

Arvind Limited

LALBHAI GROUP

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CIN - L17119GJ1931PLC000093

ARVIND

January 25, 2017

BSE Limited
Listing Dept. / Dept. of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Security Code : 500 101
Security ID : ARVIND

National Stock Exchange of India Ltd.
Listing Dept., Exchange Plaza, 5th Floor
Plot No. C/1, G. Block
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051

Symbol : ARVIND

Dear Sirs,

Sub.: Outcome of the Board Meeting held on 25th January, 2017

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of SEBI (LODR) Regulations, 2015 read with SEBI Circular bearing no. CIR/CDF/CMD/4/2015 dated 9th September, 2015, please note that the Board of Directors of the Company, has at its meeting held on 25th January, 2017, upon recommendation of the Audit Committee, approved the draft Scheme of amalgamation / merger of its 100% Subsidiaries, Arvind Brands & Retail Limited ("ABRL") and Arvind Garments Park Private Limited ("AGPPL") and Dholka Textile Park Private Limited ("DTPPL") with Arvind Limited ("Arvind").

The proposed Scheme of Amalgamation provides for amalgamation / merger of 100% subsidiaries viz. ABRL, AGPPL and DTPPL with Arvind under Sections 231 to 234, 52, 66 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder.

Earlier ABRL was holding company of various companies involved in brands and retail business. Since the investments held by ABRL in various brands and retail companies have been divested and consolidated to another SPV, being a subsidiary of Arvind Limited, it is proposed to merge it with the parent. AGPPL and DTPPL are 100% subsidiary companies formed as SPV to promote garments and Textile Park under government's scheme of promoting garments parks. Now, it is proposed to use the assets purchased by these two companies out of the resources provided by Arvind Limited for setting up Company's own manufacturing plants over a period of time.

Arvind is one of India's leading vertically integrated textile companies with the presence of almost eight decades in this industry. It is among the largest denim manufacturers in the world. It also manufactures a range of cotton shirting, denim, knits and bottom weights (Khakis) fabrics and Jeans and Shirts Garments. Arvind, through its subsidiary company Arvind Lifestyle Brands Limited, is marketing in India the branded apparel under various brands and is also licensee in India for various international brands. The brands portfolio of the Company



includes International brands like Arrow, US Polo, Izod, Elle, Cherokee etc. It also operates apparel Value Retail stores MEGAMART. Arvind also has the presence in Telecom business directly and through joint venture companies. Recently Arvind has made foray in to Technical Textiles on its own and in joint venture with leading global players.

The following are brief financial figures of the companies as on December 31, 2016:

Name of the Entity	Entity	Turnover (Rs. in crores)
Arvind Brands & Retail Limited	Transferor Company	12.32
Arvind Garments Park Private Limited	Transferor Company	NIL
Dholka Textile Park Private Limited	Transferor Company	NIL
Arvind Limited	Transferee Company	4413.92

Rationales of the proposed Scheme:

- Consolidation of group's business and operations;
- Streamlining of current organization structure;
- Reduction in managerial overlaps due to operation of multiple entities and more focused leadership;
- Benefit of economies of scales, reduction in multiplicity of legal and regulatory compliances, reduction in overheads including administrative, managerial and other expenditure;
- Rationalization, standardization and simplification of business processes leading to increase in operational feasibility in future, reduction of multi-company inefficiencies and optimal utilization of resources.

These three companies are 100% subsidiary companies so, no new shares will be issued and there will be no dilution of capital.

Salient features of the proposed Scheme of Arrangement:

- **Appointed Date**

For the purpose of amalgamation of ARBL and AGPPL and DTPPL with Arvind means 1st April, 2016 or such date as the National Company Law Tribunal at Ahmedabad may direct/fix.

- **Consideration by the Transferee Company**

Upon this Scheme becoming effective, Arvind shall not issue or allot any equity shares as ABRL, AGPPL and DTPPL are wholly owned subsidiaries of Arvind.

MCA vide its Circular No.30/2014 dated 17th July, 2014 has clarified that the transactions arising out of the compromises, arrangements and amalgamations dealt with under specific provisions of the Companies Act, 2013, would not attract the requirements of section 188 of the Companies Act, 2013. Accordingly, the transactions do not fall under the Related Party Transactions.

The Company would be complying with the applicable requirements of the SEBI Circular bearing no. CIR/CFD/CMD/16/2015 dated 30th November, 2015 for the proposed scheme.

Kindly take the same on record.

Thanking you,

Yours faithfully,



R. V. Bhimani
Company Secretary