
THE INDIAN CARD CLOTHING COMPANY LIMITED

CORPORATE OFFICE : 1ST FLOOR, PLOT NO. 265, MIDC SECTOR NO. 10, MIDC - BHOSARI, PUNE 411 026, MAHARASHTRA, INDIA
TEL. : +91-20-61326700, FAX : +91-20-61326731
CIN : L29261PN1955PLC009579

GST NO. : 27AAACT6211F1ZO



June 27, 2022

To,

The Listing Department,
BSE Limited,
P. J. Towers,
Dalal Street,
Mumbai – 400001.

The Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, C – 1, Block – G,
Bandra – Kurla Complex, Bandra (East),
Mumbai – 400051.

Security ID : INDIANCARD
Security Code : 509692

Symbol : INDIANCARD
Series : EQ

Madam / Sirs,

SUB : Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“Listing Regulations”]

This is to inform you that the Board of Directors of the Company in its meeting held on June 27, 2022, has considered and approved the proposal of acquiring balance 40% equity stake in Garnett Wire Ltd., UK – foreign subsidiary of the Company, from its Joint Venture Partner – Joseph Sellers & Son Limited. Disclosure regarding this acquisition as required under Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 is given below as **Annexure A**.

You are requested to take the above information on record.

Thanking you,

Yours faithfully,
For The Indian Card Clothing Company Limited

Amogh Barve
Company Secretary and Head Legal & Corporate Affairs
Membership No. : A33080



Encl: As Above

THE INDIAN CARD CLOTHING CO. LTD.

"Katariya Capital", A-19, Vidyut Nagar Society,
Lane No. 5, Koregaon Park, Pune – 411001.
CIN : L29261PN1955PLC009579

ANNEXURE A**ACQUISITION OF BALANCE 40% EQUITY STAKE IN GARNETT WIRE LTD., UK – FOREIGN SUBSIDIARY OF THE COMPANY, FROM THE JOINT VENTURE PARTNER – JOSEPH SELLERS & SON LIMITED**

The details, as required under Regulation 30 read with in Para A of Part A of Schedule III of the Listing Regulations are mentioned hereunder:

| Sr. No. | Particulars | Details |
|----------------|---|---|
| a) | Name of the target entity, details in brief such as size, turnover etc. | <u>Name of the target entity:</u> Garnett Wire Limited, UK <u>Details of the target:</u> Garnett Wire Limited, UK is a foreign subsidiary of the company in which Company continues to own 60% share capital since 1997. Garnett Wire Ltd. is engaged in the business of manufacturing of metallic card clothing and providing quality carding solutions to global textile industry. <u>Details for the year ended 31 March, 2022:</u> Turnover: £ 967,869 Net Loss: £ 67,571 |
| b) | Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length". | Yes. The Seller, i.e., Joseph Sellers & Son Limited, who presently holds 40% equity stake of the target entity, is a Joint Venture Partner of the Company in the target entity. Further, Mr. Mehul K. Trivedi, Deputy Chairman of the Company, is also a Director on the Board of Garnett Wire Ltd., UK. The said acquisition would, therefore, fall within the related party transaction definition. The valuation of equity shares of Garnett Wire Ltd. is being carried out by an Independent Valuer / Chartered Accountant and hence the transaction is being done at 'arm's length'. Other than the facts mentioned above, the Promoter / Promoter group or Promoter Group Companies have no interest in this acquisition. |
| c) | industry to which the entity being acquired belongs | Manufacturers of metallic card clothing |
| d) | Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity) | Considering presence of Garnett Wire Ltd. in the UK and neighboring region the object of acquisition is to expand business for the products of the Company abroad. |



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| Sr. No. | Particulars | Details | | | | | | | | |
|----------------|--|---|----------------|----------|---------|-----------|---------|------------|---------|------------|
| e) | Brief details of any governmental or regulatory approvals required for the acquisition | Not Applicable. Pursuant to applicable regulations of Reserve Bank of India (RBI), this being Overseas Direct Investment by the Company under Automatic route, no prior approval of RBI is required. | | | | | | | | |
| f) | Indicative time period for completion of the acquisition | Approximately within 60 days subject to customary closing conditions or such other extended timeline as may be mutually agreed between the parties. | | | | | | | | |
| g) | Nature of consideration - whether cash consideration or share swap and details of the same | Cash | | | | | | | | |
| h) | Cost of acquisition or the price at which the shares are acquired | The cost of acquisition as mutually agreed between the parties is £2,32,873 or such other cost of acquisition as may be determined by the Independent Valuer / Chartered Accountant. | | | | | | | | |
| i) | Percentage of shareholding / control acquired and / or number of shares acquired | The Company will be acquiring 140,000 "A" Ordinary shares of £1/- each of the target entity (equivalent to 40% equity stake of the target entity) presently held by the Seller, i.e., Joseph Sellers & Son Limited, the present Joint Venture partner of the Company. Post-Acquisition, the Company's shareholding in the Garnett Wire Ltd. will be 100%. Thus, Garnett Wire Ltd. will become Wholly Owned Foreign Subsidiary of the Company. | | | | | | | | |
| j) | Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief) | <p>Garnett Wire Ltd., UK was incorporated on 27th June, 1991 and is engaged in the business of manufacturing metallic card clothing and providing quality carding solutions to global textile industry.</p> <p>History of last 3 years turnover:</p> <table border="1"> <thead> <tr> <th>Financial Year</th> <th>Turnover</th> </tr> </thead> <tbody> <tr> <td>2021-22</td> <td>£ 967,869</td> </tr> <tr> <td>2020-21</td> <td>£1,008,172</td> </tr> <tr> <td>2019-20</td> <td>£1,016,754</td> </tr> </tbody> </table> <p>Garnett Wire Limited is a private company, limited by shares, registered in England and Wales.</p> | Financial Year | Turnover | 2021-22 | £ 967,869 | 2020-21 | £1,008,172 | 2019-20 | £1,016,754 |
| Financial Year | Turnover | | | | | | | | | |
| 2021-22 | £ 967,869 | | | | | | | | | |
| 2020-21 | £1,008,172 | | | | | | | | | |
| 2019-20 | £1,016,754 | | | | | | | | | |

For The Indian Card Clothing Company Limited



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Company Secretary and Head Legal & Corporate Affairs
Membership No. : A33080

