

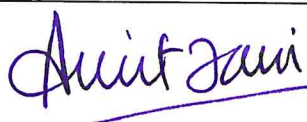
Disclosure of reasons for encumbrance

(In addition to Annexure - I prescribed by way of circular dated August 05, 2015)

Name of listed company	CMI Limited
Name of the recognised stock exchanges where the shares of the company are listed	BSE & NSE
Name of the promoter(s) / PACs whose shares have been encumbered	AMIT JAIN
Total promoter shareholding in the listed company	No. of shares – 5093877 % of total share capital – 33.90%
Encumbered shares as a % of promoter shareholding	59.38%
Whether encumbered share is 50% or more of promoter shareholding	YES
Whether encumbered share is 20% or more of total share capital	YES

Details of all the existing events/ agreements pertaining to encumbrance

		Encumbrance 1 (Date of creation of encumbrance:28/03/2018)	Encumbrance 1 (Date of creation of encumbrance:28/03/2018)
Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)		Pledge	Pledge
No. and % of shares encumbered		No. of shares: 1525000 % of total share capital: 10.15%	No. of shares: 1500000 % of total share capital: 9.98%
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	Hero Fincorp Ltd	Hero Fincorp Ltd
	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.	NBFC	NBFC



	Names of all other entities in the agreement	Listed company and its group companies: CMI Limited	Listed company and its group companies: CMI 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	NO	NO
Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	33,09,25,000 @ Rs. 217 per share	20,83,50,000 @ Rs. 138.90 per share
	Amount involved (against which shares have been encumbered) (B)	Rs. 10,00,00,000*	No fresh amount involved
	Ratio of A / B	3.31	4.20
End use of money	Borrowed amount to be utilized for what purpose – 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	 Working Capital limit of Rs. 20.00 Crs was sanctioned to the Company under Multiple Banking Arrangements. Working capital limit of Rs. 20 Cr is payable on demand.	 Working Capital limit of Rs. 20.00 Crs was sanctioned to the Company under Multiple Banking Arrangements. Working capital limit of Rs. 20 Cr is payable on demand.

Amit Jain

	for utilization of amount, repayment schedule etc. (a) Any other reason (please specify)		
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Note:

*Current outstanding is Rs. 10.00 Crs. However, shares were pledged for total sanctioned working capital limit of Rs. 20.00 Crs. Further, shares were pledged on 04/10/2018 to cover shortfall due to decline in share prices. Pledge on shares shall be released by the lenders upon perfection of securities on pari passu basis.



Amit Jain
New Delhi
1st October, 2019