AVANTHA

Date: 14th October, 2019

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai – 400 051

Bombay Stock Exchange Limited
1st Floor, New Trading Ring
Rotunda Building,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

The Company Secretary
CG Power and Industrial Solutions Limited
6th Floor, CG House, Dr. Annie Besant Road,
Worli, Mumbai – 400 030

Re: **Intimation under Regulation 31 of SEBI (Substantial Acquisition of Shares And Takeovers) Regulations, 2011**

Dear Sir(s),

In compliance with the circular no. SEBI/HO/CFD/DCR1/CIR/P/2019/90 issued by the Securities and Exchange Board of India, enclosed is the 'disclosure of reasons for encumbrance by promoter of listed companies' under the Regulation 31 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) regulations, 2011, the Company has duly made the disclosure on 4th October, 2019.

We have noticed an error in the same. The revised disclosure, after making necessary corrections, is enclosed.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully
For AVANTHA HOLDINGS LIMITED

Sonia Niranjan Das
Company Secretary & AVP – Law & Compliance

Encl.: As above

Disclosure under Regulation 31(3) of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011

Disclosure of reason of encumbrance

Name of Listed Company (LC)	CG Power and Industrial Solutions Limited
Name(s) of the recognized stock exchanges where the shares of the LC are listed	National Stock Exchange of India Limited & BSE Limited
Name(s) of promoter(s), PACs whose shares have been encumbered	Avantha Holdings Limited Varun Prakashan Private Limited Avantha Realty Limited
Total promoter shareholding in the listed company	No. of shares – 6,82,13,378 % of total share capital – 10.88%
Encumbered shares as a % of promoter shareholding	99.99%
Whether encumbered share is 50% or more of promoter shareholding	Yes
Whether encumbered share is 20% or more of total share capital	No (10.88%)

Details of all the existing events/ agreements pertaining to encumbrance

		Encumbrance (Date of creation of encumbrance: 13th Jan, 2017 – 23rd Feb., 2017)*
Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition of arrangement in the nature of encumbrance)		Pledge
No. and % of shares encumbered		No. of shares: 682,04,804 % of total share capital: 10.88%
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	Vistra ITCL (India) Limited – Debenture Trustee holding NCDs for L and T Finance Limited
	Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide the nature of the business of the entity.	~~YES~~/ NO Vistra – Offers a Multitude of Trustee Services across Debentures and Bonds, Private Equity and alternate funds and Bank lending. L and T Finance Limited, the Debenture Holder – NBFC
	Names of all other entities in the agreement	Listed company and its group companies (if any): None Other entities (if any) : Avantha Holdings Limited and Salient Financial Solutions Limited
	Whether the encumbrance is relating to any debt instruments viz. debenture, commercial paper, certificate of deposit etc.? If yes, provide details about the instrument, including credit rating	YES/ ~~NO~~ If yes, 1 name of the issuer – (i) Avantha Holdings Limited; (ii) Salient Financial Solutions Limited 2. details of the debt instrument – Non Convertible Debentures 3. whether the debt instrument is listed on stock exchanges? - NO 4. Credit rating of the debt instrument – N.A. 5. ISIN of the instrument - INE785J07107 and INE785J08030
Security Cover/ Asset Cover	Value of shares on the date of event/ agreement (A)	Rs. 4,50,67,70,986/-**
	Amount involved (against which shares have been encumbered) (B)	Rs. 4,50,00,00,000/-
	Ratio of A/B	1:1

End use of money	Borrowed amount to be utilized for what purpose- (a) Personal use by promoters and PACs (b) For the benefit of listed company Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc. (a) Any other reason (please specify)	The money was utilized for the Objects of the issue of NCDs stated in the offer letter of Avantha Holdings Limited (AHL) and Salient Financial Solutions Limited (SFSL), which are mentioned hereunder: - To prepay existing debts of AHL & SFSL - For refinancing any other liability of the Company i.e. AHL and SFSL - For loans and investments in group companies of AHL or SFSL

Note:

***The Company created pledges on 13th January, 2017, 20th January, 2017, 8th February, 2017 and 23rd February, 2017 for securing the Non Convertible Debentures aggregating to Rs. 900 crores issued by AHL and SFSL, a subsidiary of AHL, on equity shares of CG Power and Industrial Solutions Limited ("CG") aggregating to 13,53,92,496 equity shares ("Total Pledged Shares") in favour of Debenture Trustee acting on behalf of all the Debenture Holders i.e. BOI AXA Credit Risk Fund (BOI), L and T Finance Limited, KKR India Financial Services Private Limited and KKR India Debt Opportunities Fund II (collectively called KKR).**

In March, 2019, the Debenture Trustee invoked the pledge on the 13,53,92,496 equity shares held by the Trustee on behalf of all the Debenture Holders. However, AHL continued to have the right to require a re-transfer of such shares to itself upon repayment of the debentures. In the event of any sale of such shares by the Debenture Trustee, any amounts received by the Debenture Trustee over and above the outstanding amount of the debentures will be payable to AHL.

Subsequently, 6,71,87,692 equity shares out of the Total Pledged Shares of CG have been sold by the Debenture Trustee on behalf of BOI and KKR. Accordingly, 682,04,804 equity shares are the balance equity shares of CG which continue to be held by the Debenture Trustee as on September 30, 2019. AHL continues to have the right to require a re-transfer of such shares to itself upon repayment of the debentures.

****Value has been taken as the average value of current shares remaining pledged with the Trustee as the closing value total no. of shares on the date of creation of pledge.**

Signature of Authorized Signatory:

Place: Gurugram

Date: 14th October, 2019