

**REVIEW REPORT**

The Board of Directors,  
Vardhman Textiles Limited  
Ludhiana


1. We have reviewed the accompanying statement of unaudited financial results of Vardhman Textiles Limited for the period ended 30<sup>th</sup> June, 2011 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. *As indicated in note 1, in view of the significant uncertainty associated with the derivative options, resolution of which is dependent upon future events which are not under the direct control of the company, on account of which the company could not determine the possible loss, if any, on valuation of open derivative options. The ultimate outcome of these future events and their affect on the financial statements cannot be ascertained at this stage.*



4. Based on our review conducted as above except for the matter referred to in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results, prepared in accordance with applicable accounting standards referred to in sub clause 3(C) of section 211 of the Companies Act, 1956 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in the terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed or that it contains any material misstatement.

Place: Ludhiana  
Dated: 6<sup>th</sup> Aug, 2011

For S.C. VASUDEVA & Co.  
Chartered Accountants  
Firm reg. no. 000235N



(Sanjiv Mohan)  
Partner  
M. No 86066