

RUPEN PATEL

5-D, AK Patel Bungalow,
Dadabhai Road, Nr. Aryasamaj,
Santacruz West Mumbai 400054

October 15, 2019

To,

Bombay Stock Exchange Ltd

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.

Company Code No. 531120

The National Stock Exchange of India Ltd

Exchange Plaza,
Bandra - Kurla Complex,
Mumbai 400 051

Company Code: PATELENG/EQ

Patel Engineering Ltd

Patel Estate Road,
Jogeshwari (W)
Mumbai - 400 102

Dear Sir / Madam,

Subject – Disclosure of reason for encumbrance by promoters of Patel Engineering Ltd

Please find enclosed Disclosure of reason for encumbrance by promoters of Patel Engineering Ltd in Annexure- II in terms of SEBI circular No - SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated August 07, 2019.

For and on behalf promoters of PATEL ENGINEERING LIMITED



RUPEN PATEL

Annexure - II

Format for disclosure of reasons for encumbrance

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

Name of listed company	Patel Engineering Limited
Name of the recognised stock exchanges where the shares of the company are listed	i. BSE Ltd ii. National Stock Exchange of India Ltd
Name of the promoter(s) / PACs whose shares have been encumbered	i. Rupen Patel ii. Prahm India LLP iii. Raahitya Constructions Pvt Ltd (Formerly Patel Corporation LLP) iv. Chandrika Pravin Patel
Total promoter shareholding in the listed company	No. of shares – 3,03,10,127 % of total share capital – 18.45
Encumbered shares as a % of promoter shareholding	94.87%
Whether encumbered share is 50% or more of promoter shareholding	Yes
Whether encumbered share is 20% or more of total share capital	No

Details of all the existing events/ agreements pertaining to encumbrance

		Encumbrance 1 (Date of creation of encumbrance: November 23, 2017)	Encumbrance 2 (Date of creation of encumbrance: June 25, 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 of shares	Pledge of shares
No. and % of shares encumbered		No. of shares: 93,10,127 % of total share capital: 5.66	No. of shares: 2,10,00,000 % of total share capital: 12.79
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	Catalyst Trusteeship Ltd (Common Security Trustee)	Sanjay Asher (Security Trustee)
	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.	No Debenture Trustee	No Debenture Trustee

Super

	Names of all other entities in the agreement	Listed company and its group companies (if any) Patel Engineering Limited Other entities (if any) – 1. Patel Engineering Limited 2. Prahm India LLP 3. Pravin Patel 4. Rupen Patel 5. Chandrika Patel	Listed company and its group companies (if any) NIL Other entities (if any) – 1. Raahitya Constructions Pvt Ltd 2. Prahm India LLP 3. Fornido Developers 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 1. Name of the issuer : Patel Engineering Limited 2. Details of the debt instrument: Optionally Convertible Debentures of Patel Engineering Limited 3. Whether the debt instrument is listed on stock exchanges? No 4. Credit Rating of the debt instrument : BBB 5. ISIN of the Instrument: a. Tranch 1 - INE244B07151 b. Tranch 2 - INE244B07169 c. Tranch 3 - INE244B07219 d. Tranch 4 - INE244B07177 e. Tranch 5 - INE244B07185 f. Tranch 7 - INE244B07227 g. Tranch 9 - INE244B07193	YES 1. Name of the issuer : Patel Engineering Limited 2. Details of the debt instrument: Optionally Convertible Debentures of Raahitya Constructions Pvt Ltd 3. Whether the debt instrument is listed on stock exchanges? No 4. Credit Rating of the debt instrument : Not applicable 5. ISIN of the Instrument: Nil
Security Cover / Asset Cover	Value of shares agreement (A) on the date of event /	Rs. 82.58 crore	Rs. 97.86 crore
	Amount involved (against which shares have been encumbered) (B)	Rs. 5229.93 crore	Rs. 156.00 crore
	Ratio of A / B	0.02	0.63

Super

End use of money	<p>Borrowed amount to be utilized for what purpose –</p> <p>(a) Personal use by promoters and PACs</p> <p>(b) For the benefit of listed company</p> <p>Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc.</p> <p>(a) Any other reason (please specify)</p>	<p>For the benefit of Listed Company</p> <p>The Lenders of Patel Engineering Limited (the Listed Company) had implemented SDR and Scheme for Structuring of Stressed assets (S4A) formulated by the Reserve Bank of India. The terms of S4A included pledge of additional 10% shares by the promoters.</p> <p>Accordingly shares were pledged for securing the Working capital facilities and WCTL facilities extended by the lenders to Patel Engineering Limited,</p> <p>As the pledge was part of debt restructuring there was no fresh funds received by the company.</p>	<p>For the benefit of Listed Company</p> <p>The Lenders of Patel Engineering Limited (the Listed Company) implemented Scheme for Structuring of Stressed assets (S4A) formulated by the Reserve Bank of India. As a part of the said Scheme, Raahitya Constructions Pvt Ltd, the promoter infused an amount of Rs. 150 crore in Patel Engineering Limited.</p> <p>The infused amount was utilized for payment of lenders dues in terms of the S4A Scheme implemented by the lenders of Patel Engineering Limited.</p>
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Signature of Authorised Signatory:

Place: Mumbai

Date: October 14, 2019