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VARDHMAN ACRYLICS LIMITED

Corporate Identification Number (CIN) : L51491PB1990PLC019212

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POST BUYBACK PUBLIC ANNOUNCEMENT

FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF VARDHMAN ACRYLICS LIMITED

This public announcement (the "**Post Buyback Public Announcement**") is being made in compliance with Regulation 19(7) of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 and subsequent amendments thereof (the "**Buyback Regulations**"). This Post Buyback Public Announcement should be read in conjunction with the Public Announcement dated December 30, 2016 and published on December 30, 2016 (the "**Public Announcement**"), and the Letter of Offer dated January 30, 2017 (the "**Letter of Offer**"). The terms used but not defined in this Post Buyback Public Announcement shall have the same meanings as assigned in the Public Announcement and the Letter of Offer.

1. THE BUYBACK:

- 1.1. Vardhman Acrylics Limited (the "**Company**") had announced the Buyback of up to 1,38,00,000 (One Crore Thirty Eight Lakhs only) equity shares of face value of Rs 10/- each ("**Equity Shares**") from all the existing shareholders / beneficial owners holding Equity Shares as on the record date (i.e. January 13, 2017), on a proportionate basis, through the "Tender Offer" route at a price of Rs. 50/- (Rupees Fifty only) per Equity Share ("**Buyback Price**") payable in cash, for an aggregate amount not exceeding Rs. 69 crores (Rupees Sixty Nine Crore only) ("**Buyback Size**") ("**Buyback**") excluding the transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty etc. which is 24.7% of the total paid-up equity capital and free reserves as per the audited accounts of the Company - for the financial year ended March, 2016.
- 1.2. The Company has adopted Tender Offer route for the purpose of Buyback. The Buyback was implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 ("**SEBI Circular**").
- 1.3. The Tendering Period for the Buyback Offer opened on Monday, February 13, 2017 and closed on Monday, February 27, 2017.

2. DETAILS OF BUYBACK:

- 2.1. 1,26,44,090 (One Crore Twenty Six Lacs Forty Four Thousand and Ninety only) Equity Shares were bought back under the Buyback, at a price of Rs. 50/- (Rupees Fifty only) per Equity Share.
- 2.2. The total amount utilized in the Buyback is Rs 63,22,04,500 (Rupees Sixty Three Crore Twenty Two Lakhs Four Thousand and Five Hundred only) excluding the transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty etc.
- 2.3. The Registrar to the Buyback i.e. MCS Share Transfer Agent Limited ("**Registrar**"), considered 614 valid bids for 1,26,44,090 Equity Shares in response to the Buyback, resulting in the subscription of approximately 0.92 times the maximum number of shares proposed to be bought back. The details of valid bids considered by the Registrar to the Buyback Offer are as follows:

Sr. No.	Category of Shareholders	No. of Equity Shares reserved in Buyback	No. of Valid Bids	Total Valid Equity Shares Tendered	% Response
1.	Reserved category for Small Shareholders	2,064,985	514	1,083,612	52.46%
2.	General category of other Shareholders	11,729,704	100	11,560,478	98.56%
	Total	13,800,000	614	12,644,090	91.66%

Note: As per the letter dated March 6, 2017 received from MCS Share Transfer Agent Limited

- 2.4. All valid applications have been considered for the purpose of Acceptance in accordance with the Buy-back Regulations and Paragraph 24 of the Letter of Offer. The communication of acceptance / rejection has been dispatched by the Registrar to respective Shareholders, on March 7, 2017.
- 2.5. The settlement of all valid bids was completed by the Clearing Corporation / NSE on March 7, 2017. The funds in respect of accepted Equity Shares have been paid out to the respective Seller Members / custodians.
- 2.6. Demat Equity Shares accepted under the Buyback have been transferred to the Company's demat escrow account on March 7, 2017. The unaccepted demat Equity Shares have been returned to respective Seller Member / custodians by the Clearing Corporation / NSE on March 7, 2017. There were no physical shares tendered in the buyback offer.
- 2.7. The extinguishment of 1,26,44,090 Equity Shares accepted under the Buyback, comprising of 1,26,44,090 Equity Shares in dematerialized form is currently under process and shall be completed by March 14, 2017. In accordance with the Buyback Regulations, the Company, and its respective directors, accept full responsibility for the information contained in this Post Buyback Public Announcement and confirm that such document contains true, factual and material information and does not contain any misleading information.

3. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN:

- 3.1. The capital structure of the Company, pre and post Buyback is as under:

(Equity Shares have a face value of Rs 10/- each)

Sr. No.	Particulars	Pre-Buyback		Post Buyback [#]	
		No. of Shares	Amount (Rs in crore)	No. of Shares	Amount (Rs in crore)
1.	Authorised Share Capital Equity Shares of face value Rs. 10/- each	150,000,000	150.00	150,000,000	150.00
2.	Issued Subscribed and Paid-up Equity Share Capital	93,007,836	93.01	80,363,746	80.36

[#] Subject to extinguishment of 12,644,090 Equity Shares

- 3.2. Details of the Shareholders / beneficial owners from whom Equity Shares exceeding 1% of the total Equity Shares bought back have been accepted under the Buyback are as mentioned below:

Sr. No.	Name of the Shareholder	No. of Equity Shares accepted under Buyback	Equity Shares accepted as % of total Equity Shares bought back	Equity Shares accepted as % of total post buyback Equity Shares
1	VARDHMAN TEXTILES LIMITED	8,949,690	70.78	11.14
2	DEVAKAR INVESTMENT AND TRADING COMPANY PVT LTD	289,118	2.29	0.36
3	Olesen Value Fund LP	549,000	4.34	0.68
4	NOMURA SINGAPORE LIMITED	487,247	3.85	0.61
5	RAJIV GARG	175,000	1.38	1.26

- 3.3. The shareholding pattern of the Company Pre-Buyback (as on the Record Date, i.e., January 13, 2017), and Post Buyback, is as under:

Particulars	Pre-Buyback		Post Buyback [#]	
	No. of Equity Shares	% of the existing Equity Share Capital	No. of Equity Shares	% of post buyback Equity Share Capital
(A) Promoter and Promoter Group				
Promoters and persons acting in concert, (collectively "the Promoters")	69,577,607	74.81	60,249,160	74.97
(B) Public Shareholding				
Foreign Investors (OCBs/FIIs/NRIs/Non-residents/ Non-domestic companies)	1,331,887	1.43	20,114,586	25.03
Indian Financial Institutions/ Banks/ Mutual Funds/ Govt. Companies	99,611	0.11		
Public including other Bodies Corporate	21,998,731	23.65		
Sub Total (B)	23,430,229	25.19	20,114,586	25.03
Total (A + B)	93,007,836	100.00	80,363,746	100.00

[#] Subject to extinguishment of 12,644,090 Equity Shares

4. MANAGER TO THE BUYBACK OFFER:



Kotak Mahindra Capital Company Limited
27BKC, 1st Floor, Plot No.C-27, "G" Block,
Bandra Kurla Complex, Bandra (East), Mumbai - 400051
Tel: +91 22 4336 0128, Fax: +91 22 6713 2446
Contact Person: Mr. Ganesh Rane
Email: project.VALbuyback@kotak.com
SEBI Registration Number: INR000004108

5. DIRECTORS RESPONSIBILITY:

As per Regulation 19(1)(a) of the Buy-back Regulations, the Board of Directors of the Company accepts full responsibility for the information contained in this Post Buyback Public Announcement and confirm that such document contains true, factual and material information and does not contain any misleading information.

For and on behalf of the Board of Directors of
Vardhman Acrylics Limited

Sd/-
B. K. Choudhary
Managing Director
DIN: 00307110

Sd/-
S.P. Oswal
Chairman
DIN: 00121737

Sd/-
Ruchita Vij
Company Secretary
Membership No: ACS 23294

Date: March 9, 2017
Place: Ludhiana