



MEDIA RELEASE –  
For December 21, 2006

## Grabal Alok Impex Ltd increases equity holding in Hamsard to 75%

Mumbai, December 21, 2006: Grabal Alok Impex Limited (Grabal), part of the Rs.4000 crore Alok Group and manufacturer of embroidered products is increasing its stake in Hamsard 2353 Ltd. (Hamsard), a UK based retailer, to 75% from the current 26% for a consideration of GBP 10 million.

Hamsard has around 207 retail outlets across England, Scotland and Wales and sales of about GBP 110 mn. Hamsard currently sources about 80 per cent of its garments from in and around the UK, and the balance from countries like India and China.

"The Alok Group has recognised the growth opportunity for Hamsard and are confident that this significant investment will accelerate this growth and enable it to be realized. The strengthening of our relationship with Hamsard is also a concrete step in growing our exports market and will help in consolidating our European presence," said Dilip Jiwrajka, Director, Grabal Alok Impex Limited.

He further added "With change in management will occur change in strategy of sourcing and Hamsard will procure about 80 per cent of its sourcing needs from Asian countries like India and China, thereby considerably reducing procurement cost. This also provides a good business opportunity for the Alok Group to supply garments and bed linen to Hamsard's large network of retail outlets in the UK and gain visibility for our products. We also intend bringing the Hamsard retail store format for our India retail operations"

Mr. Findlay Caldwell, Chief Executive of Hamsard comments "This is fantastic news for our company and all our employees. The expertise and financial commitment of the Alok Group will enable us to strengthen our position in what is a large and growing market in the UK and as the best value for money fashion retailer on the local High Street".

Grabal will be investing GBP 8 million in its wholly owned subsidiary viz. Grabal Alok International Ltd (GAIL, BVI) by way of preference shares. GAIL, BVI in turn, would be investing the amount in equity shares / convertible bonds of Hamsard. GAIL, BVI already holds 26% equity stake and GBP 2 million worth of convertible bonds in Hamsard. With the conversion of the above bonds / equity allotment of GBP 10 mn, GAIL, BVI

would hold around 75% of the total equity of Hamsard.

Grabal is amongst the largest embroidery manufacturers in the country manufacturing embroidered products for Apparel and Home Textile applications. Grabal is promoted by Alok Industries Limited, the flagship company of the ALOK Group (Mumbai) and in Technical and Financial collaboration with Grabal, Albert Grabher Gessellschaft m.b.H. & Co. of the GRABAL Group (Austria).

#### About Grabal Alok Impex

Grabal Alok Impex Limited (Grabal) (BSE: 590009), a leading manufacturer of embroidered products, was incorporated in the state of Maharashtra as a Public Limited Company on 17th December 1993. Grabal has been promoted by Alok Industries Limited (ALOK), the flagship company of the Alok Group of Mumbai, in financial and technical collaboration with an Austrian collaborator M/s Grabal, Albert Grabher Gessellschaft m.b.H & Co. (Grabal Group of Austria).

For further information contact:  
Adfactors PR, Mumbai  
Arun Rajendran/ Sabita Rajendran  
Tel: 91-22-22813565/ 9821570091  
Fax: 91-22-22813569  
Email: [arunr@adfactorspr.com](mailto:arunr@adfactorspr.com)