



RSWM Limited

an LNJ Bhilwara Group Company
CIN:L17115RJ1960PLC008216



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL

RSWM/
April 9, 2014

National Stock Exchange of India Limited
Listing Department,
Exchange Plaza, C-1, Block - G,
Bandra-Kurla Complex,
Bandra (East),
MUMBAI - 400 051.

Information under Clause 36 of the Listing Agreement

Dear Sirs,

This has reference to our letter dated 2nd April, 2014, regarding intimation of the board meeting of the Company, i.e., RSWM Limited scheduled, *inter-alia*, to consider and approve Scheme of Amalgamation of Cheslind Textiles Limited (CTL) with RSWM Limited ("RSWM") ("hereinafter referred to as Scheme").

In accordance with the provisions of the Listing Agreement, we would like to inform you that the Board of Directors of RSWM ("Board") met today and considered and approved the amalgamation of CTL with RSWM, in terms of the Scheme under the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 and the applicable provisions of the Companies Act, 2013, as and when they come in force.

The Scheme is approved by the Board subject to the requisite approvals of the shareholders and/ or creditors of RSWM and the Board, shareholders and/or creditors of CTL and as may be directed by the Hon'ble High Court of Rajasthan at Jodhpur and Hon'ble High Court at Madras and subject to further to all such requisite approvals as may be required from the relevant regulatory authorities.

The salient features of the Scheme are as follows:

1. The Appointed Date of the Scheme would be April 1, 2013 or such other date as Hon'ble High Courts may direct or approve;
2. All assets and liabilities of CTL will be transferred to and vested in RSWM;
3. Upon coming into effect of the Scheme and in consideration for the transfer and vesting of CTL in RSWM, RSWM shall, without any further application or deed, issue and allot Optionally Convertible Redeemable Preference Shares, credited as fully paid up, to the members of CTL whose name appears in the Register of

(Formerly Rajasthan Spinning & Weaving Mills Limited)

Corporate Office :
Bhilwara Towers, A-12, Sector-1
Noida - 201 301 (NCR-Delhi), India
Tel. : +91-120-4390300 (EPABX)
Fax : +91-120-4277841, 4277842
Website : www.rswm.in

Registered Office :
Kharigram, Post Office Gulabpura - 311 021
Distt. Bhilwara, (Rajasthan), India
Tel. : +91-1483-223144 to 223150, 223478
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Members of CTL as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, in the ratio of :

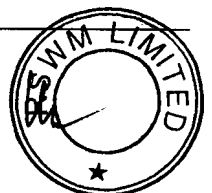
“1 (One) Optionally Convertible Redeemable Preference Share of nominal value of ₹ 7.50 (Rupee Seven and Fifty Paise) at par of RSWM and credited as fully paid up for every 1 (One) Equity Share of nominal value of ₹ 10/- (Rupees Ten) each fully paid up held in CTL upon the following terms”

Dividend rate	12% p.a. on the paid up value per share of ₹ 7.50/-
Accumulation of dividend	Cumulative
Convertibility	Each such Shareholder has the option to apply for conversion of the Optionally Convertible Redeemable Preference Shares of RSWM Ltd into Equity Shares of RSWM Ltd before the expiry of six months from the allotment date.
Payment of dividend	The Preference Shares will qualify for preferential payment of dividend at the rate set out above from the Record Date upto the date of redemption or conversion.
Tenure	5 years from the Appointed Date
Listing	The Preference Shares will, subject to the applicable laws and regulations, be listed and/or admitted to trading on the relevant stock exchange(s), where the existing shares of the Transferee Company are listed and/or admitted to trading.
Exchange Ratio	1 (One) Optionally Convertible Redeemable Preference Share of nominal value of ₹ 7.50 (Rupee Seven and Fifty Paise) at par of RSWM and credited as fully paid up for every 1 (One) Equity Share of nominal value of ₹ 10/- (Rupees Ten) each fully paid up held in CTL.
Conversion Price Ratio	Upon a shareholder exercising his option to convert the Optionally Convertible Redeemable Preference Shares he shall get in exchange 1 (one) Equity Share of ₹ 10/- (Rupees Ten) each at par of RSWM Ltd credited as fully paid up for every 22 (Twenty two) Optionally Convertible Redeemable Preference Shares of ₹ 7.50/- (Rupees Seven and Fifty paise) each to be issued and allotted by RSWM as above upon the Amalgamation becoming effective.

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Redemption Terms	RSWM shall have an option to redeem by giving not less than 3 months notice all the outstanding Optionally Convertible Redeemable Preference Shares at par any time after the expiry of the conversion option period and before the expiry of 5 years from the Allotment Date.
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4. The above terms including the Exchange Ratio and the Conversion Price Ratio, as mentioned in the Scheme, has been determined by the Board of the RSWM on the basis of the Valuation Report by independent valuer, M/s S.S. Kothari Mehta & Co., Chartered Accountants and the Fairness opinion by M/s D & A Financial Services Private Limited, a SEBI Registered Merchant Banker.

Thanking you,

Yours faithfully,
For **RSWM LIMITED**

SURENDER GUPTA
COMPANY SECRETARY

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