



VARDHMAN TEXTILES LIMITED

(Formerly Known as Mahavir Spinning Mills Limited)

Registered Office : Chandigarh Road, Ludhiana - 141 010 (Punjab) INDIA

Phones : (0161) 2228943-48 Fax : (0161) 2601048, 2222616, 2601040

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PRESS RELEASE

The Hon'ble Punjab & Haryana High Court at Chandigarh vide its Order dated 12th January, 2011 (received on 11th March, 2011) has confirmed the Scheme of Arrangement and Demerger between Vardhman Textiles Limited and Vardhman Special Steels Limited ("Scheme") u/s 391-394 of the Companies Act, 1956. The Copy of the Order has been filed with the Registrar of Companies at Chandigarh on 15th March, 2011 and the Scheme has become effective from that date. The Steel Business Undertaking of Vardhman Textiles Limited stands vested in Vardhman Special Steels Limited w.e.f the Appointed Date mentioned in the Scheme i.e. 1st January, 2011.

As per the Scheme, the shareholders of Vardhman Textiles Limited would be allotted 1 share of Vardhman Special Steels Limited for every 5 shares held in Vardhman Textiles Limited whose names are registered in the register of members of Vardhman Textiles Limited as on the Record Date to be fixed for determining the entitlement of the shareholders of Vardhman Textiles Limited to the shares of Vardhman Special Steels Limited. The Board/Committee of Directors of Vardhman Textiles Limited and Vardhman Special Steels Limited has fixed 28th March, 2011 as the Record date.

All those shareholders who hold shares of the Company in dematerialized form shall receive the Equity Shares of Vardhman Special Steels Limited in dematerialized form. However, all those shareholders who hold shares of the Company in physical form have the option to receive the Equity Shares in dematerialized form by providing the details of their account with the Depository Participant, in writing to the Company and / or its Registrar before the Record Date.