Tube Investments of India Limited
Dare House, 234, N.S.C. Bose Road, Chennai 600 001, India
Tel: 91.44.4217 7770-5 Fax: 91.44.4211 0404
Website: www.tiindia.com CIN: L35100TN2008PLC069496

19th December 2020

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051

BSE Ltd
1st Floor
New Trading Ring, Rotunda Building
P J Towers, Dalal Street, Fort
Mumbai 400 001

Dear Sirs/Madam,

Sub: Acquisition of M/s. CG Power and Industrial Solutions Limited ("CG Power") – Update on execution of guarantee agreement in respect of borrowings of CG Power - Disclosure under Regulation 30(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - ISIN: INE974X01010

Further to our letters dated 4th November 2020 and 30th November 2020, we write to inform that Tube Investments of India Limited ("**Company**" or "**TII**") has today (19th December 2020) executed a guarantee agreement in favor of State Bank India ("**Lender**") and SBICAP Trustee Company Limited ("**Security Trustee"**) in respect of the borrowings availed/to be availed by M/s CG Power and Industrial Solutions Limited ("**CG Power**") for an aggregate amount of Rs.1,365 Crores (Rupees One Thousand Three Hundred Sixty Five Crores only), as per the terms of the said guarantee agreement.

Earlier, by our letter dated 4th November 2020, we had informed the stock exchanges that the board of directors of the Company, had approved providing of guarantees by the Company in favour of the lenders of CG Power, subject to the approval of the Company's shareholders.

The approval of the shareholders of the Company for issue of guarantee was obtained at the extra-ordinary general meeting of the Company held on 30th November 2020.

The details required under Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 9th September 2015 are set out in **Annexure A**.

Kindly take the above intimation and annexure on record.

Thanking you,

Yours faithfully,
For TUBE INVESTMENTS OF INDIA LTD

S SURESH
COMPANY SECRETARY
Encl.

Disclosure pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to giving of guarantee for the borrowings of M/s. CG Power and Industrial Solutions Limited ("CG Power") by Tube Investments of India Limited ("Company"/"TII").

Disclosure requirement	Details
a. Name of party for which such guarantees or indemnity or surety was given	The corporate guarantee was issued by the Company in favor and for the benefit of State Bank of India and SBICAP Trustee Company Limited and acknowledged and confirmed by CG Power.
b. Whether the promoter/ promoter group/ group companies have any interest in this transaction? If yes, nature of interest and details thereof and whether the same is done at "arms length"	The promoters and promoter group of the Company are not interested in the guarantee issued.
c. Brief details of such guarantee or indemnity or becoming a surety viz. brief details of agreement entered (if any) including significant terms and conditions, including amount of guarantee	This guarantee has been extended by the Company for the rupee term loan and fund based working capital facility to be granted to CG Power by State Bank of India for an aggregate amount of Rs.1365 Crores (Rupees One Thousand Three Hundred Sixty Five Crores only).
d. Impact of such guarantees or indemnity or surety on listed entity.	TII is of the view that although CG Power is going through a financial crunch at present, it has a robust business model and, with the support of steady credit lines as being firmed up presently, the operations of CG Power will stabilize and turnaround within a reasonable period of time, which would enable CG Power to service and satisfy fully all its debts by itself without any need for the lender of CG Power to seek recourse to the guarantee of TII. TII considers that its operational, financial and governance capabilities and experience will help remove the present difficulties and hardships of CG Power and facilitate create value creation for both TII and CG Power. While the guarantee will be reflected as a contingent liability in the books of TII, we wish to clarify that in light of the aforesaid, TII does not foresee any impact to itself arising from the guarantee furnished.