



Vardhmān

Vardhman Holdings Limited

56th

Annual Report
2019-20

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. Chaman Lal Jain	Director
Mr. Vikas Kumar	Director
Mr. Jagdish Rai Singal	Independent Director
Mr. Sat Pal Kanwar	Independent Director
Mrs. Apinder Sodhi	Independent Director
Mr. Om Parkash Sharma	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. R. Dewan & Company
Chartered Accountants
Ludhiana

REGISTRAR AND TRANSFER AGENT

M/s. Alankit Assignments Limited
New Delhi

REGISTERED & CORPORATE OFFICE

Vardhman Premises, Chandigarh Road,
Ludhiana-141 010
Phones: (0161) 2228943-48
Fax: (0161) 2601048
E-mail: secretarial.lud@vardhman.com
Website: www.vardhman.com
CIN: L17111PB1962PLC002463

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NOTICE

NOTICE is hereby given that the **FIFTY SIXTH ANNUAL GENERAL MEETING** of Vardhman Holdings Limited will be held on Monday, the 28th day of September, 2020 at 03.00 p.m. through Video Conferencing ("VC")/ Other AudioVisual 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, 2020 together with Report of Board of Directors and Auditors thereon.

Item No. 2a– 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 No. 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. 2b – To re-appoint Mrs. Shakun Oswal as a director liable to retire by rotation:

To appoint a Director in place of Mrs. Shakun Oswal (DIN No. 00121915), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

Item No. 3- To re-appoint Mr. Sanjeev Jain as an independent director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013, read with Schedule IV of the Companies Act, 2013, the rules made thereunder and Regulations 16, 17 & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Sanjeev Jain (DIN: 01242929), Independent Director, whose period of office is expiring on 12th November, 2020 and who has submitted a declaration confirming he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term in accordance with the provisions of the Companies Act, 2013 and rules made thereunder and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of three consecutive years w.e.f. 13th November, 2020.”

Item No. 4- To approve continuation of directorship of Mr. Jagdish Rai Singal as a Non-Executive Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the Members of the Company be and is hereby given for continuation of the directorship of Mr. Jagdish Rai Singal (DIN: 00699341) on his attaining the age of seventy five years i.e. 3rd January, 2021, as per his existing terms of appointment, as a non- executive director of the Company.”

Item No. 5- To approve continuation of directorship of Mrs. Shakun Oswal as a Non-Executive Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the Members of

the Company be and is hereby given for continuation of the directorship of Mrs. Shakun Oswal (DIN: 00121915) on her attaining the age of seventy five years i.e. 18th August, 2021, as per her existing terms of appointment, as a non- executive director of the Company.”

Place: Ludhiana

Date: 29th June, 2020

BY ORDER OF THE BOARD

Sd/-

(Swati Mangla)

Company Secretary

NOTES:

1. Considering the outbreak of Covid-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular(s) No. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and 20/2020 dated May 05, 2020 and SEBI vide its Circular No. SEBI/ HO/ CFD/ CMD1/ CIR/ P/ 2020/ 79 dated May 12, 2020, (Collectively referred as "MCA Circulars") has allowed the Companies to conduct the Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the members at a common venue. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 56th AGM of the Company shall be conducted through VC / OAVM. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013. 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 the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, 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 No. 13). 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.
4. 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 Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the AGM, is annexed hereto.
6. The information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 regarding the Directors seeking 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 re-appointment.
7. The Register of Members and the Share Transfer Books of the Company shall remain closed from 18th September, 2020 to 28th September, 2020 (both days inclusive).
8. 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@ud@vardhman.com.

DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

9. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 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 2019-20 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.
10. 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 rta@alankit.com.

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

11. INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The Remote e-Voting period commences on 25th September, 2020 (9:00 a.m.) and ends on 27th September, 2020 (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 21st September, 2020, may cast their vote electronically. The Remote e-voting module shall be disabled by CDSL for voting after end of voting period on 27th September, 2020.
- (ii) Members who have already voted through Remote e-Voting would not be entitled to vote during the AGM.
- (iii) The Members should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.

- (v) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use first 2 letters of their name & the 8 digits of the sequence number. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN: 200829009 for **<Vardhman Holdings Limited>** on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (xix) Members can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be

downloaded from respective App Store(s). Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

(xx) Note for Non-Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 21st September, 2020 may follow the same instructions as mentioned above for e-Voting.

12.PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- 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 provide Demat account details (CDSL-16 digit beneficiary ID or

NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial.lud@vardhman.com/ rta@alankit.com.

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

- a. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- b. Members are encouraged to join the Meeting through Laptops / iPads for better experience.
- c. Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d. 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.
- e. 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 at least **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 numbers of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of AGM.
- f. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

14. INSTRUCTIONS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned in point no. 11 for Remote e-voting.
 - b. Only those members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 - c. If any votes are cast by the members through the e-voting available during the AGM and if the same members 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 members attending the meeting.
 - d. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
15. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
16. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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 022-23058542/43.
17. M/s. Harsh Goyal & 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.

18. The Results of the resolutions passed at the AGM of the Company will be declared within 48 hours of the conclusion of AGM. The results declared along with the Scrutinizer's report shall be simultaneously placed on the

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

BY ORDER OF THE BOARD

Place: Ludhiana

Dated: 29th June, 2020

Sd/-

Swati Mangla

Company Secretary

ANNEXURE TO THE NOTICE:

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

(For Items No. 3 to 5)

ITEM NO. 3:

Mr. Sanjeev Jain was appointed as an Independent Director of the Company for a term of three consecutive years, pursuant to approval of the Members under the provisions of the Companies Act, 2013, through resolution passed at the 54th Annual General Meeting held on 27th September, 2018. Now, his term of appointment is expiring on 12th November, 2020.

Considering the rich experience, knowledge, skills, valuable contribution to the Company and overall performance evaluation of Mr. Sanjeev Jain, the Board of Directors of the Company in its meeting held on 29th June, 2020 had approved and recommended his re-appointment as an Independent Director for a second term of three consecutive years to the Members of the Company for their approval.

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, and shall be eligible for re-appointment on passing of a special resolution by the Company.

Mr. Sanjeev Jain has given declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, he fulfills the conditions specified in the Act and the rules framed thereunder for appointment as an Independent Director.

The Company has received a notice in writing from a member proposing the candidature of Mr. Sanjeev Jain to be re-appointed as an Independent Director of the Company in accordance with the provisions of the Companies Act, 2013.

His brief profile is provided at the end of this statement.

The Board of Directors recommends the Special Resolution as set out at Item No. 3 for approval of the Members. Accordingly, your approval is solicited.

Memorandum of Interest:

Except Mr. Sanjeev Jain, being appointee, none of the Directors/ Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 3.

ITEM NO. 4:

Pursuant to the provisions of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f April 1, 2019, approval of the shareholders is required by way of a special resolution for continuing the directorship of any non-executive director who has attained the age of 75 years.

Now, pursuant to these provisions, for continuation of directorship of Mr. Jagdish Rai Singal who is going to attain the age of 75 years on 3rd January, 2021, a Special Resolution is required to be approved by the members of the Company.

Mr. Jagdish Rai Singal holds Bachelor's degree in Arts. He is having a rich and varied experience of more than 45 Years in international trade. Now, considering his vast and rich experience, the Board of Directors recommends this Special Resolution for approval of the Members. Accordingly, your approval is solicited.

Memorandum of Interest:

Except Mr. Jagdish Rai Singal, none of the Directors/Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 4.

ITEM NO. 5:

Pursuant to the provisions of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f April 1, 2019, approval of the shareholders is required by way of a Special Resolution for continuing the directorship of any non-executive director who has attained the age of 75 years.

Now, pursuant to these provisions, for continuation of directorship of Mrs. Shakun Oswal who is going to attain the age of 75 years on 18th August, 2021, a Special Resolution is required to be approved by the Members of the Company.