



# Vardhmān

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## VARDHMAN SPECIAL STEELS LIMITED

CHANDIGARH ROAD  
LUDHIANA-141010, PUNJAB  
T: +91-161-2228943-48  
F: +91-161-2601048, 2222616, 2601040  
E: secretarial.lud@vardhman.com

**Ref.VSSL:SCY:NOV:2019-20**

**Date: 6<sup>th</sup> November, 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**

**Subject: Intimation under Regulation 169(5) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018**

Respected Sir,

Pursuant to Regulation 169(5) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations"), please find enclosed herewith certificate obtained by the Company from the Statutory Auditor stating that the issuer (i.e. Company) is in compliance with Regulation 169(4) of ICDR Regulations and the relevant documents thereof are maintained by the issuer as on the date of certificate.

You are requested to take the same on your record.

Thanking You,  
Yours faithfully,  
For **VARDHMAN SPECIAL STEELS LIMITED**

**(SONAM TANEJA)**  
Company Secretary

YARNS | FABRICS | THREADS | GARMENTS | FIBRES | **STEELS**

# B S R & Co. LLP

Chartered Accountants

Unit No. A505A,  
5th Floor, Elante Offices,  
Plot No.178-178A, Industrial Area,  
Phase -1, Chandigarh-160002

Telephone: + 91 172 664 4000  
Fax: + 91 172 664 4004

## Auditor Certificate

The Board of Directors,  
Vardhman Special Steels Limited  
Registered Office, Vardhman Premises,  
Chandigarh Road, Ludhiana  
Punjab - 141010

**Auditor's certificate with respect to application for listing of 4,629,629 equity shares issued at the price of Rs. 108 per share on preferential basis in terms of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018**

1. The accompanying statement ("Annexure I"), initialed and stamped for identification purposes, contains the details of total consideration as received by the Company from the allottee pursuant to the shareholders' approval at the Extra Ordinary General Meeting held on 24 October 2019. The framework underlying this certificate is as per Annexure II.
2. We, B S R & Co. LLP, have verified the relevant records and documents of Vardhman Special Steels Limited ("the Company") with respect to the captioned preferential allotment and certify that:
  - a. The Company has realized the allotment money aggregating to Rs. 499,999,932 from the bank account of the allottee against the allotment of 4,629,629 equity shares on or before 01 November 2019 and there is no circulation of funds or mere passing of book entries in this regard.
  - b. We further confirm that the Company is in compliance with the requirements of Companies Act, 2013, Chapter V of SEBI (ICDR) Regulations, 2018 including sub-regulation (5) of Regulation 169 of SEBI (ICDR) Regulations, 2018, sub-section (6) of Section 42 of the Companies Act 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, and relevant documents, including records of bank account statement of the allottee regarding subscription money received from their bank account, are maintained by the issuer.

For **B S R & Co. LLP**  
*Chartered Accountants*  
ICAI Firm Registration No.: 101248W/W-100022



**Gaurav Mahajan**  
*Partner*  
Membership No.: 507857  
UDIN No.: 19507857AAAACQ6740

Place: Chandigarh  
Date: 06 November 2019

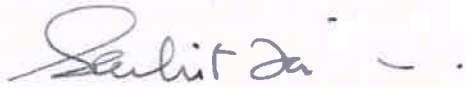
**Annexure I**

**Statement of Details of total consideration as received by the Company from the allottee:**

| <b>Sr. No.</b> | <b>Name of Allottee</b> | <b>Amount received on or before 01 November 2019</b> | <b>No. of equity shares to be allotted</b> |
|----------------|-------------------------|--|--|
| 1              | Aichi Steel Corporation | Rs. 499,999,932                                      | 4,629,629                                  |

- The Company has realized the allotment money from the allottee and there is no circulation fund or mere passing of book entries in this regard.
- All the relevant documents in this regard are duly maintained.

*For and on behalf of the Board of Directors of  
Vardhman Special Steels Limited*



**Sachit Jain**  
(Vice Chairman & Managing Director)  
Date: 06 November 2019



## **Annexure II – Framework underlying certificate**

1. The certificate is issued in accordance with the terms of our engagement letter dated 03 June 2019 and addendum letter dated 24 October 2019 and as per the requirement of Securities and Exchange Board of India ('SEBI') (Issue of Capital and Disclosure Requirements) Regulations 2018 and amendment thereof.

### **Management's Responsibility**

2. The preparation of the accompanying Statement ("Annexure-I") is the responsibility of the Management of the Company. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
3. The Management is also responsible for ensuring that the Company complies with Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, Companies Act, 2013 including Section 42 and Section 62 of the Companies Act 2013, Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, requirements of the Equity Listing Agreement, all the legal and statutory formalities for allotment of aforesaid equity shares issued on a preferential basis and for providing all relevant information to the Securities and Exchange Board of India.

### **Auditor's Responsibility**

4. Pursuant to the requirements of the SEBI Regulation and Companies Act 2013, it is our responsibility to obtain reasonable assurance and form an opinion as to whether the Statement is in agreement with the books and records of the Company.
5. For the purpose of this certificate, we have planned and performed the following procedures with respect to the conditions specified under the aforesaid SEBI Regulation and relevant sections of Companies Act, 2013:
  - i. Obtained Special Resolution passed at the Extra Ordinary General Meeting held on 24 October 2019 for the proposed allotment of Equity Shares to check the following aspects:
    - a. Identity of the allottee who is the ultimate beneficial owner of the shares is to be allotted.
    - b. Time limit within which the preferential equity shares are to be issued.
    - c. Price at which the preferential equity shares are to be issued.
  - ii. Obtained the copy of in-principle approval ("Annexure III") obtained from the stock exchange for preferential issue of 4,629,629 shares at the price not less than Rs. 108 shares to non-promoter.
  - iii. Examination of the bank statement of the Company to verify that the amount received from the allottee.;
  - iv. Check that the Company is in compliance with all the provision of the Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009. Check that the Company is in compliance with all the provision of the Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009 including Section 42 of the Companies Act 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
  - v. Obtained representation from management to confirm that:
    - a. The Company has realized the allotment money and there is no circulation of funds or mere passing of book entries in this regard.
    - b. All the relevant documents in this regard are duly maintained.



6. We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes" ("the Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagement.

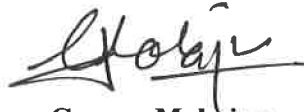
**Restriction on Use**

8. This certificate is provided to the board of Director of the Company for onward submission to the BSE in connection with the listing of equity shares under Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. This Certificate should not be used by any other person or for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

*For B S R & Co. LLP*

*Chartered Accountants*

ICAI Firm Registration No.: 101248W /W-100022



**Gaurav Mahajan**

*Partner*

Membership No.: 507857

UDIN No.: 19507857AAAACQ6740

Place: Chandigarh

Date: 06 November 2019





DCS/PREF/PB/PRE/344/2019-20

October 31, 2019

The Company Secretary  
Vardhman Special Steels Ltd  
Vardhman Premisees, Chandigarh Road,  
Ludhiana, Ludhiana, Punjab, 141001

Dear Sir,

**Re: 'In-principle' approval under Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.**

We refer to your application seeking our "in-principle" approval for the issue of 46,29,629 equity shares of Rs. 10/- each to be issued at a price not less than Rs. 108/- to Non-Promoters on a preferential basis."

The Exchange hereby grants its 'in-principle' approval for the aforesaid issue. This 'in-principle' approval should not be construed as our approval for listing of aforesaid security and you are required to duly and separately comply with the requirements in respect thereof.

You are advised to ensure that the issue and allotment of securities is strictly in accordance with the provisions of the Companies Act, 2013, Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Depositories Act, 1996 including the Rules, Regulations, Guidelines, etc. made there under, Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations), the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (LODR Regulations) and the Listing Agreement signed with us. In addition, you shall also obtain such statutory and other approvals as are required for the purpose.

On allotment of securities pursuant to this 'in principle' approval you are required to make a listing application without delay, with applicable fees, in terms of Regulation 14 of the LODR Regulations and comply with the post issue formalities. Listing application and the checklist for post issue listing formalities can be downloaded from the link: <https://www.bseindia.com/static/about/downloads.aspx?expandable=2>.

In addition to above, the company should note that as per Schedule XIX – Para (2) of ICDR Regulations and as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/94 dated August 19, 2019, "the issuer or the issuing company, as the case may be, shall, make an application for listing, within twenty days from the date of allotment, to one or more recognized stock exchange(s)" along with the documents specified by stock exchange(s) from time to time. Any Non-compliance with the above requirement will attract, the fine as mentioned in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/94 dated August 19, 2019.

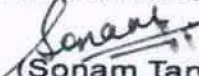
The Exchange reserves its right to withdraw this 'in-principle' approval at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or if it contravenes any Rules, Bye-laws and Regulations of the Exchange, LODR Regulations, ICDR Regulations and Guidelines/ Regulations issued by any statutory authorities etc.

Yours faithfully,

  
Nitinkumar Pujari  
Senior Manager



Certified True Copy  
For Vardhman Special Steels Limited

  
(Sonam Taneja)  
Company Secretary  
M.No. A34338



BSE Limited (Formerly Bombay Stock Exchange Ltd.)  
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Corporate Identity Number: L67120MH-12005PLC155188