

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 shareholders' value and fulfill its responsibilities to the community, customers, employees, Government and other segments of society. Your Company is committed on adopting the best practices of Corporate Governance as manifested in the Company's functioning to achieve the business excellence by enhancing long-term shareholders' value. Efficient conduct of the business of the Company through commitment to transparency and business ethics in discharging its corporate responsibilities is hallmark of the best practices followed by the Company. This report on Corporate Governance, besides being in compliance of the mandatory SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, gives an insight into the functioning of the Company.

1. COMPANY'S PHILOSOPHY:

- ❖ Faith in bright future of Indian textiles and hence 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.
- ❖ Global orientation targeting – at least 20% production for exports.
- ❖ Integrated diversification/ product range expansion.
- ❖ 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 March 31st, 2021

The Composition of Board and category of Directors are as follows:-

Category	Name of Directors
Promoter Directors	# S.P. Oswal- Chairman & Managing Director # Suchita Jain- Vice- Chairperson & Joint Managing Director # Sachit Jain-Non-Executive Director
Executive Non-Independent Director	Neeraj Jain- Joint Managing Director
Independent Directors	Prafull Anubhai A.K. Kundra S.K. Bijlani Parampal Singh Harpreet Kaur Kang

Relationship Inter-se:

Except Mr. S.P. Oswal, Mr. Sachit Jain and Mrs. Suchita Jain, none of the Director of the Company is related to any other Director of the Company.

ii. Board Meetings:

During the financial year 2020-2021, the Board met 5 (Five) times on the following dates:

- ♦ 27th May, 2020
- ♦ 23rd June, 2020
- ♦ 27th July, 2020
- ♦ 24th October, 2020
- ♦ 21st January, 2021

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 Directorships/Chairmanships 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 Chairmanships in other Companies	Total No. of Committee Chairmanships in other companies
S.P. Oswal	5	No	7	Vardhman Acrylics Limited Vardhman Holdings Limited	Non-Executive Director Executive Director	3	3	3
Sachit Jain	1	No	8	Vardhman Holdings Limited Vardhman Special Steels Limited Vardhman Acrylics Limited	Non-Executive Director Executive Director Non-Executive Director	1	-	-
Suchita Jain	5	Yes	9	Vardhman Holdings Limited Vardhman Special Steels Limited Vardhman Acrylics Limited	Non-Executive Director Non-Executive Director Non-Executive Director	5	1	1
Neeraj Jain	5	Yes	6	-	-	-	-	-
Prafull Anubhai	5	Yes	2	Unichem Laboratories Limited	Non-Executive Director	2	-	2
A. K. Kundra	5	No	1	-	-	-	-	-
S.K. Bijlani	4	No	1	-	-	1	-	-
Parampal Singh	5	No	-	-	-	-	-	-
Harpreet Kaur Kang	4	No	1	Sportking India Limited	Non-Executive Director	1	-	-
D.L. Sharma*	3	N.A.	-	-	-	-	-	-
D.B. Jain**	4	No	-	-	-	-	-	-
R.M. Malla***	3	N.A.	-	-	-	-	-	-

*During the year, Mr. D.L. Sharma ceased to be a Director of the Company w.e.f. 10th September, 2020.

** During the year, Mr. R.M. Malla ceased to be a Director of the Company w.e.f. 26th September, 2020.

*** During the year, Mr. D.B. Jain ceased to be a Director of the Company w.e.f. 8th November, 2020.

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

3. BOARD COMMITTEES:

i. Board Committees, their composition and terms of reference, as on 31st March, 2021, are provided as under:

NAME OF COMMITTEE	COMPOSITION	TERMS OF REFERENCE
Audit Committee	Prafull Anubhai (Chairman) A.K. Kundra S.K. Bijlani	<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) Regulation, 2015.
Nomination and Remuneration Committee	A.K. Kundra (Chairman) Prafull Anubhai S.P. Oswal 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 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. <p>Nomination and Remuneration Policy of the Company forms part of the Board Report as Annexure - I.</p>
Corporate Social Responsibility Committee	Prafull Anubhai (Chairman) Neeraj Jain Sachit Jain	<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/user_files/investor/CSR%20Policy%20final.pdf Recommends expenditure to be incurred for CSR activities/project and ensures effective monitoring of CSR policy of the Company from time to time. <p>The Annual Report on CSR activities undertaken by the Company forms part of the Board Report as Annexure - III.</p>
Stakeholders' Relationship Committee	A.K. Kundra (Chairman) Sachit Jain Suchita 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 received 1 complaint from the investors and the same has been duly resolved by the Company.
Risk Management Committee	Prafull Anubhai (Chairman) Neeraj Jain D.K. Sindwani Rajeev Thapar	<ul style="list-style-type: none"> The Risk Management Policy of the Company aims to maximise opportunities in all activities and to minimise adversity. The Risk Management 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/user_files/investor/a4c0a8b00e407cd507553ea7db7f06e89de1272a1436265025.pdf

Mr. Sanjay Gupta, 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) Regulations, 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	7	3	2	1	1
S.P. Oswal	N.A.	N.A.	1	N.A.	N.A.
Sachit Jain ¹	N.A.	0	0	0	N.A.
Suchita Jain ²	N.A.	N.A.	N.A.	1	N.A.
Neeraj Jain	N.A.	3	N.A.	N.A.	1
D.L. Sharma ³	3	2	1	0	N.A.
Prafull Anubhai Shah ⁴	7	2	2	N.A.	1
A. K. Kundra ⁵	7	1	2	1	N.A.
D.B. Jain ⁶	4	N.A.	N.A.	N.A.	N.A.
R.M. Malla ⁷	N.A.	N.A.	N.A.	N.A.	N.A.
S.K. Bijlani	6	N.A.	N.A.	N.A.	N.A.
Parampal Singh	N.A.	N.A.	N.A.	N.A.	N.A.
Harpreet Kaur Kang	N.A.	N.A.	N.A.	N.A.	N.A.

¹ Mr. Sachit Jain was appointed as the member of Nomination & Remuneration Committee w.e.f. 24th October, 2020.

² Mrs. Suchita Jain was appointed as the member of Stakeholders' Relationship Committee w.e.f. 24th October, 2020.

³ During the year, Mr. D.L. Sharma ceased to be a Director of the Company w.e.f. 10th September, 2020.

⁴ Mr. Prafull Anubhai was appointed as the Chairman of CSR Committee w.e.f. 27th May, 2020 and his designation in Nomination & Remuneration Committee was changed from Chairman to Member w.e.f. 27th May, 2020.

⁵ Mr. A. K. Kundra was appointed as the Chairman of Nomination & Remuneration Committee w.e.f. 27th May, 2020 and he ceased to be a Member in CSR Committee w.e.f. 27th May, 2020.

⁶ During the year, Mr. D.B. Jain ceased to be a Director of the Company w.e.f. 8th November, 2020.

⁷ During the year, Mr. R.M. Malla ceased to be a Director of the Company w.e.f. 26th September, 2020.

N.A.- Not a member of the Committee.

iii. Meeting of Independent Directors:

A meeting of Independent Directors of the Company for the financial year 2020-21 was held on 21st January, 2021, 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 Directors of the Company are available on the Company’s website at the link: https://www.vardhman.com/user_files/investor/familiarisation.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
S.P. Oswal	Strategic Planning Leadership Operational Experience Industry Experience Financial Expertise Administrative Experience
Sachit Jain	Strategic Planning Leadership Operational Experience Industry Experience Financial Expertise Administrative Experience

Suchita Jain	Strategic Planning Leadership Operational Experience Industry Experience Financial Expertise Administrative Experience
Neeraj Jain	Strategic Planning Leadership Operational Experience Industry Experience Financial Expertise Administrative Experience
Prafull Anubhai	Strategic Planning Leadership Industry Experience Financial Expertise
A.K. Kundra	Strategic Planning Leadership Financial Expertise Administrative Experience
S.K. Bijlani	Strategic Planning Leadership Operational Experience Financial Expertise
Parampal Singh	Strategic Planning Leadership Administrative Experience
Harpreet Kaur Kang	Strategic Planning Leadership Administrative Experience

4. DIRECTORS' REMUNERATION:

i) Chairman and Managing Director / Executive Directors:

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

A detail of remuneration paid to the Directors during the year 2020-21 is as given below:

(in ₹)			
Name	S.P. Oswal	Suchita Jain	Neeraj Jain
Designation	Chairman & Managing Director	Vice-Chairperson & Joint Managing Director	Joint Managing Director
Salary	60,00,000	73,80,000	60,60,000
Perquisites & Allowances	30,34,083	54,21,048	45,15,287
Retirement Benefit	7,20,000	8,85,600	7,27,200
Commission	8,26,32,062	-	-
Performance Linked Incentive	-	86,30,000	73,10,000

Performance Linked Incentives are decided by the Nomination & Remuneration Committee based on the profits calculated at the end of Financial Year.

The tenure of office of Managing Director & Joint Managing Director(s) is 5 (five) years from their respective dates of appointment and can be terminated by either party by giving 3 months notice in writing. There is no separate provision for payment of severance fees.

None of the above mentioned Directors has been granted any stock options except Mr. Neeraj Jain, who has been granted 20,000 Options. He has been allotted 11,500 options till date.

ii) Non-Executive Directors:

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

The Non-Executive Directors are paid sitting fees @ ₹ 35,000/- per Board Meeting and @ ₹ 30,000/- per Committee Meeting. However, due to the outbreak of Covid-19 pandemic when uncertainty was looming large and the Company was passing through unprecedented crucial times, the Independent Directors of the Company in the Board Meeting dated 27th May, 2020, unanimously proposed and decided to take a voluntarily cut of 20% on the sitting fees payable to them by the Company.

Accordingly, the sitting fee payable to Independent Directors for attending the Board and Committee meetings stood reduced to ₹ 28,000/- and ₹ 24,000/- respectively. However, with the opening up of the economies, the Board of Directors in its meeting held on 21st January, 2021 decided to re-instate the sitting fee payable to Independent Directors for attending the Board and Committee meetings from January' 2021 onwards.

The detail of sitting fees paid to the Directors during the Financial Year 2020-21 is given hereunder: -

SR. NO.	NAME OF DIRECTOR	SITTING FEE (₹)
1.	Prafull Anubhai	5,19,000
2.	A.K. Kundra	4,41,000
3.	D.B. Jain*	2,08,000
4.	R.M. Malla**	84,000
5.	S.K. Bijlani	3,05,000
6.	Parampal Singh	1,47,000
7.	Harpreet Kaur Kang	1,12,000

*During the year, Mr. D.B. Jain ceased to be a Director of the Company w.e.f. 8th November, 2020.

** During the year, Mr. R.M. Malla ceased to be a Director of the Company w.e.f. 26th September, 2020

5. SHAREHOLDING DETAILS OF DIRECTORS AS ON 31ST MARCH, 2021:

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.	S.P. Oswal	5,97,591
2.	Suchita Jain	2,44,424
3.	Neeraj Jain	Nil

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
47 th Annual General Meeting for the Financial year ended 31 st March, 2020.	Monday, 28 th September, 2020 at 10:30 A.M.	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)*	1
46 th Annual General Meeting for the Financial year ended 31 st March, 2019.	Monday, 30 th September, 2019 at 03:00 P.M.	Regd. Office, Chandigarh Road, Ludhiana- 141010.	4
45 th Annual General Meeting for the Financial year ended 31 st March, 2018.	Thursday, 27 th September, 2018 at 11.00 A.M	Regd. Office, Chandigarh Road, Ludhiana- 141010.	5

* In compliance with circulars of the Ministry of Corporate Affairs dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 and SEBI Circular No. SEBI/ HO/ CFD/ CMD1/ CIR/ P/ 2020/ 79 dated May 12, 2020, permitting the holding of the Annual General Meeting ("AGM") through Video Conferencing without the physical presence of the Members at a common venue, the AGM of the Company was held through Video Conferencing.

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 financial year 2021-22.

7. DISCLOSURES:

i. There was no materially significant related party transaction. Transactions with related parties are disclosed in Note No. 46 to the Financial Statements. 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/user_files/investor/RELATED_PARTY_TRANSACTION%20-%20VTXL.pdf

- ii. 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 and Exchange Board of India (SEBI) or any other Statutory Authority, relating to capital market, during the last three years.
- iii. The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. 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/user_files/investor/VTXL-%20VIGIL%20MECHANISM%20POLICY.pdf
- iv. The Company has complied with all the applicable requirements specified in Regulation 17 to 27 and 46 of 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 Board of Directors of the Company. The aim of Risk Management Policy is to maximize the opportunities in all activities and to minimize adversity.
- viii. Further, the Company has complied with all mandatory requirements of SEBI (Listing Obligations and Disclosure

Requirements), Regulations, 2015. The Company may also take up the non-mandatory requirements of the Regulations in due course of time.

- ix. As on March 31, 2021, there was no outstanding GDRs/ ADRs/Warrants or any convertible instruments.
- x. During the year 2020-21, the Company had managed the foreign exchange risk and commodity price risk and hedged to the extent considered necessary. The Company enters into forward contracts and options contracts for hedging foreign exchange exposures against exports and imports. Further, the Company also enters in commodity derivative contracts for hedging commodity price risk exposures on cotton purchase.

The details of foreign currency exposure are disclosed in the Note No. 37 to the Financial Statements.

Exposure of the Company to commodity risk as on 31st March, 2021 is as follows:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
Cotton	1,712 crore	138.56 million kgs. approx	-	0%	-	Approximate 15%	15%

- xi. 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/user_files/investor/Policy%20for%20determining%20Material%20Subsidiaries.pdf
- 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/ company of which statutory auditor is part is ₹ 64.60 lac.

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, conducting investor calls 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., "Business Standard" and "Desh Sewak". The Financial Results of the Company are also made available at the Company's website www.vardhman.com.

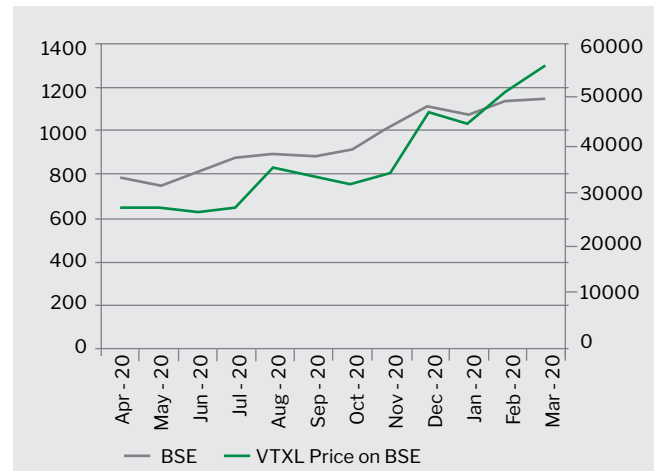
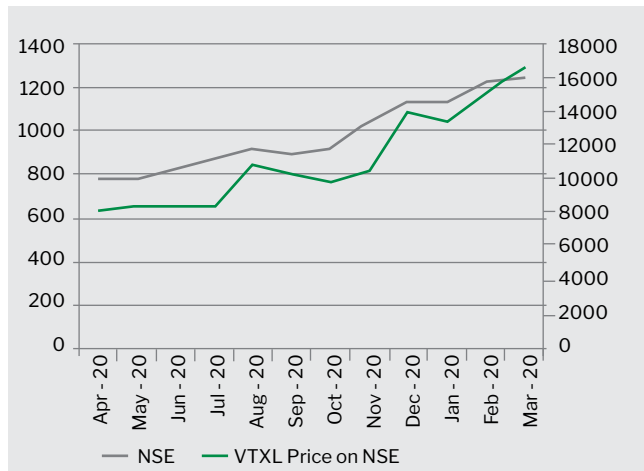
GENERAL INFORMATION FOR SHAREHOLDERS

i) 48th Annual General Meeting:	
Date	: 28 th September, 2021
Time	: 11:30 a.m.
Venue	: Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")
ii) Financial Calendar 2021-22 (Tentative)	
First Quarter Results	: July, 2021
Second Quarter Results	: October, 2021
Third Quarter Results	: January, 2022
Annual Results	: May, 2022
iii) Dates of Book Closure	: 18th September, 2021 to 28th September, 2021 (both days inclusive)
iv) Dividend payment date	: Within 30 days after declaration.
v) Listing	: The securities of the Company are listed on the following Stock Exchanges: - <ol style="list-style-type: none"> 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. <p>Listing fee, as applicable, has been duly paid to both the aforesaid Stock Exchanges.</p>
vi) Stock Code:	
BSE Limited, Mumbai	: 502986
National Stock Exchange of India Limited	: VTL

vii) Stock Market Data:

The month-wise highest and lowest and closing stock prices of NSE vis-a-vis BSE during the financial year 2020-21 is given below: -

Financial Year 2020-21	Share Prices of Vardhman Textiles Limited on NSE				Share Prices of Vardhman Textiles Limited on BSE			
	Highest (₹)	Lowest (₹)	Closing (₹)	%age change over last month's closing	Highest (₹)	Lowest (₹)	Closing (₹)	%age change over last month's closing
April	734.10	602.05	646.05	3.36	699.00	592.90	647.20	3.44
May	674.00	610.00	657.50	1.77	671.00	611.05	656.70	1.47
June	775.00	640.15	651.25	-0.95	765.50	640.00	647.00	-1.48
July	700.50	630.50	665.25	2.15	703.65	622.05	663.45	2.54
August	976.65	651.35	846.85	27.30	898.20	652.55	841.20	26.79
September	879.95	720.00	800.80	-5.44	866.35	717.00	801.00	-4.78
October	839.00	737.00	765.00	-4.47	838.80	731.35	764.95	-4.50
November	936.00	753.45	815.15	6.56	875.00	751.00	813.40	6.33
December	1,099.95	828.10	1,085.10	33.12	1,099.00	829.50	1,084.55	33.34
January	1,165.00	1,020.35	1,047.15	-3.50	1,161.05	1,020.50	1,041.55	-3.96
February	1,208.15	1,011.35	1,183.95	13.06	1,208.50	971.00	1,185.40	13.81
March	1,326.00	1,133.05	1,297.70	9.61	1,325.35	1,136.00	1,300.10	9.68

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

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 up to the financial year 2012-13 has been transferred to the Investors Education and Protection Fund (IEPF). The unclaimed or unpaid dividend relating to the Financial Year 2013-14 is due for remittance by the end of November, 2021 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

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,
(Unit: Vardhman Textiles Limited)
205-208, Anarkali Complex, Jhandewalan Extension,
New Delhi - 110 055.

Phone: (011) 41540060-63, 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 dematerialize 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 **INE 825 A01012**.

xii) Distribution of Shareholding as on 31st March, 2021:

RANGE No. of Shares	SHAREHOLDERS		SHARES	
	Numbers of total Holders	% to Total Holders	Numbers of shares Held	% to Total Shares
Upto-500	19,118	91.26	1,767,307	3.07
501-1000	949	4.53	678,202	1.18
1001-2000	427	2.04	597,022	1.04
2001-3000	136	0.65	340,186	0.58
3001-4000	68	0.32	235,582	0.41
4001-5000	40	0.19	183,837	0.32
5001-10000	92	0.44	666,073	1.16
10001- above	119	0.57	53,094,351	92.24
Total	20,949	100.00	57,562,560	100.00

xiii) Dematerialisation of shares:

As on 31st March, 2021, 98.92% of the capital comprising 5,69,43,160 shares, out of total of 5,75,62,560 shares, were dematerialized.

xiv) Stock Options:

The Company has granted options to its employees under Vardhman Textiles Limited Employee Stock

Options Plan, 2016 (hereinafter referred as ESOP Plan). As per the terms of the plan, the Company can grant a maximum of 6,36,518 options to eligible employees from time to time. One option entitles the holder to apply for one equity share of the Company in terms of ESOP Plan. During the financial year 2020-21, 43,800 equity shares were allotted to the eligible employees. So, the paid-up equity share capital of the Company stood increased to ₹ 57,56,25,600 as on 31st March, 2021.

xv) Plant Location:

- **Arihant Spinning Mill**
Industrial Area,
Malerkotla-148 023
- **Anant Spinning Mills,**
New Industrial Area,
Mandideep-462 046
- **Arisht Spinning Mills,**
Sai Road, Baddi,
Distt. Solan (H.P.)- 173 205.
- **Auro Spinning Mills,**
Sai Road, Baddi,
Distt. Solan (H.P.)- 173 205.
- **Auro Dyeing (Unit II)**
Sai Road, Baddi,
Distt. Solan (H.P.)- 173 205.
- **Auro Weaving Mills,**
Sai Road, Baddi,
Distt. Solan (H.P.) - 173 205.
- **Auro Textiles**
Sai Road, Baddi,
Distt. Solan (H.P.)- 173 205
- **Vardhman Spinning Mills,**
Sai Road, Baddi,
Distt. Solan (H.P.)- 173 205
- **Vardhman Spinning and General Mills,**
Chandigarh Road,
Ludhiana-141 010.
- **Vardhman Fabrics**
Budhni, Distt. Sehore (M.P.) - 466 445
- **Vardhman Fabrics (Power Division)**
Budhni, Distt. Sehore (M.P.) - 466 445
- **Vardhman Yarns**
Satlapur, Distt. Raisen (M.P.) - 462 046
- **Vardhman Yarns (Power Division)**
Satlapur, Distt. Raisen (M.P.) - 462 046

Note: Mahavir Spinning Mills (Textile Division) (Unit I & II), Auro Dyeing (Unit-I) & Auro Textiles (Unit-II) stands merged with Auro Textiles.

xvi) Address for correspondence:

Registered office	: 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)

xvii) List of credit ratings:

The Company has obtained rating from CRISIL Limited during the financial year 2020-21. There has been no revision in the credit ratings during the financial year 2020-21. List of all credit ratings obtained by the Company during the year are as follows:

Particulars	Rating during FY 2020-21
Long Term Bank Facilities	CRISIL AA+/Stable
Short Term Bank Facilities	CRISIL A1+
Non-Convertible Debentures	CRISIL AA+/Stable
Commercial Papers	CRISIL A1+

xviii) Debenture Trustee :

SBICAP Trustee Company Limited, Apeejay House, 6th floor 3, Dinshaw Wachha Road, Churchgate, Mumbai 400 020 Tel: 022-4302 5555; Fax : 022- 22040465
E-Mail: corporate@sbicaptrustee.com ; Website: www.sbicaptrustee.com