



CIN: L15420PN1933PLC133303

Registered Office : P.O. Tilaknagar, Tal. Shirampur, Dist. Ahmednagar, Maharashtra-413 720

Corporate Office: 3rd Floor, Industrial Assurance Building, Churchgate, Mumbai, Maharashtra-400 020

Email: investor@tilind.com; **Website:** www.tilind.com; **Phone:** +91 22 22831716/18; **Fax:** +91 22 22046904

OUTCOME OF BOARD MEETING – JANUARY 23, 2020

Kindly take note that the Board of Directors has, in its Meeting held on January 23, 2020, inter alia, considered and approved:

- (i) The proposal for increase in the Authorized Share Capital of the Company from Rs. 1,50,00,00,000/- (Rupees One Hundred Fifty Crores) to Rs. 2,10,00,00,000/- (Rupees Two Hundred Ten Crores) and consequent alteration in the Clause No. V of the Memorandum of Association of the Company, subject to approval of the Members of the Company;
- (ii) The proposal for alteration in the Articles of Association of the Company by inserting new Article 8A authorizing the Board of Directors to issue and allot shares in favour of lenders upon conversion of the loan/debt facility owed to them by the Company, subject to approval of the Members of the Company;
- (iii) The terms and conditions of restructuring of the dues owed by the Company to Edelweiss Asset Reconstruction Company Limited (“EARC”) acting as Trustee of EARC Trust SC233, EARC Trust SC241 and EARC Trust SC269. Details in accordance with Para A of Part A of Schedule III read with Regulation 30(2) of the SEBI(LODR) Regulations, 2015 are annexed herewith as **Annexure-A**;
- (iv) The proposal for issuance of upto 1,98,63,658 (One Crore Ninety Eight Lacs Sixty Three Thousand Six Hundred Fifty Eight) equity shares having face value of Rs. 10/- (Rupees Ten) each to Edelweiss Asset Reconstruction Company Limited (“EARC”), an Asset Reconstruction Company registered under Section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and a Financial Institution within the meaning of sub clause (i-a) of clause (h) of Section 2 of the Recovery of Debts due to Banks and

Financial Institutions Act, 1993 acting as Trustee of EARC Trust SC233, EARC Trust SC241 and EARC Trust SC269 at an issue price of Rs. 17.05 per share(including premium of Rs. 7.05 per share) towards conversion of part of the debt owed to it by the Company amounting to Rs. 33,86,75,368.90 (Thirty Three Crores Eighty Six Lacs Seventy Five Thousand Three Hundred Sixty Eight and Paisa Ninety) into equity shares of the Company on preferential basis, subject to approval of the Members of the Company. Details in accordance with Para A of Part A of Schedule III read with Regulation 30(2) of the SEBI(LODR) Regulations, 2015 are annexed herewith as **Annexure-B**;

- (v) The proposal for Issuance of upto 5,36,39,847 (Five Crores Thirty Six Lacs Thirty Nine Thousand Eight Hundred Forty Seven) equity shares having face value of Rs. 10/-(Rupees Ten) each to the Investors at an issue price of Rs. 13.75 per share(including premium of Rs. 3.75 per share) on preferential basis through private placement, subject to approval of the Members of the Company. Details in accordance with Para A of Part A of Schedule III read with Regulation 30(2) of the SEBI(LODR) Regulations, 2015 are annexed herewith as **Annexure-B**;
- (vi) Convening of the Extra-Ordinary General Meeting of the Company on Saturday, February 22, 2020 at 10.30 a.m. at the Registered Office of the Company i.e. P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra-413 720. The notice of the Meeting shall be dispatched in due course.

Please take note that the Meeting commenced at 10.00 a.m. and concluded at 05.55 p.m.

**By order of the Board
For Tilaknagar Industries Ltd.**

**Place: Mumbai
Date : January 23, 2020**

**Sd/-
Gaurav Thakur
Company Secretary**

DISCLOSURE UNDER REGULATION 30(2) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015,

Details and reasons for restructuring	Acceding to the request submitted by the Company, Edelweiss Asset Reconstruction Company Limited("EARC") acting as Trustee of EARC Trust SC233, EARC Trust SC241 and EARC Trust SC269(in favour of whom some of the lender Banks and Financial Institution have assigned all the rights, title and interests in financial assistances granted by them to the Company) has granted in-principle approval for restructuring of the debts owed to it by the Company.																			
Quantitative and/ or qualitative effect of restructuring (Brief)	EARC will restructure the debt owed to it by the Company to the tune of Rs. 523.32 Crores at Rs 344.47 Crores.																			
	The restructured debt of the Company will carry an interest rate of 9% per annum and is payable over 4 years' tenure valid up to March 31, 2024. The Servicing and the repayments are based upon cash flows of the Company. Any residual amount pending at the end of the 4 th year will be refinanced by the Company.																			
	<p>As per terms of restructuring by EARC, the balance debt of Rs. 144.98 Crores shall remain outstanding till the time restructured debt is repaid to the satisfaction of EARC and the same shall carry interest rate of 0.001% p.a. accruing on a yearly basis. The balance debt along with accrued interest shall be waived and written off by EARC once the restructured debt has been repaid to the satisfaction of EARC.</p> <p>Rest of the debt amount of Rs. 33.87 Crores shall be converted into equity shares of the Company at an issue price of Rs 17.05 per equity share in such a manner, so that after the allotment of equity shares, the holding of EARC should be 10 % of the diluted equity share capital of the Company.</p>																			
Details of benefit, if any, to the promoter/ promoter group/ group companies from such proposed restructuring	NIL																			
Brief details of change in shareholding pattern (if any) of the entities	<p>Pre – restructuring and Post-restructuring shareholding pattern of the Company is as follows:</p> <table border="1" data-bbox="670 1318 1360 1644"> <thead> <tr> <th></th> <th align="center">Pre- Restructuring %</th> <th align="center">Post- Restructuring %</th> </tr> </thead> <tbody> <tr> <td>Promoters</td> <td align="center">54.80</td> <td align="center">34.52</td> </tr> <tr> <td>EARC</td> <td align="center">0.00</td> <td align="center">10.00</td> </tr> <tr> <td>New Individual Public Investors</td> <td align="center">0.15</td> <td align="center">27.10</td> </tr> <tr> <td>Public</td> <td align="center">45.05</td> <td align="center">28.38</td> </tr> <tr> <td>Total</td> <td align="center">100.00</td> <td align="center">100.00</td> </tr> </tbody> </table> <p>The Post-restructuring shareholding pattern as mentioned above is on the assumption that the promoter contribution is Nil and equity shares shall also be allotted on a Private Placement basis to Individual Investors.</p>			Pre- Restructuring %	Post- Restructuring %	Promoters	54.80	34.52	EARC	0.00	10.00	New Individual Public Investors	0.15	27.10	Public	45.05	28.38	Total	100.00	100.00
	Pre- Restructuring %	Post- Restructuring %																		
Promoters	54.80	34.52																		
EARC	0.00	10.00																		
New Individual Public Investors	0.15	27.10																		
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Total	100.00	100.00																		

Annexure-B

Details in accordance with Para A of Part A of Schedule III read with Regulation 30(2) of the SEBI(LODR) Regulations, 2015

a	Type of Securities Proposed to be issue(viz. equity shares, convertible etc.)	Equity Shares			
b	Type of Issuance	<p>A. Preferential Allotment to Edelweiss Asset Reconstruction Company Limited acting as Trustee of EARC Trust SC233, EARC Trust SC241 and EARC Trust SC269 towards conversion of part of the debt owed to it by the Company pursuant to Section 62 of the Companies Act, 2013 and as per the SEBI(Issue of Capital and Disclosure Requirements) Regulations, 2018</p> <p>B. Preferential Allotment to Investors for raising of funds through Private Placement pursuant to Section 62 of the Companies Act, 2013 and as per the SEBI(Issue of Capital and Disclosure Requirements) Regulations, 2018</p>			
c	Total Number of securities proposed to be issued or the total amount for which the securities will be issued	Sl. No.	Name of the Proposed Allottees	Category	Maximum Number of Equity shares proposed to be allotted
		A	Edelweiss Asset Reconstruction Company Limited		
		1	Edelweiss Asset Reconstruction Company Limited acting as Trustee of EARC Trust SC233	Non-Promoter Financial Institution	33,76,822
		2	Edelweiss Asset Reconstruction Company Limited acting as Trustee of EARC Trust SC241	Non-Promoter Financial Institution	79,45,463
		3	Edelweiss Asset Reconstruction Company Limited acting as Trustee of EARC Trust SC269	Non-Promoter Financial Institution	85,41,373
		Total(A)			1,98,63,658
		B	Investors		
		1	Sujee A	Non-Promoter Indian Public	45,97,701
		2	Selvam	Non-Promoter Indian Public	30,65,134
		3	Kalathil Krishnan	Non-Promoter Indian Public	38,31,418
		4	Ayyan Gouda Malipatil	Non-Promoter Indian Public	19,15,709
		5	Doddabasavanagowda A Malipatil	Non-Promoter Indian Public	19,15,709
		6	Narasimha Reddy Tumu	Non-Promoter Indian Public	38,31,418
		7	N Anish Reddy	Non-Promoter Indian Public	38,31,418
		8	Muthyam Reddy Kukunoor	Non-Promoter Indian Public	38,31,418
		9	Alwal Reddy Nallavelly	Non-Promoter Indian Public	38,31,418

		10	Amireddy Jaipal Reddy	Non-Promoter Indian Public	1,14,94,252
		11	Mallik Reddy Challa	Non-Promoter Indian Public	38,31,418
		12	Kancharla Chandra Sheker Reddy	Non-Promoter Indian Public	76,62,834
			Total(B)		5,36,39,847
			Grand Total (A+B)		7,35,03,505
		<p>*Investors mentioned at Sl. nos. B(6) to B(12) above are part of the same group acting as person acting in concert with each other and are not related with Investors mentioned at Sl. nos. B(1) to B(5) above.</p>			