



Ref.VSSL:SCY:SEPT:2019-20

Date: 20th September, 2019

To,

The Manager Listing Department BSE Limited, 1st Floor, New Trading Ring, Rotunda Building, P.J Towers, Dalal Street Fort, Mumbai -400001. Scrip Code: 534392	The Manager Listing Department The National Stock Exchange of India Ltd, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 051. Scrip Code: VSSL
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Sub: Outcome of the meeting of the members of Vardhman Special Steels Limited/ Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the circular issued by the Securities and Exchange Board of India (“SEBI”) dated September 9, 2015, bearing reference no. CIR/CFD/CMD/4/2015 (“SEBI Circular”)

Dear Sir,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), read with the SEBI Circular, and in furtherance to our intimation dated September 17, 2019, we hereby inform you that a meeting of the members (“AGM”) of Vardhman Special Steels Limited (“Company”) was held on September 20, 2019. The AGM commenced at 10:00 a.m. and concluded at 11:00 a.m.

The following proposals were approved, by the members of the Company at the AGM:

- (i) The members of the Company have approved the issuance and allotment of 46,29,629 (Forty Six Lakh Twenty Nine Thousand Six Hundred and Twenty Nine) fully paid-up equity shares having a face value of INR 10 (Indian Rupees Ten only) per equity share of the Company (“Subscription Shares”), at a price of INR 108 (Indian Rupees One Hundred and Eight only) per Subscription Share, for an aggregate amount of INR 49,99,99,932 (Indian Rupees Forty Nine Crore Ninety Nine Lakh Ninety Nine Thousand Nine Hundred Thirty Two only) to Aichi Steel





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Corporation (“ASC”), a company incorporated in Japan, on a preferential basis in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, and have approved all matters in connection thereto. The details as required under the Listing Regulations read with the SEBI Circular are enclosed herewith as **Annexure 1**.

- (ii) The members of the Company have approved the amendment of the articles of association of the Company to incorporate the provisions of the share subscription and investment agreement dated August 10, 2019 entered into between the Company and ASC (“SSIA”). The brief details of the amendments to the articles of association of the Company are enclosed herewith as **Annexure 2**.

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

You are requested to take the above information on your records and disseminate the same on your website.

Thank you.

Yours faithfully,

For Vardhman Special Steels Limited

(SONAM TANEJA)
Company Secretary



Encl. as above



ANNEXURE 1

Part A

S. No.	Details/ Clarifications	Response
1.	Type of securities proposed to be issued (viz. equity shares, convertibles etc.)	Equity shares having a face value of INR 10 (Indian Rupees Ten) per equity share
2.	Type of issuance (further public offering, rights issue, depository receipts (ADR/GDR), qualified institutions placement, preferential allotment etc.)	Preferential allotment on private placement basis in accordance with Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
3.	Total number of securities proposed to be issued or the total amount for which securities are to be issued (approximately)	46,29,629 (Forty Six Lakh Twenty Nine Thousand Six Hundred and Twenty Nine) fully paid-up equity shares of the Company having a face value of INR 10 (Indian Rupees Ten) per equity share (" Subscription Shares ") for an aggregate amount of INR 49,99,99,932 (Indian Rupees Forty Nine Crore Ninety Nine Lakh Ninety Nine Thousand Nine Hundred Thirty Two only)
4.	Name of the investor	Aichi Steel Corporation (" ASC ")
5.	Post allotment of securities- outcome of subscription	The post allotment share capital of the Company is provided in Part B of Annexure 1 .
6.	Issue price	INR 499,999,932 (Indian Rupees Four Hundred Ninety Nine Million Nine Hundred Ninety Nine Thousand Nine Hundred Thirty Two only), being the aggregate subscription price for which ASC shall subscribe to the Subscription Shares, at a price of INR 108 (Rupees One Hundred and Eight only) per such Subscription Share.





S. No.	Details/ Clarifications	Response
7.	Number of investors	1 (One)
8.	Any cancellation or termination of proposal for issuance of securities including the reasons thereof	Not applicable

Part B

Shareholder	Number of Equity Shares	Percentage of Shareholding
Promoter and Promoter Group	23,821,481	58.97
Public (all shareholders excluding Promoter but including mutual funds, FIs, FII, insurance companies, NRIs and Indian public)	11,943,392	29.56
ASC	4,629,629	11.46
Total	40,394,502	100





ANNEXURE 2

The articles of association have been amended to incorporate the terms of the SSIA. The significant amendments to the articles of association are set out below:

S. No.	Significant terms	Details
1.	Appointment of director	ASC has the right to nominate director(s) for appointment (“Subscriber Director”) on the board of directors (“Board”) of the Company, in accordance with the terms of the amended articles of association (“Amended Articles”), and such director(s) will also be member(s) of the committees of the Board. As long as ASC and/or its affiliates collectively hold 20% (Twenty per cent.) or more of the equity share capital of the Company, ASC shall have the right to nominate 2 (Two) Subscriber Directors to the Board, and in case ASC and/or its affiliates collectively hold less than 20% (Twenty per cent.) of the equity share capital of the Company, ASC shall have the right to nominate 1 (One) Subscriber Director to the Board.
2.	Approval of ASC for certain matters	In order to enable ASC to protect the value of its investment in the Company, as a minority protection measure, ASC’s prior approval will be required by the Board of the Company for certain matters more specifically set out in the Amended Articles, including, without limitation, in connection with the Company (a) undertaking any mergers, demergers, amalgamations, (b) issuance of securities below the subscription price paid by the ASC (but excluding rights issue(s) and conversion of employee stock options by the Company) and (c) varying rights attached to any class of securities, which prejudices or in any manner

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S. No.	Significant terms	Details
		affects the rights and obligations of the shares issued to ASC.
3.	Further issue of capital	ASC and the promoters of the Company have a right of first offer in respect of any new securities proposed to be issued by the Company by way of preferential allotment, in accordance with the terms of the Amended Articles.

