

**B. K. Khare & Co.**  
**Chartered Accountants**

706/708, Sharda Chambers, New Marine  
Lines, Mumbai – 400020, India

**INDEPENDENT AUDITORS' REPORT ON THE AUDIT OF QUARTERLY AND ANNUAL FINANCIAL RESULTS**

**To**

**The Board of Directors**

**Virat Industries Limited**

1. We have audited the Financial Results for the quarter and year ended March 31, 2023 ("Financial Results") included in the accompanying "Statement of audited Financial Results for the quarter and year ended March 31, 2023" ("the Statement") of Virat Industries Limited ("the Company") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, the Financial Results for the quarter and year ended March 31, 2023:
  - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
  - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information for the quarter and year then ended.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the audit of the Financial Results for the quarter and year ended March 31, 2023' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results for the quarter and year ended March 31, 2023 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.



**Management's Responsibilities for the Statement**

4. This Statement which includes the Financial Results is the responsibility of the Company's Board of Directors and has been approved by them. The Statement has been compiled from the related audited financial statements as at and for the year ended March 31, 2023 and interim financial information for the quarter ended March 31, 2023. This responsibility includes the preparation and presentation of the Financial Results for the quarter and year ended March 31, 2023 that give a true and fair view of the net profit and total comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder 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 Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.
5. In preparing the Financial Results, 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.
6. The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

**Auditors' Responsibilities for the audit of the Financial Results for the quarter and year ended March 31, 2023**

7. Our objectives are to obtain reasonable assurance about whether the Financial Results for the quarter and year ended March 31, 2023 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Financial Results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:



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- Identify and assess the risks of material misstatement of the Financial Results, 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 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 made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 auditors' report to the related disclosures in the Statement 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 auditors' 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 Financial Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Results of the Company to express an opinion on the Financial Results.

Materiality is the magnitude of misstatements in the Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Results.

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.



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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 matter

9. The Statement includes the results for the quarter ended March 31, 2023 being the balancing figures between audited figures in respect of the financial year ended March 31, 2023 and the year to date figures up to the third quarter of the financial year, which were subject to limited review by us.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration No. 105102W

**Aniruddha**  
**Mohan**  
**Joshi**

Digitally signed by  
Aniruddha Mohan  
Joshi  
Date: 2023.05.25  
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**Aniruddha Joshi**

**Partner**

Membership No. 040852  
UDIN: 23040852BGURDB6645  
Place: Mumbai  
Date: May 25, 2023



**VIRAT INDUSTRIES LIMITED**

Regd. Office: A-1/2, GIDC Industrial Estate, Kabilpore

Navsari – 396 424, Gujarat. CIN NO. : L29199GJ1990PLC014514

E-mail: factory@viratindustries.com

Website : www.viratindustries.com

**1 Statement of Standalone audited Financial Results for the quarter and year ended 31 March 2023**

(₹ in lakh)

Sr. No.	Particulars	3 Months Ended	Preceding 3 Months Ended	Corresponding 3 Months Ended in the Previous Year	Current Year Ended	Previous Year Ended
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	(Refer Notes Below)	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1</b>	<b>Income From Operations</b>					
(a)	Revenue from Operations	993.87	1,413.67	684.87	3,768.46	2,465.55
(b)	Other Income	26.29	23.66	28.48	73.44	48.42
	<b>Total Income</b>	<b>1,020.16</b>	<b>1,437.33</b>	<b>713.35</b>	<b>3,841.90</b>	<b>2,513.97</b>
<b>2</b>	<b>Expenses :</b>					
(a)	Cost of materials consumed	421.81	577.29	267.08	1,873.85	1,167.27
(b)	Changes in inventories of finished goods, stock in trade and work in progress	(61.18)	141.40	29.40	(371.00)	(160.17)
(c)	Employee benefits expense	144.31	145.55	122.38	545.37	487.56
(d)	Finance Costs	0.66	3.76	0.88	6.94	3.30
(e)	Depreciation expenses	39.00	38.44	40.09	153.81	160.40
(f)	Other expenses	404.29	449.41	210.48	1,414.93	683.01
	<b>Total Expenses</b>	<b>948.89</b>	<b>1,355.85</b>	<b>670.31</b>	<b>3,623.90</b>	<b>2,341.37</b>
<b>3</b>	<b>Profit before tax for the period (1 - 2)</b>	<b>71.27</b>	<b>81.48</b>	<b>43.04</b>	<b>218.00</b>	<b>172.60</b>
<b>4</b>	<b>Tax Expenses</b>					
(a)	Current Tax	21.95	26.61	8.25	73.27	61.71
(b)	Deferred Tax	(4.24)	(0.74)	(2.97)	(19.04)	(16.77)
(c)	Excess provision for tax relating to prior years	-	-	-	1.68	(7.57)
<b>5</b>	<b>Profit after tax for the period</b>	<b>53.56</b>	<b>55.61</b>	<b>37.76</b>	<b>162.09</b>	<b>135.23</b>
<b>6</b>	<b>Other Comprehensive Income for the period</b>					
6.a. (i)	Items that will not be reclassified to profit or loss	4.72	(1.04)	(6.26)	1.59	(3.79)
(ii)	Income tax relating to items that will not be reclassified to profit or loss	(1.19)	0.26	1.58	(0.40)	0.95
<b>7</b>	<b>Total Comprehensive Income for the period (5 + 6)</b>	<b>57.09</b>	<b>54.83</b>	<b>33.08</b>	<b>163.28</b>	<b>132.39</b>
<b>8</b>	<b>Earning per share (of ₹ 10 each) (not annualised except for year ended)</b>	<b>1.16</b>	<b>1.11</b>	<b>0.67</b>	<b>3.32</b>	<b>2.69</b>
	- Basic and Diluted					
<b>9</b>	<b>Paid -up equity share capital (₹ 10 each)</b>	<b>492.33</b>	<b>492.33</b>	<b>492.33</b>	<b>492.33</b>	<b>492.33</b>
<b>10</b>	<b>Other Equity as per balance sheet of previous accounting year</b>				<b>2,007.35</b>	<b>1,893.31</b>





## 2 Statement of Assets and Liabilities (Ind AS)

(₹ in lakh)

Particulars	As at 31.03.2023 Audited	As at 31.03.2022 Audited
<b>(A) ASSETS</b>		
<b>1 Non-current assets</b>		
Property, Plant and Equipment	460.10	582.78
Capital work-in-progress	-	-
Financial Assets		
- Investments	-	-
- Trade receivables	-	-
- Loans	4.50	-
- Other financial assets	23.29	23.29
Deferred Tax Assets (net)	27.52	8.88
Other non-current assets	14.88	11.23
<b>Total Non-Current Assets</b>	<b>530.29</b>	<b>626.18</b>
<b>2 Current assets</b>		
Inventories	1,413.96	886.67
Financial Assets		
- Investments	-	-
- Trade receivables	470.96	384.68
- Cash and cash equivalents	219.78	430.97
- Bank Balances other than Cash and Cash Equivalents	154.47	207.11
- Loans	2.47	0.09
- Other financial assets	18.58	12.49
Other current assets	251.99	237.23
<b>Total Current Assets</b>	<b>2,532.21</b>	<b>2,159.24</b>
<b>Total Assets (1+2)</b>	<b>3,062.50</b>	<b>2,785.42</b>
<b>(B) EQUITY AND LIABILITIES</b>		
<b>3 Equity</b>		
Equity Share capital	492.33	492.33
Other Equity	2,007.35	1,893.31
<b>Total Equity</b>	<b>2,499.68</b>	<b>2,385.64</b>
<b>4 Non-current liabilities</b>		
Financial Liabilities		
- Borrowings	8.08	16.28
- Trade payables	-	-
- Other financial liabilities	-	-
Provisions	16.37	15.83
Other non-current liabilities	1.00	1.00
<b>Total Non - Current Liabilities</b>	<b>25.45</b>	<b>33.11</b>
<b>5 Current liabilities</b>		
Financial Liabilities		
- Borrowings	-	-
- Trade payables		
(a) dues to micro enterprises and small enterprises	4.00	2.17
(b) dues of creditors other than micro enterprises and small enterprises	368.08	200.57
- Other financial liabilities	108.34	108.67
Other current liabilities	3.32	1.56
Provisions	53.63	53.70
<b>Total Current Liabilities</b>	<b>537.37</b>	<b>366.67</b>
<b>Total Equity and Liabilities (3+4+5)</b>	<b>3,062.50</b>	<b>2,785.42</b>





### 3 Statement of Cash Flow

(₹ in lakh)

	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
		Audited	Audited
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Profit before exceptional item and tax	217.99	172.60
	<u>Adjustments for:</u>		
	Depreciation and Amortisation expenses	153.81	160.40
	(Profit)/Loss on property, plant and equipment sold/scrapped/written off (Net)	-	(0.07)
	Profit from sales of fixed assets	-	-
	(Gain)/Loss on foreign exchange fluctuations (Net)	(11.61)	22.36
	Net (gain)/loss arising on financial assets measured at fair value through profit or loss	1.59	(3.79)
	Finance costs	6.94	3.30
	Interest Income	(9.17)	(11.19)
	Liabilities/Provisions no longer required written back	0.07	0.09
	<b>Operating Profit before change in Working Capital</b>	<b>359.62</b>	<b>343.70</b>
	<u>Changes in :</u>		
	Trade and other receivables	(93.18)	(108.57)
	Inventories	(527.28)	(295.78)
	Trade and other payables	163.72	113.62
		(456.74)	(290.73)
	<b>Cash generated from operations</b>	<b>(97.12)</b>	<b>52.97</b>
	Net income tax paid	(75.24)	(48.15)
	<b>Net Cash flow from Operating Activities</b>	<b>(172.36)</b>	<b>4.82</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Payments to acquire property, plant and equipment and other intangible assets	(31.18)	(0.66)
	Proceeds from disposal of property, plant and equipment and other intangible assets	0.04	0.75
	Changes in earmarked balances and margin accounts with banks		
	- Placed	355.88	160.85
	- Matured	(303.24)	(173.39)
	Interest received on Fixed Deposits	5.82	16.07
	<b>Net Cash used in Investing Activities</b>	<b>27.32</b>	<b>3.62</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Proceed from long-term borrowing (including current maturities)	-	-
	Repayment of long-term borrowing (including current maturities)	(7.50)	(6.86)
	Proceeds from short term borrowings	-	(0.73)
	Dividend and tax on dividend paid	(51.71)	(3.24)
	Finance cost	(6.94)	(3.23)
	<b>Net Cash used in Financing Activities</b>	<b>(66.15)</b>	<b>(14.06)</b>
	<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(211.19)</b>	<b>(5.62)</b>
	<b>Cash and cash equivalents:</b>		
	<b>Opening Balance</b>	<b>430.97</b>	<b>436.59</b>
	<b>Closing Balance</b>	<b>219.78</b>	<b>430.97</b>







**Notes:**

- 1 The above financial results have been reviewed by the audit committee and approved by the Board of Directors at its meeting held on 25/05/2023. In compliance with regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Statutory Auditors of the Company have carried out audit of the said results and issued an unqualified opinion thereon.
- 2 The principal business of the Company is of manufacturing socks. All other activities of the Company revolve around its main business. Hence, there is only one primary reportable business segment as defined by IND AS 108 on "Operating Segments" prescribed as per Section 133 of the Companies Act, 2013.
- 3 During the year ended, on completion of assessment proceedings, the Company has received Income tax refunds for the assessment years 2021-22. Any excess provision for taxation for respective assessment years has been reversed in Profit & Loss account disclosed as 'Excess provision for tax relating to prior years'.
- 4 Figures for the earlier period(s) have been regrouped, wherever necessary.

For Virat Industries Limited

*Adi F. Madan*

Adi F. Madan  
Managing Director  
DIN : 00023629  
Mumbai  
25.05.2023

