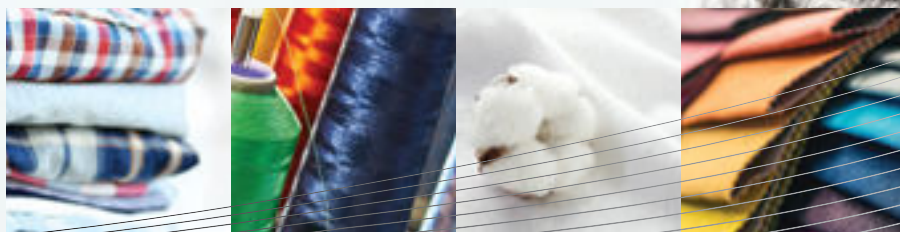




Vardhmān

Delivering Excellence. Since 1965.

DELIVERING VALUE WITH **EXPERIENCE & GROWTH**



Yarns



Fabrics



Acrylic
Fiber



Sewing
Thread



Garments



Alloy Steel

Vardhman Textiles Ltd.

Annual Report **2017-18**

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Forward-Looking Statements

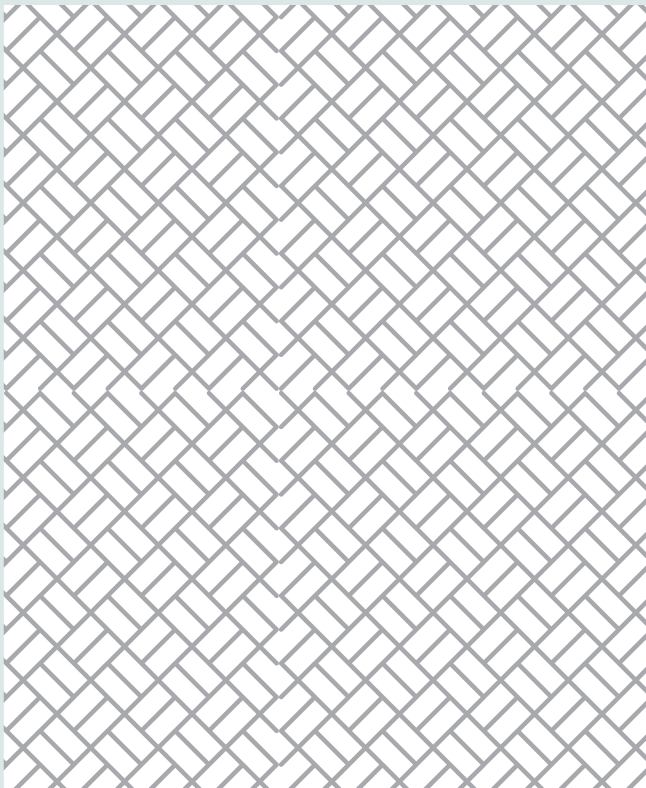
Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Creating value never really happens in a vacuum. At Vardhman, we have witnessed excellence being the by-product of our experience – the more we did our work, the better we got at it.



And along the way, we saw growth being the by-product of that excellence – because the better we got at our work, the wider our horizons got and the higher our achievements went. And now, as we stride ahead with both experience and growth by our side, we are getting closer to our aim of creating true value – for our people, our customers, our stakeholders and our industry.

In other words, we continue to take positive strides as a leading textile conglomerate in the country.



KNOWING VARDHMAN TEXTILES LIMITED

With more than five decades of presence, Vardhman is today among the leading textile conglomerates in the country. Beginning humbly in the year 1965, Vardhman group has evolved over the years into a modern day textile major under the dynamic leadership of its chairman, Mr. S. P. Oswal.

Vardhman Textiles Limited today stands as an epitome of perpetual business growth and rich industry experience.

Engaged in the business of manufacturing of Yarn, Fabric, Acrylic Fibre, Garments, Sewing Threads and Alloy Steel, the Group has over the years developed as a business conglomerate with presence in India and in 75 countries across the globe.

Vardhman is one of the India's largest textile manufacturer, with leading market share and sustainable business model.

What makes Vardhman different?

Our successful business model has helped us differentiate ourselves from others. It can be distilled into the following areas:

Highly talented team

At Vardhman, we have in place a strong, capable and experienced management team delivering results that drive the company ahead

Focused approach

Targeted and focused diversification over the years has helped Vardhman build on its core skills and create a pervasive presence across the value chain

Technology focused

At Vardhman, over the years, we have collaborated with some of the best technology players in the world and have developed a strong in-house technical team which played an instrumental role in helping Vardhman emerge as a technology-forward company

Customer focused

At Vardhman, we continuously engage with our customers to understand their requirements. We enjoy repeat business from existing customers on account of enduring relationships

WE ARE DIVERSE BY

OUR BUSINESS VERTICALS



Yarns



Fabrics



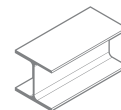
Acrylic Fibre



Sewing Thread



Garments



Alloy Steel

Vardhman in numbers

Largest

Spindles count in the country

Largest

manufacturer of Hand knitting yarn in India

140

MMPA

Processing Capacity

18

MMPA

Printing Line

1276

Looms

2nd

Largest producer of sewing threads in India

VARDHMAN STANDS FOR



A symbol of Trust



Experience of more than five decades in the textile industry



Leading manufacturer and exporter of cotton yarn in India.



25 state-of-the-art manufacturing facilities



Presence in more than 75 countries across the globe

VARDHMAN GROUP MILESTONE JOURNEY

1965

Vardhman started its operations with 6000 spindles

1982

Vardhman group entered the sewing thread market

1986

The group acquired steel unit from Mohta Industries which is now known as Vardhman Special Steels

1992

Vardhman diversified its operations by entering into weaving business with a plant in Baddi, Himachal Pradesh

1999

A plant in Bharuch, Gujarat was set up by the group for production of Acrylic Fibre

2000

Vardhman entered into processing of fabrics

2007

Vardhman established its first composite plant in 2007 with Spinning, Weaving and Processing facilities

2011

The group entered into garment business with manufacturing of formal shirts for men

2013

With increase in spindle capacity to 10 lakh, Vardhman reached the highest spindle capacity in the country








2015

Vardhman completed 50 Golden years

2016

Printed Fabric Unit started in March

OUR COLLABORATIONS

Company	Year of Collaboration	Collaborated for
Nihon Sanmo <i>Japan</i>	1992	 Fibre and Yarn Dyeing
Toho Rayon <i>Japan</i>	1995	 Cotton Yarns
Exlan and Marubeni <i>Japan</i>	1996	 Acrylic Fibre
Tokai Senko <i>Japan</i>	1998	 Fabric Finishing and Dyeing
American and Efird <i>USA</i>	2001	 Sewing Threads
Nisshinbo <i>Japan</i>	2002	 Cotton Yarns
Nisshinbo <i>Japan</i>	2009	 Garment Business

VARDHMAN'S ENTRENCHED PRESENCE

Being engaged in this competitive textile business for over five decades now, one thing we have learned is that manufacturing at competitive cost is the key to survival. The competence to manufacture at competitive cost is not as facile as it appears. At Vardhman, this has been made possible by our 25 state-of-the-art facilities located in different states of India. These facilities help Vardhman to be cost effective, enjoy economies-of-scale, effective yet maximum capacity utilisation, quick product switch and consistent product quality.



BRANDS WE SERVE

A | X
ARMANI EXCHANGE

BOSS
HUGO BOSS

Calvin Klein

H&M

PETER ENGLAND

RALPH LAUREN

TOMMY HILFIGER

ZARA

ARROW
US & 1851

benetton

GAP

M&S
EST. 1884

Pepe Jeans
LONDON

THE HOUSE OF
LOUIS PHILIPPE

V
VAN HEUSEN



VARDHMAN COMPETITIVENESS



US \$2.6 trillion

Expected global apparel market size by 2025.



US \$230 billion

Expected Indian apparel market size by 2025.



Vardhman has been a long standing player in the ever evolving textile industry and has a product portfolio that enabled the Company to have a presence across the textile value chain.



12

locations have been approved by the government to set up apparel parks to promote exports.



We already have a strong export presence in more than 75 countries across the globe.

350+

Key international clients the Company is associated with.



With the growing urbanisation, the demand for branded apparels is on a rise in India.



Evolving technologies have opened up new opportunities for companies in areas of product development and higher operational efficiencies.



Our efficient manufacturing and high degree of focus on design and innovation have paved the way for sales to mass-market brands.

More than 40% of our fabric is sold to domestic and international brands such as GAP, H&M, Peter England, Van Heusen, and Wills among others.



Pioneer in new technology adoption and undertakes regular upgradation of machines and systems.

₹100+ crore

Average investment in new technologies and system upgradation in the last five years.



Shifting demographics and growing urbanization, the demand for better-quality and innovative products is on the rise in India.



Vardhman has pioneered the introduction of 100% cotton mélange into India in 1995. It also pioneered the introduction of Core spun yarns technology in India in 1998.



Market Opportunities



Vardhman's Advantage