

This is only an announcement for information purposes and not for publication, distribution or release directly or indirectly outside India. This is not a prospectus announcement. Unless otherwise specified, all capitalized terms used and not defined herein shall have the meaning assigned to them in the Draft Letter of Offer dated December 17, 2019 (the "Draft Letter of Offer" or "DLOF") filed with the Securities and Exchange Board of India ("SEBI").



## ARVIND FASHIONS LIMITED

Our Company was incorporated as 'Arvind J&M Limited' on January 5, 2016, as a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Registrar of Companies, at Ahmedabad, Gujarat (the "RoC"). Pursuant to a resolution of our Shareholders dated September 26, 2016, the name of our Company was changed to 'Arvind Fashions Limited' and a fresh certificate of incorporation was issued by the RoC on October 14, 2016. For details, including reasons for changes in the name and registered office of our Company, see "History and Certain Corporate Matters" on page 122 of the DLOF.

**Registered Office:** Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad – 380 025, Gujarat, India;

**Telephone:** +91-79-30138000;

**Corporate Office:** 8th Floor, Du Parc Trinity, 17, M G Road, Bengaluru – 560 001, Karnataka, India; Telephone: +91-80-41550650

**Contact Person:** B S Vijay Kumar, Company Secretary and Compliance Officer

**Email:** investor.relations@arvindbrands.co.in; **Website:** www.arvindfashions.com

**Corporate Identity Number:** L52399GJ2016PLC085595

### OUR PROMOTERS

AURA SECURITIES PRIVATE LIMITED, AURA BUSINESS VENTURES LLP, SANJAYBHAI SHRENIKHBHAI LALBHAI, JAYSHREEBEN SANJAYBHAI LALBHAI, PUNIT SANJAY LALBHAI, KULIN SANJAY LALBHAI, POORVA PUNIT LALBHAI, JAINA KULIN LALBHAI, ISHAAN PUNIT LALBHAI, ANANYAA KULIN LALBHAI AND RUHANI PUNIT LALBHAI

ISSUE OF UP TO [●] EQUITY SHARES WITH A FACE VALUE OF ₹ 4 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] EACH INCLUDING A SHARE PREMIUM OF ₹ [●] PER RIGHTS EQUITY SHARE ("ISSUE PRICE") FOR AN AGGREGATE AMOUNT UP TO ₹ 300 CRORES ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARE(S) FOR EVERY [●] FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE 288 OF DLOF.

### ADDENDUM CUM NOTICE TO THE ELIGIBLE EQUITY SHAREHOLDERS OF ARVIND FASHIONS LIMITED (THE "COMPANY")

This is in connection with the DLOF filed by the Company with SEBI in relation to the Issue. In connection with participation by the overseas shareholders in the Issue, the following modifications are being made in the chapters titled "Notice to the Investors", "Risk Factors" and "Other Regulatory and Statutory Disclosures" beginning from pages 9, 21 and 281, respectively, in the following manner:

1. The chapter titled "Notice to Investor" beginning from page 8 of the DLOF, shall stand substituted and read as below:

#### NOTICE TO INVESTORS

*"The distribution of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and CAF and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Abridged Letter of Offer or CAF may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer / Abridged Letter of Offer and CAF only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Those overseas Eligible Equity Shareholders who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Letter of Offer / Abridged Letter of Offer and CAFs, shall not be sent the Letter of Offer/ Abridged Letter of Offer and CAFs.*

*No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except in India. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer ("Restricted Jurisdictions") and, in those circumstances, this Draft Letter of Offer, the Letter of Offer and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer or the Abridged Letter of Offer or CAF should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Draft Letter of Offer, the Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If this Draft Letter of Offer, the Letter of Offer or the Abridged Letter of Offer or CAF is received by any person in any Restricted Jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Draft Letter of Offer, the Letter of Offer and the Abridged Letter of Offer. Envelopes containing a CAF should not be dispatched from a Restricted Jurisdiction and all the persons subscribing for the Rights Equity Shares must provide an Indian address. For more details, see "Other Regulatory and Statutory Disclosures - Selling Restrictions" on page 283.*

*Neither the delivery of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, CAF nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such*

information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer, the Letter of Offer and the Abridged Letter of Offer and the CAF or the date of such information.

The contents of this Draft Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the purchase or sale of Rights Equity Shares or Rights Entitlements. Accordingly, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Equity Shares. In addition, neither our Company nor the Lead Manager is making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state of the United States of America and may not be offered or sold in the United States of America, its territories and possessions, any State of the United States, and the District of Columbia ("United States"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The Rights Entitlements and Rights Equity Shares are being offered and sold only (a) to persons in the United States who are reasonably believed to be qualified institutional buyers as defined in Rule 144A under the Securities Act ("U.S. QIBs") pursuant to Section 4(a)(2) of the Securities Act and (b) to persons outside the United States in reliance on Regulation S under the Securities Act ("Regulation S"). In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares in the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act. The Rights Equity Shares are transferable only in accordance with the restrictions described in "Other Regulatory and Statutory Disclosures - Transfer Restrictions" on page 284.

Envelopes containing a CAF should not be postmarked or otherwise dispatched from any Restricted Jurisdiction, and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of these Rights Equity Shares in India. Any person outside the United States who acquires Rights Entitlements and the Rights Equity Shares shall be deemed to have made the representations, warranties, acknowledgments and agreements set forth in "Other Regulatory and Statutory Disclosures - Transfer Restrictions - Persons Outside the United States" on page 285. Any person in the United States who accepts Rights Entitlements or subscribes to the Rights Equity Shares shall be deemed to have made the representations, warranties, acknowledgments and agreements set forth in "Other Regulatory and Statutory Disclosures - Transfer Restrictions - Persons in the United States" on page 284.

**Our Company reserves the right to treat any CAF as invalid which: (i) does not include the certifications set out in the CAF; (ii) appears to us or our agents to have been executed in or dispatched from a Restricted Jurisdiction; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlements in respect of any such CAF.**

Rights Entitlements may not be transferred or sold to any person outside India.

The Rights Entitlements and the Rights Equity Shares have not been approved, disapproved or recommended by the United States Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authority of any other jurisdiction or any other regulatory authority in any jurisdiction. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions."

**2. Under the section titled "Risk Factors" beginning from page 21 of the DLOF, following Risk Factors shall stand added after Risk Factor no. 60 and read as below:**

**"61 - Our Company has not determined whether or not it expects to be classified as a Passive Foreign Investment Company ("PFIC") for U.S. federal income tax purposes the current tax year or future taxable years. If our Company is classified as a PFIC, there are adverse United States federal income tax consequences for U.S. investors.**

Our Company not determined whether or not it expects to be classified as a PFIC for U.S. federal income tax purposes for the current tax year or future taxable years. It is possible that our Company may be considered to be a PFIC for the current or any future taxable year. The determination of whether our Company is a PFIC is a factual determination made annually based on various facts and circumstances and thus is subject to change, and the principles and methodology used in determining whether a company is a PFIC are subject to interpretation. In general, our Company will be classified as a PFIC for any taxable year in which either (1) at least 75% of our gross income is passive income; or (2) at least 50% of the value (determined on the basis of a quarterly average) of our assets is attributable to assets that produce or are held for the production of passive income. For the purposes of determining whether our Company is a PFIC, our Company will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, 25% or more (by value) of the stock.

If our Company is classified as a PFIC, U.S. holders of the Equity Shares may suffer adverse tax consequences, including having gains realised on the sale of the Equity Shares treated as ordinary income, rather than capital gain, the loss of the preferential rate applicable to dividends received on the Equity Shares by individuals who are U.S. holders, having interest charges apply to distributions by our Company and the proceeds of sales of Equity Shares and additional reporting requirements. We do not plan to provide to U.S. holders of Equity Share the information needed to report income and gain pursuant to a "qualified electing fund" election, which election would alleviate some of the adverse tax consequences of PFIC status, and we make no undertaking to provide such information in the event that we are a PFIC.

United States investors are urged to consult their tax advisers about the application of the PFIC rules to our Company and the Equity Shares as well as the application of other United States federal tax rules to their particular circumstances as well as the state and local, foreign and other tax consequences to them of the purchase, ownership and disposition of Equity Shares.

**62 - Fluctuations in the exchange rate between the Rupee and other currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our results of operations.**

*The Rights Equity Shares will be quoted in Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will be paid in Rupees. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividend received by investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by investors. The exchange rate between the Rupee and other currencies (such as the U.S. dollar and the Singapore dollar) has changed substantially in the past and could fluctuate substantially in the future, which may have an adverse effect on the value of our Equity Shares and returns from the Equity Shares in foreign currency terms, independent of our results of operations.”*

**3. Under the chapter titled “Other Regulatory and Statutory Disclosures” beginning from page 281 of the DLOF, paragraph titled “Selling Restrictions” shall stand substituted and read as below:**

**“Selling Restrictions**

*This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.*

*The distribution of this Draft Letter of Offer, the Letter of Offer Abridged Letter of Offer and CAF and the issue of Rights Entitlements and Rights Equity Shares to persons in jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer and CAF may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, the Entitlement Letter and CAF only to Eligible Equity Shareholders who have provided an Indian address to our Company.*

*No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Rights Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with SEBI and the Stock Exchanges.*

*Accordingly, the Rights Entitlement or Right Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer i.e, Restricted Jurisdictions.*

*This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose, except that nominees and agents may forward this Draft Letter of Offer and its accompanying documents to beneficial owners of Equity Shares in compliance with the terms and conditions set forth in this Draft Letter of Offer. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Rights Equity Shares or accepting any provisional allotment of Rights Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Rights Equity Shares or Rights Entitlements.*

*Our Company reserves the right to require a person in any jurisdiction not listed below to give it an opinion of legal counsel that the purchase of the Rights Entitlements and Rights Equity Shares by such person in accordance with the terms of this Draft Letter of Offer Document was in accordance with the laws of such jurisdiction.*

*In the event you do not meet the criteria and requirements laid down under “Selling Restrictions” and in the other terms of this Draft Letter of Offer, you are not qualified to apply to subscribe for the Rights Entitlements or Rights Equity Shares.*

**Singapore**

*This Draft Letter of Offer has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (“MAS”) under the Securities and Futures Act (Chapter 289) of Singapore (“SFA”). The offer of Rights Entitlements and Rights Equity Shares to Eligible Equity Shareholders in Singapore is made in reliance on the offering exemption under Section 273(1)(cd) of the SFA. The Rights Entitlements may not be renounced to a person in Singapore.*

**United States of America**

*The Rights Entitlements and Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Rights Entitlements and Rights Equity Shares are being offered and sold only (a) to Eligible Equity Shareholders in the United States who are reasonably believed to be U.S. QIBs pursuant to Section 4(a)(2) of the Securities Act and (b) to persons outside the United States in reliance on Regulation S. The Rights Entitlements may not be renounced to a person in the United States.*

**Transfer Restrictions**

**Persons in the United States**

*Each person accepting the Rights Entitlements and subscribing to the Rights Equity Shares in the United States shall be deemed to have represented, warranted, agreed and acknowledged as follows:*

- *The Rights Entitlements and Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and that the offer of the Rights Entitlements and the offer and sale of the Rights Equity Shares to it is made in reliance on an exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) of the Securities Act and applicable state securities laws.*
- *It is a U.S. QIB and accepted the Rights Entitlements and subscribed to the Rights Equity Shares for its own account or for the account of one or more U.S. QIBs, each of which is acquiring beneficial interests in the Rights Entitlements and Rights Equity Shares for its own account.*
- *It did not accept the Rights Entitlements or subscribe to the Rights Equity Shares as a result of any general solicitation or general advertising (within the meaning of Rule 502(c) under the Securities Act).*
- *The Rights Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act and it shall not deposit such Equity Shares into any unrestricted depository facility established or maintained by any depository bank.*
- *It will not offer, sell or transfer the Rights Entitlements except in India in a transaction complying with Rule 903 or Rule 904 of Regulation S.*
- *It subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future it decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, it shall only offer, sell, pledge or otherwise transfer such Equity Shares (a) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (b) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws and it agrees to that if the Rights Equity Shares are still are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, it shall notify the purchaser of such Equity Shares of the transfer restrictions set forth herein and that it will require each such purchaser to agree, for the benefit our Company, to notify any subsequent purchasers of such transfer restrictions.*
- *It shall hold our Company and the Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.*
- *If it accepted the Rights Entitlements and subscribed to the Rights Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.*
- *If it accepted the Rights Entitlements and subscribed to the Rights Equity Shares for one or more managed accounts, it is authorised in writing by each such managed account to subscribe to the Rights Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.*
- *It acknowledges that our Company, the Lead Manager and their respective affiliates, directors, officers, agents, employees, advisors and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.*

#### **Persons outside the United States**

*Each person accepting the Rights Entitlements and subscribing to the Rights Equity Shares outside the United States shall be deemed to have represented, warranted, agreed and acknowledged as follows:*

- *It is entitled to accept the Rights Entitlement and subscribe to the Rights Equity Shares under the laws of all relevant jurisdictions that apply to it and that it has fully observed such laws and has complied with all necessary formalities to enable it to accept the Rights Entitlements and subscribe to the Rights Equity Shares;*
- *it was outside the United States at the time the offer of the Rights Entitlements and Rights Equity Shares was made to it and it was outside the United States when its buy order for the Rights Entitlements (if applicable) and the Rights Equity Shares was originated;*
- *it did not accept the Rights Entitlements or subscribe to the Rights Equity Shares as a result of any “directed selling efforts” (as defined in Regulation S);*
- *the Rights Entitlements and Rights Equity Shares have not been and will not be registered under the Securities Act or the securities law of any state of the United States and that the offer of the Rights Entitlements and and the offer or sale of the Rights Equity Shares to it is made in reliance on Regulation S.*
- *that it will not offer or sell the Rights Entitlements except in India in a transaction complying with Rule 903 or Rule 904 of Regulation S and (b) that it will not offer or sell the Rights Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India;*
- *if it acquired any of the Rights Entitlements or Rights Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account;*

- *it shall indemnify and hold our Company and the Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Rights Entitlements and Rights Equity Shares; and*
- *it acknowledges that our Company, the Lead Manager and others will rely upon the truth and accuracy of the foregoing representations, warranties and acknowledgements.”*

The DLOF shall be read in conjunction with this Notice. The information in this Notice supplements the DLOF and the DLOF accordingly stands amended to the extent stated herein above. Relevant changes will be reflected in the Letter of Offer as and when filed with Securities and Exchange Board of India and the Stock Exchanges. For further details, please refer to the DLOF.

**For Arvind Fashions Limited**

**Sd/-**

**B S Vijay Kumar  
Company Secretary and Compliance Officer**

Date: February 7, 2020

Place: Bengaluru

*Disclaimer: Our Company is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to issue Equity Shares on a rights basis and has filed a DLOF with the Securities and Exchange Board of India. The DLOF is available on the website of SEBI at [www.sebi.com](http://www.sebi.com) and website of the Lead Manager at [www.vivro.net](http://www.vivro.net). Investors should note that investment in securities involves a high degree of risk and are requested to refer to the DLOF, including the section “Risk Factors” beginning on page 21 of the DLOF in making investment decisions. This announcement has been prepared for publication in India and may not be released in the United States. This announcement does not constitute an offer of Equity Shares for sale in any jurisdiction, including the United States, and any Equity Shares described in this announcement may not be offered or sold in the United States absent registration under the US Securities Act of 1933, as amended, or an exemption from registration. There will be no public offering of Equity Shares in the United States.*