



Vardhman

Delivering Excellence. Since 1965.

VARDHMAN ACRYLICS LIMITED

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Ref. VAL:SCY:MAY:2021-22

Dated: 08.05.2021

National Stock Exchange of India Limited,
"Exchange Plaza,
Bandra-Kurla Complex,
Bandra (East),
MUMBAI-400 051

Scrip Code: VARDHACRLC

SUBJECT: DISCLOSURE UNDER REGULATION 30 & 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Dear Sir,

Pursuant to Regulation 30 read with Part A of Schedule III and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Audited Financial Results of the Company for the financial year ended 31st March, 2021 together with Auditors' Report as approved by Board of Directors in its meeting held on 8th May, 2021.

The Report of Auditors is with unmodified opinion with respect to the Audited Financial Results of the Company for the financial year ended 31st March, 2021.

Further, the Board of Directors of the Company has not recommended any dividend for the FY 2020-21.

The meeting of the Board of Directors commenced at 11:30 a.m. and concluded at 3:00 p.m.

Kindly note and display the notice on your notice Board for the information of the Members of your exchange and general public.

Thanking you,

Yours faithfully,

For VARDHMAN ACRYLICS LIMITED

Satin Katyal

Satin Katyal
(Company Secretary)



YARNS | FABRICS | THREADS | GARMENTS | FIBRES | STEELS

PAN NO.: AAACV7602E CIN: L51491PB1990PLC019212

WWW.VARDHMAN.COM

VARDHMAN ACRYLICS LTD

Regd. Office : Chandigarh Road, Ludhiana-141010

Audited Financial Results for the quarter and year ended 31st March, 2021

Corporate Identity Number (CIN): L51491PB1990PLC019212, PAN: AAACV7602E

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

(Rs. In Crores)

	Particulars	Quarter Ended 31st March ,2021	Quarter Ended 31st December ,2020	Quarter Ended 31st March ,2020	Year Ended 31st March, 2021	Year Ended 31st March, 2020
		Audited (Refer Note no.7)	Unaudited	Audited (Refer Note no.7)	Audited	Audited
1	Income From Operations					
	a) Gross Sales/Income From Operations	104.73	80.88	83.37	280.19	334.37
	b) Other Operating Income	4.03	3.71	8.50	15.37	26.61
	Total Income from operations	108.76	84.59	91.87	295.56	360.98
2	Expenses					
	a) Cost of Materials Consumed	57.40	46.41	52.19	166.19	237.32
	b) Purchase of Stocks- In Trade	2.57	-	3.72	2.86	3.72
	c) Change in Inventories of Finished Goods, works -in progress and stock -in- trade	(2.57)	0.05	6.00	0.08	(1.48)
	d) Employee Benefits Expenses	4.60	4.09	4.18	16.33	15.75
	e) Depreciation and Amortisation Expense	1.33	1.36	1.31	5.42	5.23
	f) Power & Fuel	6.03	6.60	5.93	22.70	25.46
	g) Finance Cost	0.39	0.04	0.08	0.53	0.30
	h) Other Expenses	7.94	6.63	7.33	24.34	26.82
	Total Expenses	77.69	65.19	80.75	238.45	313.12
3	Profit/(Loss) before exceptional Items and Tax (1-2)	31.07	19.40	11.12	57.11	47.86
4	Exceptional Items	-	-	-	-	-
5	Profit/(Loss) before Tax (3 - 4)	31.07	19.40	11.12	57.11	47.86
6	Tax Expense					
	Current Tax	8.49	4.65	3.83	14.51	10.63
	Deferred Tax	(0.35)	(0.08)	(3.77)	(0.31)	(9.04)
7	Net Profit/(Loss) after Tax (5 - 6)	22.93	14.83	11.06	42.92	46.27
8	Other Comprehensive income / (Loss)	0.03	-	(0.27)	0.03	(0.27)
9	Total Comprehensive income (7+8)	22.96	14.83	10.78	42.95	45.99
10	Paid-up Equity Capital (Face Value Rs. 10/- per share)	80.36	80.36	80.36	80.36	80.36
11	Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year				318.01	275.06
12	Earnings Per Share (of Rs. 10/- each) (in Rs.) (not annualized):					
	(a)Basic	2.85	1.85	1.38	5.34	5.76
	(b) Diluted	2.85	1.85	1.38	5.34	5.76



VARDHMAN ACRYLICS LIMITED
BALANCE SHEET As at 31st March, 2021

(Rs. in Crores)

Particulars	As at 31st March, 2021 (Audited)	As at 31st March, 2020 (Audited)
ASSETS		
1 Non-current assets		
(a) Property, Plant and Equipment	47.36	52.36
(b) Capital work-in-progress	0.21	0.02
(c) Right of Use Asset	11.32	11.47
(d) Financial Assets		
-Investments	53.20	63.10
-Loans	0.06	0.00
-Other financial assets	0.00	19.96
(e) Other non-current Assets	0.50	0.49
Total of Non-current assets	112.64	147.41
2 Current assets		
(a) Inventories	64.20	60.47
(b) Financial Assets		
-Investments	178.67	96.91
-Trade receivables	15.07	9.50
-Cash and Cash Equivalents	18.57	62.80
-Bank Balance other than Cash equivalents	83.59	61.79
- Loans	0.04	0.02
-Other financial assets	3.65	2.66
(c) Other current assets	8.67	11.75
Total of Current assets	372.47	305.90
TOTAL OF ASSETS	485.11	453.31
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	80.36	80.36
(b) Other Equity	318.01	275.06
Total of Equity	398.37	355.43
Liabilities		
1 Non-current liabilities		
(a) Financial Liabilities		
-Borrowings	-	-
-Other financial liabilities	-	-
-Lease liability	0.00	0.00
(b) Provisions	0.58	0.57
(c) Deferred tax liabilities (Net)	10.25	10.56
(d) Other non-current liabilities	0.11	0.09
Total of Non-current liabilities	10.93	11.22
2 Current liabilities		
(a) Financial Liabilities		
-Borrowings	0.36	1.42
-Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	0.38	0.33
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises.	41.04	54.01
-Other financial liabilities	5.77	4.26
(b) Other current liabilities	1.79	1.53
(c) Provisions	0.08	0.08
(e) Current tax liabilities (net)	26.40	25.02
Total of Current liabilities	75.81	86.66
TOTAL OF EQUITY AND LIABILITIES	485.11	453.31



VARDHMAN ACRYLICS LIMITED

Regd. Office : Chandigarh Road, Ludhiana-141010

Statement of Cash Flows for the year ended March 31, 2021

Particulars		For the year ended 31 March 2021 (Rs. in Crores)		For the year ended 31 March 2020 (Rs. in Crores)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		57.11		47.86
Adjustments for :				
Depreciation and Amortization	5.42		5.23	
Interest paid	0.37		0.06	
Interest income	(6.73)		(0.36)	
(Profit)/Loss on sale of investment (net)	(3.00)		(14.49)	
Dividend on investments	-		(3.11)	
(Profit)/Loss on sale of assets (net)	-		(0.07)	
Assets written off	0.07		0.01	
Net Gain on fair valuation of investment at fair value through Profit and loss	(5.21)		(5.41)	
Foreign exchange (gain) or loss	0.21		(1.99)	
Bad debts written off / Excess Income Written off / Written off Dead items.	0.14		0.01	
Liabilities / Provisions no longer required written back	(0.28)	(9.03)	(0.32)	(20.44)
Operating profit before working capital changes		48.08		27.41
Adjustments for working capital changes:				
Decrease in trade receivables	(5.57)		6.10	
Decrease/(increase) in loans	(0.07)		(0.02)	
Decrease/(increase) in other financial assets	22.32		(19.96)	
Increase in other assets	2.93		(0.92)	
Decrease/(increase) in Inventories	(3.73)		15.90	
Increase/(decrease) in trade payables	(12.84)		(14.59)	
Increase/(decrease) in other financial liabilities	1.21		(1.36)	
Increase/(decrease) in other liabilities	0.58	4.83	0.24	(14.60)
Cash generated from operations		52.91		12.81
Income taxes paid	(13.46)	(13.46)	(8.65)	(8.65)
Net cash generated from operating activities		39.46		4.17
B. CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Property, plant and equipment	(0.51)		(5.86)	
Proceeds from sale of discarded assets	-		0.07	
Interest received	3.38		0.30	
Dividend received	-		3.11	
Proceeds from sale of Investments in Mutual Funds/Liquid Funds/Debt Funds	60.45		185.71	
Payment for purchase of Investments in Mutual Funds/Liquid Funds/Debt Funds	(124.09)		(41.85)	
Bank balances not considered as cash and cash equivalents	(21.80)		(61.06)	
Net cash from investing activities		(82.58)		80.47
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of short - term borrowings	(1.06)		-	
Proceeds from short - term borrowings	-		0.67	
Dividend paid on equity shares	-		(20.09)	
Tax on equity dividend paid	-		(4.13)	
Interest paid	(0.04)		(0.06)	
Net cash used in financing activities		(1.10)		(23.61)
NET INCREASE IN CASH AND CASH EQUIVALENTS		(44.22)		61.03
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		62.80		1.77
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		18.57		62.80



VARDHMAN ACRYLICS LTD

Regd. Office : Chandigarh Road, Ludhiana-141010

Audited Financial Results for the quarter and year ended 31st March, 2021

Corporate Identity Number (CIN): L51491PB1990PLC019212, PAN: AAACV7602E

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

NOTES:

1. The Company has only one segment of Acrylic Fibre and accordingly, there is no reportable segment as required by Indian Accounting Standards (IndAS) - 108 "Operating Segment" notified by the Companies (Accounting Standards) Rules, 2015.
2. The format for quarterly results is as prescribed in Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI circular CIR/CFD/CMD1/44/2019 dated March 29, 2019. The financial results have been prepared in accordance with Indian accounting standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
3. On account of COVID-19 pandemic, the Government of India had imposed a complete nation-wide lockdown on March 24, 2020 leading to temporarily shut down of company's manufacturing facilities and operations for some period during first quarter. Since then the Government of India progressively relaxed lockdown conditions and has allowed industry to resume its operations. The Company has made assessment of its liquidity position for the current year and the recoverability and carrying value of its assets comprising property, plant and equipment, right of use assets, investments, inventories and trade receivables. The Company has considered internal and external sources of information for making said assessment. On the basis of said assessment, the Company expects to recover the carrying amount of these assets and no material adjustments is required in the financial results. Given the uncertainties associated with nature, condition and duration of COVID-19, the Company will closely monitor any material changes arising out of the future economic conditions and its impact on the business of the Company.
4. Figures for previous periods have been recast/regrouped, wherever necessary to make them comparable.
5. The Audit Committee and Board of Directors has approved the above results in its meeting held on 08.05.2021. The statutory auditors have expressed an unmodified opinion on the aforesaid results.
6. The company had adopted the option permitted under section 115BAA of the Income-Tax Act, 1961 with effect from quarter ended December 31, 2019. Therefore income tax expense for the year ended 31st March, 2020 is not comparable to all other periods presented in above results.
7. The figures for the quarter ended March 31 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto 31st December.
8. The Code on Social Security 2020 has been notified in the Official Gazette on 29th September 2020. The effective date from which the changes are applicable is yet to be notified. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective.

Date : 08-05-2021

Place : Ludhiana

For Vardhman Acrylics Limited



S.P. Oswal
(Chairman)

Independent Auditor's Report on the Annual Financial Results of Vardhman Acrylics Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To
**The Board of Directors of
Vardhman Acrylics Limited**

Report on the audit of the Annual Financial Results

Opinion

We have audited the accompanying statement of financial results of Vardhman Acrylics Limited ("the Company") for the quarter and year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of regulation 33 the Listing Regulations in this regard: and
- ii. gives a true and fair view in conformity with the recognition and measurement Principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter and year then ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" 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 financial statements under the provisions of the Act and the Rules 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Management's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the recognition and measurement principles laid down in Indian accounting standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the 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 Board of Directors 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 Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the Company has adequate internal financial controls with reference to financial statements 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors'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 financial results 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 Statement, including the disclosures, and whether the Statement represents 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.

Other Matters

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to limited review by us.

Dated: 8th May, 2021
Place: Ludhiana

For SCV & Co. LLP
Chartered Accountants
FRN 00235N/N50089

(Sanjiv Mohan)
Partner
M. No. 086066
UDIN: 21086066AAAAJC3730