



# VARDHMAN TEXTILES LIMITED

Regd. & Corporate Office : Chandigarh Road, Ludhiana - 141 010, Punjab (INDIA)

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PAN No. : AABCM4692E; CIN : L17111PB1973PLC003345

E-mail : exp.administration@vardhman.com; Website : www.vardhman.com

Ref. VTXL:SCY:NOV:2016-17

Dated: 24- Nov-2016

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| The Deputy General Manager,<br>Corporate Relationship Deptt,<br>Bombay Stock Exchange Limited,<br>1 <sup>st</sup> Floor, New Trading Ring,<br>Rotunda Building, P.J Towers,<br>Dalal Street, Fort,<br><b>MUMBAI-400001.</b><br>Scrip Code: 502986 | <input checked="" type="checkbox"/> The National Stock Exchange of India Ltd,<br>"Exchange Plaza,<br>Bandra-Kurla Complex,<br>Bandra (East),<br><b>MUMBAI-400 051</b><br><br>Scrip Code: VTL |
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## SUB: DISCLOSURE OF VOTING RESULTS OF POSTAL BALLOT

Sir,

This is to inform you that on basis of report dated 24<sup>th</sup> November, 2014, submitted by the scrutinizer in respect of Special Business mentioned in notice of Postal Ballot dated 24<sup>th</sup> September, 2016, the result of Postal Ballot (including E-voting) was declared by the Chairman on 24<sup>th</sup> November, 2016 at the Registered Office of the Company.

As per the report of Scrutinizer enclosed herewith the following resolution as set out in the Notice of Postal Ballot dated 24<sup>th</sup> September, 2016 has been passed by the shareholders as Special Resolution:

**"Approval for Buyback of Equity shares of the Company u/s 68 and 69 of the Companies Act, 2013 read with applicable rules thereof."**

The copy of the report of scrutinizer is enclosed herewith for your reference.

This is for your kind information and records.

Thanking you,  
Yours faithfully,

For VARDHMAN TEXTILES LIMITED

(KARAN KAMAL WALIA)

Company Secretary

Encl: as above

**B. K. Gupta & Associates**  
*Company Secretaries*



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0161-5049700  
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(M) 098156-05702

24.11.2016

The Chairman  
Vardhman Textiles Limited  
Chandigarh Road  
Ludhiana-141010

Dear Sir,

**Sub: Passing of Resolutions through Postal Ballot- Scrutinizer Report**

Pursuant to the Resolution passed by the Board of Directors of Vardhman Textiles Limited in its Meeting held on 24<sup>th</sup> September, 2016, I have been appointed as Scrutinizer to receive, process and scrutinize the Postal Ballot papers in respect of the following resolution:

| Resolution No. | Reference to the Companies Act, 2013 | Description of the Resolution                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Type of the Resolution |
|----------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 1.             | Section 68 & 69                      | <p>Approval for the Buyback of Equity Shares of the Company</p> <p>“RESOLVED THAT in accordance with Article 82 of the Articles of Association of the Company and the provisions of Sections 68, 69 and 110 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), the Companies (Share Capital and Debentures) Rules, 2014 (the “Share Capital Rules”), the Companies (Management and Administration) Rules, 2014 (the “Management Rules”), including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (“the Buy-back</p> | Special Resolution     |



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|  |  | <p><b>Regulations”</b>), and subject to such other approvals, permissions and sanctions as may be necessary and subject to any modifications and conditions, if any, as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the <b>“Board”</b>, which expression includes the Buyback Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) ,the consent of the members be and is hereby accorded for the Buyback by the Company of its fully paid-up equity shares of a face value of Rs. 10/- each (<b>“Equity Share”</b>), from the members of the Company, for a total consideration not exceeding Rs. 720 Crores (Rupees Seven Hundred Twenty Crores), excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. (hereinafter referred to as the <b>“Buyback Size”</b>), (being less than 25% of the total paid-up equity capital and free reserves of the Company as per latest audited balance sheet as on March 31, 2016), at a price not exceeding Rs. 1,175/- (Rupees One Thousand One Hundred Seventy Five only) (<b>“Maximum Buy-back Price”</b>) per Equity Share payable in cash through the <b>“Tender Offer”</b> route (hereinafter referred to as the <b>“Buyback”</b>), in accordance and consonance with the provisions contained in the Buy-back Regulations and the Act.</p> <p><b>RESOLVED FURTHER THAT</b> within the Maximum Buy-back price of Rs.1,175/- per Equity Share, the Board is authorised to determine the specific price at which the Buyback will be made at the time of Public Announcement for Buyback to the eligible shareholders.</p> <p><b>RESOLVED FURTHER THAT</b> at the Maximum Buy-back price of Rs.1,175/- per Equity Share</p> |  |
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|  |  | <p>and for the Buyback size not exceeding Rs.720 crores, the indicative number of Equity Shares that can be bought back is 61,27,659 fully paid-up Equity Shares, representing 9.63% of the total issued and paid-up equity capital of the Company; and in the event the final Buyback price is lower than Rs.1,175/- per Equity Share (Maximum Buy-back Price), the indicative number of shares shall go up accordingly.</p> <p><b>RESOLVED FURTHER THAT</b> the Buyback, to the extent permissible under law and subject to all applicable legal provisions, be 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.</p> <p><b>RESOLVED FURTHER THAT</b> the Company shall implement the Buyback from out of its securities premium account and other free reserves and that the Buyback shall be through the tender offer route in such manner as may be prescribed under the Act and the Buy-back Regulations and on such terms and conditions as the Board of Directors may deem fit.</p> <p><b>RESOLVED FURTHER THAT</b> as required by Regulation 6 of the Buy-back Regulations, the Company shall buy back Equity Shares from the shareholders on a proportionate basis under the Tender Offer, provided 15% of the number of Equity Shares which the Company proposes to buy back or number of Equity Shares entitled as per the shareholding of small shareholders at Record Date, whichever is higher, shall be reserved for small shareholders, as defined in the Buyback Regulations.</p> <p><b>RESOLVED FURTHER THAT</b> nothing contained hereinabove shall confer any right on the part of any shareholder to offer, or any obligation</p> |  |
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|  |  | <p>on the part of the Company or the Board of Directors to buyback any shares and/or impair any power of the Company or the Board of Directors to terminate any process in relation to such Buyback if so permissible by law.</p> <p><b>RESOLVED FURTHER THAT</b> the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, including but not limited to carrying out incidental documentation as also to make applications to the appropriate authorities for their approvals and to initiate all necessary actions for preparation and issue of various documents, opening of accounts including public announcement, letter of offer, extinguishment of share certificates and 'Certificate of Extinguishment' required to be filed in connection with the Buyback on behalf of the Board and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the Securities and Exchange Board of India, Reserve Bank of India, Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Registrar of Companies, Depositories and/or other authorities.</p> <p><b>RESOLVED FURTHER THAT</b> for the purpose of giving effect to this resolution, the Board be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in its</p> |  |
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|  |  | absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.” |  |
|--|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|

We report that the Postal Ballot notice dated 24<sup>th</sup> September, 2016 under Section 110 of the Companies Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules, 2014, was issued individually to all shareholders and the notices were dispatched on 14<sup>th</sup> October, 2016 through Registered Post. Further, all the Shareholders have also been given an option of e-voting through e-voting website of Central Depository Services (India) Limited ([www.evotingindia.com](http://www.evotingindia.com)) as per the aforesaid Act and Rules and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We report that as stated in the notice sent to the shareholders, the Company has fixed 22<sup>nd</sup> November, 2016 as the last date for receipt of Postal Ballots. As stated in Rule 22 (3) of the Companies (Management and Administration) Rules, 2014 an advertisement was published by the Company in Business Standard & Desh Sewak on 22<sup>nd</sup> October, 2016, informing about the dispatch of Postal Ballot forms and other related matters mentioned therein.

We report that we have received the Postal Ballot Forms from the Shareholders during the period starting from 24<sup>th</sup> October, 2016 to 22<sup>nd</sup> November, 2016.

All the Postal Ballot forms received up to the closure of working hours (5.00 p.m.) on 22<sup>nd</sup> November, 2016, the last date fixed by the Company for receipt of the forms, were considered for our scrutiny.

During the course of scrutiny of Postal Ballot forms we have not come across any mutilated Postal Ballot Forms.

We report that all the Postal Ballot Forms were scrutinized and processed and register containing the Shareholders Name, Address, Folio Number, Postal Ballot Number, Number of Shares held, Number of votes voted, Assented, Dissented and Rejected was maintained in electronic Format.



We report that out of 22,130 Shareholders, we have received polled Postal Ballot Forms from 171 Shareholders. Further, the option to vote through electronic mode was also been given to the Shareholders of the Company through e-voting portal of Central Depository Services (India) Limited ([www.evotingindia.com](http://www.evotingindia.com)). The details of polling are given below.

The votes were unblocked at 6:00 PM on 22<sup>nd</sup> November, 2016 in the presence of Mr. Deepak Jain and Ms Manpreet Kaur who are not the employees of the Company, and who have signed below as witness to the unblocking of the votes.

The votes polled through Ballot received by the scrutinizer till the closing hours of the e-voting were also opened and processed in the presence of aforesaid witnesses.

The E-Voting results/lists of Equity Shareholders who have voted "For" and "Against" were downloaded from the e-voting website of Central Depository Services (India) Limited ([www.evotingindia.com](http://www.evotingindia.com)) and the same are being handed over to the Chairman.

|                                          |                                                                        |
|------------------------------------------|------------------------------------------------------------------------|
| Total Number of Shareholders             | 22,130 ( as on 14 <sup>th</sup> October, 2016)                         |
| Total Number of Shares ( Fully paid up)  | 6, 36,51,879 ( as on 14 <sup>th</sup> October, 2016)                   |
| Receipt of Postal Ballot Forms           | From 24 <sup>th</sup> October, 2016 to 22 <sup>nd</sup> November, 2016 |
| Total Postal Ballot Forms Received       | 171                                                                    |
| Total Folios Voted through CDSL e-voting | 154                                                                    |

# **1. Special Resolution, in respect of Resolution under Section 68 and 69 of the Companies Act, 2013**

## **Approval for the Buyback of Equity Shares of the Company**

Summary of the Results for Resolution 1 are given below:

### **Ballots Received through Post**

| Particulars                | Number of folios | Number of Shares (Votes) | Percentage (%) (Votes) |
|----------------------------|------------------|--------------------------|------------------------|
| Total Shareholders         | 22,130           | 6, 36,51,879             | 100.00                 |
| Number of Ballots Received | 171              | 4,12,29,151              | 64.77                  |
| Number of Votes For        | 171              | 4,12,29,151              | 100.00                 |



|                         |   |   |      |
|-------------------------|---|---|------|
|                         |   |   |      |
| Number of Votes AGAINST | 0 | 0 | 0.00 |

**Polled through e-voting**

| Particulars                         | Number of Ballots | Number of Shares (Votes) | Percentage(%) (Votes) |
|-------------------------------------|-------------------|--------------------------|-----------------------|
| Total Shareholders                  | 22,130            | 6, 36,51,879             | 100.00                |
| Total Folios voted through e-voting | 154               | 1,17,43,153              | 18.45                 |
| No. of Folios voted FOR             | 154               | 1,17,43,153              | 100.00                |
| No. of Folios voted AGAINST         | 0                 | 0                        | 0.00                  |

**Total Votes Polled and Results (E-voting and Postal Ballot)**

| Particulars                                  | Number of Ballots | Number of Shares (Votes) | Percentage(%) (Votes) |
|----------------------------------------------|-------------------|--------------------------|-----------------------|
| Total Shareholders                           | 22,130            | 6, 36,51,879             | 100.00                |
| Total Folios Voted through e-voting and post | 325               | 5,29,72,304              | 83.22                 |
| No. of Folios voted FOR                      | 325               | 5,29,72,304              | 100.00                |
| No. of Folios voted AGAINST                  | 0                 | 0                        | 0.00                  |

**RESULT FOR RESOLUTION NO. 1**

As the number of votes cast in favour of Special Resolution mentioned in the Notice of Postal Ballot were more than the three fourth of votes cast against it, I report that the Special Resolution in respect of the above mentioned business has been passed by the Shareholders as Special Resolution

All relevant records of Electronic Voting and Ballot Papers received from the members remain in our safe custody until the Chairman considers, approves and signs the minutes and same shall be handed over thereafter to the Chairman/Company Secretary for safe keeping.



Thanking You,

Yours Faithfully  
For B.K. Gupta & Associates  
Company Secretaries

Place: Ludhiana

Dated: 24.11.2016



(Bhupesh Gupta)

Partner

Membership No. FCS 4590

C. P. No.: 5708

Scrutinizer

We the undersigned witness that the votes were unblocked from the e-voting website of Central Depository Services (India) Limited ([www.evotingindia.com](http://www.evotingindia.com)) and also votes polled through ballot were opened and processed in our presence at 6:00 PM on November 22, 2016 at the office of Scrutinizer.

  
(Deepak Jain)

Street No. 11, House No 3854,  
New Madhopuri, Ludhiana

  
(Manpreet Kaur)

H.No 1433, Street No. 12  
Janakpuri, Ludhiana - 141001