



Vardhman

VARDHMAN TEXTILES LIMITED

Delivering Excellence. Since 1965.

CHANDIGARH ROAD, LUDHIANA-141010

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E: SECRETARIAL.LUD@VARDHMAN.COM

Ref.VTXL:SCY:SEPT:2016-17

Dated: 01-Sept-2016

The Deputy General Manager,
Corporate Relationship Department,
Bombay Stock Exchange Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J Towers,
Dalal Street, Fort,
Mumbai - 400001
Scrip Code: 502986

The National Stock Exchange of India Ltd.,
"Exchange Plaza",
Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400051

Scrip Code: VTL

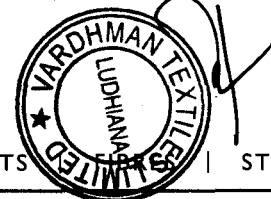
SUB: COMPLIANCE OF REGULATION 30 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Sir,

The Company vide intimation dated 9th May, 2016 had informed the exchange about the execution of Share Sale and Purchase Agreement ("SPA"), the Amended and Restated Shareholders Agreement, and other incidental and ancillary agreements (collectively, "Transaction Documents") envisaging sale of 2,28,02,541 (Two crore Twenty Eight Lakh Two Thousand Five Hundred and Forty One) equity shares held by the Company in Vardhman Yarns and Threads Limited ("VYTL") aggregating to 40% (Forty per cent) of the issued, subscribed and paid-up equity share capital of VYTL to American & Efid Global, LLC ("A&E Global") subject to fulfillment of the conditions precedent.

Now pursuant to provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that as per terms of SPA, the Company has sold 2,28,02,541 (Two crore Twenty Eight Lakh Two Thousand Five Hundred and Forty One) equity shares held by the Company in VYTL to A&E Global against a total consideration of Rs. 412.99 crores.

Post this transaction, the Company now holds 6,270,639 (Sixty two Lakh Seventy Thousand Six Hundred Thirty Nine) equity shares in VYTL aggregating to 11% (Eleven per cent) and A&E Global holds 5,07,35,655 (Five crore Seven Lakh Thirty Five Thousand Six Hundred and Fifty Five) equity shares in VYTL aggregating to 89% (Eighty Nine per cent) of the issued, subscribed and paid-up equity share capital of VYTL. Consequently, VYTL has ceased to be the subsidiary of the Company.



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In terms of the Transaction Documents, the Company will now have a 'Put Option' and A&E Global will have a 'Call Option' on the remaining 11% (Eleven per cent) issued, subscribed and paid-up equity share capital of VYTL held by the Company, and such Put Option / Call Option will be exercisable by the Company or A&E Global, as the case may be, at any time beginning 3 (Three) years from 1st September, 2016.

The amount and percentage of Consolidated Turnover of the Company generated by VYTL in financial year 2015-16 is Rs 728.48 cr (10.98%) and net worth of VYTL on the Company's Consolidated Net Worth (including minorities interest) as on March 31st, 2016 is Rs. 355.10 cr (8.42%).

The said transaction is not a related party transaction in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 TEXTILES LIMITED

(KARAN KAMAL WALIA)
Company Secretary

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