August 21, 2026

The Listing Department, **National Stock Exchange of India Limited** "Exchange Plaza", C-1, Block-G, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051 SCRIP CODE: VARDMNPOLY	The Listing Department, **BSE Limited** 25^{th} Floor, P.J. Towers, Dalal Street Fort, Mumbai- 400001 SCRIP CODE: 514175 (Equity) 977714 (Debt)

Sub: Disclosure under Regulation 30 and 51 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Material Development in Litigation Proceedings

Dear Sir/Madam,

Pursuant to Regulation 30 & 51 read with Part A & B of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform the Stock Exchanges of a material development in the litigation proceedings involving the Company.

The details of the material development are set out below:

Particulars	**Details**
Name of the opposing party	Maschinen Umwelttechnik Transportanlagen Gesellschaft GmbH ("MUT")
Court / Tribunal	Hon'ble National Company Law Tribunal, Chandigarh Bench (Court-II)
Case / Application No.	C.A. No. 271 of 2022 and C.A. No. 118 of 2025 in CP No. 50 of 2010 (in CLB)
Nature of proceedings	Execution proceedings arising out of the order dated 13 August 2015 passed by the erstwhile Company Law Board, New Delhi
Brief details of the dispute	The proceedings relate to the implementation/execution of the order dated 13 August 2015 passed by the erstwhile Company Law Board in relation to the exit of the minority shareholder/MUT from F.M. Haemmerle Textiles Limited ("FMH") erstwhile subsidiary of Vardhman Polytex Limited (formerly known as Oswal F.M. Haemmerle Textiles Limited), including payment of the value of shares along with interest.
Latest development	The Hon'ble NCLT, Chandigarh Bench, vide its order dated 20 August 2026 (uploaded on NCLT portal on 21 August, 2026), has allowed the execution application and issued directions for payment by the Company.
Amount involved / claim	Rs.10.19 crore, being the value of the shares of FMH determined at Rs.5.40 per share as on 31 March 2010, together with interest thereon at the rate of 15% per annum.

VARDHMAN POLYTEX LTD. LUDHIANA CHANDIGARH ROAD

Impact / financial implications	The aforesaid order, if ultimately upheld and implemented, would result in a financial liability on the Company comprising the aforesaid amount together with applicable interest. The financial impact, including the amount of interest payable, will be subject to the outcome of the appellate proceedings and any interim/final relief that may be granted by the competent appellate forum.
Time period for compliance	The Hon'ble NCLT has directed the Company to make the payment within 30 days from the date of pronouncement of the order.
Status of proceedings	The order has been pronounced on 20 August 2026. The Company is taking appropriate legal steps for filing an appeal against the aforesaid order before the appropriate appellate forum and shall seek appropriate interim relief/stay in accordance with law.
Other relevant information	The present disclosure is being made to intimate the Stock Exchanges regarding the material development/outcome in the said proceedings.

The Company is **taking appropriate legal steps to challenge the aforesaid order before the appropriate appellate forum and intends to seek appropriate interim relief/stay** against the operation and implementation of the order.

The Company shall keep the Stock Exchanges informed of all material developments in the matter, including filing of the appeal, any interim order/stay granted by the appellate forum and the final outcome of the proceedings, as and when the same occurs.

This is for your information and dissemination to the members of the Exchange.

Thanking you,

Yours faithfully,

For Vardhman Polytex Limited

Ajay K. Ratra
Company Secretary

Ajay Kumar Ratra