | 319.24 | - | 319.24 |
| (b) Other Equity | 173,222.21 | 8,652.12 | 181,874.33 |
| | 173,541.45 | 8,652.12 | 182,193.57 |
| TOTAL | 174,033.18 | 8,459.74 | 182,492.92 |



24. c) CONSOLIDATED STATEMENT OF RECONCILIATION OF PROFIT AND LOSS FOR THE FINANCIAL YEAR 2017-2018

| Particulars | As per previous GAAP | IND AS Adjustments | As per IND AS |
|--|----------------------|--------------------|------------------|
| Revenue from operations | | | |
| (i) Interest Income | 504.57 | - | 504.57 |
| (ii) Dividend Income | 548.01 | - | 548.01 |
| (iii) Net gain on fair value changes | 3,119.89 | (1,388.44) | 1,731.45 |
| (I) Total Revenue from operations | 4,172.47 | (1,388.44) | 2,784.03 |
| II Other income | 136.14 | - | 136.14 |
| III Total Income (I + II) | 4,308.61 | (1,388.44) | 2,920.18 |
| Expenses | | | |
| Employee benefits expense | 40.49 | (0.08) | 40.41 |
| Depreciation and amortization expenses | 1.44 | - | 1.44 |
| Other expenses | 576.68 | (266.47) | 310.21 |
| IV Total Expenses | 618.61 | (266.55) | 352.05 |
| (V) Income from Associates | 15,539.45 | - | 15,539.45 |
| VI Profit/(Loss) before exceptional Items and Tax (III-IV) | 19,229.46 | (1,121.88) | 18,107.57 |
| VII Exceptional Items | | | - |
| VIII Profit before tax (V-VI) | 19,229.46 | (1,121.88) | 18,107.57 |
| IX Tax expense : | | | |
| - Current Tax | 756.56 | - | 756.56 |
| - Deferred tax | (93.53) | (92.98) | (186.52) |
| - Mat Credit Entitlement | (329.53) | - | (329.53) |
| X Profit for the year (VII - VIII) | 18,895.96 | (1,028.90) | 17,867.06 |
| XI Other Comprehensive Income/(Loss) | - | - | - |
| (A) (i) Items that will not be reclassified to profit or loss | | | |
| -Remeasurements of the defined benefits plans | - | (0.08) | (0.08) |
| -Net Gain/loss on Fair Valuation of Equity instruments carried at FVOCI | - | 3,015.07 | 3,015.07 |
| | - | 0.01 | 0.01 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | | |
| (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 | - | 3,015.00 | 3,015.00 |
| XII Total Comprehensive income for the period (IX+X) (Comprising profit (Loss) and other Comprehensive Income for the period) | 18,895.96 | 1,986.10 | 20,882.06 |

25. TAX BALANCES

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

25.1 Deferred tax liabilities (Net)

| | Opening Balance | Mat Credit Adjustment | Recognised in profit or loss | Recognised in OCI | Closing Balance |
|--|-----------------|-----------------------|------------------------------|-------------------|-----------------|
| 2018-19 | | | | | |
| Deferred tax assets | | | | | |
| Expenses deductible in future years | 0.43 | - | - | - | 0.43 |
| Provision for doubtful debts / advances | | | | | |
| MAT credit recoverable | 4,044.01 | (28.00) | - | - | 4,016.01 |
| Others | | | | | |
| | 4,044.44 | (28.00) | - | - | 4,016.44 |
| Deferred tax liabilities | | | | | |
| Property, plant and equipment and Intangible assets | (0.02) | - | (0.04) | - | (0.06) |
| Investment in bonds, mutual funds and equity instruments | 273.63 | - | (199.79) | - | 73.84 |
| Others | | | | | |
| | 273.61 | - | (199.82) | - | 73.77 |
| Net deferred tax liabilities | 3,770.83 | (28.00) | 199.82 | - | 3,942.66 |
| Deferred tax liabilities (Net) | | | | | |
| | Opening Balance | Mat Credit Adjustment | Recognised in profit or loss | Recognised in OCI | Closing Balance |
| 2017-18 | | | | | |
| Deferred tax assets | | | | | |
| Expenses deductible in future years | 0.23 | - | 0.20 | - | 0.43 |
| Provision for doubtful debts / advances | - | - | - | - | - |
| MAT credit recoverable | 3,714.49 | - | 329.53 | - | 4,044.01 |
| Others | | | | | |
| | 3,714.72 | - | 329.73 | - | 4,044.44 |
| Deferred tax liabilities | | | | | |
| Property, plant and equipment and Intangible assets | 0.01 | - | (0.03) | - | (0.02) |
| Investment in bonds, mutual funds and equity instruments | 459.91 | - | (186.28) | - | 273.63 |
| Others | | | | | |
| | 459.92 | - | (186.31) | - | 273.61 |
| Net deferred tax liabilities | 3,254.80 | - | 516.04 | - | 3,770.83 |

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

25.2 Income tax recognised in profit or loss

| Particulars | As At March 31, 2019 | As At March 31, 2018 |
|--|----------------------|----------------------|
| Current tax | | |
| In respect of the current year | 218.49 | 756.57 |
| Deferred tax | | |
| In respect of the current year | (199.79) | (516.04) |
| Total income tax expense recognised | 18.70 | 240.53 |

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

| Particulars | As At March 31,2019 | As At March 31,2018 |
|---|---------------------|---------------------|
| Profit before tax | 3,043.44 | 4,713.59 |
| Tax at the Indian Tax Rate of 27.82% (2017-18 : 34.608 %) | 846.69 | 1,631.28 |
| Exempt Long Term Capital Gain | (91.73) | (553.64) |
| Effect of exempted dividend income | (652.79) | (907.42) |
| Donation Disallowed | 14.96 | 8.83 |
| Effect of indexation benefit on value of investment | (23.18) | (93.58) |
| Index Benefit on land | - | (13.23) |
| Tax Difference on MTM Gain on investment | (63.07) | 294.00 |
| Capital Gain tax rate difference | (15.00) | (148.17) |
| Others | 2.83 | 22.47 |
| | 18.70 | 240.53 |

26.1 Financial instruments by category

| | As at March 31, 2019 | | | |
|--------------------------------|----------------------|-----------------|-----------------|------------------|
| | FVTPL | Amortised Cost# | FVTOCI | Total |
| Financial Assets | | | | |
| Investments* | 25,338.01 | - | 5,277.34 | 30,615.35 |
| Other Receivables | - | 408.21 | - | 408.21 |
| Cash and cash equivalents | - | 222.25 | - | 222.25 |
| Bank balances other than above | - | 11.36 | - | 11.36 |
| Loans | - | - | - | - |
| | 25,338.01 | 641.82 | 5,277.34 | 31,257.17 |

| | As at March 31, 2018 | | | |
|--------------------------------|----------------------|-----------------|-----------------|------------------|
| | FVTPL | Amortised Cost# | FVTOCI | Total |
| Financial Assets | | | | |
| Investments* | 22,458.51 | - | 7,713.91 | 30,172.42 |
| Other Receivables | - | 442.85 | - | 442.85 |
| Cash and cash equivalents | - | 158.58 | - | 158.58 |
| Bank balances other than above | - | 9.45 | - | 9.45 |
| Loans | - | 0.08 | - | 0.08 |
| | 22,458.51 | 610.96 | 7,713.91 | 30,783.38 |

| | As at April 1, 2017 | | | |
|--------------------------------|---------------------|-----------------|-----------------|------------------|
| | FVTPL | Amortised Cost# | FVTOCI | Total |
| Financial Assets | | | | |
| Investments* | 37,176.88 | - | 3,672.00 | 40,848.88 |
| Other Receivables | - | 354.68 | - | 354.68 |
| Cash and cash equivalents | - | 120.75 | - | 120.75 |
| Bank balances other than above | - | 10.21 | - | 10.21 |
| Loans | - | - | - | - |
| | 37,176.88 | 485.63 | 3,672.00 | 41,334.51 |

| | As at March 31, 2019 | | |
|------------------------------|----------------------|-----------------|--------------|
| | FVTPL | Amortised Cost# | Total |
| Financial Liabilities | | | |
| Trade Payables | - | - | - |
| Other financial liabilities | - | 32.90 | 32.90 |
| | - | 32.90 | 32.90 |

| | As at March 31, 2018 | | |
|------------------------------|----------------------|-----------------|--------------|
| | FVTPL | Amortised Cost# | Total |
| Financial Liabilities | | | |
| Trade Payables | - | - | - |
| Other financial liabilities | - | 38.20 | 38.20 |
| | - | 38.20 | 38.20 |

| | As at April 1, 2017 | | |
|------------------------------|---------------------|-----------------|--------------|
| | FVTPL | Amortised Cost# | Total |
| Financial Liabilities | | | |
| Trade Payables | - | - | - |
| Other financial liabilities | - | 91.10 | 91.10 |
| | - | 91.10 | 91.10 |

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 ₹ 25017.50 Lakhs (March 31, 2018: ₹ 25017.50 lakhs, April 01, 2017 ₹ 7672.86) which are shown at cost in balance sheet as per Ind AS 27 "Separate Financial Statements".

26.2 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, 2019 | Level 1 | Level 2 | Level 3 | Total |
|---|------------------|-----------------|-----------------|------------------|
| Financial Assets | | | | |
| Investments in mutual funds/bonds/preference shares | 5,200.80 | 7,716.08 | 7,601.09 | 20,517.97 |
| Investments in quoted equity instruments | 9,955.17 | | | 9,955.17 |
| Investments in unquoted equity instruments | | | 142.16 | 142.16 |
| | 15,155.97 | 7,716.08 | 7,743.25 | 30,615.30 |

| As at March 31, 2018 | Level 1 | Level 2 | Level 3 | Total |
|---|------------------|-----------------|-----------------|------------------|
| Financial Assets | | | | |
| Investments in mutual funds/bonds/preference shares | 7,542.16 | 2,524.46 | 7,224.72 | 17,291.34 |
| Investments in quoted equity instruments | 12,737.38 | | | 12,737.38 |
| Investments in unquoted equity instruments | | | 143.66 | 143.66 |
| | 20,279.54 | 2,524.46 | 7,368.38 | 30,172.38 |

| As at April 1, 2017 | Level 1 | Level 2 | Level 3 | Total |
|---|------------------|---------------|-----------------|------------------|
| Financial Assets | | | | |
| Investments in mutual funds/bonds/preference shares | 23,586.11 | 969.89 | 7,214.26 | 31,770.26 |
| Investments in quoted equity instruments | 8,869.99 | | | 8,869.99 |
| Investments in unquoted equity instruments | | | 208.67 | 208.67 |
| | 32,456.10 | 969.89 | 7,422.93 | 40,848.92 |

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.

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 |
|---|-----------------------------|
| As at April 1, 2017 | 208.67 |
| Purchases | - |
| Sales | (42.15) |
| Gain / (loss) recognised in OCI/Profit/Loss | (22.86) |
| As at March 31, 2018 | 143.66 |
| Purchases | - |
| Sales | (1.50) |
| Gain / (loss) recognised in OCI/Profit/Loss | - |
| As at March 31, 2019 | 142.16 |

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.

(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, 2019 would increase / decrease by ₹ 263.87 lacs (March 31, 2018: increase / decrease by ₹ 385.70 crores) as a result of the change in fair value of equity investment measured at FVTOCI.

Exposure in mutual funds

The Company manages the surplus funds majorly through investments in debt based mutual fund schemes. The price of investment in these mutual fund schemes is reflected through 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, 2019 would increase / decrease by ₹177.26 lakhs (March 31, 2018 by ₹ 152.45 crores) 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:

| 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, 2019 | | | | | |
| Investments* | 8,435.19 | 7,913.00 | 8431.65 | 30,853.00 | 55,632.84 |
| Other Receivables | 408.21 | - | - | - | 408.21 |
| Cash and cash equivalents | 222.25 | - | - | - | 222.25 |
| Bank balances other than above | 11.36 | - | - | - | 11.36 |
| Loans | - | - | - | - | - |
| | 9,077.02 | 7,913.00 | 8,431.65 | 30,853.00 | 56,274.67 |

| | 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, 2019 | | | | | |
| Trade payables | - | - | - | - | - |
| Other financial liabilities** | 32.90 | - | - | - | 32.90 |
| | 32.90 | - | - | - | 32.90 |

| 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, 2018 | | | | | |
| Investments* | 3,443.56 | 12,200.35 | 6800.00 | 32,746.00 | 55,189.90 |
| Other Receivables | 442.85 | - | - | - | 442.85 |
| Cash and cash equivalents | 158.58 | - | - | - | 158.58 |
| Bank balances other than above | 9.45 | - | - | - | 9.45 |
| Loans | 0.08 | - | - | - | 0.08 |
| | 4,054.52 | 12,200.35 | 6,800.00 | 32,746.00 | 55,800.86 |



| 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, 2018 | | | | | |
| Trade payables | - | - | - | - | - |
| Other financial liabilities | 38.20 | - | - | - | 38.20 |
| | 38.20 | - | - | - | 38.20 |
| 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 April 1, 2017 | | | | | |
| Investments* | 3,443.56 | 12,200.35 | 6,800.00 | 26,077.83 | 48,521.74 |
| Other Receivables | 354.68 | - | - | - | 354.68 |
| Cash and cash equivalents | 120.75 | - | - | - | 120.75 |
| Bank balances other than above | 10.21 | - | - | - | 10.21 |
| Loans | - | - | - | - | - |
| | 3,929.19 | 12,200.35 | 6,800.00 | 26,077.83 | 49,007.37 |
| 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 April 1, 2017 | | | | | |
| Trade payables | - | - | - | - | - |
| Other financial liabilities | 91.10 | - | - | - | 91.10 |
| | 91.10 | - | - | - | 91.10 |

* including Current Maturity of non-current borrowings

27. 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:

| | As at March 31, 2019 | As at March 31, 2018 |
|---|-------------------------------|-------------------------------|
| Discount Rate | 7.65% | 7.71% |
| Salary increase | 6.00% | 6.00% |
| Expected average remaining working life | 28.79 | 29.96 |
| Mortality Rates | IALM (2006-08) | IALM (2006-08) |
| Method used | Project unit credit method | Project unit credit method |

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. An actuarial valuations involves making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

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

| | For the year ended | |
|---|--------------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Current Service cost | 0.23 | 0.26 |
| Past service cost and (gain) /loss from settlements | - | - |
| Net interest expenses | 0.01 | (0.02) |

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:

| | For the year ended | |
|--|--------------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Actuarial gain/(losses) arising from changes in financial assumptions | 0.01 | (0.05) |
| Actuarial gain/(losses) arising from changes in experience adjustments | 0.11 | 0.10 |
| | 0.12 | 0.05 |

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

| | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Present value of funded defined benefit obligation | 1.44 | 1.07 |
| Fair Value of Plan Assets | 0.93 | 0.96 |
| Net assets / (liability) | (0.51) | (0.12) |

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

| | For the year ended | |
|--|--------------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Opening defined benefit obligation | 0.12 | (0.21) |
| Transferred during the year | | |
| Current Service Cost | 0.23 | 0.26 |
| Interest Cost | 0.01 | (0.02) |
| Actuarial (gain)/losses arising from changes in experience adjustments | 0.16 | 0.08 |
| Closing defined benefit obligation | 0.51 | 0.12 |

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

| | For the year ended | |
|--|--------------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Opening fair value of plan assets | 0.96 | 0.98 |
| Interest Income | 0.04 | 0.04 |
| Benefits paid | (0.06) | (0.06) |
| Others (Describe) | | |
| Settlement / transfer in | | |
| Closing fair value of plan assets | 0.93 | 0.96 |

Plan assets comprises of mutual fund, Government of India securities and bank balances. The average duration of the defined benefit obligation is 14.91 years (2018: 9.64 years). The Company expects to make a contribution of ₹ 0.07 lakhs (March 31, 2018: ₹ 0.06 lakhs) 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 March 31, 2019 |
|-------------------------------|-------------------------|
| Discount Rate | |
| 0.50% Increase | (0.09) |
| 0.50% decrease | 0.09 |
| Future Salary increase | |
| 0.50% Increase | 0.10 |
| 0.50% decrease | (0.09) |

Maturity Profile of Defined Benefit Obligation

| | Year | Amount |
|----|----------------|--------|
| a) | 0 to 1 Year | 0.07 |
| b) | 1 to 2 Year | 0.06 |
| c) | 2 to 3 Year | 0.07 |
| d) | 3 to 4 Year | 0.06 |
| e) | 4 to 5 Year | 0.06 |
| f) | 5 to 6 Year | 0.06 |
| g) | 6 Year onwards | 3.35 |

28. RELATED PARTY TRANSACTIONS**Description of related parties****Associates**

Vardhman Textiles Limited
Vardhman Spinning and General Mills Limited

Key Management Personnel (KMP)

Mr. S.P. Oswal, Chairman and Managing Director
Mrs. Poorva Bhatia (Chief Financial Officer)
Mr. Amrender Kumar Yadav, Company Secretary (upto 21.07.2018)
Mr. Satin Katyal, Company Secretary (w.e.f. 13.11.2018)
Mrs. Shakun Oswal (Non-Executive Director)
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)

VARDHMAN TEXTILES LIMITED
Transactions with related parties

| | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|--|--------------------------------------|--------------------------------------|
| Receipt against licence agreement (excluding service tax) | | |
| Associates | 96.02 | 88.58 |
| Key Managerial Personnel | | |
| | 96.02 | 88.58 |
| Rent Received | | |
| Associates | 1.80 | 1.80 |
| Key Managerial Personnel | | |
| | 1.80 | 1.80 |
| Managerial Remuneration | | |
| Associates | - | - |
| Key Managerial Personnel | 43.78 | 35.84 |
| | 43.78 | 35.84 |

29. CONTINGENT LIABILITIES AND COMMITMENTS

| | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Claims against the Company not acknowledged as debts: | | |
| Income-tax | 63.91 | 15.12 |
| Uncalled Liability on Investment Commitment | 1,170.00 | 1,980.00 |

30. 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.

31. EARNINGS PER SHARE

| | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|--|--------------------------------------|--------------------------------------|
| Basic earnings per share (INR) | 632.39 | 559.83 |
| Profit attributable to the equity holders of the Company used in calculating basic earning per share | 20,182.85 | 17,867.05 |
| Weighted average number of equity shares for the purpose of basic earning per share (numbers) | 3,191,536 | 3,191,536 |

32. 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.

| | For the year ended March, 31 2019 | For the year ended March, 31 2018 |
|--|--------------------------------------|--------------------------------------|
| 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 | - | - |

32. CSR

In accordance with the provisions of Section 135 of the Companies Act, 2013 the company has contributed a sum of Rs. 97.03 lakhs (Previous year 51 lacs) towards approved CSR activities. The said amount stands debited under the head "other expenses".

| | For the year ended March, 31 2019 |
|------------------------|--------------------------------------|
| | (Rs. Lacs) |
| Preventive Health Care | 87.28 |
| Others | 9.75 |
| Total | 97.03 |

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, 2019 | As at March 31, 2018 |
| A. Associates | | | | |
| (ii) Vardhman Textiles Limited | India | Textiles | 26.64 | 26.66 |
| (ii) Vardhman Spinning & General Mills Limited | India | Trading of Cotton & Manmade Fibre | 50.00 | 50.00 |

(b) Summarized Financial Information

| Particulars | Vardhman Textiles Limited | | Vardhman Spinning and General Mills Limited | |
|--------------------------------------|---------------------------|-------------------------|---|-------------------------|
| | As at March 31, 2019 | As at March 31, 2018 | As at March 31, 2019 | As at March 31, 2018 |
| I. Assets | | | | |
| (A) Non Current Assets | 433,522.56 | 369,849.26 | - | - |
| (B) Current Assets | | | | |
| i) Cash & Cash Equivalent | 4,005.00 | 7,038.00 | 1.76 | 0.12 |
| ii) Others | 464,093.63 | 447,521.99 | 15.83 | 16.10 |
| Total Current Assets | 468,098.63 | 454,559.99 | 17.59 | 16.22 |
| Total Assets (A+B) | 901,621.19 | 824,409.25 | 17.59 | 16.22 |
| II. Liabilities | | | | |
| (A) Non Current Liabilities | | | | |
| i) Financial Liabilities | 109,327.00 | 121,042.00 | | |
| ii) Non Financial Liabilities | 35,634.03 | 28,548.70 | | |
| Total Non Current Liabilities | 144,961.03 | 149,590.70 | - | - |
| (B) Current Liabilities | | | | |
| i) Financial Liabilities | 175,213.94 | 155,031.89 | 3.97 | 3.99 |
| ii) Non Financial Liabilities | 10,992.43 | 13,538.91 | | |
| Total Current Liabilities | 186,206.37 | 168,570.81 | 3.97 | 3.99 |
| Total Liabilities (A+B) | 331,167.40 | 318,161.51 | 3.97 | 3.99 |
| Net Assets (I-II) | 570,453.79 | 506,247.74 | 13.62 | 12.23 |

(c) Summarized Financial Information

| Particulars | Vardhman Textiles Limited | | Vardhman Spinning and General Mills Limited | |
|---|---------------------------|-------------------------|---|-------------------------|
| | As at March 31, 2019 | As at March 31, 2018 | As at March 31, 2019 | As at March 31, 2018 |
| Revenue from Opreations | 687,792.00 | 624,827.00 | - | - |
| Profit & Loss Before Tax | 105,873.69 | 75,962.84 | 1.39 | 0.29 |
| Tax Expense | 31,819.00 | 16,719.00 | - | - |
| Profit & Loss after Tax | 74,054.69 | 59,243.84 | 1.39 | 0.29 |
| Other Comprehensive Income | (55.50) | 160.08 | - | - |
| Total Comprehensive Income | 73,999.19 | 59,403.92 | 1.39 | 0.29 |
| Depreciation & Amortisation | 25,402.15 | 23,999.73 | - | - |
| Interest Expense (Net of Interest Income) | 11,965.00 | 11,819.00 | 0.02 | 0.03 |

(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, 2019 | As at March 31, 2018 | As at March 31, 2019 | As at March 31, 2018 |
| Investment as at the beginning of the Period | 147,439.09 | 134,045.26 | 6.65 | 6.50 |
| Add: Share of Total Comprehensive Income for the period | 19,454.58 | 15,539.30 | 0.69 | 0.15 |
| Add:-Investment purchase for the period | | | | |
| Less: Dividend distributed during the period (including DDT) | (2,297.18) | (2,145.47) | | |
| Less: Disposed off Investment | | | | |
| Investment as at the end of the Period | 164,596.50 | 147,439.09 | 7.34 | 6.65 |



34. FOR DISCLOSURE MANDATED BY SCHEDULE III OF COMPANIES ACT 2013, BY WAY OF ADDITIONAL INFORMATION, REFER BELOW:

| Name of Enterprise | As at March 31, 2019 | | As at March 31, 2018 | | As at March 31, 2019 | | As at March 31, 2018 | |
|---|---|-------------------|---|-------------------|-------------------------------------|------------------|-------------------------------------|------------------|
| | Net Assets i.e total assets minus total liabilities | | Net Assets i.e total assets minus total liabilities | | Share in Total comprehensive income | | Share in Total comprehensive income | |
| | As % of consolidated net assets | Amount | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated profit or loss | Amount |
| Parent | | | | | | | | |
| Vardhman Holding Limited | | 60,160.98 | | 59,765.33 | | 588.03 | | 7,488.06 |
| Subsidiaries | | - | | - | | - | | - |
| Indian | | - | | - | | - | | - |
| Non Controlling Interest in subsidiaries | | - | | - | | - | | - |
| Associates (Investment as per the equity method) | | | | | | | | |
| Indian | | | | | | | | |
| (i) Vardhman Textiles Limited | | 164,596.50 | | 147,439.09 | | 19,454.58 | | 15,539.30 |
| (ii) Vardhman Spinning & General Mills Limited | | 7.34 | | 6.65 | | 0.69 | | 0.15 |
| Less:- Investments in Associates | | (25,017.50) | | (25,017.50) | | | | |
| Less:- Adjustmenst due to Consolidation | | | | | | (2,297.18) | | (2,145.47) |
| Total | | 199,747.33 | | 182,193.57 | | 17,746.14 | | 20,882.05 |

35. OTHER DISCLOSURES

CRAR

| S.No | Particulars | As at March 31, 2019 | As at March 31, 2018 |
|------|---|----------------------|----------------------|
| 1 | CRAR (%) | 88.72 | 98.54 |
| 2 | CRAR-Tier I Capital (%) | | |
| 3 | CRAR-Tier II Capital (%) | - | - |
| 4 | Amount of subordinated debt raised as Tier-II capital | - | - |
| 5 | Amount raised by issue of Perpetual Debt Instruments | - | - |

| S.No | Particulars | As at March 31, 2019 | As at March 31, 2018 |
|------|---|----------------------|----------------------|
| 1 | Value of Investments | | |
| | Gross Value of Investments | | |
| | (a) In India | 55,632.84 | 55,189.91 |
| | (b) Outside India | - | - |
| | Provisions for Depreciation | | |
| | (a) In India | - | - |
| | (b) Outside India | - | - |
| | Net Value of Investments | | |
| | (a) In India | 55,632.84 | 55,189.91 |
| | (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 | - | - |

| S.No | Category | As at March 31, 2019 | As at March 31, 2018 |
|------|---|-------------------------|-------------------------|
| 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 separately) | - | - |
| | (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 | - | - |

(i) **Exposure to Capital Market**

(Amount in Lacs.)

| S.No | Category | As at March 31, 2019 | As at March 31, 2018 |
|--------|--|-------------------------|-------------------------|
| (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; | 55,632.84 | 55,189.91 |
| (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) | - | - |

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

| S.No | Particulars | As at March 31, 2019 | As at March 31, 2018 |
|------|--|-------------------------|-------------------------|
| 1 | Provisions for depreciation on investment. | - | - |
| 2 | Provision towards NPA | - | - |
| 3 | Provision made towards income-tax | 218.49 | 756.57 |
| 4 | Other provision and contingencies | 1,233.91 | 1,995.12 |
| 5 | Provision for standard assets | - | - |



Vardhmān

Vardhman Holdings Limited

| Break-up of Investments (Net of Provisions): | As at March 31, 2019 | As at March 31, 2018 |
|---|---------------------------------|---------------------------------|
| Current Investments : | | |
| 1. Quoted : | | |
| (i) Shares : (a) Equity | 4,658.23 | 5,008.18 |
| (b) Preference | | |
| (ii) Debentures and Bonds | | |
| (iii) Units of Mutual Funds | 1,371.57 | 7,605.46 |
| (iv) Government Securities | | |
| (v) Others | | |
| - Units of Fixed Maturity Plans | | |
| - Units of Income/Debt Plans (Net) | | |
| - Units of Liquid Floater Plans | | |
| 2. Unquoted : | | |
| (i) Shares : (a) Equity | 1.55 | 1.85 |
| (b) Preference | | |
| (ii) Debentures and Bonds | 2,393.02 | 2,158.34 |
| (iii) Units of Mutual Funds | 16,354.82 | 7,669.35 |
| (iv) Government Securities | | |
| (v) Others | | |
| - Units of Private Equity Fund (Health Care) | | |
| - Units of Income/Debt Plans (Net) | | |
| - Units of Liquid Floater Plans | | |
| TOTAL (A=1+2) | 24,779.18 | 22,443.18 |
| Long Term investments : | | |
| 1. Quoted : | | |
| (i) Shares : (a) Equity | 30,311.96 | 32,744.24 |
| (b) Preference | 539.20 | - |
| (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 / Fixed Maturity Plans | | |
| (iv) Government Securities | | |
| (v) Others | | |
| TOTAL (B=1+2) | 30,853.66 | 32,746.74 |
| GRAND TOTAL (A+B) | 55,632.84 | 55,189.91 |

36. FIGURES IN BRACKET INDICATE DEDUCTIONS.

As per our report of even date

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

For and on behalf of the Board of Directors

Rajiv Dewan
Partner
M. No. 084718

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
Date: 24th May, 2019

VARDHMAN HOLDINGS LIMITED

CIN: L17111PB1962PLC002463
 Registered Office: Chandigarh Road, Ludhiana-141 010 (Punjab), India.
 Phone No.: 0161-2228943-48, Fax: 0161-2601048
 E-mail: secretarial.lud@vardhman.com; Website: www.vardhman.com

**ATTENDANCE SLIP
E-VOTING PARTICULARS****55TH ANNUAL GENERAL MEETING****2019**

I/We hereby record my/our presence at the 55th Annual General Meeting of Vardhman Holdings Limited held at the Registered Office of the Company situated at Chandigarh Road, Ludhiana-141 010 on Monday, the 30th September, 2019 at 10:00 a.m.

Member's Folio/DP ID-Client ID No.

Member's /Proxy's name in Block Letters

Member's/Proxy's Signature

Note:

1. Please complete the Folio/ DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of meeting place.
2. Electronic copy of the Annual Report for 2018-19 and Notice of the Annual General Meeting (AGM) alongwith Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of Annual Report for 2018-19 alongwith Attendance Slip and Proxy Form is sent in permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

ELECTRONIC VOTING PARTICULARS

| EVSN (E-Voting Sequence Number) | USER ID / Folio No. / DP / Client ID | SEQUENCE NO. |
|---------------------------------|--------------------------------------|--------------|
| 190829081 | | |

NOTE: Please read instructions given at Point No. 18 of the Notice of 55th Annual General Meeting annexed in the Annual Report for 2018-19 of the Company, carefully before voting electronically.

VARDHMAN HOLDINGS LIMITED

CIN: L17111PB1962PLC002463
 Registered Office: Chandigarh Road, Ludhiana 141 010 (Punjab), India.
 Phone No.: 0161-2228943-48, Fax: 0161-2601048
 E-mail: secretarial.lud@vardhman.com; Website: www.vardhman.com

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

I/We being the holder(s) of.....shares of the above named Company bearing Folio No. hereby appoint:

1. Name : Address :
E-mail Id : Signature: or failing him;
2. Name : Address :
E-mail Id : Signature: or failing him;
3. Name : Address :
E-mail Id : Signature: or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 55th Annual General Meeting of the Company to be held on Monday, the 30th September, 2019 at 10:00 a.m. at Registered Office of the Company Situated at Chandigarh Road, Ludhiana-141 010 and at any adjournment thereof in respect of such resolutions as are indicated below:

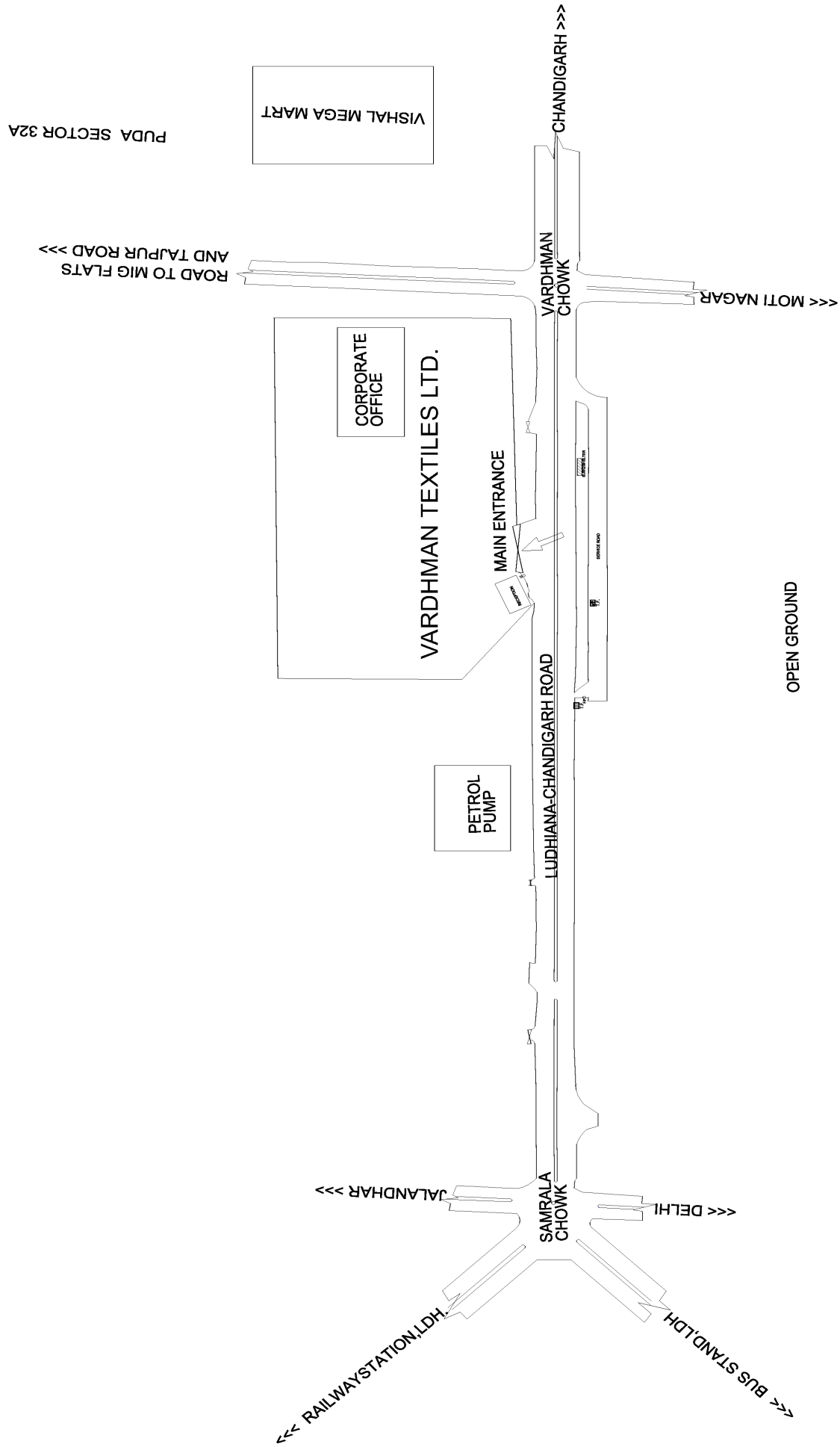
| Resolution No. | |
|--------------------------|---|
| Ordinary Business | |
| 1. | Adoption of Financial Statements for the Financial Year ended 31 st March, 2019. |
| 2. | Declaration of Dividend on Equity Shares. |
| 3(a). | Appointment of Mr. Sachit Jain as a director liable to retire by rotation. |
| 3(b). | Appointment of Mrs. Suchita Jain as a director liable to retire by rotation. |
| 4. | Appointment of Statutory Auditors. |
| Special Business | |
| 5. | To re-appoint Mr. S.P. Oswal as the Managing Director of the Company. |

Sign this day of 2019.

Signature of shareholder Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Affix Revenue
Stamp not
less than
Rs. 0.15





Vardhmān

Registered Office: Chandigarh Road, Ludhiana, Punjab - 141 010, India
Tel.: +91-161-2228943-48 Fax: +91-161-2601048 Email: secretarial.lud@vardhman.com