

## **Spentex Industries allots 75 lakh equity shares through QIP** *Becomes the first company in India to take the QIP route*

**NEW DELHI, AUGUST 21, 2006:** Spentex Industries Limited, has allotted 75 lakh equity shares to QIBs (Qualified Institutional Buyers) under the provisions of Chapter XIII-A of the SEBI DIP Guidelines. This is the first Qualified Institutional Placement (QIP) by any Indian company after the fresh guidelines were notified by Sebi. Spentex has raised Rs 46.59 crore through the QIP, at a price of Rs 62.13 per share.

The shares have been allotted to Sundaram Mutual Fund, Goldman Sachs Investments (Mauritius) Ltd, Voyager Fund (Mauritius) Ltd. and Nikko Asset Management (Mauritius) Ltd. The funds raised through QIP are intended to be used for further expansion through strategic alliances including acquisitions.

The company has been selected for Texprocil's Gold Trophy in the category of fabrics from Merchant Exporter's sectors for the year 2005-06 by the Cotton Textiles Export Promotion Council.

Mr Mukund Choudhary, Managing Director, Spentex Industries Limited, said, "We are pleased to note that prominent FII like Goldman Sachs, Voyager Fund and Japanese investors like Nikko group have chosen to invest in our company. We are also glad that a leading domestic mutual fund like Sundaram has shown confidence in the company".

### **About Spentex Industries Ltd**

Spentex Industries Limited is the textiles arm of CLC Group which has interests in textiles and power. It recently took over Indo Rama Textiles Ltd and Amit Spinning Industries Ltd. Spentex employs technologically advanced machinery and has online monitoring and control equipment, supplied by reputed machinery suppliers, to produce high quality yarn consistently. Spentex is in the process of launching specialty yarns in the category of slub yarns, core spun yarns and supima spun cotton yarns. Spentex has earned a name for itself in the overseas market, especially in the Far East and Canada. SIL has a reputed client base – both in domestic and international markets. The recent consolidation of the company has made SIL well equipped to tap exponential growth in the textile and garment sector. SIL has several certifications to its credit. Spentex group's plants are located at Sholapur, Baramati, Kolhapur, Nagpur, Pithampur and Ahmedabad. Recently Citigroup Venture Capital International Growth Partnership, Mauritius (CVC) increased its stake in the company to 32%.

**For more details, please contact:**

|   |  |
|---|--|
| <b>Amrit Agrawal, Group CFO</b>   | <b>Kunal Takalkar / Saurabh Saxena</b> |
| Spentex Industries Limited  | Adfactors PR Private Limited           |
| New Delhi   | New Delhi                              |
| Tel: + 011 26387159/9810510411  | Tel: +011 4134 515 -58                 |
| <b>Investors contact:</b><br>Rajiv Goel<br><a href="mailto:rajiv.goel@adfactorspr.com">rajiv.goel@adfactorspr.com</a><br>9810048675 |  |