

हिंदी केवल एक भाषा नहीं बल्कि हमारी राष्ट्रीय पहचान है ।



आईटीआई लिमिटेड

पंजीकृत एवं निगमित कार्यालय
आईटीआई भवन, दूरवाणीनगर,
बैंगलूरु - 560 016 भारत
फोन : +91 (80) 2561 4466
फैक्स : +91 (80) 2561 7525
वेबसाइट : www.itild-india.com
सी आई एन : L32202KA1950GoI000640

ITI LIMITED

Registered & Corporate Office
ITI Bhavan, Dooravaninagar,
Bengaluru - 560 016, India
Phone : +91 (80) 2561 4466
Fax : +91 (80) 2561 7525
Website : www.itild-india.com
CIN : L32202KA1950GoI000640

Ref: K/NSE & BSE/2016

Date: 14.07.2016

The Secretary
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001

The Manager
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex
Bandra (E)
MUMBAI-400 051

Dear Sir,

Sub: Cabinet (CCEA) allows M/s. ITI Limited to transfer shares to Special National Investment Fund to meet SEBI's minimum public shareholding requirements

Please find enclosed information published in Press Information Bureau on the cited subject

In this regard, Official Communication from Department of Telecommunications, Administrative Ministry is still awaited. On receipt, the same will be intimated to stock exchanges.

This is for your kind information and record please.

Thanking you,
Yours faithfully
For ITI LIMITED


(S. Shanmuga Priya)
Company Secretary

**Press Information Bureau
Government of India
Cabinet Committee on Economic Affairs (CCEA)**

13-July-2016 15:52 IST

Cabinet allows M/s. ITI Limited to transfer shares to Special National Investment Fund to meet SEBI's minimum public shareholding requirement

The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi, has approved the following proposal of Department of Telecommunication regarding transfer of shares by M/s ITI Limited to Special National Investment Fund (SNIF) to meet Securities and Exchange Board of India's minimum public shareholding requirement:

- a) M/s ITI Limited will be allowed to transfer the requisite number of shares from President of India to SNIF as and when Capital grant is released in the form of equity infusion to M/s ITI Limited as part of revival plan approved by Cabinet in Feb, 2014 to meet for SEBI's minimum 10% Public Shareholding requirement;
- b) M/s ITI Limited will be allowed to meet SEBI's requirement of minimum 25% public shareholding by August 2017.

Background:

M/s ITI Ltd., a Public Sector Undertaking under the Ministry of Communications & IT, Department of Telecommunications (DoT) has incurred accumulated losses to the tune of Rs. 5,166 crore as on 31.03.2015.

The financial position of M/s. ITI is not very sound. CCEA in its meeting held in February, 2014 approved the proposal to provide financial assistance of Rs.4156.79 crore for revival of M/s ITI Limited.

An amount of Rs. 192 crore was provided to M/s ITI Limited during 2014-15 for meeting its CAPEX requirements for implementing revival plan. With this equity infusion, Government of India Shareholding will go beyond 90%.

In order to fulfil SEBI's requirement of minimum public shareholding for listed companies, equity stake of Government will have to be disinvested to bring its stake back to 90%. Apart from this, ITI will also be required to comply with SEBI's requirement of minimum 25% public shareholding by August 2017. However, M/s ITI Limited is currently a sick company and, therefore, may not get proper valuation if it is disinvested at this stage. It is hoped that with the implementation of revival plan, the company's position will improve and the value of the shares of the company may also increase.

AKT/VBA/SH