Vardhmān
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VARDHMAN HOLDINGS LIMITED

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Ref. VHL:SCY:JUNE:2025-26 **Dated: 02-June-2025**

BSE Limited, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, MUMBAI-400001 **Scrip Code: 500439**	The National Stock Exchange of India Ltd, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), MUMBAI-400 051 **Scrip Code: VHL**

Sub: OUTCOME OF THE BOARD MEETING - DISCLOSURE UNDER REGULATION 30 OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SEBI MASTER CIRCULAR NO. SEBI/HO/CFD/PoD2/CIR/P/0155 DATED NOVEMBER 11, 2024

Dear Sir,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 (*as amended from time to time*) ("**LODR Regulations**"), we hereby inform you that the Board of Directors ("**Board**") of the Company in its meeting held today, i.e. June 02, 2025, has approved for execution by the Company, the draft of the Shareholders Agreement ("**SHA**") to be entered into between Aichi Steel Corporation ("**ASC**") and the Company, in its capacity as the shareholder and Non-Individual Promoter of Vardhman Special Steels Limited ("**VSSL**"), along with other Non-Individual and Individual Promoter Group of VSSL, to define their mutual rights and obligations and relationship, as the shareholders of VSSL and other matters incidental thereto. The SHA shall be executed today, i.e. June 02, 2025. The details, as required under the LODR Regulations, are enclosed herewith as **Annexure A**.

The meeting of the Board commenced at 11:00 a.m. and concluded at 11:20 a.m.

This intimation letter will be uploaded on the website of the Company at www.vardhman.com.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For VARDHMAN HOLDINGS LIMITED

ANKIT SINGLA

Digitally signed by ANKIT SINGLA
DN: c=IN, o=Personal, title=2856, 2.5.4.20=7db29ee651d6d3ba3bb185d0e35c0ce6542e2085504ff6c901af23204b449227b, postalCode=141007, st=Punjab, serialNumber=54ca2a749682c2f35a102f15d6589ac6650e351ad6d88a96ca a87efc6029e98f, cn=ANKIT SINGLA
Date: 2025.06.02 11:25:11 +05'30'

(ANKIT SINGLA)
Company Secretary

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Annexure – A

S. No.	Particulars	Details
1.	Name(s) of parties with whom the agreement is entered;	Shareholders Agreement is entered into between Non-Individual and Individual Promoter Group of VSSL including Vardhman Holdings Limited (together defined as "**Promoters**") and ASC ("**SHA**").
2.	Purpose of entering into the agreement;	The purpose of entering into the SHA is to redefine the mutual rights and obligations and relationship, between the Promoters and ASC, as the shareholders of VSSL and other matters incidental thereto, pursuant to the additional investment of ASC in VSSL whereby ASC's shareholding has increased in VSSL from 11.33% to 24.90% on a fully diluted basis.
3.	Shareholding, if any, in the entity with whom the agreement is executed;	Nil
4.	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.	1. **Share Transfer Provisions:** • Promoters are restricted from transferring any of their shares in VSSL to competitor of ASC, except liquidity shares of 7% of share capital of VSSL, subject to other provisions as contained in the SHA. Such liquidity shares are also subject to certain transfer restrictions under the terms of the SHA. • ASC will not transfer the shares of VSSL subscribed by ASC under the terms of the Share Subscription and Investment Agreement dated May 29, 2025 executed between ASC and VSSL **("SSIA")**, except with the prior consent of Promoters – (a) until the expiry of 3 years from the date of subscription of such shares, to any third party; and (b) after expiry of 3 (three) years period, to competitor of VSSL. • The SHA also provides for certain other transfer restriction, including the Right of First Refusal, Investor Tag Along Right, Drag Along Right, etc. 2. **Non-compete and non-solicit obligation of Promoters and ASC:** Standard non-compete and non-solicit obligations are imposed on the Promoters and ASC under the SHA.

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		Such restrictions are applicable until the Promoters / ASC (as the case may be) are shareholders of VSSL. 3. **Representation and Warranties of Promoters and ASC:** There are certain representation and warranties in the SHA, the breach of which will trigger the indemnification obligations, in terms of the SHA. 4. **Indemnification:** The SHA provides the non-defaulting party to seek indemnification for any losses suffered by it owing to any breach of: (a) the representations and warranties; or (b) obligations, covenants and undertakings under the SHA, by the defaulting party. 5. **Fall away of Rights & Obligations:** All rights & obligations of ASC shall fall away and the SHA will automatically terminate upon ASC's shareholding in VSSL falling below certain pre-agreed thresholds, as more specifically set out in the SHA, except for the survival provisions contained therein. 6. **Termination** The Agreement shall stand terminated *inter alia* by mutual consent of the parties, or with respect to either ASC/ Promoters, when they respectively cease to hold any shares in VSSL, or if ASC's shareholding in VSSL falls below certain pre-agreed threshold.
5.	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;	No
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";	No
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued;	N.A.

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8.	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.	No potential conflict of interest shall arise out of the SHA.