



Ref. VHL: SCY: SEP: 2023-24

Dated: 08-Sep-2023

BSE Limited, 1 st Floor, New Trading Ring, Rotunda Building, P.J Towers, Dalal Street, Mumbai-400 001. Scrip Code: 500439	The National Stock Exchange of India Limited, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051 Scrip Code: VHL
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**SUBJECT: ANNUAL REPORT (F.Y. 2022-23) OF THE COMPANY, NOTICE CONVENING 59TH
ANNUAL GENERAL MEETING & E-VOTING INFORMATION**

Dear Sir,

Pursuant to applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the 59th Annual General Meeting ('AGM') of the Members of the Company will be held on **Saturday, 30th September, 2023 at 12:30 p.m.** through Video Conferencing ("VC") and Other Audio Visual Means ("OAVM"), in compliance with the relevant circulars issued by the Ministry of Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI').

Further, the Company has fixed **Saturday, 23rd September, 2023** as the cut-off date to ascertain the eligibility of Members entitled to cast their vote electronically on all the resolutions to be passed at the AGM. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-Voting facility. The remote e-Voting schedule is as under:

Commencement of remote e-Voting	27 th September, 2023 (09:00 a.m. onwards)
End of remote e-Voting	29 th September, 2023 (upto 05:00 p.m.)

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report (F.Y. 2022-23) alongwith the Notice convening the 59th 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.



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

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

59th

Annual Report
2022-23



Vardhman

**Vardhman
Holdings Limited**



CORPORATE INFORMATION

Vardhman Holdings Limited

BOARD OF DIRECTORS

Mr. Shri Paul Oswal
Chairman and Managing Director

Mrs. Shakun Oswal
Director

Mr. Sachit Jain
Director

Mrs. Suchita Jain
Director

Mr. Vikas Kumar
Director

Mr. Devendra Bhushan Jain
Independent Director

Mr. Manjul Pahwa
Independent Director

Dr. Pooja Mehta
Independent Director

Mr. Rajeev Kumar Mittal
Independent Director

Mr. Sanjeev Jain
Independent Director

CHIEF FINANCIAL OFFICER

Ms. Poorva Bhatia

COMPANY SECRETARY

Ms. Swati Mangla

AUDITORS

M/s. K.C. Khanna & Co.
Chartered Accountants
Ludhiana

REGISTRAR AND TRANSFER AGENT

M/s. Alankit Assignments Limited
New Delhi

REGISTERED & CORPORATE OFFICE

Vardhman Premises, Chandigarh Road,
Ludhiana-141 010

Phones: (0161) 2228943-48

Fax: (0161) 2601048

E-mail: secretarial.lud@vardhman.com

Website: www.vardhman.com

CIN: L17111PB1962PLC002463

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Notice

NOTICE is hereby given that the **FIFTY NINTH ANNUAL GENERAL MEETING** of Vardhman Holdings Limited will be held on Saturday, the 30th day of September, 2023 at 12:30 p.m. through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”), to transact the following business:-

ORDINARY BUSINESS:

Item No. 1 – To adopt Financial Statements:

To receive, consider and adopt the Audited Financial Statements (including the consolidated financial statements) of the Company for the Financial Year ended 31st March, 2023 together with Report of Board of Directors and Auditors thereon.

Item No. 2 – To declare Dividend:

To declare a dividend of ₹ 5 per equity share for the year ended March 31, 2023.

Item No. 3 – To re-appoint Mr. Vikas Kumar as a director liable to retire by rotation:

To appoint a Director in place of Mr. Vikas Kumar (DIN: 07650988), 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. 4 - To resolve not to fill the vacancy caused due to retirement by rotation of Mrs. Shakun Oswal, Non-Executive Director of the Company:

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

“RESOLVED THAT Mrs. Shakun Oswal (DIN: 00121915), who was appointed as a Director of the Company liable to retire by rotation, does not seek re-appointment upon expiry of her term at this Annual General Meeting, as such the vacancy, so created on the Board of Directors of the Company, be not filled.”

BY ORDER OF THE BOARD

Place: Ludhiana
Date: 10.08.2023

Sd/-
(Swati Mangla)
Company Secretary

Notes

1. Considering the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its circular dated December 28, 2022, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 (collectively referred to as “**MCA Circulars**”), permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the Members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (“the Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
 2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the agency to provide e-Voting facility.
 3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice (Refer Point 11). The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
 4. Generally, a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Route Map and Attendance Slip are not annexed hereto.
 5. The information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the Director 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/ reappointment.
 6. The Register of Members and the Share Transfer Books of the Company shall remain closed from 16th September, 2023 to 30th September, 2023 (both days inclusive).
 7. The relevant statutory registers/documents will be available electronically for inspection by the Members during the AGM. Further, the documents referred to in the Notice, if any, will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email at secretarial.lud@vardhman.com.
- DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**
8. In compliance with the MCA Circulars and SEBI Circular dated January 5, 2023 read with circular dated May 13, 2022, January 15, 2021 and May 12, 2020, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company’s website i.e. www.vardhman.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on website of Central Depository Services (India) Limited (e-voting agency) at www.evotingindia.com.
 9. For receiving all communications (including Annual Report) from the Company electronically:
 - a) Members holding shares in physical mode and who have not registered/ updated their email address with the Company are requested to register / update

the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at secretarial.lud@vardhman.com or to RTA at rt@alankit.com

- b) Members holding shares in dematerialised mode are requested to register / update their email address with the relevant Depository Participant.

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

- i. The Remote e-Voting period commences on 27th September, 2023 (9:00 a.m.) and ends on 29th September, 2023 (5:00 p.m.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2023, may cast their vote electronically. The Remote e-Voting module shall be disabled by CDSL for voting after end of voting period on 29th September, 2023.

Further, the facility for voting through electronic voting system will also be made available at the Meeting and Members attending the Meeting will be able to vote at the Meeting.

- ii. Members who have already voted through Remote e-Voting would not be entitled to vote during the AGM.
- iii. As per SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, on e-Voting Facility provided by Listed Entities, "individual shareholders holding shares of the Company in demat mode" can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Members are advised to update their Mobile no. & email id in their demat account in order to access e-Voting facility. The procedure to login and access remote e-Voting & joining virtual meeting, as devised by the Depositories / Depository Participant(s), is given below:

Option 1 – Login through Depositories

NSDL	CDSL
<p>1. Members who have already registered for IDeAS facility to follow below steps:</p> <p>(i) Go to URL: https://eservices.nsdl.com</p> <p>(ii) Click on the "Beneficial Owner" icon under 'IDeAS' section.</p> <p>(iii) A new page will open. Enter the existing User ID and Password. On successful authentication, click on "Access to e-Voting".</p> <p>(iv) Click on the company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</p> <p>2. User not registered for IDeAS e-Services:</p> <p>(i) To register click on link: https://eservices.nsdl.com. Select option "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.</p> <p>(ii) Proceed with completing the required fields.</p>	<p>1. Members who have already registered for Easi / Easiest to follow below steps:</p> <p>(i) Go to URL: www.cdslindia.com and then go to Login and select New System Myeasi.</p> <p>(ii) login with user id and password.</p> <p>(iii) Click on e-Voting. The option will be made available to reach e-Voting page without any further authentication.</p> <p>(iv) Click on the Company name or e-Voting service provider name to cast your vote during the remote e-Voting period.</p> <p>2. User not registered for Easi/Easiest:</p> <p>(i) Option to register is available at www.cdslindia.com</p> <p>(ii) Click on login & New System Myeasi Tab and then click on registration option.</p>

NSDL	CDSL
<p>3. Users can directly access e-Voting module of NSDL and follow the below process:</p> <p>(i) Go to URL: https://www.evoting.nsdl.com/</p> <p>(ii) Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</p> <p>(iii) Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>(iv) On successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</p> <p>(v) Click on the Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>	<p>3. Users can directly access e-Voting module of CDSL and follow the below process:</p> <p>(i) Go to URL: www.cdslindia.com</p> <p>(ii) Click on the icon “E-Voting”</p> <p>(iii) Provide demat Account Number and PAN No.</p> <p>(iv) System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> <p>(v) After successful authentication, the user will be provided links for the respective ESP where the e-Voting is in progress.</p> <p>(vi) Click on the Company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

Option 2 - Login through Depository Participants.

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on the company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (iv) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- (i) The Members should log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” module

- (iii) Now enter your User ID
- For CDSL: 16 digits beneficiary ID
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <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 (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- (x) Click on the EVSN: 230901063 for **<Vardhman Holdings Limited>** on which you choose to vote
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Additional facility for Non-Individual Shareholders and Custodians – Remote e-Voting only:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cDSLindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretarial.lud@vardhman.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

11. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- a) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting at point no. 10.
- b) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.
- c) Members are encouraged to join the Meeting through Laptops / iPads for better experience.

- d) Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- e) Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- f) Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial.lud@vardhman.com. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of AGM.
- g) Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
- h) If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

12. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES:

- a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to secretarial.lud@vardhman.com / rta@alankit.com.
- b) For Demat shareholders - please update your email id & mobile no. with your respective Depository Participant (DP).
- c) For Individual Demat shareholders – Please update your email id & mobile no. with your respective

Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you may write an email to helpdesk.evoting@cdslindia.com or contact 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Senior Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800 22 55 33.

13. M/s. Ashok K. Singla & Associates, Company Secretaries, have been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner. The Scrutinizer shall upon the conclusion of e-Voting period, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
14. The Results of the resolutions passed at the AGM of the Company will be declared within 2 working days of the conclusion of AGM. The results declared along with the Scrutinizer's report shall be simultaneously placed on

the Company's website www.vardhman.com and on the website of CDSL and will be communicated to the Stock Exchanges.

15. Dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961. In general, no tax will be deducted on payment of dividend to category of members who are resident individuals (with valid PAN details updated in their folio/client ID records) and the total dividend amount payable to them does not exceed ₹ 5,000/-. Members not falling in the said category, can go through the detailed note with regard to applicability of tax rates for various other categories of members and the documents that need to be submitted for nil or lower tax rate, which has been provided on the Company's website at www.vardhman.com.

By Order of the Board

Place: Ludhiana
Date: 10.08.2023

Sd/-
(Swati Mangla)
Company Secretary

ADDITIONAL INFORMATION IN RESPECT OF ITEM NO. 4 OF THIS NOTICE

Item No. 4: To resolve not to fill the vacancy caused due to retirement by rotation of Mrs. Shakun Oswal, Non-Executive Director of the Company:

Mrs. Shakun Oswal has been serving as a Non-Executive (Non-Independent) Director on the Board of your Company since 23rd July, 2005. Pursuant of Section 152(6) of the Companies Act, 2013 (“the Act”), Mrs. Shakun Oswal is liable to retire by rotation at 59th AGM of the Company. Although being eligible for re-appointment, she has expressed her unwillingness to be re-appointed and has not offered herself for re-appointment at the 59th AGM. Accordingly, Mrs. Shakun Oswal would cease to hold office as a Director of the Company at the 59th AGM of the Company. The Board of Directors (“Board”) places on record its earnest appreciation to the invaluable contribution extended by Mrs. Shakun Oswal to the Board and the Management of the Company during her association. As the composition of the Board would continue to remain statutorily compliant, the vacancy caused by retirement of Mrs. Oswal will not be filled.

Accordingly, the consent of Members is solicited for passing an Ordinary Resolution as set out at item no. 4 of the Notice. The Board recommends passing of the ordinary resolution as set out at Item No. 4 of the Notice for approval by the Members.

MEMORANDUM OF INTEREST:

Except Mrs. Shakun Oswal, herself and Mr. Shri Paul Oswal, Mr. Sachit Jain & Mrs. Suchita Jain, being her relatives, none of the Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 4.

Information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), regarding the Directors retiring by rotation/seeking re-appointment in the Annual General Meeting.

Name of the Director	Mr. Vikas Kumar
Date of Birth	17.12.1978
Age (in years)	44
Date of First Appointment	11.11.2016
Number of Meetings of the Board attended during the financial year 2022-23	3
Expertise in specific functional area	Business Executive with experience of more than 22 years in General Management.
Qualification	M.B.A. Finance, Diploma in Organizational Leadership from Oxford. General Management Programme from IIM Ahmedabad.
Directorships in other Listed Companies as on 31 st March, 2023	Nil
Chairman/Member of Committees of Other Listed Companies as on 31 st March, 2023	Nil
Listed entity from which the Director resigned in last 3 years	Nil
Shareholding in the Company	Nil
Relationship with other Directors/ KMP	Not Related to any Director.

Directors' Report

Dear Members,

The Directors of your Company have pleasure in presenting their 59th Annual Report of the business and operations of the Company along with the Audited Financial Statements for the year ended 31st March, 2023.

1. FINANCIAL RESULTS:

The financial performance of your Company for the year ended 31st March, 2023 is as under:-

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations (Net)	588.45	11,497.71	588.45	3,308.95
Other Income	188.17	185.46	188.17	185.46
Income from Associates	-	-	22,153.14	42,760.92
Profit before Depreciation, Interest & Tax (PBDIT)	339.68	11,375.72	22,492.82	45,947.89
Interest and Financial expenses	-	-	-	-
Profit before Depreciation and Tax (PBDT)	339.68	11,375.72	22,492.82	45,947.89
Depreciation	0.72	0.77	0.72	0.77
Profit before Tax (PBT)	338.96	11,374.96	22,492.10	45,947.12
Provision for Tax - Current	347.67	2,725.35	347.67	2,725.35
- Deferred Tax	(698.83)	313.95	(698.83)	313.95
-MAT Credit Entitlement	-	-	-	-
Profit after tax (PAT)	690.12	8,335.66	22,843.26	42,907.82
Other Comprehensive Income	7,722.07	4,356.18	7,802.67	4,356.18
Total Comprehensive Income	8,412.19	12,691.84	30,645.93	47,264.00
Balance brought forward	56,810.45	45,945.32	2,55,056.79	2,09,619.50
Profit available for appropriation	8,412.19	12,691.84	30,645.93	47,264.00
Appropriations:				
Proposed Dividend on Equity Shares	159.58	159.58	159.58	159.58
Transfer to Statutory Reserve	138.02	1,667.13	138.02	1,667.13
Closing balance of surplus i.e. Balance in Statement of Profit & Loss	64,925.04	56,810.45	2,87,194.80	2,55,056.79
Earnings per share (₹)				
- Basic	21.62	261.18	715.75	1344.43
- Diluted	21.62	261.18	715.75	1344.43

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A. FINANCIAL ANALYSIS

i. STANDALONE

During the year under review, your Company has registered Revenue from Operations of ₹ 588.45 lakhs as compared to ₹ 11,497.71 lakhs in the previous year. The Company earned other income of ₹ 188.17 lakhs during the year as against ₹ 185.46 lakhs during last year.

PROFITABILITY:

The Company earned profit before depreciation, interest and tax of ₹ 339.68 lakhs as against ₹ 11,375.72 lakhs in the previous year. After providing for depreciation of ₹ 0.72 lakhs (previous year ₹ 0.77 lakhs), provision for current tax ₹ 347.67 lakhs (previous year ₹ 2,725.35 lakhs), deferred tax ₹ (698.83) lakhs (previous year ₹ 313.95 lakhs), the net profit from operations worked out to ₹ 690.12 lakhs as compared to ₹ 8,335.66 lakhs in the previous year.

The balance available for appropriation after adding balance in surplus account is ₹ 65,222.64 lakhs. Out of this, a sum of ₹ 159.58 lakhs has been appropriated towards proposed dividend, ₹ 138.02 lakhs is proposed to be transferred to Special reserve account and the balance of ₹ 64,925.04 lakhs is proposed to be carried as surplus to the balance sheet.

Return on Net Worth for the financial year 2022-23 is decreased from 10.49% to 0.79% on account of decrease in net profits during the year.

ii. CONSOLIDATED

During the year under review, your Company has registered Revenue from Operations of ₹ 588.45 lakhs as compared to ₹ 3,308.95 lakhs in the previous year. The Company earned other income of ₹ 188.17 lakhs during the year as against ₹ 185.46 lakhs during last year.

PROFITABILITY:

The Company earned profit before depreciation, interest and tax of ₹ 22,492.82 lakhs as against ₹ 45,947.89 lakhs in the previous year. After

providing for depreciation of ₹ 0.72 lakhs (previous year ₹ 0.77 lakhs), provision for current tax ₹ 347.67 lakhs (previous year ₹ 2,725.35 lakhs), deferred tax ₹ (698.83) lakhs (previous year ₹ 313.95 lakhs), the net profit from operations worked out to ₹ 22,843.26 lakhs as compared to ₹ 42,907.82 lakhs in the previous year.

The balance available for appropriation after adding balance in surplus account is ₹ 2,85,702.72 lakhs. Out of this, a sum of ₹ 159.58 lakhs has been appropriated towards proposed dividend, ₹ 138.02 lakhs is proposed to be transferred to Special reserve account and the balance of ₹ 2,87,194.80 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, 2023 was ₹ 320.18 lakhs as compared to ₹ 320.90 lakhs in the previous year.

b) **Current Assets:** The current assets as on 31st March, 2023 were ₹ 85,359.70 lakhs as against ₹ 76,663.72 lakhs in the previous year.

C. FINANCIAL CONDITIONS & LIQUIDITY:

Particulars	(₹ in lakhs)	
	2022-23	2021-22
Cash and Cash equivalents:		
Beginning of the year	120.99	7,638.83
End of the year	294.74	120.99
Net cash provided (used) by:		
Operating Activities	128.46	7,689.49
Investing Activities	204.78	(15,047.75)
Financial Activities	(159.49)	(159.58)

D. BUSINESS OUTLOOK:

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

E. MANAGEMENT PERCEPTION OF RISK AND CONCERNS:

The Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and effective manner. The Company is a NBFC registered with RBI and mainly engaged in investment activities. It follows a strategy of adopting a systematic approach to investment into different asset classes and keeping the portfolio dynamic as per the changing market conditions. The Company is prone to all the financial risks and capital market fluctuations.

3. DIVIDEND:

The Board of Directors in its meeting held on 20th May, 2023 has recommended dividend of ₹ 5/- per share on the fully paid up Equity Shares of the Company.

4. PUBLIC DEPOSITS:

The Company has not accepted and does not intend to accept any deposits from the public. As at 31st March, 2023, there are no outstanding/unclaimed deposits from the public.

5. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government after the completion of seven years from the date of transfer to the Unpaid Dividend Account of the Company. The shareholders whose dividends have been transferred to the IEPF Authority can claim their dividend from the Authority. The unclaimed or unpaid dividend relating to the Financial Year 2015-16 is due for remittance in the month of October, 2023 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 also published requisite advertisement in the newspapers in this regard.

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

6. CONSOLIDATED FINANCIAL STATEMENT:

In accordance with the Companies Act, 2013 and Indian Accounting Standard IND AS-110 on Consolidated Financial Statements read with IND AS-28 on 'Accounting for Investments in Associates' the Audited Consolidated Financial Statements are provided in the Annual Report.

7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the year under review, no Company has become or ceased to be Company's subsidiary, joint venture or associate company. Further, the Company does not have any material subsidiary. The Company has following associate companies, the details of their financials for the year 2022-23 are given below:-

Vardhman Textiles Limited (VTXL)

Vardhman Textiles Limited (VTXL) is an Associate Company of the Company. The Company holds 28.48% shares of VTXL as on 31st March, 2023. VTXL is engaged in manufacturing of world class textiles. During the year, the Revenue from Operations (Consolidated) of the VTXL was ₹ 10,137.49 crores as compared to ₹ 9,622.34 crores in the previous year. VTXL has a Net Profit after comprehensive income (Consolidated) of ₹ 807.63 crores as compared to ₹ 1,558.03 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, 2023. It is a trading Company dealing in trading of Cotton and Fibre. During the year, the Company has not traded any goods, however, the Revenue from Operations is ₹ 0.01 lakhs for the financial year 2022-23 as compared to ₹ 0.42 lakhs in the previous year. The Company earned a Net Profit of (₹ 0.20) lakhs as compared to ₹ 0.04 lakhs in the previous year.

8. DIRECTORS:

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

Further, in accordance with the provisions of the Articles of Association of the Company, Mrs. Shakun Oswal, Director of the Company, also retires by rotation at the ensuing Annual General Meeting of the Company. However, she has expressed her unwillingness for her reappointment as a Director. Accordingly, she would cease to be a Director of the Company at the ensuing AGM.

Cessation from Directorship: During the year, Mr. Jagdish Rai Singal, Mr. Om Parkash Sharma, Mr. Sat Pal Kanwar and Mrs. Apinder Sodhi, Independent Directors, ceased to be Directors of the Company w.e.f. 30th September, 2022 on completion of their second term of appointment.

Appointment of Independent Directors: During the year under review:

- Dr. Pooja Mehta was appointed as an Independent Director of the Company for a term of consecutive three (3) years w.e.f. 29th September, 2022; and
- Mr. Manjul Pahwa and Mr. Devendra Bhushan Jain were appointed as Independent Directors of the Company for a term of consecutive five (5) years each w.e.f. 29th September, 2022.

Their appointments were further approved by the Members of the Company in the Annual General Meeting held on 30th September, 2022.

Re-appointment of Independent Director: Mr. Rajeev Kumar Mittal was appointed as an Independent Director of the Company by the Members in their 53rd Annual General Meeting held on 22nd September, 2017 for a term of consecutive five (5) years starting from the conclusion of 53rd Annual General Meeting till the conclusion of 58th Annual General Meeting of the Company. Since his term was going to expire on 30th September, 2022, the Members of the Company in its 58th Annual General Meeting held on 30th September, 2022 had re-appointed Mr. Rajeev Kumar Mittal as an Independent Director for a second term of consecutive three (3) years starting from the conclusion of 58th Annual General Meeting till the conclusion of 61st Annual General Meeting of the Company.

Declaration by Independent Directors:

The 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.

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

9. NOMINATION AND REMUNERATION POLICY:

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

- a) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommending to the Board their appointment and removal.
- b) Formulating the criteria for determining qualifications, positive attributes and independence of a Director and evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.
- c) Recommending to the Board, policy relating to remuneration of Directors (Whole time Directors, Executive Directors etc.), Key Managerial Personnel and other employees while ensuring the following:

- i. That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
 - ii. That relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - iii. That remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate of the working of the Company and its goals.
- d) Formulating the criteria for evaluating performance of Board and all the Directors.
- e) Devising a policy on diversification of Board.
- f) Determining whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors.
- g) Recommending to the Board remuneration payable to senior management.

Familiarization programme 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 Schedule IV of the Companies Act, 2013 which provides that the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of Industry in which the Company operates, business model of the Company etc. through various programs.

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

Annual Evaluation of the Board Performance:

The meeting of Independent Directors of the Company for the financial year 2022-23 was held on 23rd March, 2023 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.

10. KEY MANAGERIAL PERSONNEL (KMP):

In compliance with the provisions of Section 203 of the Companies Act, 2013, following are the KMPs of the Company as on 31st March, 2023:

S. No.	Name	Designation
1.	Shri Paul Oswal	Chairman & Managing Director
2.	Swati Mangla	Company Secretary

Note: During the year, Ms. Poorva Bhatia, Chief Financial Officer, has resigned from the Company with effect from 21st December, 2022.

11. NUMBER OF BOARD MEETINGS:

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

12. AUDITORS AND AUDITORS REPORT:

Statutory Auditors:

M/s. R. Dewan & Company, Chartered Accountants (Registration No. 017883N) were re-appointed as Statutory Auditors of the Company for a second term of three consecutive years starting from the conclusion of the 55th Annual General Meeting till the conclusion of 58th Annual General Meeting of the Company. Since their term had been expired on the conclusion of 58th Annual General Meeting, the Members of the Company in its meeting held on 30th September, 2022 has appointed M/s K.C. Khanna & Co., Chartered Accountants (Registration No. 000481N) as Statutory Auditors of the Company for a term of five consecutive years starting from the conclusion of 58th AGM till the conclusion of 63rd AGM of the Company.

Further, the Statutory Auditors of the Company have submitted Auditors' Report on the accounts of the Company for the accounting year ended 31st March, 2023.

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

Secretarial Auditors:

M/s Khanna Ashwani & Associates, Company Secretaries, were appointed as Secretarial Auditors of the Company by the Board of Directors of the Company in its meeting held on 25th May, 2022 for the financial year 2022-23.

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, 2023. This Report is self-explanatory and requires no comments. The Report forms part of this report as **Annexure I**.

Cost Auditors

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

13. AUDIT COMMITTEE :

Composition of Audit Committee:

The Audit Committee consists of three Independent Directors i.e. Mr. Sanjeev Jain, Mr. Manjul Pahwa and Mr. Devendra Bhushan Jain.

Mr. Sanjeev Jain is the Chairman of the Committee and Company Secretary of the Company is the Secretary of the Committee. All the recommendations made by the Audit Committee were accepted by the Board.

14. 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/Document/Report/Company%20Information/Policies/Vardhman%20Holdings%20Ltd/Vigil_Mechanism_and_Whistle_Blower_Policy.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.

15. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR):

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have integrated BRSR disclosure into our Annual Report.

16. DIVIDEND DISTRIBUTION POLICY (DDP):

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the top 1000 listed companies are required to formulate a DDP. Accordingly, a DDP was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The policy is available on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Holdings%20Ltd/Dividend_Distribution_Policy.pdf

17. CORPORATE GOVERNANCE:

The Company has in place a system of Corporate Governance. Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. A

separate report on Corporate Governance forming part of the Annual Report of the Company is annexed hereto. A certificate from the Practising Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the report on Corporate Governance.

18. 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/Document/Report/Company%20Information/Policies/Vardhman%20Holdings%20Ltd/Corporate_Social_Resonsibility_Policy.pdf

During the year, the Company has spent ₹ 108.09 lakhs on CSR activities.

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

19. RISK MANAGEMENT:

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

handling, monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

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

20. INTERNAL FINANCIAL CONTROLS:

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

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

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

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

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

Your Directors draw attention of the Members to Note no. 26 to the standalone financial statement which sets out related party disclosures.

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

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement (Please refer to Note no. 6 to the standalone financial statement).

23. 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.

24. ANNUAL RETURN

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

25. HUMAN RESOURCES /INDUSTRIAL RELATIONS:

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

26. 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 annexed hereto and forms part of this report.

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

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.

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

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

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

28. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the 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, 2023 and of the profit of the Company for the year ended on 31st March, 2023;
- 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.

29. 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 proceeding pending under the Insolvency and Bankruptcy Code, 2016.

6. There was no instance of one time settlement with any Bank or Financial Institution.

30. 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
Dated : 20.05.2023

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

Index of Annexures

(Forming part of Board Report)

Annexure No.	Particulars
I	Secretarial Audit Report in form no. MR-3 for FY 2022-23.
II	CSR Activities – Annual Report FY 2022-23.
III	Particulars of employees and related disclosures.

Annexure-I

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2023.

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

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

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

Based on our verification of the **Vardhman Holdings Limited** books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31.03.2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute book, forms and returns filed and other records maintained by the company

for the financial year ended on **31.03.2023** according to the provisions of:

- (i) The **Companies Act, 2013** (the Act) and the rules made thereunder;
- (ii) The **Securities Contracts (Regulation) Act, 1956 ('SCRA')** and the rules made thereunder;
- (iii) The **Depositories Act, 1996** and the Regulations and Bye-laws framed thereunder;
- (iv) **Foreign Exchange Management Act, 1999** and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the **Securities and Exchange Board of India Act, 1992** ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (**Substantial Acquisition of Shares and Takeovers**) **Regulations, 2011**;

- (b) The Securities and Exchange Board of India (**Prohibition of Insider Trading**) Regulations, 2015;
- (c) The Securities and Exchange Board of India (**Issue of Capital and Disclosure Requirements**) Regulations, 2018; not applicable to the company during period of audit.
- (d) The Securities and Exchange Board of India (**Share Based Employee Benefits and Sweat Equity**) Regulations, 2021; not applicable during the period of audit.
- (e) The Securities and Exchange Board of India (**Delisting of Equity Shares**) Regulations, 2021; not applicable to the company during period of audit.
- (f) Securities and Exchange Board of India (**Issue and Listing of Non-Convertible Securities**) Regulations, 2021; not applicable to the Company during period of audit.
- (g) 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;
- (h) The Securities and Exchange Board of India (**Buyback of Securities**) Regulations, 2018; not applicable to the company during period of audit. and
- (i) Listing Agreement and SEBI (**Listing Obligations and Disclosure Requirements**) Regulations, 2015 (effective 1st December 2015)
- (vi) **Other Applicable laws** like environmental laws and labour laws; are not applicable during the audit period as the company is not undertaking any manufacturing process or division. Company is undertaking the business of Non Banking Financial Company, under the provisions and regulations of master circular issued by the RBI, and the provisions related to NBFC's, to the extent applicable to the NBFC category (NBFC – ND-SI), being applicable to the company during the audit period.

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

- (i) **Secretarial Standards** issued by The Institute of Company Secretaries of India (ICSI) - ICSI had issued

Secretarial Standards numbering 1 and 2 corresponding with reference to the provisions of the **Companies Act, 2013** (effective 1 July 2015) and the Management adheres to them;

- (ii) The **Listing Agreements** entered into by the Company with BSE Limited and National Stock Exchange of India Limited;
- (iii) NBFC Reporting Compliances with regards to filing of various returns as applicable to the company.

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

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of **Executive Directors, Non-Executive Directors and independent Directors**. The changes in the composition of the Board of Directors, if any, that took place during the period under review were carried out in compliance with the provisions of the Act.
- **Adequate notice** is given to all directors to schedule the **Board Meetings, Agenda** and detailed **notes** on agenda were sent as required as per the provisions of act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

Sd/-
(Ashwani Kumar Khanna)

CS No. 3254

CP No. 2220

Place: Ludhiana

Date: 20th May, 2023

UDIN: F003254E000343484

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

Annexure: -A

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

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

Place: Ludhiana
Date: 20th May, 2023

Sd/-
(Ashwani Kumar Khanna)
CS No. 3254
CP No. 2220
UDIN: F003254E000343484

ANNEXURE-II**ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2022-23****1. Brief outline on CSR Policy of the Company.**

Broad contours of CSR Policy of the Company are:

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

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mrs. Suchita Jain	Chairperson/ Non-Independent, Non- Executive Director.	2	2
2.	Mr. Devendra Bhushan Jain*	Member/ Independent, Non- Executive Director	1	1
3.	Mr. Vikas Kumar	Member/ Non-Independent, Non-Executive Director	2	2

* Mr. Devendra Bhushan Jain was appointed as Member of CSR Committee w.e.f. 30th September, 2022.

Mrs. Apinder Sodhi ceased to be Member of CSR Committee w.e.f. 30th September, 2022.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

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

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

Link of CSR Projects - <https://www.vardhman.com/Investors/Compliances>

4. Provide the Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable. – NA

- 5. (a) Average net profit of the Company as per sub-section (5) of Section 135 :** ₹ 2,753.67 lakhs
- (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135:** ₹ 55.07 lakhs
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil
- (d) Amount required to be set off for the financial year, if any:** ₹ 2.54 lakhs
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹ 52.53 lakhs
- 6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 56.20 lakhs
- (b) Amount spent in Administrative Overheads:** NIL
- (c) Amount spent on Impact Assessment, if applicable:** NA
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 56.20 lakhs
- (e) CSR amount spent or unspent for the financial year 2022-23:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
2022-23	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 56.20 lakhs	Nil	N.A.	-	-	-

- (f) Excess amount for set off, if any**

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 55.07 lakhs
(ii)	Total amount spent for the Financial Year	₹ 56.20 lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 1.13 lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 1.13 lakhs*

*excluding amount of ₹ 2.54 lakhs required to be set off in the current financial year

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	2021-22	Nil	-	Nil	-	-	-	-

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

Yes No

If Yes, enter the number of Capital assets created/acquired:

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

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

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

NA

Sd/-

Suchita Jain
(Chairperson of CSR Committee)

Sd/-

S.P. Oswal
(Managing Director)

ANNEXURE-III

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2022-23 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2022-23 are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for Financial Year 2022-23 (Amount in lakhs)	% increase/ decrease in Remuneration in the Financial Year 2022-23	Ratio of remuneration of each Director/ KMP to median remuneration of employees
1.	Shri Paul Oswal Chairman & Managing Director	103.69	61.86	8.85
2.	Shakun Oswal Non-Executive Non-Independent Director	-	-	-
3.	Sachit Jain Non-Executive Non-Independent Director	-	-	-
4.	Suchita Jain Non-Executive Non-Independent Director	-	-	-
5.	Vikas Kumar Non-Executive Non-Independent Director	-	-	-
6.	Rajeev Kumar Mittal Non-Executive Independent Director	0.25	-37.5	0.02
7.	Sanjeev Jain Non-Executive Independent Director	0.775	-0.64	0.07
8.	Devendra Bhushan Jain* Non-Executive Independent Director	0.50	-	0.04
9.	Manjul Pahwa* Non-Executive Independent Director	0.425	-	0.04
10.	Pooja Mehta* Non-Executive Independent Director	0.35	-	0.03
11.	Mrs. Apinder Sodhi** Non-Executive Independent Director	0.65	-	0.06

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for Financial Year 2022-23 (Amount in lakhs)	% increase/ decrease in Remuneration in the Financial Year 2022-23	Ratio of remuneration of each Director/ KMP to median remuneration of employees
12.	Mr. Sat Pal Kanwar** Non-Executive Independent Director	0.575		0.05
13.	Mr. Om Parkash Sharma** Non-Executive Independent Director	0.35		0.03
14.	Mr. Jagdish Rai Singal** Non-Executive Independent Director	0.10		0.01
15.	Poorva Bhatia*** Chief Financial Officer	11.71	-9.30	-
16.	Swati Mangla Company Secretary	5.48	4.38	0.47

*Mr. Devendra Bhushan Jain, Mr. Manjul Pahwa and Dr. Pooja Mehta were appointed as Independent Directors of the Company w.e.f. 29th September, 2022.

** Mr. Satpal Kanwar, Mr. Om Parkash Sharma, Mr. Jagdish Rai Singal and Mrs. Apinder Sodhi ceased to be Directors of the Company w.e.f. 30th September, 2022 on completion of their second term of appointment.

*** Ms. Poorva Bhatia has resigned from the Company w.e.f. 21st December, 2022.

- The median remuneration of employees of the Company during the Financial Year was 11.71 lakhs (previous year ₹ 12.91 lakhs).
- In the financial year, there was a decrease of 9.30% in the median remuneration of employees.
- There were 2 permanent employees on the rolls of the Company as on March 31, 2023.
- Average percentage decrease in the salaries of employees other than the managerial personnel in the last financial year i.e. 2022-23 was 5.34% whereas the increase in the managerial remuneration for the same financial year was 61.86%.
- 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:

Sr. No..	Name of employee	Designation/ Nature of duties	Remuneration (in ₹ lakhs)	Qualification	Age (Years)	Experience (Years)	Date of Employment	Particulars of last employment
1	Mr. Shri Paul Oswal	Chairman & Managing Director	103.69	M.Com	81	55	12.04.1971	Started career with Vardhman

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 10 Employees in terms of remuneration drawn during the year is as follows:

S. No. Name, Age, Designation, Gross Remuneration (in ₹ lakhs p.a.), Nature of Employment, Qualifications, Experience (in years), Date of Joining, Previous Employment and Percentage of equity shares held as on 31st March, 2023.

1) Shri Paul Oswal, 81, Chairman & Managing Director, 103.69, Regular, M. Com (Gold Medalist), 55, 12.04.1971, Started career with Vardhman, 1.78%. 2) Poorva Bhatia, 34, Manager, 11.71, Regular, B.Com, Chartered Accountant, 12, 24.10.2011, Vardhman Textiles Limited, Nil. 3) Swati Mangla, 33, Executive, 5.48, Regular, B.Com, MBA, Company Secretary, 8, 01.07.2014, Vardhman Textiles Limited, Nil.

Note: Except Mr. Shri Paul Oswal, none of the above employees is related to any Director of the Company.

Corporate Governance Report

This report on Corporate Governance forms part of the Annual Report. Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices that ensure that a Company meets its obligations to optimize shareholder's value and fulfill its responsibilities to the community, customers, employees, Government and other segments of society. Your Company is committed to adopting the best practices of Corporate Governance as manifested in the Company's functioning to achieve the business excellence by enhancing long-term shareholder's value. Efficient conduct of the business of the Company through commitment to transparency and business ethics in discharging its corporate responsibilities is hallmarks of the best practices followed by the Company. This report on Corporate Governance, besides being in compliance of the mandatory SEBI (Listing Obligations and 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, 2023:

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	Manjul Pahwa Pooja Mehta Sanjeev Jain Devendra Bhushan Jain Rajeev Kumar Mittal
Non- Executive Non-Independent Director	Vikas Kumar

Relationship Inter-se:

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

ii. Board Meetings:

During the Financial Year 2022-23, the Board met 4 times on the following dates:

- 25th May, 2022
- 9th August, 2022
- 8th November, 2022
- 7th February, 2023

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

Name of Director	No. of Board meetings attended	Attendance at last AGM	Total no. of Directorships in other Companies	Names of other Listed Entities where the person is director	Category of Directorship in other listed entities	No. of Committee memberships in other Companies	Total No. of Board Chairmanship in other Companies	Total No. of Committee Chairmanship in other companies
Shri Paul Oswal	1	No	5	Vardhman Textiles Limited Vardhman Acrylics Limited	Executive Director Non-Executive Director	3	2	3
Shakun Oswal	1	No	3	-	-	3	-	-
Sachit Jain	1	No	8	Vardhman Textiles Limited Vardhman Acrylics Limited Vardhman Special Steels Limited	Non – Executive Director Non – Executive Director Executive Director	1	-	-
Suchita Jain	4	Yes	7	Vardhman Textiles Limited Vardhman Special Steels Limited Vardhman Acrylics Limited	Executive Director Non-Executive Director Non-Executive Director	6	-	1
Apinder Sodhi*	2	Yes	-	-	-	-	-	-
Jagdish Rai Singal*	1	No	-	-	-	-	-	-
Om Parkash Sharma*	2	No	-	-	-	-	-	-
Sat Pal Kanwar*	2	No	-	-	-	-	-	-
Rajeev Kumar Mittal	1	No	4	-	-	-	-	-
Vikas Kumar	3	No	3	-	-	1	-	-
Sanjeev Jain	4	No	-	-	-	-	-	-
Manjul Pahwa**	2	No	3	-	-	1	-	-
Devendra Bhushan Jain**	2	No	-	-	-	-	-	-
Pooja Mehta**	2	No	-	-	-	-	-	-

* During the year, Mr. Jagdish Rai Singal, Mr. Om Parkash Sharma, Mr. Sat Pal Kanwar and Mrs. Apinder Sodhi ceased to be Directors of the Company w.e.f. 30th September, 2022 on completion of their second term of appointment.

** During the year, Mr. Manjul Pahwa, Mr. Devendra Bhushan Jain and Dr. Pooja Mehta were appointed as Independent Directors of the Company w.e.f. 29th September, 2022.

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

2. BOARD COMMITTEES:

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

NAME OF COMMITTEE	COMPOSITION	TERMS OF REFERENCE
Audit Committee	Sanjeev Jain (Chairman) Manjul Pahwa Devendra Bhushan 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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Nomination and Remuneration Committee	Devendra Bhushan Jain (Chairman) Sanjeev Jain 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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Formulated and recommended Nomination and Remuneration Policy. The Nomination & Remuneration Policy includes policy on Director's appointment and remuneration including the criteria for determining qualifications, positive attributes, independence of a Director and other matters as provided under Section 178(3) of the Companies Act, 2013.
Corporate Social Responsibility Committee	Suchita Jain (Chairperson) Devendra Bhushan Jain Vikas Kumar	<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/Document/Report/Company%20Information/Policies/Vardhman%20Holdings%20Ltd/Corporate_Social_Resonsibility_Policy.pdf Recommends expenditure to be incurred for CSR activities/ project and ensures effective monitoring of CSR policy of the Company from time to time. The Annual Report on CSR activities undertaken by the Company forms part of the Board Report as Annexure II.
Stakeholders Relationship Committee	Rajeev Kumar Mittal (Chairman) Vikas Kumar 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 2 complaints from Investors and the same had been duly resolved by the Company.
Risk Mangement Committee	Sachit Jain (Chairman) Pooja Mehta Vikas Kumar	<ul style="list-style-type: none"> The Risk Management Policy of the Company aims to maximise the opportunities in all activities and to minimize adversity. The Risk Manangement framework includes identifying types of risks and its assessment, risk handling, monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company. The Risk Management policy may be accessed on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Holdings%20Ltd/Risk_Management_Policy.pdf

Ms. Swati Mangla, Company Secretary and Compliance Officer of the Company is the Secretary of all Board Committees constituted under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

Board Committees	Audit	CSR	Nomination & Remuneration	Stakeholders Relationship	Risk Management Committee
Meetings held	4	2	2	1	2
Sachit Jain	N.A.	N.A.	0	0	0
Suchita Jain	N.A.	2	N.A.	N.A.	N.A.
Apinder Sodhi *	2	1	2	N.A.	1
Om Parkash Sharma*	2	N.A.	N.A.	N.A.	N.A.
Jagdish Rai Singal*	N.A.	N.A.	N.A.	N.A.	N.A.
Vikas Kumar	N.A.	2	N.A.	1	1
Rajeev Kumar Mittal	N.A.	N.A.	N.A.	1	N.A.
Sat Pal Kanwar*	2	N.A.	2	N.A.	1
Sanjeev Jain	4	N.A.	N.A.	N.A.	N.A.
Manjul Pahwa**	2	N.A.	N.A.	N.A.	N.A.
Pooja Mehta**	N.A.	N.A.	N.A.	N.A.	1
Devendra Bhushan Jain**	2	1	N.A.	N.A.	N.A.
Shri Paul Oswal	N.A.	N.A.	N.A.	N.A.	N.A.
Shakun Oswal	N.A.	N.A.	N.A.	N.A.	N.A.

* During the year, Mr. Jagdish Rai Singal, Mr. Om Parkash Sharma, Mr. Sat Pal Kanwar and Mrs. Apinder Sodhi ceased to be Directors of the Company w.e.f. 30th September, 2022 on completion of their second term of appointment.

** During the year, Mr. Manjul Pahwa, Mr. Devendra Bhushan Jain and Dr. Pooja Mehta were appointed as Independent Directors of the Company w.e.f. 29th September, 2022.

N.A. - Not a member of the Committee

iii. Meeting of Independent Directors:

The meeting of Independent Directors of the Company for the Financial Year 2022-23 was held on 23rd March, 2023, to evaluate the performance of Non-Independent Directors of the Company, Chairman of the Company and the Board as a whole.

Performance Evaluation

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

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

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

Familiarisation programme for Independent Directors

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

iv. Core Skills/ Expertise/ Competencies available with the Board:-

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

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

Name of Director	Area of Expertise
Shri Paul Oswal	Strategic Planning Leadership Industry Experience Financial Expertise
Shakun Oswal	Strategic Planning Leadership Industry Experience Financial Expertise
Sachit Jain	Strategic Planning Leadership Industry Experience Financial Expertise
Suchita Jain	Strategic Planning Leadership Industry Experience Financial Expertise
Manjul Pahwa	Leadership Strategic Planning Financial Expertise
Pooja Mehta	Leadership Financial Expertise
Devendra Bhushan Jain	Leadership Strategic Planning Financial Expertise
Rajeev Kumar Mittal	Strategic Planning Leadership Industry Experience Financial Expertise
Vikas Kumar	Strategic Planning Leadership Industry Experience Financial Expertise
Sanjeev Jain	Leadership Industry Experience Financial Expertise

4. DIRECTOR'S REMUNERATION:

i) Chairman & Managing Director:

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

A detail of remuneration paid to the Managing Director during the year 2022-23 is as given below:

(₹ in lakhs)

Name	Shri Paul Oswal
Designation	Chairman & Managing Director
Salary	23.57
Perquisites & Allowances	80.12
Retirement Benefit	-
Commission	-
Performance Linked Incentive	-

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

ii) Non-Executive Directors:

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

The Non-Executive Directors are paid sitting fees @ ₹ 10,000/- per Board Meeting and @ ₹ 7,500/- per Committee Meeting. The detail of sitting fees paid to the Non-Executive Directors during the Financial Year 2022-23 is given hereunder: -

S. No.	NAME OF DIRECTOR	SITTING FEE (₹)
1.	Apinder Sodhi *	65,000
2.	Sat Pal Kanwar*	57,500
3.	Om Parkash Sharma*	35,000
4.	Sanjeev Jain	77,500
5.	Jagdish Rai Singal*	10,000
6.	Rajeev Kumar Mittal	25,000
7.	Manjul Pahwa**	42,500
8.	Pooja Mehta**	35,000
9.	Devendra Bhushan Jain **	50,000

* During the year, Mr. Jagdish Rai Singal, Mr. Om Parkash Sharma, Mr. Sat Pal Kanwar and Mrs. Apinder Sodhi ceased to be Directors of the Company w.e.f. 30th September, 2022 on completion of their second term of appointment.

** During the year, Mr. Manjul Pahwa, Mr. Devendra Bhushan Jain and Dr. Pooja Mehta were appointed as Independent Directors of the Company w.e.f. 29th September, 2022.

5. SHAREHOLDING DETAIL OF DIRECTORS AS ON 31.03.2023:

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

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

6. GENERAL BODY MEETINGS:

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

Meeting	Day, Date and Time of the Meeting	Venue	No. of Special Resolutions
58 th Annual General Meeting for financial year ended 31 st March, 2022	Friday, 30 th September, 2022 at 11:15 a.m.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	5
57 th Annual General Meeting for financial year ended 31 st March, 2021	Tuesday, 28 th September, 2021 at 3.00 p.m.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	-
56 th Annual General Meeting for financial year ended 31 st March, 2020	Monday, 28 th September, 2020 at 3.00 p.m.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	3

(ii) **Postal Ballot:**

During the year, no resolution was passed through postal ballot. There is no immediate proposal for passing any resolution through postal ballot in the financial year 2023-24.

7. DISCLOSURES:

- There was no materially significant related party transaction. The Policy on dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Holdings%20Ltd/Related_Party_Transactions_Policy.pdf
- 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, on any matter related to capital markets, during the last three years.

- 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/Document/Report/Company%20Information/Policies/Vardhman%20Holdings%20Ltd/Vigil_Mechanism_and_Whistle_Blower_Policy.pdf

- iv. The Company has complied with all the applicable requirements specified in Regulation 17 to 27 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- v. The Board of Directors of the Company has adopted (i) the Code of Practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information and (ii) the Code of Conduct, as required under SEBI (Prohibition of Insider Trading) Regulations, 2015.
- vi. During the year no complaint was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- vii. Risk Management Policy as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been duly formulated and approved by the Board of Directors of the Company. The aim of Risk Management Policy is to maximize opportunities in all activities and to minimize adversity.
- viii. Further, the Company has complied with all mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company may also take up the non-mandatory requirements of the Listing Regulations in due course of time.
- ix. The Company has no material subsidiary. The policy for determining 'material' subsidiary is available at Company's website at the link: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Holdings%20Ltd/Policy_for_Determining_Material_Subidiaries.pdf
- x. As on March 31, 2023, there was no outstanding GDRs/ ADRs/ Warrants or any convertible instruments.
- xi. As the Company is an Investment Company, Commodity Price Risk / Foreign Exchange Risk and Hedging is not applicable to the Company.
- xii. During the year, the Company has not raised any funds through preferential allotment or qualified institutional placement.
- xiii. A certificate from a Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority forms part of this report.
- xiv. There is no such instance where the Board has not accepted any recommendation of any committee of the board which is mandatorily required.
- xv. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/entity of which statutory auditor is part is ₹ 0.18 lakhs.

8. MEANS OF COMMUNICATION:

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

GENERAL INFORMATION FOR SHAREHOLDERS

i) 59th Annual General Meeting:

Date : 30th September, 2023

Time : 12:30 p.m.

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

ii) Financial Calendar 2023-24 (Tentative)

First Quarter Results : August, 2023

Second Quarter Results : November, 2023

Third Quarter Results : February, 2024

Annual Results : May, 2024

iii) Dates of Book Closure : 16th September, 2023 to

30th September, 2023

iv) Dividend payment date : within 30 days after declaration

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

1. BSE Limited, Mumbai (BSE), 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001.
2. National Stock Exchange of India Limited (NSE), “Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai.”

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

vi) **Stock Code:**

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

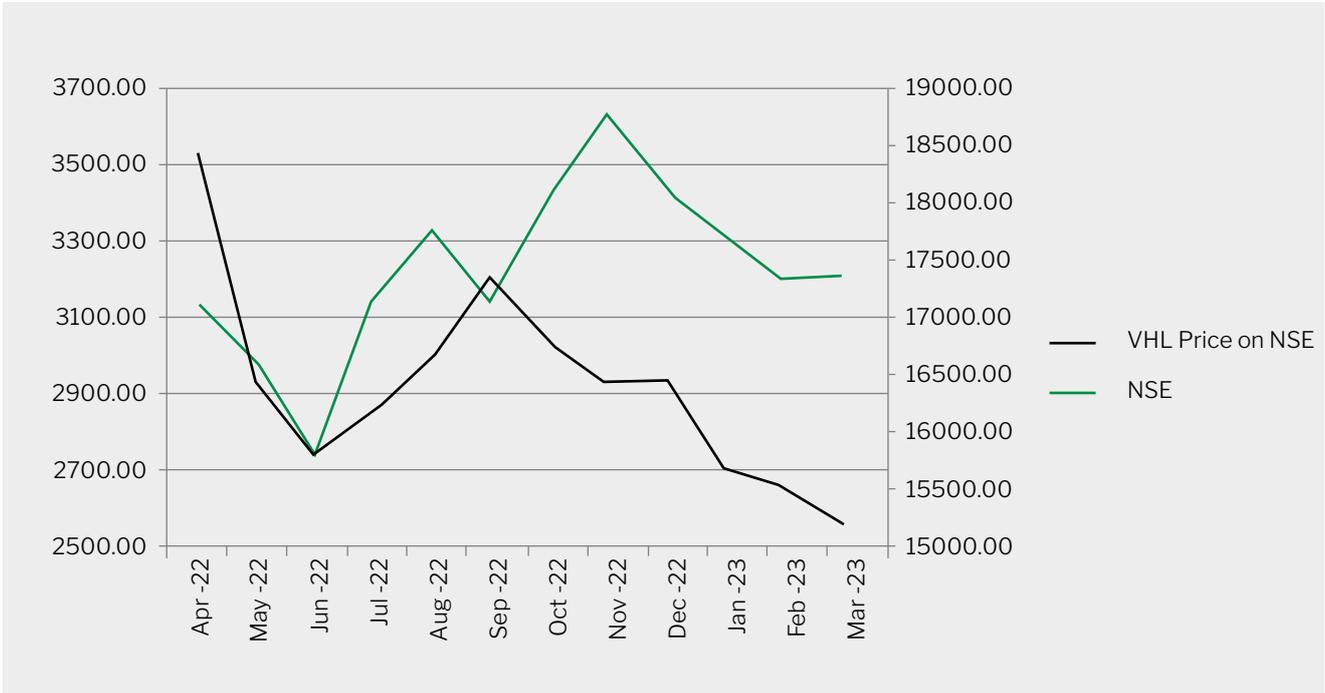
vii) **Stock Market Data:**

The month-wise highest and lowest and closing stock prices of NSE vis-a-vis BSE during the financial year 2022-23 are given below:-

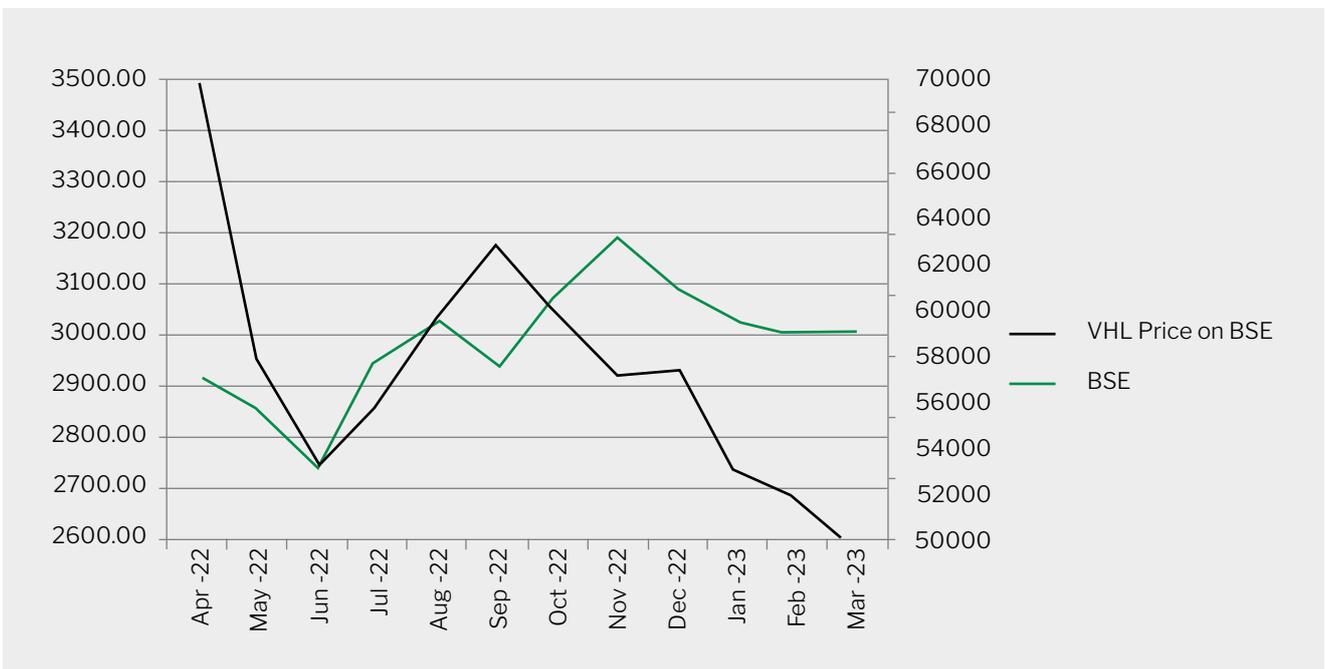
Financial Year 2022-23	Share Prices of Vardhman Holdings Limited on NSE				Share Prices of Vardhman Holdings Limited on BSE			
	Highest (₹)	Lowest (₹)	Closing (₹)	%age change over last month's closing	Highest (₹)	Lowest (₹)	Closing (₹)	%age change over last month's closing
April 22	3,990.00	3,455.60	3,521.20	-3.04	3,937.45	3,520.00	3,526.80	-3.54
May 22	3,654.45	2,557.05	2,928.35	-16.84	3,595.15	2,551.00	2,942.50	-16.57
June 22	3,143.85	2,600.05	2,744.30	-6.29	3,122.50	2,555.00	2,742.80	-6.79
July 22	3,197.60	2,630.00	2,849.35	3.83	3,182.45	2,676.00	2,858.65	4.22
August 22	3,149.00	2,814.15	2,988.65	4.89	3,143.70	2,800.00	3,036.30	6.21
September 22	3,870.00	2,972.00	3,204.35	7.22	3,883.30	2,941.00	3,181.30	4.78
October 22	3,262.35	2,979.05	3,032.55	-5.36	3,248.00	2,980.00	3,033.45	-4.65
November 22	3,167.00	2,825.50	2,926.60	-3.49	3,126.00	2,861.00	2,921.05	-3.71
December 22	3,150.00	2,764.00	2,929.90	0.11	3,200	2,780.45	2,933.00	0.41
January 23	3,050.00	2,630.00	2,698.10	-7.91	3,025	2,670	2,727.90	-6.99
February 23	2,988.00	2,612.20	2,654.85	-1.60	3,063.60	2,592.25	2,673.85	-1.98
March 23	2,738.80	2,452.00	2,560.50	-3.55	2,790.05	2,465.05	2,566.60	-4.01

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

NSE:



BSE:



ix) Information regarding dividend payment:

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

Dividends remaining unpaid/unclaimed upto the Financial Year 2014-15 have been transferred to the Investor Education and Protection Fund (IEPF). The unclaimed or unpaid dividend relating to the Financial Year 2015-16 is due for remittance in the month of October, 2023 to IEPF.

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

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

xii) Distribution of Shareholding as on 31st March, 2023:

Range No. of Shares	SHAREHOLDERS		SHARES	
	Numbers of Total Holders	% to Total Holders	Numbers of shares Held	% to Total Shares
Upto-500	9474	98.77	250393	7.85
501-1000	46	0.48	33387	1.05
1001-2000	37	0.39	53543	1.68
2001-3000	7	0.07	18050	0.57
3001-5000	2	0.02	6780	0.21
5001-10000	7	0.07	55349	1.73
10001-above	19	0.20	2774034	86.91
Total	9592	100	3191536	100

x) Registrar & Transfer Agent:

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

M/s. Alankit Assignments Limited,

205-208, Anarkali Complex, Jhandewalan Extension, New Delhi-110055

Phone: (011) 42541234/23541234, Fax: (011) 41540064, E-mail: rt@alankit.com

xi) Share Transfer System:

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

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

xiii) Dematerialisation of shares:

As on 31st March, 2023, 98.80% of the capital comprising 31,53,242 shares, out of total of 3,191,536 shares, were dematerialized.

xiv) Address for correspondence:

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

Tel : 0161-2228943-48

Fax : 0161-2601048, 2602710, 2222616

E-mail : secretarial.lud@vardhman.com

(Exclusively for redressal of investors' grievances)

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

xv) List of credit ratings:

The Company has not obtained rating from any credit rating agency during the financial year 2022-23 as the Company has not taken any Long term/ Short term borrowings.

Chairman & Managing Director's Declaration

- A. I, S.P. Oswal, Chairman & Managing Director of Vardhman Holdings Limited declare that all Board Members and Senior Management Personnel have affirmed compliance with 'Code of Conduct for Board & Senior Management Personnel' for the year ended 31st March, 2023.

Date: 20th May, 2023

Place: Ludhiana

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.

Date: 20th May, 2023

Place: Ludhiana

Sd/-

(S.P. Oswal)

Chairman and Managing Director

CERTIFICATE FROM PRACTISING COMPANY SECRETARIES

This is to certify that on the basis of documents verified by us and explanations given to us by the Company, we hereby certify that none of the following directors on the Board of Vardhman 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:

S. 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.	06911676	Mr. Devendra Bhushan Jain
7.	08249236	Mr. Manjul Pahwa
8.	07808149	Mrs. Pooja Mehta
9.	00765697	Mr. Rajeev Kumar Mittal
10.	01242929	Mr. Sanjeev Jain

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

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

Place: Ludhiana
Date: 20th May, 2023

Sd/-
Ashok Singla
Proprietor
Membership No. 2004
Certificate of Practice No. 1942
UDIN:- F002004E000341211

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, 2023 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.

For **Khanna Ashwani & Associates**
(Company Secretaries)

Sd/-

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

Place: Ludhiana
Date: 20th May, 2023
UDIN: F003254E000343539

Annexure I

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	: L17111PB1962PLC002463
2. Name of the Listed Entity	: Vardhman Holdings Limited
3. Year of incorporation	: 1962
4. Registered office address	: Vardhman Premises, Chandigarh Road, Ludhiana- 141010
5. Corporate address	: Vardhman Premises, Chandigarh Road, Ludhiana- 141010
6. E-mail	: secretarial.lud@vardhman.com
7. Telephone	: +91-161-2228943-48
8. Website	: www.vardhman.com
9. Financial year for which reporting is being done	: FY 2022-23
10. Name of the Stock Exchange(s) where shares are listed	: National Stock Exchange of India Limited and BSE Limited.
11. Paid-up Capital	: ₹ 319.15 Lakhs

12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:

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

13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together) :

Standalone basis.

II. Products/services:

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	The Company is a Non-deposit taking Systemically important NBFC (NBFC-ND-SI) registered with Reserve Bank of India.	The Company operates primarily as an Investment Company, not accepting any public deposits.	The Company's primary sources of income consist of Interest income, Dividend income and gain on sale of investments etc. from the investments made by the Company and this constitutes 100% of the company's turnover.

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Same as question 14	6430	Same as question 14

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	-	1	1
International	-	-	-

The Company operates from one location from its Registered Office situated in Ludhiana, Punjab, India.

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	1
International (No. of Countries)	-

b. What is the contribution of exports as a percentage of the total turnover of the entity?: Not Applicable

c. A brief on types of customers:

The Company is a non-deposit taking non-banking financial company, primarily involved in making investments. It does not have any customer interface.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	2	1	50%	1	50%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	2	1	50%	1	50%
WORKERS						
4.	Permanent (F)					
5.	Other than Permanent (G)					
6.	Total workers (F + G)			Not Applicable		

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)					
2.	Other than Permanent (E)			Nil		
3.	Total differently abled employees (D + E)					
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)					
5.	Other than permanent (G)			Not Applicable		
6.	Total differently abled workers (F + G)					

19. Participation/Inclusion/Representation of women (as on 31st March, 2023)

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	3	33.33%
Key Management Personnel	2	1	50%

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	-	33%	33%	-	-	-	-	-	-
Permanent Workers	Not Applicable			Not Applicable			Not Applicable		

V. Holding, Subsidiary and Associate Companies (including joint ventures)**21 (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Vardhman Textiles Limited.	Associate	28.48%	No
2.	Vardhman Spinning and General Mills Limited.	Associate	50%	No

VI. CSR Details**22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes**

(ii) Turnover (in ₹): 5.88 crore

(iii) Net worth (in ₹): 876.90 crore

VII. Transparency and Disclosures Compliances**23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

There was no case of violation of the Code of Conduct of the Company and no case was reported under the Company's Vigil Mechanism and Whistle Blower Policy during the year.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	NA	-	-	-	-	-	-
Investors (other than shareholders)	NA	-	-	-	-	-	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes			NA			
Employees and workers	Yes	-	-	-	-	-	-
Customers	NA	-	-	-	-	-	-
Value Chain Partners	NA	-	-	-	-	-	-
Other (please specify)	Not Applicable			NA			

The Code of Conduct of the Company is available at: https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Holdings%20Ltd/Code_of_Conduct_for_Directors_and_Senior_management.pdf

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implication)
1.	Corporate Governance	Risk	Impact on the ethical fabric of the organisation	Experienced persons on the Board for maintaining checks and balances; maker checker approach for all processes organisation wide	Negative
2.	Economic performance	Risk	Economic slowdown will affect returns and value of Investments	Diversification of Investment portfolio.	Negative
3.	Quality management	Opportunity	Superior quality to enhance respect and returns		Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Y	N	Y	Y	Y	N	Y	Y	N
b. Has the policy been approved by the Board? (Yes/ No)	Y	NA	N	Y	N	NA	N	Y	NA
c. Web Link of the Policies, if available	Various policies of the Company are available on the website of the Company at https://www.vardhman.com/Investors/CompanyInformation								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	NA	Y	Y	Y	NA	Y	Y	NA
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Though not set any specific commitment goals, we continue to adhere all the guiding principles.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>The Company is a Non-deposit taking systemically important NBFC registered with RBI. Its sole business is to make investments in equity or other financial instruments. So, the Company's business activity does not call for any ESG related challenges, targets or achievements. However, as a responsible business entity, the Company is well aware of criticality of Environment Conservation and Social Governance.</p> <p>The Management is committed to follow higher standards of Corporate Governance.</p> <p>Corporate Social Responsibility is an integral part of the Culture. The CSR projects are focused on participatory and collaborative approach with the community.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>Mr. S.P. Oswal Chairman & Managing Director DIN: 00121737 Email id: secretarial.lud@vardhman.com Tel. No.: 0161- 2228943</p>								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Yes, the Risk Management Committee and the Corporate Social Responsibility Committee constituted by the Board of Directors of the Company evaluate the sustainability related issues from time to time.</p>								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	All the policies of the Company are reviewed periodically or on a need basis. The Company complies with the regulations, extant and principles as are applicable.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.										P1	P2	P3	P4	P5	P6	P7	P8	P9
										N								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)	N.A	*		N.A		*		N.A	*
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

*Being purely an investment company, this is not applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	3	During the year, the Board of Directors and Key Managerial Personnel of the Company invested their time on various updates pertaining to the business, regulations, ESG etc.	100%
Key Managerial Personnel	3		100%
Employees other than BoD and KMPs	Not Applicable	Not Applicable	Not Applicable
Workers	Not Applicable	Not Applicable	Not Applicable

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Not Applicable, as no fines or penalties have been imposed in the reporting period.

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine Settlement Compounding fee			NIL		

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment Punishment			NIL	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory /enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

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

The Vigil Mechanism/Whistle Blower Policy is available at the company's website link https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Holdings%20Ltd/Vigil_Mechanism_and_Whistle_Blower_Policy.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	-	NIL	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	-	NIL	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. - Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	-	-

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.

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

The Code of Conduct is available at the Company's web site at the link https://www.vardhman.com/Document/Report/Company%20Information/Policies/Vardhman%20Holdings%20Ltd/Code_of_Conduct_for_Directors_and_Senior_management.pdf

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	(Current Financial Year) FY2022-23	(Previous Financial Year) FY2021-22	Details of improvement in environmental and social impacts
R&D			
Capex		Not Applicable	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Not Applicable

b. If yes, what percentage of inputs were sourced sustainably?

Not Applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste. Not applicable.

The Company is engaged only in investment activities as a Non-Banking Financial Company and does not have any goods and raw materials utilization as a part of its products and services.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No, as the Company is engaged purely in Investment activities the requirement of Extended Producer Responsibility (EPR) is not applicable to Company.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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Not Applicable

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along- with action taken to mitigate the same.

Name of Product/ Service	Description of the risk/ concern	Action Taken
--------------------------	----------------------------------	--------------

Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY2022-23 Current Financial Year	FY2021-22 Previous Financial Year

Not Applicable

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23 Current Financial Year			FY2021-22 Previous Financial Year		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not Applicable

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent employees											
Male	1	1	100%	1	100%	NA	NA	NA	NA	NA	NA
Female	1	1	100%	1	100%	1	100%	NA	NA	NA	NA
Total	2	2	100%	2	100%	1	100%	NA	NA	NA	NA
Other than Permanent employees											
Male											
Female						NA					
Total											

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent workers											
Male											
Female						NA					
Total											
Other than Permanent workers											
Male											
Female						NA					
Total											

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

	FY 2022-23 Current Financial Year			FY2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the Authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	NA	NA	NA	NA	NA	NA
Gratuity	100%	-	Y	100%	-	Y
ESI	NA	NA	NA	NA	NA	NA
Others please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company is poised to provide equal opportunity to normal employees as well as employees with disabilities. However, there is no formal policy laid in this regard.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	No such instances reported		Not applicable	
Female				
Total				

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Segment	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Nil
Other than Permanent Workers	NA
Permanent Employees	Yes
Other than Permanent Employees	NA

The Company is a Non-deposit accepting Investment Company. As such, the Company has not employed any worker. As at the end of the financial year, it has only 2 employees on its rolls. The Company has grievance redressal mechanism and all employees can reach out to the Management to address their concerns.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23 Current Financial Year			FY2021-22 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total Employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
	Total Permanent Employees					
- Male						
- Female						
	Total Permanent Workers					
- Male						
- Female						

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year					FY2021-22 Previous Financial Year				
	Total (A)	On Health And safety measures		On skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(E/D)
	Employees									
Male										
Female										
Total										
	Workers									
Male										
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 Current Financial Year			FY2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
	Employees					
-Male	1	1	100%	1	1	100%
-Female	1	1	100%	2	2	100%
	Workers					
-Male						
-Female						

10. Health and safety management system:

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

As the Company is in the business of making investments, there are no critical occupational health and safety risks.

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

NA

- c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

NA

- d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	
		Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers		Not applicable
Total recordable work-related injuries	Employees	-	-
	Workers		Not applicable
No. of fatalities	Employees	-	-
	Workers		Not applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers		Not applicable

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company has identified health and safety of its employees as one of its focus areas and is focused on building a culture of safety and introducing best practices.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23 Current Financial Year			FY2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	-	-	NA
Health & Safety	Nil	Nil	NA	-	-	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices Working Conditions	NA

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

There were no safety related incidents or significant risks/concerns related to health and safety.

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

The Company offers benefits under Group Personal Accident (GPA) insurance.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Being purely an Investment Company, this point is not applicable.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	Nil		Nil	
Workers	Nil		Nil	

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) - No**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices Working Conditions	Not Applicable

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners. - Not Applicable

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company recognizes employees and shareholders/ investors as our key stakeholders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Email, In House Magazines, Engagement Activities, Employee Satisfaction Surveys.	Regular	Career Growth, Training & Development, Improvement Plans, Long-Term Strategy, Awareness Campaigns, Health & Safety Initiatives.
Shareholders & Investors	No	Annual General Meeting, Email, Stock Exchange intimations, Annual Report, Quarterly Results, Company Website	As and when required	Profitability & Stability, Growth Prospects, Major Events

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company has established several committees dedicated to economic and ESG (Environmental, Social, and Governance) domains to effectively monitor performance in these areas. These include the committees on Audit, Risk Management and CSR.

These committees meet regularly to appraise performance in the respective domains, evaluating the company's achievements, challenges, and opportunities. These evaluations are crucial for identifying areas of improvement and implementing strategies to drive positive change.

These reports are then presented to the Board. The Board actively analyzes reports to gain a holistic understanding of the same.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

No

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company actively contribute to the socio-economic development of the Community through its Corporate Social Responsibility projects.

PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 Current Financial Year			FY2021-22 Previous Financial Year		
	Total (A)	No. of employees / workers in covered or Union (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
		Employees				
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
Total Employees	-	-	-	-	-	-
		Workers				
Permanent						
Other than permanent						
Total Workers						
		Not Applicable				

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial Year					FY2021-22 Previous Financial Year				
	Total (A)	Equal Minimum Wage to		More than Minimum Wage		Total (D)	Equal Minimum Wage to		More than Minimum Wage	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(E/D)
		Employees								
Permanent										
Male	1	-	-	1	100%	1	-	-	1	100%
Female	1	-	-	1	100%	2	-	-	2	100%
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

Category	FY 2022-23 Current Financial Year					FY2021-22 Previous Financial Year				
	Total (A)	Equal Minimum Wage to		More than Minimum Wage		Total (D)	Equal Minimum Wage to		More than Minimum Wage	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No. (F)	%(E/D)
Workers										
Permanent										
Male										
Female										
Other than Permanent										
Male										
Female										

Not Applicable

3. Details of remuneration/salary/wages, in the following format:

Gender	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (In lakhs)	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	0.50	3	0.35
Key Managerial Personnel	-	-	1	5.48
Employees other than BoD and KMP	-	-	-	-
Workers	-	-	-	-

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, all employees can reach out to the management to address their concerns and the Company also have grievance redressal mechanism.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Grievance redressal system is governed by the Grievance Handling Policy. The employee having a cause for complaint has a right to present his/her case in writing to the Group HR Head for investigation and consideration within a reasonable period from the date of arising of said cause.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23 Current Financial Year			FY2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment Discrimination at workplace Child Labour Forced Labour/Involuntary Labour Wages Other human Rights related issues			NIL			

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

There is zero tolerance with regards to concerns of discrimination and sexual harassment. Any concerns related to these issues are dealt with confidentiality. The person found guilty is subject to disciplinary action.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour Forced/involuntary labour Sexual harassment Discrimination at workplace Wages Others – please specify	The Company is in compliance with the laws, as applicable.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

NA

Leadership Indicators**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints**

None, due to NIL grievance.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

None

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NA
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above. - NA

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
	Current Financial Year	Previous Financial Year
Total electricity consumption (A)	NA	NA
Total fuel consumption (B)		
Energy consumption through other sources (C)		
Total energy consumption (A+B+C)		
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)		
Energy intensity (optional) the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N). If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
<p>Water withdrawal by source (in kilolitres)</p> <p>(i) Surface water</p> <p>(ii) Groundwater</p> <p>(iii) Third party water</p> <p>(iv) Seawater / desalinated water</p> <p>(v) Others</p> <p>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</p> <p>Total volume of water consumption (in kilolitres)</p> <p>Water intensity per rupee of turnover (Water consumed / turnover)</p> <p>Water intensity (optional)-the relevant metric may be selected by the entity</p>	<p>Not Applicable as the Company's usage of water is primarily restricted to employees' consumption purposes only.</p>	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - NA

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not applicable.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
NOx		Not Applicable	
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - NA

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Not Applicable	Not Applicable
Total Scope 1 and Scope 2 emissions per rupee of turnover Total Scope 1 and Scope 2 emission intensity (optional) the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - NA

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

No, Being in the business of making investments only, the Company do not generate any emissions/ waste.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)		
E-waste (B)		
Bio-medical waste (C)		
Construction and demolition waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other Hazardous waste. Please specify, if any. (G)		
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
Total (A+B + C + D + E + F + G + H)	Not Applicable	Not Applicable
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total	Not Applicable	Not Applicable

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations	Not Applicable	Not Applicable
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - NA

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

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

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). – Yes

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any.
-				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
From renewable sources		
Total electricity consumption (A)	Not Applicable	Not Applicable
Total fuel consumption (B)		
Energy consumption through other sources (C)		
Total energy consumed from renewable sources (A+B+C)		
From non-renewable sources		
Total electricity consumption (D)	Not Applicable	Not Applicable
Total fuel consumption (E)		
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - NA

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water -No treatment -With treatment please specify level of treatment	Not Applicable	Not Applicable
(ii) To Groundwater -No treatment -With treatment – please specify level of treatment		
(iii) To Seawater -No treatment -With treatment – please specify level of treatment		
(iv) Sent to third-parties -No treatment -With treatment – please specify level of treatment		
(v) Others -No treatment -With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. -NA

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable	Not Applicable
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not Applicable	Not Applicable
-No treatment		
-With treatment please specify level of treatment		
(ii) Into Groundwater		
-No treatment		
-With treatment please specify level of treatment		
(iii) Into Seawater		
-No treatment		
-With treatment please specify level of treatment		
(iv) Sent to third-parties		
-No treatment		
-With treatment please specify level of treatment		
(v) Others		
-No treatment		
-With treatment please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – NA.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
		Current Financial Year	Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 3 emissions per rupee of turnover		Not Applicable	Not Applicable
Total Scope 3 emission intensity (optional) the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – NA.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
			Not Applicable

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link. -

The company acknowledges the unpredictable nature of emergencies and disasters, which can strike without warning. The Disaster Management Plan forms part of its IT Policy. The purpose of this plan is to specify controls to ensure that our data, applications and systems can be recovered to meet business operational requirements following a disruptive cyber incident.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No such incident has occurred.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable.

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations- Nil
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Nil	

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Web Review by Link, if Board available (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, If available
Not Applicable					

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether Results conducted by independent in external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The stakeholders can send their grievances to the Compliance Officer at secretarial.lud@vardhman.com

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/ small producers	Not Applicable	Not Applicable
Sourced directly from within the district and neighbouring districts		

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Odisha	Koraput	2,25,000

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No.

- (b) From which marginalized /vulnerable groups do you procure?

Not Applicable.

- (c) What percentage of total procurement (by value) does it constitute?

Not Applicable.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Name of authority	Brief of the Case	Corrective action taken
None		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Contribution of ₹ 15.00 lakhs to Hero DMC Heart Institute for the treatment of BPL and needy heart patients	25	100%
2	Sponsoring education fee of five Tribal students of Auro Mira Vidya Mandir, Kechla Odisha.	05	100%
3	Financial contribution to Savera Association for promoting education and Health Awareness among underprivileged children and women	60	100%

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company does not have any direct customer/ consumer interface being a Non-deposit accepting Investment Company.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product Safe and responsible usage Recycling and/or safe disposal Recycling and/or safe disposal	Not Applicable

3. Number of consumer complaints in respect of the following:

	FY 2022-23 Current Financial Year			FY2021-22 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy			NIL			
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls		Not Applicable
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The policy can be accessed on the following link: <https://vardhman.com/Document/11.03%20Privacy%20and%20Data%20Protection%20Policy%20-%20PDF.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

Leadership Indicators**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The Company is an investment company and does not have a customer interface. However, details about the Company's profile and operations can be accessed at www.vardhman.com.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Not applicable.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not Applicable.

- 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Not applicable.

- 5. Provide the following information relating to data breaches:**

- a) Number of instances of data breaches along-with impact.**

NIL

- b) Percentage of data breaches involving personally identifiable information of customers.**

NIL

Standalone

**Financial
Statements**



Independent Auditors' Report

To
The Members of **Vardhman Holdings Limited**

Report on the Audit of 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 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash flows for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, and the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key Audit Matters are those matters that in our professional judgment were of most significance in our audit of the Standalone Financial Statements for the year ended 31st March, 2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

Key audit matter	Auditor's Response
<p>Existence and Valuation of investments</p> <p>The existence and valuation of investments is considered as a key audit matter since investments form the significant component of the balance sheet.</p>	<p>We performed the following procedures in relation to existence and valuation of investments:</p> <ul style="list-style-type: none"> ▽ Obtained an understanding of the internal control structure and operating effectiveness of key controls surrounding valuation and existence of investments. ▽ Tested the existence of the investments by obtaining and reconciling the direct confirmations of the holdings as at the end of the year.

Key audit matter	Auditor's Response
	<ul style="list-style-type: none"> <li data-bbox="783 364 1430 451">▽ Evaluated the methodologies, inputs, judgments made and assumptions used by management in determining fair values. <li data-bbox="783 475 1437 596">▽ Assessed the appropriateness and adequacy of valuation of investments along with disclosures made in the financial statements in accordance with the applicable accounting standards.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report (but does not include the Standalone financial statements and our auditor's report thereon), which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of

the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, 2020 ("the Order") issued by the Central Government in terms of sub section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, 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, statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting

Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

- (e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of directors, none of the directors is disqualified as on 31st March 2023 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of the company.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 27 to the standalone financial statements.
- (ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (iv) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (iii) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- (v) The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For K C Khanna & Co.
Chartered Accountants
Firm Reg. No.000481N

(Abhishek Goel)

Partner

M. No. 521575

Place: Ludhiana

Date: 20th May, 2023

UDIN: 23521575BGXAZO2178

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Vardhman Holding Limited of even date)

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the order is not applicable.
- (b) According to the information and explanations given to us, the Property, Plant and Equipments have been physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties disclosed in the standalone financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) Based on the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Company is an investment company primarily engaged in acquisition, sale, divest or otherwise dealing in securities, shares, stocks, equity linked securities, debentures, bonds etc. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not

been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank or financial institutions on the basis of the security of current assets at any point of time during the year. Accordingly, clause 3(ii) (b) of the Order is not applicable to the Company

- iii. According to the information and explanation given to us and the records examined by us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties, hence reporting under clauses 3 (iii) (a), (d), (e) and (f) is not applicable.

In our opinion, the investments made during the year are, prima facie, not prejudicial to the interest of the Company.

- iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not provided any loan, guarantee or security in respect of which provisions of sections 185 and 186 of the Act are applicable. In our opinion and according to the information and explanations given to us, provisions of the section 186 of the Act for the investments made by the Company have been complied with by the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Rules framed thereunder.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, the reporting under clause 3 (vi) of the Order is not applicable.

vii. In respect of statutory dues:

- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular

in depositing undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, and other statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income tax, and other statutory dues in arrears as at 31st March, 2023 for

a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of records of the Company examined by us, the details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2023 on account of disputes are given below

S. No	Name of Statute	Nature of Dues	Amount unpaid (₹ in Lakhs)	Period to which the amount relates (F.Y)	Forum where the dispute is pending
1	Income Tax Act, 1961	Income Tax	150.21	2016-17	CIT, Appeals
		Income Tax	167.69	2019-20	CIT, Appeals

- viii. According to the information and explanations given to us and records of the company examined, there are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. The Company has not taken any loan or other borrowings during the financial year. Accordingly, the reporting under clause 3 (ix) of the Order is not applicable.
- x. (a) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanations given to us and based on our examination of records, no fraud by the Company and no fraud on the Company has been noticed or reported during the year
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) The company has not received whistle blower complaints during the year. Therefore the clause 3 (xi)(c) of the order is not applicable to the company.
- xii. According to the information and explanation given to us, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of records, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) We have been informed by the company that it has its own internal audit department which conducts the internal audit on regular basis. Based on information and explanations provided to us, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit is being conducted by the company's own internal audit department on concurrent basis, hence no formal internal audit reports are available.
- 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 directors or person connected

with them. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.

- xvi. (a) According to the information and explanations given to us and audit procedures performed by us, the Company is required to be registered and has obtained the requisite registration under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanations given to us and audit procedures performed by us, we report that the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from Reserve Bank of India as per the Reserve Bank of India Act 1934.
- (c) According to the information and explanations given to us and audit procedures performed by us, we report that the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company

is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) In respect of other than ongoing projects, there are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.
- (b) In respect of on-going projects, the Company does not have unspent Corporate Social Responsibility (CSR) amount which is required to be transferred to a Special account within a period of 30 days from the end of the financial year in compliance with the provision of sub-section (6) of section 135 of the Act.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial Statements. Accordingly, no comment in respect of the said clause has been included in report.

For K C Khanna & Co.
Chartered Accountants
Firm Reg. No.000481N

(Abhishek Goel)
Partner

Place: Ludhiana
Date : 20th May, 2023

M. No. 521575
UDIN: 23521575BGXAZO2178

Annexure – “B” to the Independent Auditors Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Vardhman Holdings Limited of even date)

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

We have audited the internal financial control over financial reporting of Vardhman Holdings Limited (“the Company”) as of 31st March 2023 in conjunction with our audit of standalone financial statements of company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

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 on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 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 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 Standalone 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.

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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.

Opinion

In our opinion, the Company has, 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 2023, 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 K C Khanna & Co.
Chartered Accountants
Firm Reg. No.000481N

(Abhishek Goel)
Partner

Place: Ludhiana
Date : 20th May, 2023

M. No. 521575
UDIN: 23521575BGXAZO2178

Standalone Balance Sheet

as at 31st March, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	3	294.74	120.99
(b) Bank Balances other than (a) above	4	106.02	152.78
(c) Receivables			
(I) Trade Receivables		-	-
(II) Other Receivables	5	262.69	230.41
(d) Investments	6	84,239.36	75,539.92
(e) Other Financial assets	7	445.01	609.68
		85,347.82	76,653.78
(2) Non Financial Assets			
(a) Current tax assets (Net)	8	306.77	105.20
(b) Deferred tax assets (Net)	9	1,813.25	2,415.08
(c) Property, Plant and Equipment	10	320.18	320.90
(d) Other non-financial assets	11	11.88	9.95
		2,452.08	2,851.13
		87,799.90	79,504.91
TOTAL ASSETS			
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	13.46	18.35
		13.46	18.35
(2) Non Financial Liabilities			
(a) Provisions	13	5.52	1.55
(b) Other non-financial liabilities	14	90.95	47.65
		96.47	49.20
(3) EQUITY			
(a) Equity Share Capital	15	319.24	319.24
(b) Other Equity	16	87,370.73	79,118.12
		87,689.97	79,437.36
		87,799.90	79,504.91
TOTAL LIABILITIES AND EQUITY			

See accompanying notes to the standalone financial statements

As per our report of even date attached

K C Khanna & Co.

Chartered Accountants

Firm Regn. No. 000481N

For and on behalf of the board of directors

Abhishek Goel

Partner

M. No. 521575

Swati Mangla

Company Secretary

Membership No. 50475

Suchita Jain

Director

DIN:00746471

S.P.Oswal

Chairman & Managing Director

DIN:00121737

PLACE : Ludhiana

DATED : May 20, 2023

Standalone Statement of Profit and Loss

for the year ended 31st March, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
(I) Revenue from operations			
(i) Interest Income	17	335.70	393.67
(ii) Dividend Income	18	192.98	8,452.44
(iii) Net gain on fair value changes	19	59.77	2,651.60
Total Revenue from operations		588.45	11,497.71
II Other income	20	188.17	185.46
III Total Income (I + II)		776.62	11,683.17
IV Expenses			
Employee benefits expenses	21	124.52	81.83
Depreciation and amortization expense	9	0.72	0.77
Other expenses	22	312.42	225.61
Total Expenses		437.66	308.21
V Profit/(Loss) before exceptional Items and Tax (III-IV)		338.96	11,374.96
VI Exceptional Items		-	-
VII Profit before tax (V-VI)		338.96	11,374.96
VIII Tax expense :			
- Current Tax		347.67	2,725.35
- Deferred tax		(698.83)	313.95
IX Profit for the year (VII - VIII)		690.12	8,335.66
X Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefits plans		(4.12)	(0.09)
- Gain/(loss) on Fair Valuation of Equity instruments carried at FVOCI		8,750.05	4,840.80
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1,023.86)	(484.53)
(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		7,722.07	4,356.18
XI Total Comprehensive income for the year (IX+X) (Comprising Profit and other Comprehensive Income for the year)		8,412.19	12,691.84
XII Earnings per equity share			
[Earning per equity share having face value of ₹ 10/- each]			
Basic (Amount in ₹)		21.62	261.18
Diluted (Amount in ₹)		21.62	261.18

See accompanying notes to the standalone financial statements

As per our report of even date attached

K C Khanna & Co.

Chartered Accountants

Firm Regn. No. 000481N

For and on behalf of the board of directors

Abhishek Goel

Partner

M. No. 521575

Swati Mangla

Company Secretary

Membership No. 50475

Suchita Jain

Director

DIN:00746471

S.P.Oswal

Chairman & Managing Director

DIN:00121737

PLACE : Ludhiana

DATED : May 20, 2023

Standalone Cash Flows Statement

for the year ended 31st March, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended 31 st March, 2023		For the year ended 31 st March, 2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		338.96		11,374.96
Adjustments for non-cash and non-operating transactions:				
Depreciation and amortization expense	0.72		0.77	
(Profit)/Loss on sale/fair valuation of Investments	(59.77)		(2,651.60)	
		(59.05)		(2,650.82)
Operating profit before working capital changes		279.91		8,724.14
Adjustments for :				
(Increase)/Decrease in financial assets	132.39		1,081.93	
(Increase)/Decrease in non financial assets	(1.93)		14.78	
Increase/(Decrease) in financial liabilities	(4.89)		62.92	
Increase/(Decrease) in non financial liabilities	(4.58)		(20.54)	
		120.99		1,139.09
Cash Generation from Operations		400.90		9,863.23
Taxes Paid		(272.44)		(2,173.74)
Net Cash flow from / (used in) Operating activities (A)		128.46		7,689.49
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Investments of associate	(9,506.72)		(18,525.06)	
Purchase of Investments (other than associate)	(23,768.04)		(70.86)	
Sale of Investments	33,385.14		3,549.81	
Advance received against sale of land	47.64		-	
(Increase)/Decrease in Bank Balances not considered as cash and cash equivalents	46.76		(1.64)	
		204.78		(15,047.75)
Net Cash flow from / (used in) investing activities (B)				
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividend Paid	(159.49)		(159.58)	
Net Cash flow from / (used in) Financing Activities (C)		(159.49)		(159.58)
Net Increase in cash and cash equivalents (A+B+C)		173.75		(7,517.84)
Cash and cash equivalents as at the beginning of the year		120.99		7,638.83
Cash and cash equivalents as at the end of the year		294.74		120.99
Refer Note 3 for components of Cash and cash equivalents				

See accompanying notes to the standalone financial statements

As per our report of even date attached

K C Khanna & Co.

Chartered Accountants

Firm Regn. No. 000481N

For and on behalf of the board of directors

Abhishek Goel

Partner

M. No. 521575

Swati Mangla

Company Secretary

Membership No. 50475

Suchita Jain

Director

DIN:00746471

S.P.Oswal

Chairman & Managing Director

DIN:00121737

PLACE : Ludhiana

DATED : May 20, 2023

Standalone Statement of Changes in Equity

for the year ended 31st March, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

A Equity Share Capital

Particulars	Amount
Balance as at 1 st April 2021	319.24
Changes in Equity Share Capital during the year	-
Balance as at 31st March 2022	319.24
Changes in Equity Share Capital during the year	-
Balance as at 31st March 2023	319.24

B Other Equity

Financial year ended March 31, 2023

Particulars	Reserves & Surplus					Items of other comprehensive income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings	Equity instruments through other comprehensive income	
Balance as of April ,1 2022	0.11	70.00	781.28	9,659.72	11,796.56	46,686.70	10,123.75	79,118.12
Profit for the year						690.12	-	690.12
Other Comprehensive Income for the year						(4.12)	7,726.19	7,722.07
Transfer to statutory Reserve u/s 45-IC of RBI Act,1934					138.02	(138.02)		-
Final Dividend @ ₹ 5/- per equity share for financial year ended March 31, 2022						(159.58)		(159.58)
Balance as of March 31, 2023	0.11	70.00	781.28	9,659.72	11,934.58	47,075.10	17,849.94	87,370.73

Standalone Statement of Changes in Equity

for the year ended 31st March, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

B Other Equity (Contd..)

Financial year ended March 31, 2022

Particulars	Reserves & Surplus					Items of other comprehensive income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings	Equity instruments through other comprehensive income	
Balance as of April ,1 2021	0.11	70.00	781.28	9,659.72	10,129.43	40,177.84	5,767.48	66,585.86
Profit for the year	-	-	-	-	-	8,335.66	-	8,335.66
Other Comprehensive Income for the year	-	-	-	-	-	(0.09)	4,356.27	4,356.18
Transfer to statutory Reserve u/s 45-IC of RBI Act,1934	-	-	-	-	1,667.13	(1,667.13)	-	-
Final Dividend @ ₹ 5/- per equity share for financial year ended March 31, 2021	-	-	-	-	-	(159.58)	-	(159.58)
Balance as of March 31, 2022	0.11	70.00	781.28	9,659.72	11,796.56	46,686.70	10,123.75	79,118.12

As per our report of even date attached

K C Khanna & Co.

Chartered Accountants

Firm Regn. No. 000481N

For and on behalf of the board of directors

Abhishek Goel

Partner

M. No. 521575

Membership No. 50475

PLACE : Ludhiana

DATED : May 20, 2023

Swati Mangla

Company Secretary

Membership No. 50475

Suchita Jain

Director

DIN:00746471

S.P.Oswal

Chairman & Managing Director

DIN:00121737

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

1 CORPORATE 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 incorporated and domiciled in India. The company is principally engaged in lending and investing activities. The Registered Office of the company is located at Chandigarh Road, Ludhiana (Punjab). The Company is listed on two stock exchanges i.e. at National Stock Exchange and at Bombay Stock Exchange.

The standalone financial statements were approved for issue in accordance with a resolution of the Board of Directors dated May 20, 2023.

2.1 STATEMENT OF COMPLIANCE

These standalone financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act, 2013 ('the Act'). 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

(i) The standalone financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as required under Ind AS.

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.

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

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

- (ii) Accounting policies have been consistently applied except where in newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- (iii) The functional and presentation currency of the Company is Indian rupees (₹) and all values are rounded to the nearest lakhs and two decimals thereof, except if otherwise stated.

2.3 SIGNIFICANT ACCOUNTING POLICIES

2.3.1 Revenue recognition

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is recognised using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

carrying amount. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses

Dividend Income

Dividend income from investments measured at fair value through profit or loss as well as measured at fair value through other comprehensive income is recognized in the statement of profit and loss, when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and amount of dividend can be measured reliably.

Gain/Loss on sale of investments

Gain/loss on sale of investments is recognised on settlement date basis. Gain/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 proceeds is charged or credited to the Statement of Profit and Loss.

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.

Rent and Other income

Rent and other income is recognized on accrual basis when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

2.3.2 Employee benefits

(a) Retirement and termination benefits

Defined Benefit Plans:

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment, based on the respective

employee's salary and the tenure of employment with the Company in terms of the provisions of the Payment of Gratuity Act, 1972.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The company contributes ascertained liabilities to the a separate trust established by the Company. Trustees administer contributions made to the trust and the contributions are invested in the schemes as permitted by Law.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

Remeasurements comprising of actuarial gains and losses, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability/asset) are recognized in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods and are reflected immediately in retained earnings.

(b) Short-term and other long-term employee benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, annual leaves etc., are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the employee renders the related service

Other long-term employee benefits- Compensated absences entitlements

Compensated absences entitlements, which are not expected to occur within twelve months after the end of the period in which the employee renders the related service, are recognised at the present value of the obligation based on actuarial valuation as on the reporting date, performed by an independent actuary using projected unit credit method. The

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

service cost, interest cost and re-measurement gains and losses are recognised in the statement of profit and loss.

2.3.3 Income taxes

Income tax expense comprises the current tax and deferred tax.

Current tax

The current tax is based on taxable profit for the year. Taxable profit differs from profit 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.

Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to income tax refund is included in other income.

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

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.

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 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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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 deferred tax asset if there is convincing evidence that the Company will pay normal income-tax. Accordingly, MAT Credit is recognised as asset when it is probable that future economic benefit associated with it will flow to the Company.

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.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.3.4 Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost or deemed

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

cost applied on transition to Ind AS, less accumulated depreciation and accumulated impairment losses, if any.

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

- a. its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates
- b. any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use and
- c. the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

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.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or retirement of the assets or when no future economic benefits are expected from its use. 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.

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

2.3.5 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of Property plant and equipment and other non-financial 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). For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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 the statement of profit and 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 the statement of profit and loss.

2.3.6 Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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.

2.3.7 Leases

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

For operating leases, rental income is recognized in the statement of profit and loss on a straight line basis or another systematic basis over the term of the relevant lease. The respective leased assets are presented in the balance sheet based on their nature.

2.3.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Initial recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except for trade receivable which is initially measured at transaction price. 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.

(ii) Subsequent measurement

A. Financial assets

(a) Financial assets measured at amortized cost

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.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

The carrying amounts of financial assets that are subsequently measured at amortised cost are determined based on the effective interest method less any impairment losses.

Interest income for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

(b) Financial assets measured at fair value through other comprehensive income

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 for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

Fair value changes on such assets are recognised in the other comprehensive income (OCI) until the financial asset is derecognised. On de-recognition, cumulative

gain or loss previously recognised in OCI is reclassified to the statement of profit and loss.

(c) Financial assets measured at fair value through profit or loss (FVTPL)

All other financial assets are subsequently measured at fair value through profit or loss, 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.

Dividend income from such instruments is recognized in the statement of profit and loss, when the right to receive the payment is established.

Fair value changes on such assets are recognised in the statement of profit and loss. Any gain or loss arising on de-recognition of such assets is recognised in the statement of profit and loss in the period in which it arises.

(d) Investments in equity instruments measured at fair value through other comprehensive income (FVTOCI)

This includes the investment in equity instruments not held for trading where the Company, on initial recognition, has made an irrevocable election to present the subsequent changes in fair value in other comprehensive income pertaining to such investments in equity instruments.

Dividend income from such instruments is recognized in the statement of profit and loss, when the right to receive the payment is established.

Fair value changes on such investments are recognised in the other comprehensive income (OCI) and are never reclassified to Statement of Profit and Loss.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

(e) Investment in associates

Interest in associates are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments. The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

Dividend income from such instruments is recognized in the statement of profit and loss, when the right to receive the payment is established.

B. Financial liabilities

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

(a) 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.

(b) Financial liabilities 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

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for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

C. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received. Incremental costs directly attributable to the issuance of equity instruments and buy back of equity instruments are recognized as a deduction from equity, net of any tax effects.

(iii) 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

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

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.

(iv) De-recognition of financial instruments

(a) Derecognition of financial assets

The Company derecognises a financial asset (or, a part of a financial asset) when:

- (i) The contractual right to the cash flows from the financial asset expires, or
- (ii) The company transfers its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received/receivable is recognised in the profit or loss.

(b) 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.

On derecognition of a financial liability, the difference between the carrying amount of

the financial liability derecognised and the consideration paid/payable is recognised in profit or loss.

(v) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

(vi) Write off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

2.3.9 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.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.3.10 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, unrestricted balances with banks and short-term investments with the original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.3.11 Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the company's Board of Directors.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

2.3.12 Statement of Cash flows

The statement of cash flows is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 “Statement of Cash flows” using the indirect method for operating activities whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

2.4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Company accounting policies, the management of the Company is required to make judgements, estimates and assumptions that affect the reported amount of income, expenses, assets and liabilities and disclosure of contingent liabilities. 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. The effect of 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 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 standalone financial statements:

(a) 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.

(b) Useful lives of depreciable tangible assets

The estimated useful lives of property plant and equipment and intangible assets are based on a number of factors including the effects of obsolescence, internal assessment of user experience and other economic factors (such as the known technological advancements, commercial obsolescence of the asset etc.). The useful life of property plant and equipment and intangible assets is reviewed on an ongoing basis.

(c) Fair Value measurements and valuation processes

Some of the Company’s assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the company uses market-observable data to the extent is available.

(d) Provisions/ Contingent Liabilities

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. Significant judgement is required for estimating the possible outflow of resources, if any, in respect of claims/litigations against the Company which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount etc.

2.5 Applicability of new and revised IND AS

Recent pronouncements Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

-Ind AS 1 – Presentation of Financial Statements:

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

-Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors:

This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

-Ind AS 12 – Income Taxes:

The amendments narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its standalone financial statements.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

3 Cash and Cash Equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents		
a) Cash on hand	0.05	0.03
b) Balances with banks		
- In current accounts	294.69	120.96
	294.74	120.99

4 Bank Balances other than Cash and Cash Equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Other Bank Balances		
- Unpaid dividend accounts	9.87	9.78
- Others	96.15	143.00
	106.02	152.78

5 Receivables-Other Receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Receivables considered good - Unsecured	262.69	230.41
	262.69	230.41

There is no amount due from directors or other Officer of the company or any of them either severally or jointly with any other person or the firm (including limited liability partnership) or private company respectively in which any director is a partner or a director or a member.

The above receivables are not due as at March 31, 2023 and March 31, 2022

6 INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets carried at cost		
Investment in equity instruments of Associates		
a. (Quoted)		
8,23,34,659 (31 March 2022: 7,95,02,475 of face value ₹ 2 per share)	40,377.87	30,869.06
Equity Shares of ₹ 2/- each fully paid up of Vardhman Textiles Limited		

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

6 INVESTMENTS (Contd..)

Particulars	As at March 31, 2023	As at March 31, 2022
b. (Unquoted)		
25,000 (31 March 2022: 25,000) Equity Shares of ₹ 10/- each fully paid up of Vardhman Spinning & General Mills Limited	2.50	2.50
Financial assets designated to be measured at fair value through other comprehensive income		
a. Investment in equity instruments (Quoted)		
733,762 (31 March 2022: 733,762) Equity Shares of ₹ 10/- each fully paid up of Vardhman Acrylics Limited	319.19	394.40
5,218,954 (31 March 2022: 5,218,954) Equity Shares of ₹ 10/- each fully paid up of Vardhman Special Steels Limited	20,729.69	11,904.43
Financial assets measured at fair value through profit and loss		
a. Investment in equity/preference instruments (quoted)		
10,36,605 (31 March 2022: 10,36,605) Equity Shares of ₹ 1/- each of Welspun India Limited	659.80	941.76
112 (31 March 2022: 112) Equity shares of ₹ 10/- each fully paid-up of Garware Nylon Ltd.	-	-
50 (31 March 2022: 50) Equity shares of ₹ 10/- each fully paid-up of Vinod Paper Mills Limited	-	-
1,150 (31 March 2022: 1,150) Equity shares of ₹ 1/- each fully paid-up of Hindustan Unilever Ltd.	29.44	23.56
8,000(31 March 2022: 8,000) Preference shares of ₹ 10,000/- each fully paid-up of Infrastructure Leasing & Financial Services Limited #	-	-
Investment in Equity instruments (Unquoted)		
19,280 (31 March 2022 : 19,280) Equity shares of ₹ 2/- each fully paid up of One Mobikwik Systems Limited	218.31	149.96
* 7,870 (31 March 2022: 7,870) Equity Shares of ₹ 10/- each fully paid up of Ambojini Property Developers Private Limited	1.55	1.55
Investment in Debentures (Unquoted)		
* 72,261 (31 March 2022: 72,261) 10% Convertible Debentures of ₹ 100 each of Ambojini Property Developers Private Limited	142.16	142.16
* 80 (31 March 2022: 80) Units of ₹ 100,000/- each of Sulej Housing Pvt. Ltd.	60.00	60.00
* 68 (31 March 2022: 68) Units of ₹ 100,000/- each of ASP Infraprojects Pvt. Ltd.	0.68	9.70
* 35 (31 March 2022: 35) Units of ₹ 100,000/- each of Midcity Infrastructure Pvt. Ltd.	26.25	26.25
* 62 (31 March 2022: 62) Units of ₹ 100,000/- each of Gulam Mustafa Enterprises Pvt. Ltd.	28.77	28.77
b. Investment in mutual funds (quoted)		
5,618.16 (31 March 2022: 5,216.582) Units of ₹ 1,000/- each of SBI Liquid Fund Direct Plan Growth	197.95	173.87

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

6 INVESTMENTS (Contd..)

Particulars	As at March 31, 2023	As at March 31, 2022
NIL (31 March 2022: 15,000,000) Units of ₹ 10/- each of SBI Debt Fund Series C-38(1224 Days)Direct Growth	-	1,902.47
1,16,80,649.389 units (31 March 22: 3,15,71,195.768) of Kotak Equity arbitrage fund of ₹ 1000 each	3,918.66	9,998.28
5,12,801.52 (31 March 2022 : 52,89,010.468) units of ₹ 10/- each L&T arbitrage opportunities fund direct growth	87.88	8,569.85
54,59,346.763 units (31 March 2022: 8,49,942.274) Units of ₹ 10/- each of SBI Arbitrage Opportunities Direct Plan-Growth	1,649.80	242.49
4,80,03,898.23 (31 March 2022 : Nil) Units of ₹ 10 each of SBI CPSE BP SDL SEP 2026 50:50 Index Fund- Direct - Growth	4,999.75	-
2,32,88,229.598 (31 March 2022 : NIL) units of ₹ 10 each of Edelweiss Nifty PSU Bond Plus SDL Apr 2026 50:50 Index Fund - Direct Plan Growth	2,578.08	-
Investment in Alternate Investment Funds/Real Estate Funds/Venture Capital Funds/Other Funds (Unquoted)		
24,97,762 (31 March 2022: 58,27,545) Units of ₹100,000/- each of Zodius Technology Fund	225.73	378.96
2,55,083.93 (31 March 2022: 2,70,531.60) Units of ₹ 100/- each of IVY Cap Venture Fund-II	501.32	523.39
NIL (31 March 2022: 133.57) Units of ₹ 100,000/- each of India Venture Trust fund -I	-	33.95
39,05,499.21 (31 March 2022: 39,05,499.21) Units of ₹ 10/- each of IIFL Seed Venture Fund 1	717.05	1,339.88
4,24,431(31 March 2022: 4,59,391) Units of ₹ 100/- each of ICICI Prudential Real Estate fund AIF-I	311.66	514.70
1,85,47,493 (31 March 2022: 1,85,47,493) Units of ₹ 10/- each of IIFL Real Estate Fund Domestic Series-2	448.80	677.00
* 2,411.97 (31 March 2022: 2,667.21) Units of ₹ 100,000/- each of ASK Real Estate Fund	3,283.31	4,010.62
947.058 (31 March 2022: 988.673) Units of ₹ 100,000/- each of Baring Private Equity India AIF	2,287.52	2,187.85
432.50 (March 31, 2022: 432.50) units of ₹ 100,000/- each of INVESTEC Emerging India Credit Opportunities fund	435.64	432.50
Total	84,239.36	75,539.92

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

6 INVESTMENTS (Contd..)

Notes:

Particulars	As at March 31, 2023	As at March 31, 2022
1. Aggregate amount of quoted investments	75,548.11	65,020.16
2. Aggregate amount of unquoted investments	8,691.25	10,519.76
3. Market value of quoted investments	2,77,028.30	3,80,424.13

* Investments are purchased through Portfolio Management Services

Investment in preference shares of IL&FS group companies aggregating to ₹ 539 Lakhs. In view of the uncertainty prevailing with respect to recovery of the investment value from the IL&FS group, the Management has measured such investments at ₹ NIL (March 31, 2022 ₹ NIL) and recorded such adjustment as FVTPL.

Classification of Investments

As at March 31, 2023

Investments	Amortised Cost	At Fair Value					Others (investments in associates measured at cost)	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through Other Comprehensive Income	Designated at fair value through profit or loss	Sub-total		
		(1)	(2)	(3)	(4)	(5)		
Equity instruments	-	-	909.10	21,048.88	-	21,957.98	40,380.37	62,338.35
Preference instruments	-	-	-	-	-	-	-	-
Mutual Funds	-	-	13,432.12	-	-	13,432.12	-	13,432.12
Debentures	-	-	257.86	-	-	257.86	-	257.86
Alternate Investment Funds/Real Estate Funds/ Venture Capital Funds/ Other Funds	-	-	8,211.03	-	-	8,211.03	-	8,211.03
Total-Gross (A)	-	-	22,810.11	21,048.88	-	43,858.99	40,380.37	84,239.36
(i) Investments outside india	-	-	-	-	-	-	-	-
(ii) Investments in India	-	-	22,810.11	21,048.88	-	43,858.99	40,380.37	84,239.36
Total (B) (to tally with (A))	-	-	22,810.11	21,048.88	-	43,858.99	40,380.37	84,239.36
Allowance for Impairment loss (C)	-	-	-	-	-	-	-	-
Total- Net D=(A)-(C)	-	-	22,810.11	21,048.88	-	43,858.99	40,380.37	84,239.36

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

6 INVESTMENTS (Contd..)

As at March 31, 2022

Investments	Amortised Cost	At Fair Value					Others (investments in associates measured at cost)	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through Other Comprehensive Income	Designated at fair value through profit or loss	Sub-total		
		(1)	(2)	(3)	(4)	(5)		
Equity instruments	-	-	1,116.82	12,298.83	-	13,415.65	30,871.56	44,287.21
Preference instruments	-	-	-	-	-	-	-	-
Mutual Funds	-	-	20,886.95	-	-	20,886.95	-	20,886.95
Debentures	-	-	266.88	-	-	266.88	-	266.88
Alternate Investment Funds/Real Estate Funds/Venture Capital Funds/Other Funds	-	-	10,098.87	-	-	10,098.87	-	10,098.87
Total-Gross (A)	-	-	32,369.53	12,298.83	-	44,668.36	30,871.56	75,539.92
(i) Investments outside india	-	-	-	-	-	-	-	-
(ii) Investments in India	-	-	32,369.53	12,298.83	-	44,668.36	30,871.56	75,539.92
Total (B) (to tally with (A))	-	-	32,369.53	12,298.83	-	44,668.36	30,871.56	75,539.92
Allowance for Impairment loss (C)	-	-	-	-	-	-	-	-
Total- Net D=(A)-(C)	-	-	32,369.53	12,298.83	-	44,668.36	30,871.56	75,539.92

7 Other Financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured and considered good), unless otherwise stated		
Interest Receivable	445.01	609.68
	445.01	609.68

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

8 Current Tax assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax asset (net of provision for taxation)	306.77	105.20
	306.77	105.20

9 Deferred tax (liabilities)/assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities		
Unrealised gain on investments carried at fair value through profit or loss / other comprehensive income	1,251.76	925.45
Gross deferred tax liabilities (A)	1,251.76	925.45
Deferred tax assets		
Difference between carrying value of Property plant and equipment as per books of account and tax base	0.10	0.11
Provision for employee benefits	1.61	0.32
Mat Credit Recoverable	3,063.30	3,340.10
Gross deferred tax assets (B)	3,065.01	3,340.53
Deferred tax (liabilities)/assets (Net) (B-A)	1,813.25	2,415.08

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

10 PROPERTY, PLANT & EQUIPMENT

Financial year ended March 31, 2023

Particulars	Gross carrying value		Accumulated depreciation		Net carrying value	
	Balance as at 01.04.2022	Balance as at 31.03.2023	Balance as at 01.04.2022	Eliminated on disposal of assets	Balance as at 31.03.2023	Balance as at 31.03.2022
1. Freehold land	284.33	284.33	-	-	284.33	284.33
2. Buildings	40.14	40.14	3.61	-	35.81	36.53
3. Office Equipment	0.73	0.73	0.69	-	0.04	0.04
Total	325.20	325.20	4.30	0.72	5.02	320.90

Financial year ended March 31, 2022

Particulars	Gross carrying value		Accumulated depreciation		Net carrying value	
	Balance as at 01.04.2021	Balance as at 31.03.2022	Balance as at 01.04.2021	Eliminated on disposal of assets	Balance as at 31.03.2022	Balance as at 31.03.2021
1. Freehold land	284.33	284.33	-	-	284.33	284.33
2. Buildings	40.14	40.14	2.89	-	36.53	37.25
3. Office Equipment	0.73	0.73	0.64	-	0.04	0.09
Total	325.20	325.20	3.53	0.77	4.30	321.67

Note:

- Refer note no. 27 for detail of contractual Commitment towards purchase of Property, Plant and Equipment.
- The Company has not revalued any of its property, plant and equipment during the year.
- The title deeds of all the immovable properties are held in the name of the Company.
- The Company has given a flat, situated at Bangalore, on lease for short term period of 12 months. The gross carrying amount and accumulated depreciation in respect of such flat is ₹ 45.64 Lakhs and ₹ 9.83 Lakhs respectively (March 31, 2022: ₹ 45.64 Lakhs and ₹ 9.11 Lakhs respectively). The depreciation for the year in respect of such flat is ₹ 0.72 Lakhs (March 31, 2022: ₹ 0.72 Lakhs). The rental income recorded for the year ended March 31, 2023 is ₹ 1.80 Lakhs (March 31, 2022 ₹ 1.80 Lakhs). Such flat has not been classified as investment property as the same has been given on lease on temporary basis only and shall be used by the Company for its own use after the expiry of current lease period.
- The aggregate depreciation has been included under depreciation and amortization expense in the statement of Profit and Loss.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

11 Other non-financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
(unsecured, considered good)		
Prepaid Expenses	7.69	5.69
Security Deposit	4.19	4.19
Other recoverable	-	0.07
	11.88	9.95

12 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Other Payables:-		
- Expenses Payables	10.10	6.71
- Dues to Employees	3.36	11.64
	13.46	18.35

13 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits :		
- Gratuity	5.41	0.51
- Compensated absences	0.11	1.04
Leave encashment	-	-
	5.52	1.55

14 Other non-financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Remittances	33.44	37.87
Unpaid dividends#	9.87	9.78
Advance against Land	47.64	-
	90.95	47.65

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

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

15 Equity share capital

Particulars	As at	
	March 31, 2023	March 31, 2022
Authorised share capital:		
3,00,00,000 (March 31, 2022: 3,00,00,000) equity shares of ₹ 10 each	3,000.00	3,000.00
1,00,00,000 (March 31, 2022: 1,00,00,000) redeemable cumulative preference shares of ₹ 10 each	1,000.00	1,000.00
	4,000.00	4,000.00
Issued up share capital comprises:		
31,91,536 (March 31, 2022: 31,91,536) equity shares of ₹ 10 each	319.15	319.15
	319.15	319.15
Subscribed and fully paid up share capital comprises:		
31,91,536 (March 31, 2022: 31,91,536) equity shares of ₹ 10 each	319.15	319.15
Add: Forfeited Shares (Amount originally paid-up)	0.09	0.09
	319.24	319.24

15.1 Rights, preference and restriction attached to equity shares

The Company has one class of equity shares having a par value of ₹10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

15.2 Rights, preference and restriction attached to preference shares

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

15.3 Reconciliation of number of shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	31,91,536	319.24	31,91,536	319.24
Add:- Shares Issued during year	-	-	-	-
Balance as at the end of the year	31,91,536	319.24	31,91,536	319.24

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

15 Equity share capital (Contd..)

15.4 Details of shares held by the holding Company

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

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% holding	Number of shares	% holding
Adishwar Enterprises LLP	10,48,770	32.86%	10,48,770	32.86%
Devakar Investment & Trading Company Private Limited	10,94,330	34.29%	10,94,330	34.29%

15.6 Details of Shares held by promoters at the end of the year

Name of Promoter	Year ended March,31 2023			Year ended March,31 2022		
	Shares held by promoters at the end of the year		% change during the year	Shares held by promoters at the end of the year		% change during the year
	Number of shares	% holding		Number of shares	% holding	
Adishwar Enterprises LLP	10,48,770	32.86%	0%	10,48,770	32.86%	0%
Devakar Investment & Trading Company Private Limited	10,94,330	34.29%	0%	10,94,330	34.29%	0%
Shri Paul Oswal	56,880	1.78%	0%	56,880	1.78%	0%
Flamingo Finance & Investment Company Limited	50,671	1.59%	0%	50,671	1.59%	0%
Ramaniya Finance & Investment Company Limited	29,343	0.92%	0%	29,343	0.92%	0%
Suchita Jain	28,416	0.89%	0%	28,416	0.89%	0%
Shakun Oswal	19,084	0.60%	0%	19,084	0.60%	0%
Northern Trading Company	13,760	0.43%	0%	13,760	0.43%	0%
Santon Finance & Investment Company Limited	12,266	0.38%	0%	12,266	0.38%	0%
Mahavir Spinning Mills Private Limited	10,332	0.32%	0%	10,332	0.32%	0%
Eastern Trading Company	9,840	0.31%	0%	9,840	0.31%	0%
Paras Syndicate	7,610	0.24%	0%	7,610	0.24%	0%
Amber Syndicate	6,689	0.21%	0%	6,689	0.21%	0%
Sachit Jain	2,330	0.07%	0%	2,330	0.07%	0%
Soumya Jain	80	0.00%	0%	80	0.00%	0%
Sagrika Jain	40	0.00%	0%	40	0.00%	0%

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

16 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Reserves & Surplus		
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)	11,934.58	11,796.56
Retained Earnings	47,075.10	46,686.70
Items of other comprehensive income		
Gain/(loss) on Equity instruments measured at fair value through other comprehensive income	17,849.94	10,123.75
Total	87,370.73	79,118.12

Movement in Other Equity during the year

Financial year ended March 31, 2023

Particulars	Reserves & Surplus						Items of other comprehensive income	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings	Equity instruments measured at fair value through OCI	
Balance as of April 1, 2022	0.11	70.00	781.28	9,659.72	11,796.56	46,686.70	10,123.75	79,118.12
Profit for the year						690.12		690.12
Other Comprehensive Income for the year						(4.12)	7,726.19	7,722.07
Transfer to statutory Reserve u/s 45-IC of RBI Act, 1934					138.02	(138.02)		
Dividend @ ₹ 5/Share for financial year 2021-22						(159.58)		(159.58)
Balance as of March 31, 2023	0.11	70.00	781.28	9,659.72	11,934.58	47,075.10	17,849.94	87,370.73

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

16 Other equity (Contd..)

Financial year ended March 31, 2022

Particulars	Reserves & Surplus						Items of other comprehensive income	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings	Equity instruments measured at fair value through OCI	
Balance as of April ,1 2021	0.11	70.00	781.28	9,659.72	10,129.43	40,177.84	5,767.48	66,585.86
Profit for the year						8,335.66		8,335.66
Other Comprehensive Income for the year						(0.09)	4,356.27	4,356.18
Transfer to statutory Reserve u/s 45-IC of RBI Act,1934		-	-		1,667.13	(1,667.13)		-
Dividend @ ₹ 5/Share for financial year 2020-21						(159.58)		(159.58)
Balance as of March 31, 2022	0.11	70.00	781.28	9,659.72	11,796.56	46,686.70	10,123.75	79,118.12

Nature and Purposes of Reserves

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. The reserve can be utilised only for limited purposes in accordance section 52 and other provisions of the Companies Act, 2013.

d. General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

16 Other equity (Contd..)

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 are the profits earned till date after transfers to general/other reserves, dividends or other distributions paid to the shareholders. The amount is available for distribution to its equity shareholders.

g. Equity instrument through other comprehensive income

Reserve for equity instruments through other comprehensive income represents the cumulative gains and losses arising on the revaluation of certain equity instruments which the Company has elected to measure at fair value through other comprehensive income. The amount from this reserve is transferred to retained earnings when such equity instruments are derecognised.

17 Interest Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
From financial assets measured at fair value through profit or loss:		
- Interest Income from investments	330.10	305.69
From financial assets measured at amortized cost:		
- Interest Income from bank deposits	5.60	87.98
	335.70	393.67

18 Dividend Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Dividend Income from investments:		
- measured at fair value through profit or loss	10.32	80.24
- designated at fair value through other comprehensive income held at the end of the reporting period	182.66	183.44
- measured at cost (i.e. investments in associates)	-	8,188.75
	192.98	8,452.44

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

19 Net gain on fair value changes

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) Net gain on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments *	59.77	2,651.60
Total	59.77	2,651.60
Fair Value changes		
- Realised	1,916.47	838.70
- Unrealised	(1,856.70)	1,812.89
Total	59.77	2,651.60

* Includes distribution from Alternate Investment Funds/Real Estate Funds/Venture Capital Funds/Other Funds

20 Other Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Receipt against License agreement	186.14	183.64
Rent received	1.80	1.80
Provision no longer required written back	0.19	-
Miscellaneous	0.04	0.02
	188.17	185.46

21 Employee Benefits Expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	124.52	81.83
	124.52	81.83

22 Other Expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rates and taxes	0.08	0.02
Printing and stationery	0.17	0.78
Other Financial Charges	0.29	4.49
Directors' sitting fees and incidental expenses	3.98	4.78

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

22 Other Expenses (Contd..)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Payment to auditors		
- As audit fee	1.00	0.75
Legal and Professional charges	186.27	143.55
Insurance	4.92	3.55
Expenditure towards Corporate Social Responsibility (CSR) activities (also refer Note No. 31)	108.09	60.34
Miscellaneous #	7.62	7.34
	312.42	225.61

does not include any item of expenditure with a value of more than 1% of revenue from operations

23 Tax Expense

23.1 Deferred tax (liabilities)/Assets (Net)

Financial year ended March 31, 2023

Particulars	Opening Balance	Mat Credit Adjustment	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred tax liabilities					
Unrealised gain on investments carried at fair value through profit or loss / other comprehensive income	925.45	-	(698.75)	1,025.06	1,251.76
Gross deferred tax liabilities (A)	925.45	-	(698.75)	1,025.06	1,251.76
Deferred tax assets					
Difference between carrying value of Property plant and equipment as per books of account and tax base	0.11	-	(0.01)	-	0.10
Provision for employee benefits	0.32	-	0.09	1.20	1.61
MAT credit recoverable	3,340.10	(276.80)	-	-	3,063.30
Gross deferred tax assets (B)	3,340.53	(276.80)	0.08	1.20	3,065.01
Deferred tax (liabilities)/assets (Net) (B-A)	2,415.08	(276.80)	698.83	(1,023.86)	1,813.25

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

23 Tax Expense (Contd..)

Financial year ended March 31, 2022

Particulars	Opening Balance	Mat Credit Adjustment	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred tax liabilities					
Unrealised gain on investments carried at fair value through profit or loss / other comprehensive income	127.10	-	313.82	484.53	925.45
Gross deferred tax liabilities (A)	127.10	-	313.82	484.53	925.45
Deferred tax assets					
Difference between carrying value of Property plant and equipment as per books of account and tax base	0.11	-	(0.00)	-	0.11
Provision for employee benefits	0.45	-	(0.13)	-	0.32
MAT credit recoverable	4,040.21	(700.11)	-	-	3,340.10
Gross deferred tax assets (B)	4,040.77	(700.11)	(0.13)	-	3,340.53
Deferred tax (liabilities)/assets (Net) (B-A)	3,913.67	(700.11)	(313.95)	(484.53)	2,415.08

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

23.2.1 Tax expense recognised in profit or loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax	347.67	2,725.35
Deferred tax	(698.83)	313.95
Total Tax expense recognised	(351.16)	3,039.30

23.2.2 Reconciliation of tax expense and the accounting profit multiplied by statutory tax rate:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	338.96	11,374.96
Tax at the Indian Tax Rate of 29.12%	98.71	3,312.39
Effect of income that is taxable at lower rates	(472.09)	(267.51)
Effect of expenses that are non-deductible in determining taxable profit	26.16	(0.58)
Effect of expenses that are deductible in determining taxable profit	(1.21)	(1.82)
Effect of income that is exempt from taxation	(2.72)	(3.19)
Total tax expense recognised in profit or loss	(351.16)	3,039.30

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

23 Tax Expense (Contd..)

23.3 Tax expense recognised in other comprehensive income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Remeasurement of defined benefit obligation	(1.20)	-
Gain/(loss) on Fair Valuation of Equity instruments carried at FVOCI	1,025.06	484.53
Total tax expense recognised in other comprehensive income	1,023.86	484.53

24 Financial Instruments and Financial Risk Management

24.1 Classification of Financial instruments

Particulars	At Amortised Cost #	At fair value through profit or loss		At fair value through Other comprehensive income		Total carrying value/ Fair Value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory	
As at March 31, 2023						
Financial Assets						
Cash and cash equivalents	294.74	-	-	-	-	294.74
Bank balances other than Cash and cash equivalents	106.02	-	-	-	-	106.02
Other Receivables	262.69	-	-	-	-	262.69
Investments*	-	-	22,810.11	21,048.88	-	43,858.99
Other Financial Assets	445.01	-	-	-	-	445.01
Total	1,108.46	-	22,810.11	21,048.88	-	44,967.45
Financial Liabilities						
Trade Payables	-	-	-	-	-	-
Other financial liabilities	13.46	-	-	-	-	13.46
Total	13.46	-	-	-	-	13.46

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

24 Financial Instruments and Financial Risk Management (Contd..)

Particulars	At Amortised Cost #	At fair value through profit or loss		At fair value through Other comprehensive income		Total carrying value/ Fair Value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory	
As at March 31, 2022						
Financial Assets						
Cash and cash equivalents	120.99			-	-	120.99
Bank balances other than Cash and cash equivalents	152.78			-	-	152.78
Other Receivables	230.41			-	-	230.41
Investments*	-		32,369.52	12,298.83	-	44,668.35
Other Financial Assets	609.68			-	-	609.68
Total	609.68	-	32,369.52	12,298.83	-	45,278.03
Financial Liabilities						
Trade Payables	-	-	-	-	-	-
Other financial liabilities	18.35	-	-	-	-	18.35
Total	18.35	-	-	-	-	18.35

Carrying value of the financial assets and financial liabilities designated at amortised cost approximates its fair value largely due to short-term nature of these instruments.

* Investment value excludes investment in Associates of ₹ 40,380.37 Lakhs (March 31, 2022: ₹ 30,871.56 lakhs) which are carried at cost as per Ind AS 27 "Separate Financial Statements".

24.2 Fair value hierarchy

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements)

Level 1:

Quoted prices in an active market: This level of hierarchy includes financial instruments that are measured by reference to quoted prices (unadjusted) in active markets for identical instruments.

Level 2:

Valuation techniques with observable inputs: This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3:

Valuation techniques with unobservable inputs: This level of hierarchy includes instruments measured using inputs that are not based on observable market data (unobservable inputs). Fair value is 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.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

24 Financial Instruments and Financial Risk Management (Contd..)

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, 2023

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in quoted equity instruments	21,738.12	-	-	21,738.12
Investments in unquoted equity instruments	-	-	219.86	219.86
Investments in quoted mutual funds	13,432.12	-	-	13,432.12
Investments in unquoted debentures/other funds	-	-	8,468.89	8,468.89
	35,170.24	-	8,688.75	43,858.99

As at March 31, 2022

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in quoted equity instruments	13,264.15	-	-	13,264.15
Investments in unquoted equity instruments	-	-	151.51	151.51
Investments in quoted mutual funds	20,886.95	-	-	20,886.95
Investments in unquoted debentures/other funds	-	-	10,365.74	10,365.74
	34,151.10	-	10,517.25	44,668.35

The following methods and assumptions were used to estimate the fair values:

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.

Quoted mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for mutual fund declared by mutual fund house.

Unquoted debentures/other funds: Fair value is determined by reference to quotes from fund houses/portfolio management services companies.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

24 Financial Instruments and Financial Risk Management (Contd..)

Reconciliation of Level 3 fair value measurements is given below:

Particulars	Unquoted equity instruments	Unquoted debentures/ other funds	Total
As at March 31, 2021	1.55	9,978.49	9,980.04
Additions during the year	149.96	593.21	743.17
Sales during the year	-	(893.54)	(893.54)
Gain/(loss) recognised in profit and loss on fair value changes	-	687.58	687.58
As at March 31, 2022	151.51	10,365.74	10,517.25
Additions during the year	-	-	-
Sales during the year	-	(777.65)	(777.65)
Gain/(loss) recognised in profit and loss on fair value changes	68.35	(1,119.20)	(1,050.85)
As at March 31, 2023	219.86	8,468.89	8,688.75

24.3 Financial Risk Management

This note explains the risk which company is exposed to and policies and framework adopted by the company to manage these risks.

The Company's activities expose it mainly to the market risk, credit risk and liquidity risk.

The monitoring and management of such risks is undertaken by the senior management of the Company. There are appropriate policies and procedures in place through which such financial risks are identified, measured and managed by the Company. The Audit Committee and the Board are regularly apprised of these risks and measures used to mitigation these risks.

a. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of adverse changes in market rates and prices such as currency risk, interest rate risk, other price risk etc.

(i) Currency Risk

Currently company does not have transaction in foreign currencies and hence the company is not exposed to currency risk

(ii) Interest rate risk

Since the Company does not have any significant financial assets or financial liabilities bearing floating interest rates, any change in interest rates would not have any significant impact on the financial statements of the Company.

(iii) Price Risk

The company is exposed to price risk arising from investments held by the company and classified in the balance sheet either as at fair value through profit or loss or at fair value through other comprehensive income. To manage its price risk arising from investments, the company diversifies its portfolio in equity, debt, money market and other instruments (including through funds). The Company also has strategic asset allocation benchmarks and risk limits.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

24 Financial Instruments and Financial Risk Management (Contd..)

Sensitivity analysis

The table below summaries the impact of increase/decrease in the prices of investments held at the end of the year on the company's profit and other comprehensive income for the year. The analysis is based on the assumption that prices of investments are increased or decreased by 5% with all other variables held constant:

- (i) In respect of investments measured at fair value through profit of loss, profit for the year ended March 31, 2023 would have been increased/decreased by ₹ 1140.51 Lakhs (March 31, 2022 by ₹ 1618.48 Lakhs) as a result of the changes in prices of investments.
- (ii) In respect of investments measured at fair value through other comprehensive income, other comprehensive income for the year ended March 31, 2023 would have been increased/decreased by ₹ 1,052.44 Lakhs (March 31, 2022: 614.94 Lakhs) as a result of the changes in prices of investments.

b. Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counter-party fails to meet its contractual obligations.

Financial instruments that are subject to concentrations of credit risk principally consist of receivables, cash and cash equivalents, bank deposits, investments in debentures, mutual funds & other funds and other financial assets.

The maximum exposure to credit risk was ₹ 23009.47 Lakhs and ₹ 32366.57 Lakhs, as at March 31, 2023 and March 31, 2022 respectively, being the total carrying value of trade receivables, cash and cash equivalents, balances with bank, investments (excluding equity investments) and other financial assets.

Credit risk with respect to receivables is limited, since the receivables amount is immaterial. To manage the credit risk, the credit worthiness of the receivables is evaluated on an ongoing basis and investment is made only after considering counterparty risks based on multiple criteria including Tier I capital, Capital Adequacy Ratio, Credit Rating, Profitability, NPA levels and deposit base of banks and financial institutions etc. These risks are monitored regularly as per its risk management program.

As at the end of the reporting period, all the investments have been fair valued and receivables, bank balances and other financial assets are considered to be good.

c. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they become due.

The Company has no borrowings. Further, other financial liabilities of the Company are negligible amounting to ₹ 13.46 Lakhs and ₹ 18.35 Lakhs as at March 31, 2023 and March 31, 2022 respectively.

The Company's principal sources of liquidity are cash and cash equivalents and cash flows that are generated from operations. Additionally, the Company has invested its surplus funds in such instruments ensuring availability of liquidity as and when required.

Hence, the Company carries a negligible liquidity risk.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

25 Employee Benefits

25.1 Defined Contribution plans

The Company has not incurred any expense on account of defined contribution plans during the year ended March 31, 2023 and March 31, 2022.

25.2 Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees in terms of the provisions of the Payment of Gratuity Act, 1972. This defined benefit plan of gratuity is administered by a separate trust that is legally separate from the entity. The Company makes annual contributions to the trust and trust is responsible for investments with regard to the assets of the trust. The Company accounts for the liability for gratuity benefits payable in the future based on actuarial valuation using projected unit credit method. Each year, the Company review the level of funding. Such a review includes the asset-liability matching strategy and assessment of the investment risk. The Company decides its contribution based on the results of this annual review.

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

The actual return on plan assets below the expected return will create plan deficit.

Salary Risk

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Interest Risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability.

Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

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

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.36%	7.18%
Salary increase	6.00%	6.00%
Expected average remaining working life	1.00	25.66
Mortality Rates	100% of IALM (2012-14)	100% of IALM (2012-14)
Method used	Project unit credit method	Project unit credit method

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

25 Employee Benefits (Contd..)

Amounts recognised in statement of profit and loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Service cost	1.25	0.31
Net interest cost	0.04	0.11
	1.29	0.42

The current service cost, past service cost and the net interest expenses for the year are included in Note 21 “Employee Benefits Expenses” under the head “Salaries and Wages”.

Amounts recognised in Other Comprehensive Income:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial gain/(losses) arising from changes in financial assumptions	0.02	0.15
Actuarial gain/(losses) arising from changes in experience adjustments	(3.97)	(0.20)
Actuarial gain/(losses) arising from changes in Demographic Assumption	-	-
Actuarial gain/(losses) arising on Asset	(0.17)	(0.04)
	(4.12)	(0.09)

Amount recognized in Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded defined benefit obligation (a)	8.44	3.01
Fair Value of Plan Assets (b)	3.03	2.50
Net assets / (liability) (b-a)	(5.41)	(0.51)

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Defined benefit obligation as at the beginning of the year	3.01	2.53
Current Service Cost	1.25	0.31
Interest Cost	0.22	0.18
Actuarial (gain)/losses arising from changes in experience adjustments	3.96	0.05
Benefits Paid	-	(0.06)
Defined benefit obligation as at the end of the year	8.44	3.01

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

25 Employee Benefits (Contd..)

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fair value of plan assets as at the beginning of the year	2.50	0.94
Interest Income	0.02	0.03
Employer contribution	0.51	1.59
Benefits paid	-	(0.06)
Fair value of plan assets as at the end of the year	3.03	2.50

Plan assets comprises of mutual fund, Government of India securities and bank balances. The average duration of the defined benefit obligation is 6.30 years (2022: 13.86 years). The Company expects to make a contribution of ₹ 0.37 (March 31, 2022: ₹ 0.42 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. There is no change from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

Particulars	As at March 31, 2023	As at March 31, 2022
(i). Impact of the change in discount rate		
Impact due to increase of 0.50%	(0.05)	(0.18)
Impact due to decrease of 0.50%	0.05	0.19
(ii) Impact of the change in salary increase		
Impact due to increase of 0.50%	0.06	0.19
Impact due to decrease of 0.50%	(0.05)	(0.18)

Maturity Profile of Defined Benefit Obligation

Year	As at March 31, 2023	As at March 31, 2022
a) 0 to 1 Year	7.62	0.18
b) 1 to 5 Years	0.16	0.53
c) More than 5 years	0.66	2.30

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

25 Employee Benefits (Contd..)

25.3 Other long term employee benefits-Compensated absences

Amount recognized in Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Liability at the end of year	0.11	1.04

The amounts recognized in Statement of Profit and Loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total Service Cost	0.01	0.11
Net Interest Cost	0.07	0.09
Net actuarial (gain) / loss recognized in the period	(0.28)	(0.47)
Expense/(Income) recognized in the statement of profit and loss #	(0.19)	(0.28)

The expense recognized in the statement of profit and loss during the year have been included in Note 21 "Employee Benefits Expenses" under the head "Salaries and Wages". Further, the income recognized in the statement of profit and loss during the year have been included in Note 20 "Other Income" under the head "Provision no longer required written back".

26 Related Party Transactions

(i) Description of related parties

Nature of relationship	Name of related party
Key management personnel (KMP)	Mr. S.P. Oswal (Chairman and Managing Director)
	Mrs. Poorva Bhatia (Chief Financial Officer) (upto 21.12.2022)
	Ms. Swati Mangla (Company Secretary)
	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) (upto 28.09.2021)
	Mr. Jagdish Rai Singal (Independent Director) (upto 30.09.2022)
	Mr. Rajeev Kumar Mittal (Independent Director)
	Mr. Sanjeev Jain (Independent Director)
	Mr. Sat Pal Kanwar (Independent Director) (upto 30.09.2022)

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

26 Related Party Transactions (Contd..)

Nature of relationship	Name of related party	
Associates	Mr. Om Parkash Sharma (Independent Director) (upto 30.09.2022)	
	Mrs. Apinder Sodhi (Independent Director) (upto 30.09.2022)	
	Mr. Devendra Bhushan Jain (Independent Director) (w.e.f. 29.09.2022)	
	Mr. Manjul Pahwa (Independent Director) (w.e.f. 29.09.2022)	
	Dr. Pooja Mehta (Independent Director) (w.e.f. 29.09.2022)	
	Vardhman Textiles Limited	
	Vardhman Spinning and General Mills Limited	
	Enterprises over which KMP have significant influence:	Vardhman Acrylics Limited
	Post Employment Benefit Plans Trust	VSGM Gratuity Fund Trust

(ii) Transactions with related parties

Nature of Transaction	Nature of relationship	For the year ended March 31, 2023	For the year ended March 31, 2022
Receipt against licence agreement (including indirect taxes)	Associates	174.19	177.75
	Enterprises over which KMP have significant influence	14.75	14.75
Rent Received (including indirect taxes)	Associates	2.12	2.12
Managerial Remuneration			
- Short term employee benefits	Key Managerial Personnel	120.64	81.69
- Post employment benefits (including amount recognized in OCI)	Key Managerial Personnel	8.00	0.23
- Other long term employee benefits	Key Managerial Personnel	(0.19)	(0.28)
Directors' sitting fee	Key Managerial Personnel	3.98	4.78
Dividend received	Associates	-	8,188.75
	Enterprises over which KMP have significant influence	182.66	183.44
Contribution during the year	Post Employment Benefit Plans Trust	0.51	1.59
Dividend Paid	Key Managerial Personnel	5.40	5.40

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

26 Related Party Transactions (Contd..)

(iii) Outstanding balances

Nature of Outstanding balance	Nature of relationship	As at March 31, 2023	As at March 31, 2022
Receivables			
Other Receivables (included in note no. 5)	Associates	176.31	179.87
	Enterprises over which KMP have significant influence	14.75	14.75
Payables			
Directors' sitting fee (Included in Note no 12)	Key Managerial Personnel	0.14	-
Managerial Remuneration (Included in Note no 12)	Key Managerial Personnel	2.25	10.25

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

There have been no guarantees provided or received for any related party. For the year ended 31st March, 2023, the Company has not recorded any impairment in respect of any bad or doubtful debts due from related parties (March 31, 2022: Nil).

27 Contingent Liabilities and Commitments

(i) Contingent Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Contingent Liabilities		
Related to Income-tax matters	338.98	319.75
(ii) Commitments		
	Nil	Nil

28 Segment Information

The Company is primarily in the Investment business. The Chairman and Managing Director of the Company, which has been identified as being the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is only one reportable segment for the Company.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

29 Earnings Per Share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Basic earnings per share (Amount in ₹)	21.62	261.18
Profit attributable to the equity holders of the Company used in calculating basic earning per share (a)	690.12	8,335.66
Weighted average number of equity shares for the purpose of basic earning per share (numbers) (b)	31,91,536	31,91,536
Dilutive Earning per share (Amount in ₹)	21.62	261.18
Profit attributable to the equity holders of the Company used in calculating dilutive earning per share	690.12	8,335.66
Weighted average number of equity shares for the purpose of dilutive earning per share (numbers)	31,91,536	31,91,536

30 Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Amount remaining unpaid to suppliers as at the end of year		
- Principal amount	-	-
- Interest due thereon	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note: The amounts have been determined to the extent micro and small enterprises have been identified on the basis of information available with the company.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

31 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The detail of expenditure incurred on CSR activities by the Company is as below:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Amount required to be spent by the company during the year	55.07	55.88
b. Amount of expenditure incurred:		
(i) Construction / acquisition of any asset	-	-
(ii) on purposes other than construction / acquisition of any asset *	108.09	60.34
c. Shortfall at the end of the year	-	-
d. Total of previous years shortfall	-	-
e. Reason fo shortfall	Not applicable	Not applicable
f. Nature of CSR activities	Promoting Education, Promoting Healthcare including Preventive Healthcare, Rural Development, Promotion of Art & Culture ,Measures for the benefit of armed forces veterans, Promotion of Nationally Recognized Sports.	
g. details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
h. where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	Not applicable	Not applicable

* The excess amount spent is on account of expense incurred by the Company in respect of the unspent CSR amount prior to financial year 2021-22 which is not mandatorily required to be spent by the company as per Frequently Asked Questions on Corporate Social Responsibility issued by Ministry of Corporate Affairs vide Circular No. 14 /2021 dated 25th August, 2021. Accordingly, the said excess amount has not been carried forward.

32 Details of loans given, investments made and guarantee given covered u/s 186(4) of the Companies Act, 2013

The Company, being an NBFC registered with the RBI and engaged in the business of investments in ordinary course of its business, is exempt from complying with the provisions of section 186 of the Act with respect to investments. Accordingly, the disclosures required under the said section in respect of investments made are not applicable. Further, the Company has not given any loan to any person during the year

33 Capital Management

For the purposes of the Company's capital management, capital includes equity share capital, securities premium and all other reserves attributable to the equity shareholders.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

33 Capital Management (Contd..)

The primary objective of the Company's Capital Management is to maximize the return to shareholders and also maintain an optimal capital structure to reduce cost of capital.

The Company's policy is to maintain a strong capital base so as to maintain investors', creditors' and market confidence and to sustain future development of the business.

In the absence of any debt, the maintenance of debt equity ratio etc. is having no relevance to the Company.

The Company is not subject to any externally imposed capital requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

34 Maturity pattern of assets and liabilities

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
(1) Financial Assets						
(a) Cash and Cash Equivalents	294.74	-	294.74	120.99	-	120.99
(b) Bank Balances other than (a) above	106.02	-	106.02	152.78	-	152.78
(c) Receivables						
(I) Trade Receivables	-	-	-	-	-	-
(II) Other Receivables	262.69	-	262.69	230.41	-	230.41
(d) Investments	5,854.29	78,385.07	84,239.36	20,886.95	54,652.96	75,539.92
(e) Other Financial assets	445.01	-	445.01	609.68	-	609.68
	6,962.75	78,385.07	85,347.82	22,000.81	54,652.96	76,653.78
(2) Non Financial Assets						
(a) Current tax assets (Net)	306.77	-	306.77	105.20	-	105.20
(b) Deferred tax assets (Net)	-	1,813.25	1,813.25	-	2,415.08	2,415.08
(c) Property, Plant and Equipment	-	320.18	320.18	-	320.90	320.90
(d) Other non-financial assets	11.88	-	11.88	9.95	-	9.95
	318.65	2,133.43	2,452.08	115.15	2,735.98	2,851.13
TOTAL ASSETS	7,281.40	80,518.50	87,799.90	22,115.96	57,388.95	79,504.91

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

34 Maturity pattern of assets and liabilities (Contd..)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES						
(1) Financial Liabilities						
(a) Payables						
(i) Trade Payables						
(ii) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
(b) Other financial liabilities	13.46	-	13.46	18.35	-	18.35
	13.46	-	13.46	18.35	-	18.35
(2) Non Financial Liabilities						
(a) Provisions	5.52	-	5.52	1.55	-	1.55
(b) Other non-financial liabilities	90.95	-	90.95	47.65	-	47.65
	96.47	-	96.47	49.20	-	49.20
TOTAL LIABILITIES	109.93	-	109.93	67.55	-	67.55

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended

35.1 Schedule of a non-deposit taking non-banking financial company

[as required in terms of Para 19 of Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended]

Liabilities side Particulars	Current Year		Previous Year	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:				
(a) Debentures				
Secured	-	-	-	-
Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-corporate loans and borrowing	-	-	-	-

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

Liabilities side	Current Year		Previous Year	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
Particulars				
(e) Commercial Paper	-	-	-	-
(f) Public Deposits*	-	-	-	-
(g) Other Loans (specify nature)	-	-	-	-
* Please see Note 1 below				
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-
* Please see Note 1 below				

Assets side	Amount outstanding	
	Current Year	Previous Year
Particulars		
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	-	-
(b) Unsecured	-	-
(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

Assets side	Amount outstanding	
Particulars	Current Year	Previous Year
(5) Break-up of Investments		
Current Investments		
1. Quoted		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds		
(iii) Units of mutual funds	5,854.29	20,886.95
(iv) Government Securities	-	-
(v) Others (please specify)		
2. Unquoted		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
Long Term investments		
1. Quoted		
(i) Share		
(a) Equity	62,115.99	44,133.20
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	7,577.83	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted		
(i) Shares		
(a) Equity	222.36	154.01
(b) Preference	-	-
(ii) Debentures and Bonds	257.86	266.88
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Alternate Investment Funds/Real Estate Funds/Venture Capital Funds/Other Funds	8,211.03	10,098.85

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

(6) Borrower group-wise classification of assets financed as in (3) and (4) above :

(Please see Note 2 below)

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

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

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

(Please see note 3 below)

Category	Current Year		Previous Year	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **				
(a) Subsidiaries				
(b) Companies in the same group	2,62,909.44	61,429.25	3,58,574.36	43,170.39
(c) Other related parties				
2. Other than related parties	22,810.11	22,810.11	32,369.53	32,369.53
Total	2,85,719.55	84,239.36	3,90,943.89	75,539.92

** As per Ind AS (Please see Note 3)

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

(8) Other information

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

Notes:

- As defined in point xxvii of paragraph 3 of Chapter -II of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
- All notified Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

35.2 Other Disclosures, being Non-Banking Financial Company

(as required in terms of Annex XVI of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended)

1 Capital

S. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Capital to risk-weighted assets ratio (CRAR) (%)	101.31	149.25
2	CRAR-Tier I Capital (%)	101.31	149.25
3	CRAR-Tier II Capital (%) *	NA	NA
4	Amount of subordinated debt raised as Tier-II capital	-	-
5	Amount raised by issue of Perpetual Debt Instruments	-	-

*Company has no Tier II Capital funds.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

2 Investments

S. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Value of Investments		
	Gross Value of Investments		
	(a) In India	84,239.36	75,539.92
	(b) Outside India	-	-
	Provisions for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-
	Net Value of Investments		
	(a) In India	84,239.36	75,539.92
	(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	-	-

3 Exposures

a. Exposure to Real Estate Sector

S. No	Particulars	As at March 31, 2023	As at March 31, 2022
	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 ₹ 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	-	-

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

S. No	Particulars	As at March 31, 2023	As at March 31, 2022
	(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	(a) Residential	-	-
	(b) Commercial real estate	-	-
	Total Exposure to Real Estate Sector		

b. Exposure to Capital Market

S. No	Particulars	As at March 31, 2023	As at March 31, 2022
(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;	78,977.23	68,440.38
(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)	5,262.13	7,099.54
	Total Exposure to Capital Market	84,239.36	75,539.92

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

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

S. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Provisions for depreciation on investment.	-	-
2	Provision towards NPA	-	-
3	Provision made towards income-tax	347.67	2,725.35
4	Other provision and contingencies	-	-
5	Provision for standard assets	-	-

5. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

As at March 31, 2023

Particulars	1 to 7 days	8 to 14 days	15 to 30 days	Over 1 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	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	-	-	-	-	-	-	-	-	-	-	-
Investments	197.95	-	-	-	-	5,656.34	-	9,377.99	7,577.83	61,429.25	84,239.36

As at March 31, 2022

Particulars	1 to 7 days	8 to 14 days	15 to 30 days	Over 1 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	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	-	-	-	-	-	-	-	-	-	-	-
Investments	173.87	-	-	-	-	20,713.08	-	11,482.57	-	43,170.39	75,539.92

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

6. Other disclosures

a) Registration obtained from other financial sector regulators

Apart from RBI, Company is also governed by SEBI and MCA.

b) Disclosure of penalties imposed by RBI and other regulators

No penalty has been imposed by RBI or other regulators during the year ended March 31, 2023 and March 31, 2022.

c) Ratings assigned by credit rating agencies and migration of ratings during the year

Not applicable

Note:

The below disclosures as required in terms of Annex XVI of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 are not applicable to the Company:

1. Derivatives
2. Details of financing of parent company products
3. Details of Single Borrower Limit (SBL) / Group Borrower Limite (GBL) exceeded by the NBFC
4. Unsecured advances
5. Concentration of deposits, advances, exposures and NPAs
6. Overseas assets (for those with joint ventures and subsidiaries abroad)
7. Off-balance sheet SPVs sponsored
8. Disclosure of customer complaints

36 Ratios:

Particulars	Numerator	Denominator	As at and Year ended March 31, 2023	As at and Year ended March 31, 2022	% Variance	Reason for variance (if above 25%)
(a) Capital to risk-weighted assets ratio (CRAR) (%)	Total capital fund (Tier I plus Tier II)	Risk weighted assets	101.31%	149.25%	-32.12%	
(b) Tier I CRAR (%)	Tier I Capital Fund	Risk weighted assets	101.31%	149.25%	-32.12%	
(c) Tier II CRAR (%)*	Tier I Capital Fund	Risk weighted assets	NA	NA	NA	
(d) Liquidity Coverage Ratio(times)	Current Asets	Current Liabilities	66.24	327.39	-79.77%	

*Company has no Tier II Capital funds.

Notes to Standalone Financial Statements

for the year ended March 31, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

37 Events after the Reporting Period

The Board of directors have recommended the payment of Final dividend of ₹ 5/- per equity share (previous year ₹ 5/- per equity share) which is subject to the approval of Shareholders in the Annual General meeting.

38 Following are the additional disclosures required as per Schedule III to the Companies Act, 2013

- a. No proceeding have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- b. The company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- c. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- d. There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- e. No funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- f. No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("funding party") with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly lend or invest in other persons or entities in any manner whatsoever by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g. During the financial year, the Company has not traded or invested in Crypto currency or Virtual Currency.

For and on behalf of the board of directors

Place : Ludhiana	Swati Mangla	Suchita Jain	S.P. Oswal
Dated : May 20, 2023	Company Secretary	Director	Chairman & Managing Director
	Membership No. 50475	DIN:00746471	DIN:00121737

Consolidated

Financial
Statements



Independent Auditors' Report

To the Members of
Vardhman Holdings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Vardhman Holdings Limited ('the Company'), and its associates, which comprise the consolidated Balance Sheet as at 31st March 2023, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity, the consolidated Statement of Cash flows for the year then ended and notes to consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the reports of other auditors as referred in the Other Matters paragraph, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the company and its associates as at 31st March 2023, and the consolidated Profit, consolidated total comprehensive income, the consolidated statement of changes in equity and the consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key Audit Matters are those matters that in our professional judgment were of most significance in our audit of the consolidated financial statements for the year ended 31st March, 2023. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

Key audit matter	Auditor's Response
<p>Existence and Valuation of investments</p> <p>The existence and valuation of investments is considered as a key audit matter since investments form the significant component of the balance sheet.</p>	<p>We performed the following procedures in relation to existence and valuation of investments:</p> <ul style="list-style-type: none"> • Obtained an understanding of the internal control structure and operating effectiveness of key controls surrounding valuation and existence of investments. • Tested the existence of the investments by obtaining and reconciling the direct confirmations of the holdings as at the end of the year. • Evaluated the methodologies, inputs, judgments made and assumptions used by management in determining fair values. • Assessed the appropriateness and adequacy of valuation of investments along with disclosures made in the financial statements in accordance with the applicable accounting standards.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report (but does not include the Standalone financial statements and our auditor's report thereon), which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the

preparation of the consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the company including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The Management and Board of Directors of the company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Company.

In preparing the consolidated financial statements, the respective management of the company and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless the management either intends to liquidate the company and of its associates or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the company and of its associates are also responsible for overseeing the financial reporting process of the company and its associates.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 and its associate companies which are incorporated in India, 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 the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities 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 our audit opinion.

We communicate with those charged with governance of the company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matter

- (i) The consolidated financial Statement includes Company's share of profit after tax of ₹ 22,153.14 Lakhs and company's share of other comprehensive income of ₹ 80.60 Lakhs for the year ended 31st March, 2023 in respect of two associates, whose financial statements have been audited by the other auditors whose reports have been furnished to us by the management.

Our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these associates and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information, in so far as it relates to the these associates, is solely based on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub section (11) of section 143 of the Act, we report that there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the associate companies included in the consolidated financial statements.
2. As required by Section 143(3) of the Act, based on our audit, we report, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of directors of the company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors of the company and its associate companies incorporated in India is disqualified as on 31st March 2023 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 its associates incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; which is based on the auditor's reports of the company and its associate companies incorporated in India.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and reports of the other auditors:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the company and its associates. Refer Note 27 to the consolidated financial statements.

- ii. The company and its associates did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate companies incorporated in India.
- iv. (i) The respective management of the Company and its associates incorporated in India have represented to their respective auditors that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its associates to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The respective management of the Company and its associates incorporated in India have represented to their respective auditors that, no funds have been received by the Company or its associates from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise,

that the Company or its associates shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- (v) The dividend declared and paid during the year by the Company or its associates is in compliance with Section 123 of the Act.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

For K C Khanna & Co.
Chartered Accountants
Firm Reg. No.000481N

(Abhishek Goel)

Partner

M No. 521575

Place: Ludhiana

Date : 20th May, 2023

UDIN: 23521575BGXAZP7530

Annexure – “A” to the Independent Auditors Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Vardhman Holdings Limited of even date)

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

We have audited the internal financial control over financial reporting of Vardhman Holdings Limited (“the Company”) and its associate companies incorporated in India as of 31st March 2023 in conjunction with our audit of consolidated financial statements of company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards

and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

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 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 financial statements in accordance with generally accepted

accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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.

Opinion

In our opinion, to the best of our information and according to the explanation given to us and based on the reports of other auditors as referred in other matters paragraph, the company and its associate companies incorporated in India, have, 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 2023, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to separate financial statements of two associate companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For K C Khanna & Co.
Chartered Accountants
Firm Reg. No.000481N

(Abhishek Goel)

Partner

M No. 521575

Place: Ludhiana

Date: 20th May, 2023

UDIN: 23521575BGXAZP7530

Consolidated Balance Sheet

as at 31st March, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	3	294.74	120.99
(b) Bank Balances other than (a) above	4	106.02	152.78
(c) Receivables			
(I) Trade Receivables		-	-
(II) Other Receivables	5	262.69	230.41
(d) Investments in associates accounted for using the equity method	6A	2,62,650.13	2,29,117.91
(e) Other Investments	6B	43,858.98	44,668.35
(f) Other Financial assets	7	445.01	609.68
		3,07,617.57	2,74,900.12
(2) Non Financial Assets			
(a) Current Tax assets (Net)	8	306.77	105.20
(b) Deferred Tax Asset (Net)	9	1,813.25	2,415.08
(c) Property, Plant and Equipment	10	320.18	320.90
(d) Other non-financial assets	11	11.88	9.95
		2,452.08	2,851.13
		3,10,069.65	2,77,751.25
TOTAL ASSETS			
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	13.46	18.35
		13.46	18.35
(2) Non Financial Liabilities			
(a) Provisions	13	5.52	1.55
(b) Other non-financial liabilities	14	90.95	47.65
		96.47	49.20
(3) EQUITY			
(a) Equity Share Capital	15	319.24	319.24
(b) Other Equity	16	3,09,640.48	2,77,364.46
		3,09,959.72	2,77,683.70
		3,10,069.65	2,77,751.25
TOTAL LIABILITIES AND EQUITY			

See accompanying notes to the financial statements

As per our report of even date attached

K C Khanna & Co.

Chartered Accountants

Firm Regn. No. 000481N

For and on behalf of the board of directors

Abhishek Goel

Partner

M. No. 521575

Swati Mangla

Company Secretary

Membership No. 50475

Suchita Jain

Director

DIN:00746471

S.P.Oswal

Chairman & Managing Director

DIN:00121737

PLACE : Ludhiana

DATED : May 20, 2023

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
(I) Revenue from operations			
(i) Interest Income	17	335.70	393.67
(ii) Dividend Income	18	192.98	263.68
(iii) Net gain on fair value changes	19	59.77	2,651.60
Total Revenue from operations		588.45	3,308.95
II Other income	20	188.17	185.46
III Total Income (I + II)		776.62	3,494.41
IV Expenses			
Employee benefits expense	21	124.52	81.83
Depreciation and amortization expenses	9	0.72	0.77
Other expenses	22	312.42	225.61
Total Expenses		437.66	308.21
V Profit before Share of profit of Associates, Exceptional Items and tax (III-IV)		338.96	3,186.21
VI Share of Profit of Associates		22,153.14	42,760.92
VII Profit before exceptional Items and Tax (V+VI)		22,492.10	45,947.12
VIII Exceptional Items		-	-
IX Profit before tax (VII-VIII)		22,492.10	45,947.12
X Tax expense :			
- Current Tax		347.67	2,725.35
- Deferred tax		(698.83)	313.95
XI Profit for the year (IX-X)		22,843.26	42,907.82
XII Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefits plans		(4.12)	(0.09)
- Gain/(loss) on Fair Valuation of Equity instruments carried at FVOCI		8,750.05	4,840.80
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1,023.86)	(484.53)
- Share of other comprehensive income from associates, to the extent not to be reclassified to profit and loss		80.60	-
(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 for the period		7,802.67	4,356.18
XII Total Comprehensive income for the year (XI+XII) (Comprising Profit and other Comprehensive Income for the year)		30,645.93	47,264.00
XIII Earnings per equity share			
[Earning per equity share having face value of ₹10/- each]			
Basic (Amount in ₹)		715.75	1,344.43
Diluted (Amount in ₹)		715.75	1,344.43

See accompanying notes to the financial statements

As per our report of even date attached

K C Khanna & Co.

Chartered Accountants

Firm Regn. No. 000481N

For and on behalf of the board of directors

Abhishek Goel

Partner

M. No. 521575

Swati Mangla

Company Secretary

Membership No. 50475

Suchita Jain

Director

DIN:00746471

S.P.Oswal

Chairman & Managing Director

DIN:00121737

PLACE : Ludhiana

DATED : May 20, 2023

Consolidated Cash Flow Statement

for the year ended 31st March, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended 31 st March, 2023		For the year ended 31 st March, 2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		22,492.10		45,947.12
Adjustments for non-cash and non-operating transactions:				
Income from associates	(22,153.14)		(42,760.92)	
Depreciation and amortization expense	0.72		0.77	
(Profit)/Loss on sale/fair valuation of Investments	(59.77)		(2,651.59)	
		(22,212.19)		(45,411.74)
Operating profit before working capital changes		279.91		535.38
Adjustments for :				
(Increase)/Decrease in financial assets	132.39		1,081.93	
(Increase)/Decrease in non financial assets	(1.93)		14.78	
Increase/(Decrease) in financial liabilities	(4.89)		62.92	
Increase/(Decrease) in non financial liabilities	(4.58)		(20.54)	
		120.99		1,139.09
Cash Generation from Operations		400.90		1,674.47
Taxes Paid		(272.44)		(2,173.74)
Net Cash flow from / (used in) Operating activities (A)		128.46		(499.27)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Investments in Associates	(9,506.72)		(70.86)	
Purchase of Investments (other than associate)	(23,768.04)		(18,525.04)	
Sale of Investments	33,385.14		11,738.56	
Advance received against sale of land	47.64		-	
(Increase)/Decrease in Bank Balances not considered as cash and cash equivalents	46.76		(1.64)	
		204.78		(6,858.98)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividend Paid	(159.49)		(159.58)	
Net Cash flow from / (used in) Financing Activities (C)		(159.49)		(159.58)
Net Increase in cash & cash equivalents (A+B+C)		173.75		(7,517.83)
Cash & cash equivalents as at the beginning of the year		120.99		7,638.83
Cash & cash equivalents as at the end of the year		294.74		120.99
Refer note 3 for components of Cash and cash equivalents				

See accompanying notes to the financial statements

As per our report of even date attached

K C Khanna & Co.

Chartered Accountants

Firm Regn. No. 000481N

For and on behalf of the board of directors

Abhishek Goel

Partner

M. No. 521575

Swati Mangla

Company Secretary

Membership No. 50475

Suchita Jain

Director

DIN:00746471

S.P.Oswal

Chairman & Managing Director

DIN:00121737

PLACE : Ludhiana

DATED : May 20, 2023

Consolidated Statement of Changes in Equity

for the period ended 31st March, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

A Equity Share Capital

Particulars	Amount
Baqlance as at 1 st April 2021	319.24
Changes in Equity Share Capital during the year	-
Baqlance as at 31st March 2022	319.24
Changes in Equity Share Capital during the year	-
Baqlance as at 31st March 2023	319.24

B Other Equity

Financial year ended March 31, 2023

Particulars	OTHER EQUITY						Total	
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General reserve	Statutory Reserve (u/s 45-IC of RBI Act, 1934)	Retained Earnings		Items of other comprehensive income Equity instruments through other comprehensive income
Balance as of April 1, 2022	0.11	70.00	781.28	9,659.72	11,796.56	2,44,933.04	10,123.75	2,77,364.46
Transfer to statutory Reserve u/s 45-IC of RBI Act, 1934	-	-	-	-	138.02	(138.02)	-	-
Profit for the year (including share of associates)	-	-	-	-	-	22,843.26	-	22,843.26
Other Comprehensive Income for the year (including share of associates)	-	-	-	-	-	66.97	7,735.70	7,802.67
Final Dividend @ ₹ 5/- per equity share for financial year ended March 31, 2022	-	-	-	-	-	(159.58)	-	(159.58)
Impact of adjustment in other equity of associates	-	-	-	-	-	1,789.68	-	1,789.68
Balance as of 31 March 2023	0.11	70.00	781.28	9,659.72	11,934.58	2,69,335.36	17,859.44	3,09,640.48

Consolidated Statement of Changes in Equity

for the period ended 31st March, 2023 (All amounts in ₹ Lakhs, unless otherwise stated)

B Other Equity (Contd..)

Financial year ended March 31, 2022

Particulars	OTHER EQUITY						Total	
	Reserves & Surplus			Retained Earnings	Items of other comprehensive income	Equity instruments through other comprehensive income		
	Capital Reserve	Capital Redemption Reserve	Securities Premium					General reserve
Balance as of 1 April 2021	0.11	70.00	781.28	9,659.72	10,129.43	2,03,852.03	5,767.48	2,30,260.04
Transfer to statutory Reserve u/s 45-IC of RBI Act, 1934	-	-	-	-	1,667.13	(1,667.13)	-	-
Profit for the year	-	-	-	-	-	42,907.82	-	42,907.82
Other Comprehensive Income for the year	-	-	-	-	-	(0.09)	4,356.27	4,356.18
Final Dividend @ ₹ 5/- per equity share for financial year ended March 31, 2021	-	-	-	-	-	(159.58)	-	(159.58)
Balance as of 31 March 2022	0.11	70.00	781.28	9,659.72	11,796.56	2,44,933.04	10,123.75	2,77,364.46

See accompanying notes to the standalone financial statements

As per our report of even date attached

K C Khanna & Co.

Chartered Accountants

Firm Regn. No. 000481N

For and on behalf of the board of directors

Abhishek Goel

Partner

M. No. 521575

Swati Mangla

Company Secretary

Membership No. 50475

Suchita Jain

Director

DIN:00746471

S.P.Oswal

Chairman & Managing Director

DIN:00121737

PLACE : Ludhiana

DATED : May 20, 2023

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

1 CORPORATE 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 incorporated and domiciled in India. The company is principally engaged in lending and investing activities. The Registered Office of the company is located at Chandigarh Road, Ludhiana (Punjab). The Company is listed on two stock exchanges i.e. at National Stock Exchange and at Bombay Stock Exchange.

The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors dated May 20, 2023.

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 measurement

- (i) The consolidated financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as required under Ind AS.

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.

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

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

- (ii) Accounting policies have been consistently applied except where in newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- (iii) The functional and presentation currency of the Company is Indian rupees (₹) and all values are rounded to the nearest lakhs and two decimals thereof, except if otherwise stated.

2.3 Basis of consolidation

The consolidated financial statements relate to the Company and its associates. An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The consolidated financial statements have been prepared on the following basis:-

- a. Interest in associates is consolidated using equity method as per IND AS 28 - 'Investment in Associates and Joint Ventures'. Under the equity method, an investment in an associate is initially recognized in the consolidated financial statements at cost and adjusted thereafter to recognize Company's share of profit or loss and other comprehensive income of the associate. Distributions

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

received from an associate reduce the carrying amount of the investment

- b. When there has been a change recognized directly in the equity of the associate, the Company recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of interest in the associate.
- c. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's standalone financial statements.

The aggregate of Company's share of profit or loss and other comprehensive income of the associates is shown on the face of the Statement of Profit and Loss.

2.4 SIGNIFICANT ACCOUNTING POLICIES

2.4.1 Revenue recognition

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is recognised using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses

Dividend income

Dividend income from investments measured at fair value through profit or loss as well as measured at fair value through other comprehensive income is recognized in the statement of profit and loss, when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow

to the Company and amount of dividend can be measured reliably.

Gain/Loss on sale of investments

Gain/loss on sale of investments is recognised on settlement date basis. Gain/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 proceeds is charged or credited to the Statement of Profit and Loss.

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.

Rent and Other income

Rent and Other income is recognized on accrual basis when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

2.4.2 Employee benefits

(a) Retirement and termination benefits

Defined Benefit Plans:

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment, based on the respective employee's salary and the tenure of employment with the Company in terms of the provisions of the Payment of Gratuity Act, 1972.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The company contributes ascertained liabilities to the a separate trust established by the Company. Trustees administer contributions made to the trust and the contributions are invested in the schemes as permitted by Law.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

Remeasurements comprising of actuarial gains and losses, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability/asset) are recognized in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods and are reflected immediately in retained earnings.

(b) Short-term and other long-term employee benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, annual leaves etc., are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the employee renders the related service

Other long-term employee benefits- Compensated absences entitlements

Compensated absences entitlements, which are not expected to occur within twelve months after the end of the period in which the employee renders the related service, are recognised at the present value of the obligation based on actuarial valuation as on the reporting date, performed by an independent actuary using projected unit credit method. The service cost, interest cost and re-measurement gains and losses are recognised in the statement of profit and loss.

2.4.3 Income taxes

Income tax expense comprises the current tax and deferred tax.

Current tax

The current tax is based on taxable profit for the year. Taxable profit differs from profit 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.

Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to income tax refund is included in other income.

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

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.

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 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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

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.

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.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.4.4 Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation and accumulated impairment losses, if any.

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

- a. its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates
- b. any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use and
- c. the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs

either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

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.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or retirement of the assets or when no future economic benefits are expected from its use. 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.

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

2.4.5 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of Property plant and equipment and other non-financial 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). For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

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 the statement of profit and 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 the statement of profit and loss.

2.4.6 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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.

2.4.7 Leases

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

For operating leases, rental income is recognized in the statement of profit and loss on a straight line basis or another systematic basis over the term of the relevant lease. The respective leased assets are presented in the balance sheet based on their nature.

2.4.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Initial recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except for trade receivable which is initially measured at transaction price. 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.

(ii) Subsequent measurement

(A) Financial assets

(a) Financial assets measured at amortized cost

Financial instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

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.

The carrying amounts of financial assets that are subsequently measured at amortised cost are determined based on the effective interest method less any impairment losses.

Interest income for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

(b) Financial assets measured at fair value through other comprehensive income

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 for such instruments is recognised in profit or loss using the effective interest rate (EIR) method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

Fair value changes on such assets are recognised in the other comprehensive income (OCI) until the financial asset is derecognised. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss.

(c) Financial assets measured at fair value through profit or loss (FVTPL)

All other financial assets are subsequently measured at fair value through profit or loss, 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.

Dividend income from such instruments is recognized in the statement of profit and loss, when the right to receive the payment is established.

Fair value changes on such assets are recognised in the statement of profit and loss. Any gain or loss arising on de-recognition of such assets is recognised in the statement of profit and loss in the period in which it arises.

(d) Investments in equity instruments measured at fair value through other comprehensive income (FVTOCI)

This includes the investment in equity instruments not held for trading where the Company, on initial recognition, has made an irrevocable election to present the

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

subsequent changes in fair value in other comprehensive income pertaining to such investments in equity instruments.

Dividend income from such instruments is recognized in the statement of profit and loss, when the right to receive the payment is established.

Fair value changes on such investments are recognised in the other comprehensive income (OCI) and are never reclassified to Statement of Profit and Loss.

(e) Investment in associates

Interest in associates are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments. The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

Dividend income from such instruments is recognized in the statement of profit and loss, when the right to receive the payment is established.

B. Financial liabilities

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

(a) 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.

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for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

(b) Financial liabilities 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.

C. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received. Incremental costs directly attributable to the issuance of equity instruments and buy back of equity instruments are recognized as a deduction from equity, net of any tax effects.

(iii) 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.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

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.

(iv) De-recognition of financial instruments

(a) Derecognition of financial assets

The Company derecognises a financial asset (or, a part of a financial asset) when:

- (i) The contractual right to the cash flows from the financial asset expires, or
- (ii) The company transfers its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received/receivable is recognised in the profit or loss.

(b) 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.

On derecognition of a financial liability, the difference between the carrying amount of the financial liability derecognised and the consideration paid/payable is recognised in profit or loss.

(v) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

(vi) Write off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

2.4.9 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.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.4.10 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, unrestricted balances with banks and short-term investments with the original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

2.4.11 Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the company's Board of Directors.

2.4.12 Statement of Cash flows

The statement of cash flows is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Company accounting policies, the management of the Company is required to make judgements, estimates and assumptions that affect the reported amount of income, expenses, assets and liabilities and disclosure of contingent liabilities. 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. The effect of 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 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 standalone financial statements:

(a) 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.

(b) Useful lives of depreciable tangible assets

The estimated useful lives of property plant and equipment and intangible assets are based on a number of factors including the effects of obsolescence, internal assessment of user experience and other economic factors (such as the known technological advancements, commercial obsolescence of the asset etc.). The useful life of property plant and equipment and intangible assets is reviewed on an ongoing basis.

(c) Fair Value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the company uses market-observable data to the extent is available.

(d) Provisions/ Contingent Liabilities

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. Significant judgement is required for estimating the possible outflow of resources, if any, in respect of claims/litigations against the Company which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount etc.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

2.6 Applicability of new and revised IND AS

Recent pronouncements Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

-Ind AS 1 – Presentation of Financial Statements:

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

-Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors:

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

-Ind AS 12 – Income Taxes:

The amendments narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its standalone financial statements.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

3 Cash and Cash Equivalents

Particulars	As at 31 st March 2023	As at 31 st March 2022
Cash and cash equivalents		
a) Cash on hand	0.05	0.03
b) Balances with banks		
- In current accounts	294.69	120.96
	294.74	120.99

4 Bank Balances other than Cash and Cash Equivalents

Particulars	As at 31 st March 2023	As at 31 st March 2022
Other Bank Balances		
- Unpaid dividend accounts	9.87	9.78
- Others	96.15	143.00
	106.02	152.78

5 Receivables - Other Receivables

Particulars	As at 31 st March 2023	As at 31 st March 2022
Receivables considered good - Unsecured	262.69	230.41
	262.69	230.41

There is no amount due from directors or other Officer of the company or any of them either severally or jointly with any other person or the firm (including limited liability partnership) or private company respectively in which any director is a partner or a director or a member.

The above receivables are not due as at March 31, 2023 and March 31, 2022

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

6A Investments in associates accounted for using the equity method

Particulars	As at 31 st March 2023	As at 31 st March 2022
Investment in equity instruments of Associates		
a. (Quoted)		
8,23,34,659 (31 March 2022: 7,95,02,475) Equity Shares of ₹ 2/- each fully paid up of Vardhman Textiles Limited	40,377.87	30,869.06
Add: Share of Profit and other comprehensive income from associate during the year	22,233.84	42,760.90
Add: Accumulated income from associate	1,98,240.91	1,63,668.77
Add/(less): Impact of adjustment in other equity of associate	1,789.68	-
Less: Dividend received during the year from associate	-	(8,188.75)
	2,62,642.30	2,29,109.98
b. (Unquoted)		
25,000 (31 March 2022: 25,000) Equity Shares of ₹ 10/- each fully paid up of Vardhman Spinning & General Mills Limited	2.50	2.50
Add: Share of Profit and other comprehensive income from associate during the year	(0.10)	0.02
Add: Accumulated income from associate	5.43	5.41
Less: Dividend received during the year from associate	-	-
	7.83	7.93
	2,62,650.13	2,29,117.91

Notes:

Particulars	As at 31 st March 2023	As at 31 st March 2022
1. Aggregate amount of quoted investments (Gross)	2,62,642.30	2,29,109.98
2. Aggregate amount of unquoted investments (Gross)	7.83	7.93
3. Market value of quoted investments	2,41,858.06	3,46,273.03

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

6B Other Investments

Particulars	As at 31 st March 2023	As at 31 st March 2022
Financial assets designated to be measured at fair value through other comprehensive income		
a. Investment in equity instruments (Quoted)		
733,762 (31 March 2022: 733,762) Equity Shares of ₹ 10/- each fully paid up of Vardhman Acrylics Limited	319.19	394.40
5,218,954 (31 March 2022: 5,218,954) Equity Shares of ₹ 10/- each fully paid up of Vardhman Special Steels Limited	20,729.69	11,904.43
Financial assets measured at fair value through profit and loss		
a Investment in equity/preference instruments (quoted)		
112 (31 March 2022: 112) Equity shares of ₹ 10/- each fully paid-up of Garware Nylon Ltd.	-	-
1,150 (31 March 2022: 1,150) Equity shares of ₹ 1/- each fully paid-up of Hindustan Unilever Ltd.	29.44	23.56
50 (31 March 2022: 50) Equity shares of ₹ 10/- each fully paid-up of Vinod Paper Mills Limited	-	-
1,036,605 (31 March 2022: 1,036,605) Equity Shares of ₹ 1 each of Welspun India Limited	659.80	941.76
8,000 (31 March 2022: 8,000) Preference shares of ₹ 10,000/- each fully paid-up of Infrastructure Leasing & Financial Services Limited#	-	-
Investment in Equity instruments (Unquoted)		
19,280 (31 March 2022 : 19,280) Equity shares face value of ₹ 2 per share of One Mobikwik Systems Limited	218.31	149.96
* 7,870 (31 March 2022: 7,870) Equity Shares of ₹ 10/- each fully paid up of Ambojini Property Developers Private Limited	1.55	1.55
Investment in Debentures (Unquoted)		
* 72,261 (31 March 2022: 72,261) 10% Convertible Debentures of ₹ 100 each of Ambojini Property Developers Private Limited	142.16	142.16
* 80 (31 March 2022: 80) Units of ₹ 100,000/- each of Sutlej Housing Pvt. Ltd.	60.00	60.00
* 68 (31 March 2022: 68) Units of ₹ 100,000/- each of ASP Infraprojects Pvt. Ltd.	0.68	9.70
* 35 (31 March 2022: 35) Units of ₹ 100,000/- each of Midcity Infrastructure Pvt. Ltd.	26.25	26.25
* 62 (31 March 2022: 62) Units of ₹ 100,000/- each of Gulam Mustafa Enterprises Pvt. Ltd.	28.77	28.77
b Investment in mutual funds (quoted)		
5,618.16 (31 March 2022: 5,216.58) Units of ₹ 10,000/- each of SBI Liquid Fund Direct Plan Growth	197.95	173.87
NIL (31 March 2022: 15,000,000) Units of ₹ 10/- each of SBI Debt Fund Series C-38(1224 Days)Direct Growth	-	1,902.47
11,680,649.389 units (31 March 2022: 31,571,195.768) of Kotak Equity arbitrage fund of ₹ 1000 each	3,918.66	9,998.28
5,459,346.763 units (31 March 2022: 849,942.274) Units of ₹ 10/- each of SBI Arbitrage Opportunities Direct Plan-Growth	1,649.80	242.49
48,003,898.23 (31 March 2022 : Nil) Units of ₹ 10 each of SBI CPSE BP SDL SEP 2026 50:50 Index - Direct - Growth	4,999.75	-

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for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

6B Other Investments (Contd..)

Particulars	As at 31 st March 2023	As at 31 st March 2022
23,288,229.598 (31 March 2022 : NIL) units of ₹ 10 each of Edelweiss Nifty PSU Bond Plus SDL Apr 2026 50:50 Index Fund - Direct Plan Growth	2,578.08	-
512,801.52 (31 March 2022 : 5,289,010.468) units of ₹10/- each L&T arbitrage opportunities fund direct growth	87.88	8,569.85
Investment in Alternate Investment Funds/Real Estate Funds/Venture Capital Funds/Other Funds (Unquoted)		
2,497,762 (31 March 2022: 5,827,545) Units of ₹100,000/- each of Zodiac Technology Fund	225.73	378.96
255,083.93 (31 March 2022: 2,70,531.60) Units of ₹ 100/- each of IVY Cap Venture Fund-II	501.32	523.39
NIL (31 March 2022: 133.57) Units of ₹100,000/- each of India Venture Trust fund -I	-	33.95
3,905,499.21 (31 March 2022: 3,905,499.21) Units of ₹ 10/- each of IIFL Seed Venture Fund 1	717.05	1,339.88
424,431(31 March 2022: 459,391) Units of ₹ 100/- each of ICICI Prudential Real Estate fund AIF-I	311.66	514.70
18,547,493 (31 March 2022: 18,547,493) Units of ₹ 10/- each of IIFL Real Estate Fund Domestic Series-2	448.80	677.00
* 2,411.97 (31 March 2022: 2,667.21) Units of ₹ 100,000/- each of ASK Real Estate Fund	3,283.31	4,010.62
432.5 (March 31, 2022: 432.5) units of ₹ 100,000/- each of INVESTEC Emerging India Credit Opportunities fund	435.64	432.50
947.058 (31 March 2022: 988.673) Units of ₹100,000/- each of Baring Private Equity India AIF	2,287.51	2,187.85
	43,858.98	44,668.35

Notes:

Particulars	As at 31 st March 2023	As at 31 st March 2022
1. Aggregate amount of quoted investments (Gross)	35,170.24	34,151.10
2. Aggregate amount of unquoted investments (Gross)	8,688.73	10,517.25
3. Market value of quoted investments	35,170.24	34,151.10

* Investments are purchased through Portfolio Management Services

Investment in preference shares of IL&FS group companies aggregating to ₹ 539 Lakhs. In view of the uncertainty prevailing with respect to recovery of the investment value from the IL&FS group, the Management has measured such investments at ₹ NIL (March 31, 2022 ₹ NIL) and recorded such adjustment as FVTPL.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

6B Other Investments (Contd..)

Classification of Investments (other than investments in associates accounted for using the equity method)

As at March 31, 2023

Investments	Amortised Cost	At Fair Value					Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through Other Comprehensive Income	Designated at fair value through profit or loss	Sub-total	
		(1)	(2)	(3)	(4)	(5)	
Equity instruments	-	-	909.10	21,048.88	-	21,957.98	21,957.98
Preference instruments	-	-	-	-	-	-	-
Mutual Funds	-	-	13,432.12	-	-	13,432.12	13,432.12
Debentures	-	-	257.86	-	-	257.86	257.86
Alternate Investment Funds/ Real Estate Funds/Venture Capital Funds/Other Funds	-	-	8,211.03	-	-	8,211.03	8,211.03
Total-Gross (A)	-	-	22,810.11	21,048.88	-	43,858.99	43,858.99
(i) Investments outside india	-	-	-	-	-	-	-
(ii) Investments in India	-	-	22,810.11	21,048.88	-	43,858.99	43,858.99
Total (B) (to tally with (A))	-	-	22,810.11	21,048.88	-	43,858.99	43,858.99
Allowance for Impairment loss (C)	-	-	-	-	-	-	-
Total- Net D=(A)-(C)	-	-	22,810.11	21,048.88	-	43,858.99	43,858.99

As at March 31, 2022

Investments	Amortised Cost	At Fair Value					Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through Other Comprehensive Income	Designated at fair value through profit or loss	Sub-total	
		(1)	(2)	(3)	(4)	(5)	
Equity instruments	-	-	1,116.83	12,298.83	-	13,415.66	13,415.66
Preference instruments	-	-	-	-	-	-	-
Mutual Funds	-	-	20,886.95	-	-	20,886.95	20,886.95
Debentures	-	-	266.88	-	-	266.88	266.88
Alternate Investment Funds/ Real Estate Funds/Venture Capital Funds/Other Funds	-	-	10,098.85	-	-	10,098.85	10,098.85
Total-Gross (A)	-	-	32,369.51	12,298.83	-	44,668.34	44,668.34

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

6B Other Investments (Contd..)

Investments	Amortised Cost	At Fair Value					Sub-total	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through Other Comprehensive Income	Designated at fair value through profit or loss			
		(2)	(3)	(4)	(5)	(6)=(2)+(3)+(4)+(5)		
(1)	(2)	(3)	(4)	(5)	(6)=(2)+(3)+(4)+(5)	(7)=(1)+(6)		
(i) Investments outside india	-	-	-	-	-	-	-	
(ii) Investments in India	-	-	32,369.51	12,298.83	-	44,668.34	44,668.34	
Total (B) (to tally with (A))	-	-	32,369.51	12,298.83	-	44,668.34	44,668.34	
Allowance for Impairment loss (C)	-	-	-	-	-	-	-	
Total- Net D=(A)-(C)	-	-	32,369.51	12,298.83	-	44,668.34	44,668.34	

7 Other Financial assets

Particulars	As at 31 st March 2023	As at 31 st March 2022
(Unsecured and considered good), unless otherwise stated		
Interest Receivable	445.01	609.68
	445.01	609.68

8 Current Tax assets (Net)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Current tax asset (net of provision for taxation)	306.77	105.20
	306.77	105.20

9 Deferred tax assets (net)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Deferred tax liabilities		
Unrealised gain on investments carried at fair value through profit or loss / other comprehensive income	1,251.76	925.45
Gross deferred tax liability (A)	1,251.76	925.45
Deferred tax assets		
Difference between carrying value of Property plant and equipment as per books of account and tax base	0.10	0.11
Provision for employee benefits	1.61	0.32
Mat Credit Recoverable	3,063.30	3,340.10
Gross deferred tax asset (B)	3,065.01	3,340.53
Deferred tax Assets/(Liabilities) (Net) (B-A)	1,813.26	2,415.08

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

NOTE - 10 - PROPERTY, PLANT & EQUIPMENT

Financial year ended March 31, 2023

Particulars	Gross Carrying Value			Accumulated Depreciation			Net Carrying Value	
	Balance as at 01.04.2022	Additions/ Adjustments	Disposal	Balance as at 31.03.2023	Depreciation during the year	Eliminated on disposal of assets	Balance as at 31.03.2023	Balance as at 31.03.2022
1. Freehold land	284.33	-	-	284.33	-	-	284.33	284.33
2. Buildings	40.14	-	-	40.14	0.72	-	35.81	36.53
3. Office Equipment	0.73	-	-	0.73	-	-	0.04	0.04
Current Year	325.20	-	-	325.20	0.72	-	5.02	320.18

Financial year ended March 31, 2022

Particulars	Gross Carrying Value			Accumulated Depreciation			Net Carrying Value	
	Balance as at 01.04.2021	Additions/ Adjustments	Disposal	Balance as at 31.03.2022	Depreciation during the year	Eliminated on disposal of assets	Balance as at 31.03.2022	Balance as at 31.03.2021
1. Freehold land	284.33	-	-	284.33	-	-	284.33	284.33
2. Buildings	40.14	-	-	40.14	0.72	-	36.53	37.25
3. Office Equipment	0.73	-	-	0.73	0.05	-	0.04	0.09
Current Year	325.20	-	-	325.20	0.77	-	4.30	321.67

Note:

- Refer note no. 27 for detail of contractual Commitment towards purchase of Property, Plant and Equipment.
- The Company has not revalued any of its property, plant and equipment during the year.
- The title deeds of all the immovable properties are held in the name of the Company.
- The Company has given a flat, situated at Bangalore, on lease for short term period of 12 months. The gross carrying amount and accumulated depreciation in respect of such flat is ₹ 45.64 Lakhs and ₹ 9.83 Lakhs respectively (March 31, 2022: ₹ 45.64 Lakhs and ₹ 9.11 Lakhs respectively). The depreciation for the year in respect of such flat is ₹ 0.72 Lakhs (March 31, 2022: ₹ 0.72 Lakhs). The rental income recorded for the year ended March 31, 2023 is ₹ 1.80 Lakhs (March 31, 2022 ₹ 1.80 Lakhs). Such flat has not been classified as investment property as the same has been given on lease on temporary basis only and shall be used by the Company for its own use after the expiry of current lease period.
- The aggregate depreciation has been included under depreciation and amortization expense in the statement of Profit and Loss.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

11 Other Non Financial Assets

Particulars	As at 31 st March 2023	As at 31 st March 2022
(unsecured, considered good)		
Prepaid Expenses	7.69	5.69
Other recoverable	-	0.07
Security Deposit	4.19	4.19
	11.88	9.95

12 Other financial liabilities

Particulars	As at 31 st March 2023	As at 31 st March 2022
Other Payables:-		
- Expenses Payables	10.10	6.71
- Dues to Employees	3.36	11.64
	13.46	18.35

13 Provisions

Particulars	As at 31 st March 2023	As at 31 st March 2022
Provision for employee benefits :		
- Gratuity	5.41	0.51
- Leave encashment	0.11	1.04
	5.52	1.55

14 Other non-financial liabilities

Particulars	As at 31 st March 2023	As at 31 st March 2022
Statutory Remittances	33.44	37.87
Unpaid dividends#	9.87	9.78
Advance against Land	47.64	-
	90.95	47.65

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

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

15 Equity share capital

Particulars	As at	
	March 31, 2023	March 31, 2022
Authorised share capital:		
3,00,00,000 (March 31, 2022: 3,00,00,000) equity shares of ₹ 10 each	3,000.00	3,000.00
1,00,00,000 (March 31, 2022: 1,00,00,000) redeemable cumulative preference shares of ₹ 10 each	1,000.00	1,000.00
	4,000.00	4,000.00
Issued up share capital comprises:		
31,91,536 (March 31, 2022: 31,91,536) equity shares of ₹ 10 each	319.15	319.15
	319.15	319.15
Subscribed and fully paid up share capital comprises:		
31,91,536 equity shares of ₹ 10 each (March 31, 2022: 31,91,536 equity shares of ₹ 10 each)	319.15	319.15
Add: Forfeited Shares (Amount originally paid-up)	0.09	0.09
	319.24	319.24

15.1 Rights, preference and restriction attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

15.2 Rights, preference and restriction attached to preference shares

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

15.3 Reconciliation of number of shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	31,91,536	319.24	31,91,536	319.24
Add:- Shares Issued during year	-	-	-	-
Balance as at the end of the year	31,91,536	319.24	31,91,536	319.24

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

15 Equity share capital

15.4 Details of shares held by the holding Company

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

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Adishwar Enterprises LLP	10,48,770	32.86%	10,48,770	32.86%
Devakar Investment & Trading Company (P) Limited	10,94,330	34.29%	10,94,330	34.29%

15.6 Details of Shares held by promoters at the end of the year

Name of Promoter	Year ended March,31 2023			Year ended March,31 2022		
	Shares held by promoters at the end of the year		% change during the year	Shares held by promoters at the end of the year		% change during the year
	Number of shares	% holding		Number of shares	% holding	
Adishwar Enterprises LLP	10,48,770	32.86%	0%	10,48,770	32.86%	0%
Devakar Investment & Trading Company (P) Limited	10,94,330	34.29%	0%	10,94,330	34.29%	0%
Shri Paul Oswal	56,880	1.78%	0%	56,880	1.78%	0%
Flamingo Finance & Investment Company Limited	50,671	1.59%	0%	50,671	1.59%	0%
Ramaniya Finance & Investment Company Limited	29,343	0.92%	0%	29,343	0.92%	0%
Suchita Jain	28,416	0.89%	0%	28,416	0.89%	0%
Shakun Oswal	19,084	0.60%	0%	19,084	0.60%	0%
Northern Trading Company	13,760	0.43%	0%	13,760	0.43%	0%
Santon Finance & Investment Company Limited	12,266	0.38%	0%	12,266	0.38%	0%
Mahavir Spinning Mills Private Limited	10,332	0.32%	0%	10,332	0.32%	0%
Eastern Trading Company	9,840	0.31%	0%	9,840	0.31%	0%
Paras Syndicate	7,610	0.24%	0%	7,610	0.24%	0%
Amber Syndicate	6,689	0.21%	0%	6,689	0.21%	0%
Sachit Jain	2,330	0.07%	0%	2,330	0.07%	0%
Soumya Jain	80	0.00%	0%	80	0.00%	0%
Sagrika Jain	40	0.00%	0%	40	0.00%	0%

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

16 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Reserves & Surplus		
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)	11,934.58	11,796.56
Retained Earnings	2,69,335.36	2,44,933.04
Items of other comprehensive income		
Gain/(loss) on Equity instruments measured at fair value through other comprehensive income	17,859.44	10,123.75
Total	3,09,640.49	2,77,364.46

Movement in Other Equity during the year

Financial year ended March 31, 2023

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 2022	0.11	70.00	781.28	9,659.72	11,796.56	2,44,933.04	10,123.75	2,77,364.46
Transfer to statutory Reserve u/s 45-IC of RBI Act,1934	-	-	-	-	138.02	(138.02)	-	-
Profit for the year (including share of associates)	-	-	-	-	-	22,843.26	-	22,843.26
Other Comprehensive Income for the year (including share of associates)	-	-	-	-	-	66.97	7,735.70	7,802.67
Final Dividend @ ₹ 5/- per equity share for financial year ended March 31, 2022	-	-	-	-	-	(159.58)	-	(159.58)
Impact of adjutmnet in other equity of associates	-	-	-	-	-	1,789.68	-	1,789.68
Balance as of 31st March 2023	0.11	70.00	781.28	9,659.72	11,934.58	2,69,335.36	17,859.44	3,09,640.49

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

16 Other equity (Contd..)

Financial year ended March 31, 2022

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 2021	0.11	70.00	781.28	9,659.72	10,129.43	2,03,852.03	5,767.48	2,30,260.04
Transfer to statutory Reserve u/s 45-IC of RBI Act,1934	-	-	-	-	1,667.13	(1,667.13)	-	-
Profit for the year (including share of associates)	-	-	-	-	-	42,907.82	-	42,907.82
Other Comprehensive Income for the year (including share of associates)	-	-	-	-	-	(0.09)	4,356.27	4,356.18
Final Dividend @ ₹ 5/- per equity share for financial year ended March 31, 2021	-	-	-	-	-	(159.58)	-	(159.58)
Balance as of 31st March 2022	0.11	70.00	781.28	9,659.72	11,796.56	2,44,933.04	10,123.75	2,77,364.46

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. The reserve can be utilised only for limited purposes in accordance section 52 and other provisions of the Companies Act, 2013.

d. General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

16 Other equity (Contd..)

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 are the profits earned till date after transfers to general/other reserves, dividends or other distributions paid to the shareholders. The amount is available for distribution to its equity shareholders.

g. Equity instrument through other comprehensive income

Reserve for equity instruments through other comprehensive income represents the cumulative gains and losses arising on the revaluation of certain equity instruments which the Company has elected to measure at fair value through other comprehensive income. The amount from this reserve is transferred to retained earnings when such equity instruments are derecognised.

17 Interest Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
From financial assets measured at fair value through profit or loss:		
- Interest Income from investments	330.10	305.69
From financial assets measured at amortized cost:		
- Interest Income from bank deposits	5.60	87.98
	335.70	393.67

18 Dividend Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Dividend Income from investments:		
- measured at fair value through profit or loss	10.32	80.24
- designated at fair value through other comprehensive income held at the end of the reporting period	182.66	183.44
	192.98	263.68

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

19 Net gain on fair value changes

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A). Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments*	59.77	2,651.60
Total	59.77	2,651.60
Fair Value changes		
- Realised	1,916.47	838.70
- Unrealised	(1,856.70)	1,812.89
Total	59.77	2,651.60

* Includes distribution from Alternate Investment Funds/Real Estate Funds/Venture Capital Funds/Other Funds

20 Other Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Receipt against License agreement	186.14	183.64
Rent received	1.80	1.80
Provision no longer required written back	0.19	-
Miscellaneous	0.04	0.02
	188.17	185.46

21 Employee Benefits Expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	124.52	81.83
	124.52	81.83

22 Other Expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rates and taxes	0.08	0.02
Printing and stationery	0.17	0.78
Other Financial Charges	0.29	4.49
Director's sitting fees and incidental expenses	3.98	4.78

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

22 Other Expenses (Contd..)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Payment to auditor		
- As audit fee	1.00	0.75
Legal and Professional charges	186.27	143.55
Insurance	4.92	3.55
Expenditure towards Corporate Social Responsibility (CSR) activities (also refer Note No. 31)	108.09	60.34
Miscellaneous #	7.62	7.34
	312.42	225.61

does not include any item of expenditure with a value of more than 1% of revenue from operations

23 Tax Expense

23.1 Deferred tax (liabilities)/Assets (Net)

Financial year ended March 31, 2023

Particulars	Opening Balance	Mat Credit Adjustment	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred tax liabilities					
Unrealised gain on investments carried at fair value through profit or loss / other comprehensive income	925.45	-	(698.75)	1,025.06	1,251.76
Gross deferred tax liabilities (A)	925.45	-	(698.75)	1,025.06	1,251.76
Deferred tax assets					
Difference between carrying value of Property plant and equipment as per books of account and tax base	0.11	-	(0.01)	-	0.10
Provision for employee benefits	0.32	-	0.09	1.20	1.61
MAT credit recoverable	3,340.10	(276.80)	-	-	3,063.30
Gross deferred tax assets (B)	3,340.53	(276.80)	0.08	1.20	3,065.01
Deferred tax (liabilities)/assets (Net) (B-A)	2,415.08	(276.80)	698.83	(1,023.86)	1,813.25

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

23 Tax Expense (Contd..)

Financial year ended March 31, 2022

Particulars	Opening Balance	Mat Credit Adjustment	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred tax liabilities					
Unrealised gain on investments carried at fair value through profit or loss / other comprehensive income	127.10	-	313.82	484.53	925.45
Gross deferred tax liabilities (A)	127.10	-	313.82	484.53	925.45
Deferred tax assets					
Difference between carrying value of Property plant and equipment as per books of account and tax base	0.11	-	(0.00)	-	0.11
Provision for employee benefits	0.45	-	(0.13)	-	0.32
MAT credit recoverable	4,040.21	(700.11)	-	-	3,340.10
Gross deferred tax assets (B)	4,040.77	(700.11)	(0.13)	-	3,340.53
Deferred tax (liabilities)/assets (Net) (B-A)	3,913.67	(700.11)	(313.95)	(484.53)	2,415.08

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

23.2.1 Tax expense recognised in profit or loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax	347.67	2,725.35
Deferred tax	(698.83)	313.95
Total Tax expense recognised	(351.16)	3,039.30

23.2.2 Reconciliation of tax expense and the accounting profit multiplied by statutory tax rate:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	22,492.10	45,947.12
Less:- Income from Associates	22,153.14	42,760.92
Profit before tax and share of profit of Associates	338.96	11,374.96
Tax at the Indian Tax Rate of 29.12%	98.71	3,312.39
Effect of income that is taxable at lower rates	(472.09)	(267.51)

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

23 Tax Expense (Contd..)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Effect of expenses that are non-deductible in determining taxable profit	26.16	(0.58)
Effect of expenses that are deductible in determining taxable profit	(1.21)	(1.82)
Effect of income that is exempt from taxation	(2.72)	(3.19)
Total tax expense recognised in profit or loss	(351.16)	3,039.30

23.3 Tax expense recognised in other comprehensive income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Remeasurement of defined benefit obligation	(1.20)	-
Gain/(Loss) on fair valuation of equity instruments carried at FVOCI	1,025.06	484.53
Total tax expense recognised in other comprehensive income	1,023.86	484.53

24 Financial Instruments and Financial Risk Management

24.1 Classification of Financial instruments

Particulars	At Amortised Cost #	At fair value through profit or loss		At fair value through Other comprehensive income		Total carrying value/ Fair Value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory	
As at March 31, 2023						
Financial Assets						
Cash and cash equivalents	294.74	-	-	-	-	294.74
Bank balances other than Cash and cash equivalents	106.02	-	-	-	-	106.02
Other Receivables	262.69	-	-	-	-	262.69
Investments*	-	-	22,810.10	21,048.88	-	43,858.98
Other Financial Assets	445.01	-	-	-	-	445.01
Total	1,108.46	-	22,810.10	21,048.88	-	44,967.44
Financial Liabilities						
Trade Payables	-	-	-	-	-	-
Other financial liabilities	13.46	-	-	-	-	13.46
Total	13.46	-	-	-	-	13.46

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

24 Financial Instruments and Financial Risk Management (Contd..)

Particulars	At Amortised Cost #	At fair value through profit or loss		At fair value through Other comprehensive income		Total carrying value/ Fair Value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory	
As at March 31, 2022						
Financial Assets						
Cash and cash equivalents	120.99			-	-	120.99
Bank balances other than Cash and cash equivalents	152.78			-	-	152.78
Other Receivables	230.41			-	-	230.41
Investments*	-		32,369.52	12,298.83	-	44,668.35
Other Financial Assets	609.68			-	-	609.68
Total	1,113.86	-	32,369.52	12,298.83	-	45,782.21
Financial Liabilities						
Trade Payables	-	-	-	-	-	-
Other financial liabilities	18.35	-	-	-	-	18.35
Total	18.35	-	-	-	-	18.35

Carrying value of the financial assets and financial liabilities designated at amortised cost approximates its fair value largely due to short-term nature of these instruments.

* Investment value excludes investment in Associates of ₹ 2,62,650.13 Lacs (March 31, 2022: ₹ 2,29,117.90 lakhs) accounted for using the equity method as per Ind AS 28.

24.2 Fair value hierarchy

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements)

Level 1:

Quoted prices in an active market: This level of hierarchy includes financial instruments that are measured by reference to quoted prices (unadjusted) in active markets for identical instruments.

Level 2:

Valuation techniques with observable inputs: This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3:

Valuation techniques with unobservable inputs: This level of hierarchy includes instruments measured using inputs that are not based on observable market data (unobservable inputs). Fair value is 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.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

24 Financial Instruments and Financial Risk Management (Contd..)

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, 2023

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in quoted equity instruments	21,738.12	-	-	21,738.12
Investments in unquoted equity instruments	-	-	219.86	219.86
Investments in quoted mutual funds	13,432.12	-	-	13,432.12
Investments in unquoted debentures/other funds	-	-	8,468.89	8,468.89
	35,170.24	-	8,688.75	43,858.99

As at March 31, 2022

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in mutual funds/bonds/preference shares	13,264.15	-	-	13,264.15
Investments in quoted equity instruments	-	-	151.51	151.51
Investments in unquoted equity instruments	20,886.95	-	-	20,886.95
Investments in unquoted debentures/other funds	-	-	10,365.74	10,365.74
	34,151.10	-	10,517.25	44,668.35

The following methods and assumptions were used to estimate the fair values:

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.

Quoted mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for mutual fund declared by mutual fund house.

Unquoted debentures/other funds: Fair value is determined by reference to quotes from fund houses/portfolio management services companies.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

24 Financial Instruments and Financial Risk Management (Contd..)

Reconciliation of Level 3 fair value measurements is given below:

Particulars	Unquoted equity instruments	Unquoted debentures/ other funds	Total
As at March 31, 2021	1.55	9,978.49	9,980.04
Additions during the year	149.96	593.21	743.17
Sales during the year	-	(893.54)	(893.54)
Gain/(loss) recognised in profit and loss on fair value changes	-	687.58	687.58
As at March 31, 2022	151.51	10,365.74	10,517.25
Additions during the year	-	-	-
Sales during the year	-	(777.65)	(777.65)
Gain/(loss) recognised in profit and loss on fair value changes	68.35	(1,119.20)	(1,050.85)
As at March 31, 2023	219.86	8,468.89	8,688.75

24.3 Financial Risk Management

This note explains the risk which company is exposed to and policies and framework adopted by the company to manage these risks.

The Company's activities expose it mainly to the market risk, credit risk and liquidity risk.

The monitoring and management of such risks is undertaken by the senior management of the Company. There are appropriate policies and procedures in place through which such financial risks are identified, measured and managed by the Company. The Audit Committee and the Board are regularly apprised of these risks and measures used to mitigation these risks.

a. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of adverse changes in market rates and prices such as currency risk, interest rate risk, other price risk etc.

(i) Currency Risk

Currently company does not have transaction in foreign currencies and hence the company is not exposed to currency risk

(ii) Interest rate risk

Since the Company does not have any significant financial assets or financial liabilities bearing floating interest rates, any change in interest rates would not have any significant impact on the financial statements of the Company.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

24 Financial Instruments and Financial Risk Management (Contd..)

(iii) Price Risk

The company is exposed to price risk arising from investments held by the company and classified in the balance sheet either as at fair value through profit or loss or at fair value through other comprehensive income. To manage its price risk arising from investments, the company diversifies its portfolio in equity, debt, money market and other instruments (including through funds). The Company also has strategic asset allocation benchmarks and risk limits.

Sensitivity analysis

The table below summaries the impact of increase/decrease in the prices of investments held at the end of the year on the company's profit and other comprehensive income for the year. The analysis is based on the assumption that prices of investments are increased or decreased by 5% with all other variables held constant:

- (i) In respect of investments measured at fair value through profit of loss, profit for the year ended March 31, 2023 would have been increased/decreased by ₹ 1,140.51 Lakhs (March 31, 2022 by ₹ 1,618.48 Lakhs) as a result of the changes in prices of investments.
- (ii) In respect of investments measured at fair value through other comprehensive income, other comprehensive income for the year ended March 31, 2023 would have been increased/decreased by ₹ 1,052.44 Lakhs (March 31, 2022: 614.94 Lakhs) as a result of the changes in prices of investments.

b. Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counter-party fails to meet its contractual obligations.

Financial instruments that are subject to concentrations of credit risk principally consist of receivables, cash and cash equivalents, bank deposits, investments in debentures, mutual funds & other funds and other financial assets.

The maximum exposure to credit risk was ₹ 23,009.47 Lakhs and ₹ 32,366.57 Lakhs, as at March 31, 2023 and March 31, 2022 respectively, being the total carrying value of trade receivables, cash and cash equivalents, balances with bank, investments (excluding equity investments) and other financial assets.

Credit risk with respect to receivables is limited, since the receivables amount is immaterial. To manage the credit risk, the credit worthiness of the receivables is evaluated on an ongoing basis and investment is made only after considering counterparty risks based on multiple criteria including Tier I capital, Capital Adequacy Ratio, Credit Rating, Profitability, NPA levels and deposit base of banks and financial institutions etc. These risks are monitored regularly as per its risk management program.

As at the end of the reporting period, all the investments have been fair valued and receivables, bank balances and other financial assets are considered to be good.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

24 Financial Instruments and Financial Risk Management (Contd..)

c. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they become due.

The Company has no borrowings. Further, other financial liabilities of the Company are negligible amounting to ₹ 13.46 Lakhs and ₹ 18.35 Lakhs as at March 31, 2023 and March 31, 2022 respectively.

The Company's principal sources of liquidity are cash and cash equivalents and cash flows that are generated from operations. Additionally, the Company has invested its surplus funds in such instruments ensuring availability of liquidity as and when required.

Hence, the Company carries a negligible liquidity risk.

25 EMPLOYEE BENEFITS

25.1 Defined Contribution plans

The Company has not incurred any expense on account of defined contribution plans during the year ended March 31, 2023 and March 31, 2022.

25.2 Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees in terms of the provisions of the Payment of Gratuity Act, 1972. This defined benefit plan of gratuity is administered by a separate trust that is legally separate from the entity. The Company makes annual contributions to the trust and trust is responsible for investments with regard to the assets of the trust. The Company accounts for the liability for gratuity benefits payable in the future based on actuarial valuation using projected unit credit method. Each year, the Company review the level of funding. Such a review includes the asset-liability matching strategy and assessment of the investment risk. The Company decides its contribution based on the results of this annual review.

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

The actual return on plan assets below the expected return will create plan deficit.

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.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

25 EMPLOYEE BENEFITS (Contd..)

Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plans liability.

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

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.36%	7.18%
Salary increase	6.00%	6.00%
Expected average remaining working life	1.00	25.66
Mortality Rates	100% of IALM (2012-14)	100% of IALM
Method used	Project unit credit method	Project unit credit method

Amounts recognised in statement of profit and loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Service cost	1.25	0.31
Net interest expenses	0.04	0.11
	1.29	0.42

The current service cost, past service cost and the net interest expenses for the year are included in Note 21 “Employee Benefits Expenses” under the head “Salaries and Wages”.

Amounts recognised in Other Comprehensive Income:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial gain/(losses) arising from changes in financial assumptions	0.02	0.15
Actuarial gain/(losses) arising from changes in experience adjustments	(3.97)	(0.20)
Actuarial gain/(losses) arising from changes in Demographic Assumption	-	-
Actuarial gain/(losses) arising on Asset	(0.17)	(0.04)
	(4.12)	(0.09)

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

25 EMPLOYEE BENEFITS (Contd..)

Amount recognized in Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded defined benefit obligation (a)	8.44	3.01
Fair Value of Plan Assets (b)	3.03	2.50
Net assets / (liability) (b-a)	(5.41)	(0.51)

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Defined benefit obligation as at the beginning of the year	3.01	2.53
Current Service Cost	1.25	0.31
Interest Cost	0.22	0.18
Actuarial (gain)/losses arising from changes in experience adjustments	3.96	0.05
Benefits Paid	-	(0.06)
Defined benefit obligation as at the end of the year	8.44	3.01

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fair value of plan assets as at the beginning of the year	2.50	0.94
Interest Income	0.02	0.03
Employer contribution	0.51	1.59
Benefits paid	-	(0.06)
Fair value of plan assets as at the end of the year	3.03	2.50

Plan assets comprises of mutual fund, Government of India securities and bank balances. The average duration of the defined benefit obligation is 6.30 years (2022: 13.86 years). The Company expects to make a contribution of ₹ 0.37 (March 31, 2022: ₹ 0.42 lakhs) to the defined benefit plans during the next financial year

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

25 EMPLOYEE BENEFITS (Contd..)

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. There is no change from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

Particulars	As at March 31, 2023	As at March 31, 2022
(i). Impact of the change in discount rate		
Impact due to increase of 0.50%	(0.05)	(0.18)
Impact due to decrease of 0.50%	0.05	0.19
(ii) Impact of the change in salary increase		
Impact due to increase of 0.50%	0.06	0.19
Impact due to decrease of 0.50%	(0.05)	(0.18)

Maturity Profile of Defined Benefit Obligation

Year	As at March 31, 2023	As at March 31, 2022
a) 0 to 1 Year	7.62	0.18
b) 1 to 5 Years	0.16	0.53
c) More than 5 years	0.66	2.30

25.3 Other long term employee benefits-Compensated absences

Amount recognized in Balance Sheet

Year	As at March 31, 2023	As at March 31, 2022
Liability at the end of year	0.11	1.04

The amounts recognized in Statement of Profit and Loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total Service Cost	0.01	0.11
Net Interest Cost	0.07	0.09
Net actuarial (gain) / loss recognized in the period	-0.28	(0.47)
Expense/(Income) recognized in the statement of profit and loss #	(0.19)	(0.28)

The expense recognized in the statement of profit and loss during the year have been included in Note 21 "Employee Benefits Expenses" under the head "Salaries and Wages". Further, the income recognized in the statement of profit and loss during the year have been included in Note 20 "Other Income" under the head "Provision no longer required written back".

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

26 RELATED PARTY TRANSACTIONS

Description of related parties	Key management personnel
	Mr. S.P. Oswal (Chairman and Managing Director)
	Mrs. Poorva Bhatia (Chief Financial Officer) (upto 21.12.2022)
	Ms. Swati Mangla (Company Secretary)
	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) (upto 30.09.2022)
	Mr. Om Parkash Sharma (Independent Director) (upto 30.09.2022)
	Mrs. Apinder Sodhi (Independent Director) (upto 30.09.2022)
	Mr. Devendra Bhushan Jain (Independent Director) (w.e.f. 29.09.2022)
	Mr. Manjul Pahwa (Independent Director) (w.e.f. 29.09.2022)
	Dr. Pooja Mehta (Independent Director) (w.e.f. 29.09.2022)
Associates	Vardhman Textiles Limited
	Vardhman Spinning and General Mills Limited
Enterprises over which KMP have significant influence	Vardhman Acrylics Limited
Post Employment Benefit Plans Trust	VSGM Gratuity Fund Trust

(ii) Transactions with related parties

Nature of Transaction	Nature of relationship	For the year ended March 31, 2023	For the year ended March 31, 2022
Receipt against licence agreement (including indirect taxes)	Associates	174.19	177.75
	Enterprises over which KMP have significant influence	14.75	14.75
Rent Received (including indirect taxes)	Associates	2.12	2.12
Managerial Remuneration			
- Short term employee benefits	Key Managerial Personnel	120.64	81.69
- Post employment benefits (including amount recognized in OCI)	Key Managerial Personnel	8.00	0.23

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

26 RELATED PARTY TRANSACTIONS (Contd..)

Nature of Transaction	Nature of relationship	For the year ended March 31, 2023	For the year ended March 31, 2022
- Other long term employee benefits	Key Managerial Personnel	(0.19)	(0.28)
Directors' sitting fee	Key Managerial Personnel	3.98	4.78
Dividend received	Associates	-	8,188.75
	Enterprises over which KMP have significant influence	182.66	183.44
Contribution during the year	Post Employment Benefit Plans Trust	0.51	1.59
Dividend Paid	Key Managerial Personnel	5.40	5.40

(iii) Outstanding balances

Nature of Outstanding balance	Nature of relationship	As at March 31, 2023	As at March 31, 2022
Receivables			
Other Receivables (included in note no. 5)	Associates	176.31	179.87
	Enterprises over which KMP have significant influence	14.75	14.75
Payables			
Remuneration Payable (included in note no. 12)	Key Managerial Personnel	2.25	10.25
Sitting fee Payable (included in note no. 12)	Key Managerial Personnel	0.14	-

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

There have been no guarantees provided or received for any related party. For the year ended 31st March, 2023, the Company has not recorded any impairment in respect of any bad or doubtful debts due from related parties (March 31, 2022: Nil).

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

27 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Contingent Liabilities		
Related to Income-tax matters	338.98	319.75
(ii) Commitments	-	-

28 SEGMENT INFORMATION

The Company is primarily in the Investment business. The Chairman and Managing Director of the Company, which has been identified as being the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is only one reportable segment for the Company.

29 EARNINGS PER SHARE

Nature of Transaction	For the year ended March 31, 2023	For the year ended March 31, 2022
Basic earnings per share (Amount in ₹)	715.75	1,344.43
Profit attributable to the equity holders of the Company used in calculating basic earning per share (a)	22,843.26	42,907.82
Weighted average number of equity shares for the purpose of basic earning per share (numbers) (b)	31,91,536	31,91,536
Dilutive Earning per share (Amount in ₹)	715.75	1,344.43
Profit attributable to the equity holders of the Company used in calculating dilutive earning per share	22,843.26	42,907.82
Weighted average number of equity shares for the purpose of dilutive earning per share (numbers)	31,91,536	31,91,536

30 Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Amount remaining unpaid to suppliers as at the end of year		
- Principal amount	-	-
- Interest due thereon	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

30 Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note: The amounts have been determined to the extent micro and small enterprises have been identified on the basis of information available with the company.

31 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The detail of expenditure incurred on CSR activities by the Company is as below:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Amount required to be spent by the company during the year	55.07	55.88
b. Amount of expenditure incurred:		
(i) Construction / acquisition of any asset	-	-
(ii) on purposes other than construction / acquisition of any asset*	108.09	60.34
c. Shortfall at the end of the year	-	-
d. Total of previous years shortfall	-	-
e. Reason fo shortfall	Not applicable	Not applicable
f. Nature of CSR activities:	Promoting Education, Promoting Healthcare including Preventive Healthcare, Rural Development, Promotion of Art & Culture , Measures for the benefit of armed forces veterans, Promotion of Nationally Recognized Sports.	

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

31 Corporate Social Responsibility (CSR) (Contd..)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
g. details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
h. where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	Not applicable	Not applicable

* The excess amount spent is on account of expense incurred by the Company in respect of the unspent CSR amount prior to financial year 2021-22 which is not mandatorily required to be spent by the company as per Frequently Asked Questions on Corporate Social Responsibility issued by Ministry of Corporate Affairs vide Circular No. 14 /2021 dated 25th August, 2021. Accordingly, the said excess amount has not been carried forward.

32 Details of loans given, investments made and guarantee given covered u/s 186(4) of the Companies Act, 2013

The Company, being an NBFC registered with the RBI and engaged in the business of investments in ordinary course of its business, is exempt from complying with the provisions of section 186 of the Act with respect to investments. Accordingly, the disclosures required under the said section in respect of investments made are not applicable. Further, the Company has not given any loan to any person during the year

33 Capital Management

For the purposes of the Company's capital management, capital includes equity share capital, securities premium and all other reserves attributable to the equity shareholders.

The primary objective of the Company's Capital Management is to maximize the return to shareholders and also maintain an optimal capital structure to reduce cost of capital.

The Company's policy is to maintain a strong capital base so as to maintain investors', creditors' and market confidence and to sustain future development of the business.

In the absence of any debt, the maintenance of debt equity ratio etc. is having no relevance to the Company.

The Company is not subject to any externally imposed capital requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

34 Maturity pattern of assets and liabilities

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
(1) Financial Assets						
(a) Cash and Cash Equivalents	294.74	-	294.74	120.99	-	120.99
(b) Bank Balances other than (a) above	106.02	-	106.02	152.78	-	152.78
(c) Receivables						
(I) Trade Receivables	-	-	-	-	-	-
(II) Other Receivables	262.69	-	262.69	230.41	-	230.41
(d) Investments in associates accounted for using the equity method	-	2,62,650.13	2,62,650.13	-	2,29,117.91	2,29,117.91
(e) Other Investments	5,854.29	38,004.68	43,858.98	20,886.95	23,781.40	44,668.35
(f) Other Financial assets	445.01	-	445.01	609.68	-	609.68
	6,962.75	3,00,654.81	3,07,617.57	22,000.81	2,52,899.31	2,74,900.12
(2) Non Financial Assets						
(a) Current tax assets (Net)	306.77	-	306.77	105.20	-	105.20
(b) Deferred tax assets (Net)	-	1,813.25	1,813.25	-	2,415.08	2,415.08
(c) Property, Plant and Equipment	-	320.18	320.18	-	320.90	320.90
(d) Other non-financial assets	11.88	-	11.88	9.95	-	9.95
	318.65	2,133.43	2,452.08	115.15	2,735.98	2,851.13
TOTAL ASSETS	7,281.41	3,02,788.24	3,10,069.65	22,115.96	2,55,635.29	2,77,751.25
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	13.46	-	13.46	18.35	-	18.35
	13.46	-	13.46	18.35	-	18.35
(2) Non Financial Liabilities						
(a) Provisions	5.52	-	5.52	1.55	-	1.55
(b) Other non-financial liabilities	90.95	-	90.95	47.65	-	47.65
	96.47	-	96.47	49.20	-	49.20
TOTAL LIABILITIES	109.93	-	109.93	67.55	-	67.55

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended

35.1 Schedule of a non-deposit taking non-banking financial company

[as required in terms of Para 19 of Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended]

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

Assets side Particulars	Amount outstanding	
	Current Year	Previous Year
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	-	-
(b) Unsecured	-	-

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended

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

Particulars	Amount outstanding	
	Current Year	Previous Year
(5) Break-up of Investments		
Current Investments		
1. Quoted		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds		
(iii) Units of mutual funds	5,854.29	20,886.95
(iv) Government Securities	-	-
(v) Others (please specify)		
2. Unquoted		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

Particulars	Amount outstanding	
	Current Year	Previous Year
Long Term investments		
1. Quoted		
(i) Share		
(a) Equity	2,84,380.42	2,42,374.13
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	7,577.83	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted		
(i) Shares		
(a) Equity	227.69	159.44
(b) Preference	-	-
(ii) Debentures and Bonds	257.86	266.88
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Alternate Investment Funds/Real Estate Funds/Venture Capital Funds/Other Funds	8,211.03	10,098.85

(6) Borrower group-wise classification of assets financed as in (3) and (4) above :

(Please see Note 2 below)

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

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

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

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

(Please see note 3 below)

Category	Current Year		Previous Year	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	2,62,914.78	2,83,699.01	3,58,579.79	2,41,416.74
(c) Other related parties				
2. Other than related parties	22,810.10	22,810.10	32,369.53	32,369.53
Total	2,85,724.88	3,06,509.11	3,90,949.33	2,73,786.27

(8) Other information

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

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

Notes:

- As defined in point xxvii of paragraph 3 of Chapter -II of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
- All notified Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

35.2 Other Disclosures, being Non-Banking Financial Company

(as required in terms of Annex XVI of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended)

1 Capital

S. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Capital to risk-weighted assets ratio (CRAR) (%) #	101.31	149.25
2	CRAR-Tier I Capital (%) #	101.31	149.25
3	CRAR-Tier II Capital (%) *	NA	NA
4	Amount of subordinated debt raised as Tier-II capital	-	-
5	Amount raised by issue of Perpetual Debt Instruments	-	-

*Company has no Tier II Capital funds.

without considering impact of share of total comprehensive income and other adjustments in other equity of associates till date .

2 Investments

S. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Value of Investments		
	Gross Value of Investments		
	(a) In India	3,06,509.11	2,73,786.27
	(b) Outside India	-	-
	Provisions for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

S. No	Particulars	As at March 31, 2023	As at March 31, 2022
	Net Value of Investments		
	(a) In India	3,06,509.11	2,73,786.27
	(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	-	-

3 Exposures

a. Exposure to Real Estate Sector

S. No	Particulars	As at March 31, 2023	As at March 31, 2022
	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 ₹ 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	-	-
	Total Exposure to Real Estate Sector		

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

b. Exposure to Capital Market

S. No	Particulars	As at March 31, 2023	As at March 31, 2022
(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;	3,01,246.97	2,66,686.73
(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)	5,262.14	7,099.54
	Total Exposure to Capital Market	3,06,509.11	2,73,786.27

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

S. No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Provisions for depreciation on investment.	-	-
2	Provision towards NPA	-	-
3	Provision made towards income-tax	347.67	2,725.35
4	Other provision and contingencies	-	-
5	Provision for standard assets	-	-

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

5. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

As at March 31, 2023

Particulars	1 to 7 days	8 to 14 days	15 to 30 days	Over 1 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	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	-	-	-	-	-	-	-	-	-	-	-
Investments	197.95	-	-	-	-	5,656.34	-	9,377.99	7,577.83	2,83,699.01	3,06,509.11

As at March 31, 2022

Particulars	1 to 7 days	8 to 14 days	15 to 30 days	Over 1 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	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	-	-	-	-	-	-	-	-	-	-	-
Investments	173.87	-	-	-	-	20,713.08	-	11,482.56	-	2,41,416.74	2,73,786.26

6. Other disclosures

a) Registration obtained from other financial sector regulators

Apart from RBI, Company is also governed by SEBI and MCA.

b) Disclosure of penalties imposed by RBI and other regulators

No penalty has been imposed by RBI or other regulators during the year ended March 31, 2023 and March 31, 2022.

c) Ratings assigned by credit rating agencies and migration of ratings during the year

Not applicable

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

Note:

The below disclosures as required in terms of Annex XVI of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 are not applicable to the Company:

1. Derivatives
2. Details of financing of parent company products
3. Details of Single Borrower Limit (SBL) / Group Borrower Limite (GBL) exceeded by the NBFC
4. Unsecured advances
5. Concentration of deposits, advances, exposures and NPAs
6. Overseas assets (for those with joint ventures and subsidiaries abroad)
7. Off-balance sheet SPVs sponsored
8. Disclosure of customer complaints

36 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, 2023	As at March 31, 2022
A. Associates				
(ii) Vardhman Textiles Limited	India	Textiles	28.48%	27.52%
(ii) Vardhman Spinning & General Mills Limited	India	Trading of Cotton & Manmade Fibre	50.00%	50.00%

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

(b) Summarized Financial Information

Particulars	Vardhman Textiles Limited		Vardhman Spinning and General Mills Limited	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
I. Assets				
(A) Non Current Assets	5,54,804.00	5,12,384.26	-	-
(B) Current Assets		-		
i) Cash & Cash Equivalent	7,560.00	6,663.00	16.76	16.72
ii) Others	5,70,891.69	5,78,862.81	-	-
Total Current Assets	5,78,451.69	5,85,525.81	16.76	16.72
Total Assets (A+B)	11,33,255.69	10,97,910.06	16.76	16.72
II. Liabilities				
(A) Non Current Liabilities				
i) Financial Liabilities	93,502.00	92,664.00		
ii) Non Financial Liabilities	30,074.17	28,145.78		
Total Non Current Liabilities	1,23,576.17	1,20,809.78	-	-
(B) Current Liabilities				
i) Financial Liabilities	1,31,267.82	1,76,971.51		
ii) Non Financial Liabilities	13,216.00	15,997.74	2.42	2.18
Total Current Liabilities	1,44,483.82	1,92,969.24	2.42	2.18
Total Liabilities (A+B)	2,68,059.99	3,13,779.03	2.42	2.18
Net Assets (I-II)	8,65,195.70	6,60,707.21	14.34	14.54
III. Contingent liabilities and Commitments				
Contingent liabilities	27,359.00	29,449.00	-	-
Capital commitments	22,625.00	62,642.00	-	-
Other commitments	-	3,252.00	-	-
Company's share of contingent liabilities	7,791.84	8,104.36	-	-
Company's share of capital commitments	6,443.60	17,239.08	-	-
Company's share of other commitments	-	894.95	-	-

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

35 Disclosures required as per Non-Banking Financial Company - Systematically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended (Contd..)

(c) Summarized Financial Information

Particulars	Vardhman Textiles Limited		Vardhman Spinning and General Mills Limited	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Revenue from Opreations	10,13,749.00	9,62,234.00		-
Profit/(Loss) before Tax	1,05,990.52	2,07,088.47	(0.36)	0.05
Tax Expense	25,516.00	51,965.57	(0.16)	0.01
Profit/(Loss) after Tax	80,474.52	1,55,122.90	(0.20)	0.04
Other Comprehensive Income	287.83	698.81		
Total Comprehensive Income	80,762.35	1,55,821.71	(0.20)	0.04
Depreciation and Amortisation expense	39,443.38	36,751.12		
Interest Expense (Net of Interest Income)	10,215.00	9,972.00	0.01	0.01
Company's Share of Profit for the period	22,153.24	42,760.90	(0.10)	0.02
Company's Share of Other Comprehensive Income for the period	80.60	-	-	-
Company's Share of Total Comprehensive Income for the period	22,233.84	42,760.90	(0.10)	0.02

(d) Movement of Investment in Associates using equity method

Particulars	Vardhman Textiles Limited		Vardhman Spinning and General Mills Limited	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Investment as at the beginning of the Period	2,29,109.97	1,94,466.96	7.93	7.91
Add: Share of Total Comprehensive Income for the period	22,233.84	42,760.90	(0.10)	0.02
Add:-Investment purchase for the period	9,508.81	70.86	-	-
Less: Dividend distributed during the period	-	(8,188.75)	-	-
Add/(less): Impact of adjutment in other equity of associates	1,789.68	-	-	-
Investment as at the end of the Period	2,62,642.30	2,29,109.97	7.83	7.93

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

37 Other Details mandated by Schedule III of Companies Act 2013, by way of additional information:

As at and Year ended 31st March 2023

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Company	28.29%	87,689.96	3.02%	690.12	98.97%	7722.07	27.45%	8,412.19
Associates (Investment accounted for using equity method)								
Indian								
1) Vardhman Textiles Limited	71.71%	2,22,264.43	96.98%	22,153.24	1.03%	80.60	72.55%	22,233.84
2) Vardhman Spinning and General Mills Limited	0.00%	5.33	0.00%	(0.10)	0.00%	-	0.00%	(0.10)
Total	100.00%	3,09,959.72	100.00%	22,843.26	100.00%	7,802.67	100.00%	30,645.93

As at and Year ended 31st March 2022

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Company	28.61%	79,437.35	0.34%	146.90	100.00%	4356.18	9.53%	4,503.08
Associates (Investment accounted for using equity method)								
Indian								
1) Vardhman Textiles Limited	71.39%	1,98,240.91	99.66%	42,760.90	0.00%	-	90.47%	42,760.90
2) Vardhman Spinning and General Mills Limited	0.00%	5.43	0.00%	0.02	0.00%	-	0.00%	0.02
Total	100.00%	2,77,683.70	100.00%	42,907.82	100.00%	4,356.18	100.00%	47,264.00

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

38 Ratios:

Particulars	Numerator	Denominator	As at and Year ended March 31, 2023	As at and Year ended March 31, 2022	% Variance	Reason for variance (if above 25%)
(a) Capital to risk-weighted assets ratio (CRAR) (%) #	Total capital fund (Tier I plus Tier II)	Risk weighted assets	101.31%	149.25%	-32.12%	NA
(b) Tier I CRAR (%) #	Tier I Capital Fund	Risk weighted assets	101.31%	149.25%	-32.12%	NA
(c) Tier II CRAR (%)*	Tier I Capital Fund	Risk weighted assets	NA	NA	NA	NA
(d) Liquidity Coverage Ratio (times)	Current Asets	Current Liabilities	66.24	327.38	-79.77%	

*Company has no Tier II Capital funds.

without considering impact of share of total comprehensive income and other adjustments in other equity of associates till date.

39 Events after the Reporting Period

The Board of directors have recommended the payment of Final dividend of ₹ 5/- per equity share (previous year ₹ 5/- per equity share) which is subject to the approval of Shareholders in the Annual General meeting.

40 Following are the additional disclosures required as per Schedule III to the Companies Act, 2013

- No proceeding have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- The company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Notes to Consolidated Financial Statement

for the year ended March 31, 2023 (All Amounts in ₹ Lakhs unless otherwise stated)

40 Following are the additional disclosures required as per Schedule III to the Companies Act, 2013 (Contd..)

- e. No funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- f. No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("funding party") with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly lend or invest in other persons or entities in any manner whatsoever by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g. During the financial year, the Company has not traded or invested in Crypto currency or Virtual Currency.

For and on behalf of the board of directors

Place : Ludhiana
Dated : May 20, 2023

Swati Mangla
Company Secretary
Membership No. 50475

Suchita Jain
Director
DIN:00746471

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

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

Part B

Name of Associates	Vardhman Textiles Limited
1. Latest audited Balance Sheet Date	31.03.2023
2. Shares of Associate held by the company on the year end	
No.	8,23,34,659
Amount of Investment in Associate	40,377.87 lakhs
Extend of Holding %	28.48%
3. Description of how there is significant influence	More than 20% shares of Vardhman Textiles Limited are held by the Company.
4. Reason why the associate is not consolidated	...
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	243886.67 lakhs
6. Profit / Loss for the year	
i. Considered in Consolidation	₹ 337.58 crore
ii. Not Considered in Consolidation	N.A.

For and on behalf of the board of directors

Place : Ludhiana
Dated : May 20, 2023

Swati Mangla
Company Secretary
Membership No. 50475

Suchita Jain
Director
DIN:00746471

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

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

Part B

Name of Associates	Vardhman Spinning & General Mills Limited
1. Latest audited Balance Sheet Date	31.03.2023
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	25,000
Amount of Investment in Associates/Joint Venture	₹ 0.03 crore
Extend of Holding %	50%
3. Description of how there is significant influence	More than 20% shares of Vardhman Spinning & General Mills Limited are held by the Company.
4. Reason why the associate/joint venture is not consolidated	-
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	₹ 0.07 crore
6. Profit / Loss for the year	₹ (0.003) crore
i. Considered in Consolidation	₹ (0.0015) crore
ii. Not Considered in Consolidation	N.A.

For and on behalf of the board of directors

Place : Ludhiana
Dated : May 20, 2023

Swati Mangla
Company Secretary
Membership No. 50475

Suchita Jain
Director
DIN:00746471

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



Vardhman

VARDHMAN HOLDINGS LIMITED

CHANDIGARH ROAD, LUDHIANA - 141 010

CIN: L17111PB1962PLC002463

