

June 26, 2018



To, <b>The Secretary,</b> <b>BSE Limited,</b> P.J. Towers, Dalal Street, Mumbai- 400 001 Scrip Code: 539542	To, <b>The Secretary,</b> <b>National Stock Exchange of India Ltd.,</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandera (E), Mumbai – 400 051 Symbol: LUXIND
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Dear Sir,

***Sub: Outcome of Board Meeting under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.***

***Ref: Composite Scheme of Arrangement amongst Lux Industries Limited, J.M. Hosiery & Co. Limited and Ebell Fashions Private Limited.***

This is in furtherance to our earlier letter dated March 13, 2018 regarding disclosure made by Company under regulation 30 relating to proposed merger of M/s J.M.Hosiery & Co. Limited and M/s Ebell Fashions Private Limited with the Company, We would like to inform you that the Board of Directors of the Company on recommendation of Audit Committee and Committee of Directors constituted for proposed merger has considered and approved the Scheme of Merger of M/s J. M. Hosiery & Co. Limited and M/s Ebell Fashions Private Limited with the Company.

The Scheme is subject to sanction by the respective shareholders of each Company involved in the scheme and requisite Statutory and Regulatory approvals as required under the law.

The draft Scheme shall be filed with the Stock Exchanges as per provisions of the Regulation 37 of the SEBI Listing Regulations.

The requisite information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 is enclosed herewith as Annexure-1.

The meeting of the Board of Directors of the Company commenced at 1:00 p.m. and concluded at 3.15 p.m.

We request you take the same on your record.

Thanking You  
Yours faithfully,  
**for LUX INDUSTRIES LIMITED**

*Smita Mishra*  
**Smita Mishra**  
**(Company Secretary & Compliance Officer)**  
**M.No: 26489**  
**Encl: As stated above**

## **LUX INDUSTRIES LTD**

**Annexure-1**

1)	Name of the entit(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc,	<p><b>Lux Industries Limited (LIL)</b>  <b>Figures as on 31<sup>st</sup> March, 2018</b>  <b>(Rs. In lacs)</b>  Total Asset - 87,484.06  Net Worth -32,062.38  Turnover -113,948.27</p> <p><b>J.M.Hosiery &amp; Co Limited (JMHL)</b>  <b>Figures as on 31<sup>st</sup> March, 2018</b>  <b>(Rs. In lacs)</b>  Total Asset - 26,296.22  Net Worth - 9,148.72  Turnover -29,285.40</p> <p><b>Ebell Fashions Pvt.Ltd.(EFPL)</b>  <b>Figures as on 31<sup>st</sup> March, 2018</b>  <b>(Rs. In lacs)</b>  Total Asset - 10,621.46  Net Worth - 5,177.64  Turnover - 19,804.94</p>
2)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arms length”,	<p>Yes the transaction is a related party transaction (Companies belonging to Promoter’s group) and the transaction is at arm’s length. Further it may be noted that the provision of section 188 of Companies Act, 2013, as exempted in MCA circular No. 30/2014 dated 17<sup>th</sup> July, 2014 shall not be applicable.</p>
3)	Area of business of entity(ies)	<p><b>LIL</b>  The Company is engaged in the business of manufacturing, marketing, selling and distribution of knitted apparel including hosiery.</p> <p><b>JMHL</b>  The Company is engaged in the business of manufacturing, marketing, selling and distribution of knitted apparel including hosiery.</p> <p><b>EFPL</b>  The Company is engaged in the business of</p>



**LUX INDUSTRIES LTD**

		manufacturing, marketing, selling and distribution of knitted apparel for women's.
4)	Rationale for Amalgamation/Merger	<p>1. Proposed merger will lead to the presence of the merged entity across various market segment leading to risk mitigation and higher growth;</p> <p>2. The proposed merger will rationalize the management structure enhance customer reach, reduce overhead and ultimately lead to increased topline and bottomline for the merged entity;</p> <p>3. The merged entity will have greater financial strength and flexibility;</p> <p>4. The merger will result in the value appreciation for the shareholders of the merged entity;</p> <p>Further we want to say that the proposed restructuring is in the interest of the shareholders, creditors, employees and other stakeholders in each of the Companies.</p>
5)	In case of cash consideration-amount or otherwise share exchange ratio;	<p>There is no cash consideration in the proposed scheme. In terms of share entitlement ratio enshrined in the Scheme, The Consideration is in the form of issue of shares, and the exchange ratio is as follows:</p> <p>1142 Equity Shares of Rs. 2 each fully paid up of LIL to be issued for every 100 Equity Shares of Rs. 10 each fully paid up of EFPL.</p> <p>29 Equity Shares of Rs. 2 each fully paid up of LIL to be issued for every 100 Equity Shares of Rs. 10 each fully paid up of JMHL.</p>
6)	Brief details of change in shareholding pattern (if any) of listed entity	<p>Currently, Promoter shareholding in LIL is 73.71% whereas Public Shareholding is 26.29%.</p> <p>Pursuant to Merger additional</p>



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		<p>shares shall be issued to the shareholders of EFPL and JMHL, who are also the promoter of LIL. The Transferee Company and the Promoter group of Transferee Company shall ensure compliance with SEBI Circular no. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017 such that the percentage of shareholding of Public shareholders of LIL, in the post scheme shareholding pattern shall not be less than 25%.</p>
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## LUX INDUSTRIES LTD