

Date: 21<sup>st</sup> August, 2014

Bombay Stock Exchange Ltd. (Scrip Code-500101) Listing Department, P. J. Towers, Dalai Street, Mumbai - 400 001.	National Stock Exchange of India Ltd. (Symbol: ARVIND, Series EQ) Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.
--	---

**Re : The proposed Scheme of Arrangement in the nature of De-merger and Transfer of Real Estate Undertaking to Arvind Infrastructure Limited and Reduction and Restructuring of share capital pursuant to Sections 391 to 394 read with Sections 78, 100 to 103 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013 (the "Scheme").**

We hereby undertake and confirm that Para 5.16 (a) of Securities and Exchange Board of India ("SEBI") Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 amended vide SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 is not applicable to the subject Scheme as the subject Scheme does not fall in any of the cases (i) to (iii) of para 5.16(a) of the SEBI Circular as :-

- i. Under the Scheme, no additional shares are proposed to be allotted to Promoters/Promoter Group, Related Parties of Promoters/ Promoter Group, Associates of Promoters/ Promoter Group or Subsidiary/(s) of Promoters/ Promoter Group of Arvind Ltd.;

Reason for Non-applicability

The Clause is not applicable as all the shareholders of Arvind Limited would get shares in Arvind Infrastructure Limited in proportion to their entitlement (1:10) and there would be no allotment of additional shares to anyone including Promoters/Promoter Group, Related Parties of Promoters/Promoter Group, Associates of Promoters/Promoter Group or Subsidiary(ies) of Promoters/Promoter Group of Arvind Ltd..

- ii. The Scheme does not involve Arvind Ltd. and any other entity involving Promoters/ Promoter Group, Related Parties of Promoters/ Promoter Group, Associates of Promoters/ Promoter Group or Subsidiary/(s) of Promoters/ Promoter Group of Arvind Ltd.;



### Reason for Non-applicability

This Clause is not applicable as the Scheme is envisaged between Arvind Limited and its wholly owned subsidiary Arvind Infrastructure Limited and thus it does not involve any arrangement between Arvind Limited and Promoters/Promoter Group, Related Parties of Promoters/Promoter Group, Associates of Promoters/Promoter Group or Subsidiary(ies) of Promoters/Promoter Group of Arvind Ltd..

- iii. Arvind Ltd. has not acquired any equity shares of Arvind Infrastructure Ltd. (the Resulting Company in the Scheme), by paying consideration in cash or in kind in the past to any of the shareholders of Arvind Infrastructure Ltd. who was the Promoters/ Promoter Group, Associates of Promoters/ Promoter Group or Subsidiary/(s) of Promoters/ Promoter Group of Arvind Ltd. (the Demerged Company in the Scheme), and that Arvind Infrastructure Ltd. is not being merged with Arvind Ltd. under the Scheme.

### Reason for Non-applicability

Lalbhai Realty Finance Private Limited had incorporated Arvind Infrastructure Limited and subsequently Lalbhai Realty Finance Private Limited sold the equity shares of Arvind Infrastructure limited as under:

- (1) Arvind Infrastructure Limited was incorporated on 26-12-2008 by Lalbhai Realty Finance Private Limited.
- (2) At the time of incorporation of Arvind Infrastructure Limited, Lalbhai Realty Finance Private Limited was subscriber to the Memorandum of Arvind Infrastructure Limited, Transferee Company, for 50,000 equity shares (including 6 shares of Nominees). Lalbhai Realty Finance Private Limited is the member of the Promoter Group of Parent Listed Company, Arvind Limited.
- (3) Lalbhai Realty Finance Private Limited had sold 25,000 shares to Silverstone Properties Limited (now, Arvind Brands and Retail Limited) on 31-3-2009. Further balance 25,000 shares were sold by Lalbhai Realty Finance Private Limited to Arvind Limited on 1-7-2009.



Arvind Limited  
LALBHAI GROUP

Naroda Road, Ahmedabad 380 025, India  
T +91 79 30138000 W www.arvind.com

CIN - L17119GJ1931PLC000093

69

# ARVIND

- (4) Silverstone Properties Limited (now, Arvind Brands and Retail Limited) had also sold 25,000 shares to Arvind Limited on 1-7-2009 to make Arvind Infrastructure Limited a wholly owned subsidiary of Arvind Limited. All the 50,000 shares were held by Arvind Limited in July, 2009. Silverstone Properties Limited (now, Arvind Brands and Retail Limited) was not a Promoter or member of Promoter Group of Parent Listed Company, Arvind Limited.

Though the Parent Listed Company, Arvind Limited had acquired the shares of unlisted subsidiary in past from the shareholders of the subsidiary company who was one of the promoter group entity of Arvind Limited, the Scheme does not envisage merger of subsidiary, Arvind Infrastructure Limited, with the Parent Listed Company, Arvind Limited and therefore, Arvind Limited is not required to seek approval of the Public Shareholders through Postal Ballot and E-voting in relation to the Scheme of Arrangement.

For Arvind Limited



Company Secretary



**SORAB S. ENGINEER & CO. (Regd.)**  
CHARTERED ACCOUNTANTS

TELEPHONE : 2658 4304  
FAX : (079) 2658 9710  
EMAIL : sseahm@hotmail.com  
WEB : www.sseco.in




909, ATMA HOUSE,  
OPP. RESERVE BANK OF INDIA,  
ASHRAM ROAD,  
AHMEDABAD-380 009.

**Auditors' Certificate on the Undertaking by the Company**

In connection with the Draft Composite Scheme of Arrangement in the nature of demerger and transfer of demerged undertaking and consequential restructure of share capital between Arvind Limited and Arvind Infrastructure Limited and their respective members and creditors in terms of the provisions of sections 391 to 394 read with section 78 and 100 to 103 of the Companies Act 1956 ("the Scheme"), we, M/s. Sorab S. Engineer & Co., Chartered Accountants, the statutory Auditors of Arvind Limited ("the Company"), have examined the Scheme and other relevant records and documents maintained by the Company. Based on our examination and according to the information and explanations given to us, we hereby certify that for the reasons stated in the undertaking provided by the Company, the requirement of Para 5.16(a) of the SEBI Circular is not applicable to the Scheme.

This certificate is issued under clause 5.16(b) of the SEBI Circular No CIR/CFD/DIL/5/2013 dated February 4, 2013 read with para 7 of SEBI Circular No CIR/CFD/DIL/8/2013 dated May 21, 2013 and at the request and undertaking of the Company for submission to the Stock Exchanges in connection with the draft Scheme and should not be used for any other purpose without our prior written consent.

For **Sorab S. Engineer & Co.**  
Firm Registration No. 110417W  
Chartered Accountants

  
**CA. Chokshi Shreyas B.**  
Partner  
Membership No. 100892

Ahmedabad  
August 21, 2014

