

Arvind Limited
LALBHAI GROUP

Naroda Road, Ahmedabad 380 025, India
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CIN - L17119GJ1931PLC000093

ARVIND

Audit Committee Report dated 25th January, 2017, recommending the Draft Scheme of Amalgamation/Merger of 3 (Three) -100% Subsidiary Companies namely Arvind Brands & Retail Limited and Arvind Garments Park Private Limited and Dholka Textile Park Private Limited with Arvind Limited.

All the members of the Audit Committee were present at the meeting:

1. Mr. Dileep Choksi (Through Video Conferencing)
2. Dr. Bakul H. Dholakia
3. Mr. Nilesh Shah
4. Mr. Jayesh Shah

The following officers of the Company were also present at the meeting:

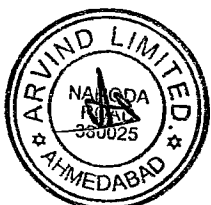
1. Mr. Jagdish Dalal - Sr. VP (Legal and Secretarial)
2. Mr. Vinay Swaika - Dy. CFO (Textiles and Apparel)
3. Mr. Shardul Mahadeviya - Head - Accounts
4. Mr. R. V. Bhimani - Company Secretary
5. Mr. Aditya Naria - Head -Arvind Management Assurance (AMA).

The following representatives of M/s Sorab S. Engineer & Co., Chartered Accountants, Statutory Auditors of the Company were also present:

1. Mr. N. D. Anklesaria
2. Mr. Shreyas Chokshi

Dr. Bakul H. Dholakia, occupied the Chair.

1. A draft of the Scheme of amalgamation / merger of Arvind Brands & Retail Limited ("ABRL") and Arvind Garments Park Private Limited ("AGPPL") and Dholka Textile Park Private Limited ("DTPPL") with Arvind Limited ("Arvind") under Sections 231 to 234 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, was presented to the Audit Committee in its meeting held on 25th January, 2017.
2. The members of the Audit Committee noted that in terms of the SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 issued by SEBI read with Regulation 11 and 37 of the SEBI (LODR) Regulations, 2015, the Scheme is required to be considered and recommended by the Audit Committee of the Company as well.



For ARVIND LIMITED

[Signature]
Company Secretary

1. Draft of the Scheme; and
2. Independent Accountant's Report dated 24th January, 2017 of Kantilal Patel & Co., Chartered Accountants, Ahmedabad.

hereby reports that the amalgamation / merger of Arvind Brands & Retail Limited ("ABRL") and Arvind Garments Park Private Limited ("AGPPL") and Dholka Textile Park Private Limited ("DTPPL") with Arvind Limited ("Arvind") as envisaged in the Scheme shall be beneficial to all the stakeholders of the Company.

The Audit Committee noted the following rationales of the proposed Scheme:

- Consolidation of group's business and operations;
- Streamlining of current organization structure;
- Reduction in managerial overlaps due to operation of multiple entities and more focused leadership;
- Benefit of economies of scales, reduction in multiplicity of legal and regulatory compliances, reduction in overheads including administrative, managerial and other expenditure;
- Rationalization, standardization and simplification of business processes leading to increase in operational feasibility in future, reduction of multi-company inefficiencies and optimal utilization of resources.

The Audit Committee further noted that since these three companies are 100% subsidiary companies, no new shares would be issued and hence there would be no dilution of capital.

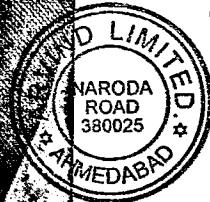
With the aforesaid objectives, it is proposed to amalgamate / merge the Arvind Brands & Retail Limited ("ABRL") and Arvind Garments Park Private Limited ("AGPPL") and Dholka Textile Park Private Limited ("DTPPL") with Arvind Limited ("Arvind").

In the light of the foregoing, the Audit Committee recommends the Draft Scheme for favourable consideration by the Stock Exchanges and Securities and Exchange Board of India.

By the Order of the Audit Committee
For Arvind Limited



R.V. Bhimani
Company Secretary



For ARVIND LIMITED

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Company Secretary