



GARWARE
TECHNICAL FIBRES

GTFL:SEC:2020

February 21, 2020

BSE Limited

Corporate Relationship Department,
New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort,
Mumbai 400001.

(Company code: 509557)

National Stock Exchange of India Ltd.

Exchange Plaza, Plot No. C/1, 'G' Block,
Bandra-Kurla Complex,
Bandra East,
Mumbai 400051.

(Symbol: GARFIBRES, Series: EQ)

Sub:- Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Intimation of Incorporation of Subsidiary Company

Dear Sirs,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we inform you that Garware Technical Fibres Limited has incorporated a Subsidiary Company, in the name and style "Garware Technical Fibres USA Inc.", in United States of America w.e.f. 20th February, 2020.

Details as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 are given in **Annexure A**.

Please acknowledge this communication.

Thanking you,

Yours faithfully,

For **GARWARE TECHNICAL FIBRES LIMITED**


Sunil Agarwal
Company Secretary
M. No. FCS6407



Registered Office

Garware Technical Fibres Ltd. (Formerly Garware– Wall Ropes Ltd.): Plot No. 11, Block D-1, M.I.D.C., Chinchwad, Pune 411 019, India.
T+91 20 2799 0000/0306 E pune_admin@garwarefibres.com www.garwarefibres.com CIN: L25209MH1976PLC018939



Sr. No.	Particulars	Details
a.	Name of the target entity, details in brief such as size, turnover etc.	Garware Technical Fibres USA Inc., a Subsidiary of the Company i) Authorized Share Capital: one thousand (1,000) shares of common stock with a par value of \$0.01 per share. ii) Paid up Share Capital: Nil (would be paid in due course) iii) Turnover: Yet to commence business operations.
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 "arms length".	Proposed acquisition / incorporation of Subsidiary Company would not fall into Related Party Transaction. The promoter / promoter group / group companies have no interest in the Subsidiary Company.
c.	Industry to which the entity being acquired belongs	Technical Textile Industry
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)	The Company is engaged in the business of development, design, manufacture and marketing of various synthetic ropes, twines, netting and assembled fabricated nets for the fishing industry and other industrial products such as coated fabric, woven fabric, woven geo-textile fabric forms like geo-bags, geo-tubes, etc., geo-mats, steel and polymer rope gabions and provides technical consultancy and solutions in all kinds of geo-synthetic products and systems, and also undertakes infrastructure-related projects, especially with geo-synthetic applications, both in the private and public sector and has customers spread in various regions globally. One of the significant markets of the Company is United States of America, where the Company has been operating through a branch office for many years. Considering the increasing business operations and to have a more effective legal and business structure of operations in United States of America markets, the company believes that operating through a local USA domiciled Entity and thereby upgrading the legal / business presence of the Contributor in USA is the need of its business.



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Sr. No.	Particulars	Details
		<p>Therefore, the Company proposes to contribute, assign and transfer, all of its rights, title and interest in and to the Business / Undertaking along with all its assets and liabilities in United States of America on a 'going concern basis for a total lump-sum consideration by means of contribution to and in favor of the Subsidiary Company.</p> <p>The overall Consideration is USD 6.51 Million as per the valuation reports of M/s. Ashit C. Mehta Investment Intermediates Limited, a SEBI registered Merchant Banker. The Consideration for the contribution of Business / Undertaking would be discharged solely by Subsidiary Company by issuance of one hundred (100) shares of Common Stock of the proposed Acquirer, which represents 100% shares of common stock of the Subsidiary Company and which will result the Subsidiary Company being converted into Wholly Owned Subsidiary of the Company. Please also refers to company letter dated 20th February, 2020 as uploaded on websites of stock exchanges for more information.</p> <p>The business of the Subsidiary Company is in line with main business activities of the Company.</p>
e.	Brief details of any governmental or regulatory approvals required for the acquisition	No
f.	Indicative time period for completion of the acquisition	Not Applicable
g.	Nature of consideration - whether cash consideration or share swap and details of the same	Incorporated as Subsidiary of the Company without any initial subscription
h.	Cost of acquisition or the price at which the shares are acquired	Incorporated as Subsidiary of the Company without any initial subscription
i.	Percentage of shareholding / control acquired and / or number of shares acquired	100% control
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)	Garware Technical Fibres USA Inc. was incorporated on 20 th February 2020 in the state of Washington, United State of America, to carry on <i>inter alia</i> the business as mentioned in para d above and yet to commence its business operations.

