

PURUSHOTTAM C. MANDHANA

3004, Ashok Tower-B, Dr. S.S. Rao Road,
Near Gandhi Hospital, Parel,
Mumbai 400012

4th October, 2019

To,

BSE Limited

Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza, 5th floor, Plot No. C-1,
G Block, Bandra Kurla Complex,
Bandra (E), Mumbai 400 051

Dear Sir/ Madam,

Sub: Disclosure of reason for encumbrance of shares pledged by the Promoters/Members of Promoter Group/ Person acting in concert

Pursuant to SEBI Circular bearing no. SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated 7th August, 2019, please find enclosed herewith disclosure pertaining to reason for encumbrance shares of The Mandhana Retail Ventures Limited pledged by Promoters/Members of Promoter Group/Person acting in Concert ('PAC').

You are requested to take the same on your records.

Yours faithfully,

for Self and on behalf of other Promoters, Promoter Group and PAC

P.C.

**PURUSHOTTAM C. MANDHANA
(PROMOTER)**

Encl.: As Above

CC:

The Mandhana Retail Ventures Limited

Plot No. E-132, M.I.D.C Tarapur Industrial Area,
Boisar, Dist. Palghar – 401506

Disclosure of reasons for encumbrance

Name of listed company	The Mandhana Retail Ventures Limited
Name of the recognised stock exchanges where the shares of the company are listed	1) BSE Limited; and 2) National Stock Exchange of India Limited.
Name of the promoter(s) / PACs whose shares have been encumbered	As per Annexure - A (enclosed herewith)
*Total promoter shareholding in the listed company	No. of shares – 70,57,318 % of total share capital - 31.96
*Encumbered shares as a % of promoter shareholding	57.32%
Whether encumbered share is 50% or more of promoter shareholding	YES / NO
Whether encumbered share is 20% or more of total share capital	YES / NO

Details of all the existing events/ agreements pertaining to encumbrance			
		Encumbrance 1 (Date of creation of encumbrance: 27.09.2016)⁶	Encumbrance 2 (Date of creation of encumbrance: 27.09.2016)⁶
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: 57,35,188 % of total share capital: 25.97%	No. of shares: 3000 % of total share capital: 0.01%
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	IDBI Trusteeship Services Limited ('ITSL') - Debenture Trustee for the NCDs issued by MSTPL to Edelweiss Commodities Services Limited	Arum Investments Private Limited ('AIPL')
	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 ITSL is a leading Trusteeship Service Provider	YES /NO AIPL is engaged in the business of NBFC

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	Names of all other entities in the agreement	Listed company and its group companies (if any): 1. MSTPL Other entities (if any) – 1. Mandhana Industries Ltd.; and 2. Promoter and Promoter group whose shares have been pledged	Listed company and its group companies (if any): Nil Other entities (if any) – 1. Mandhana Industries Ltd. 2. AIPL; and 3. Mr. Priyavrat Mandhana
	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: MSTPL 2. Details of the debt instrument: 12.75% Unsecured Redeemable 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: INE919R08012 at the event date	YES / NO If yes, 1. Name of the issuer: N.A. 2. Details of the debt instrument: N.A. 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: N.A.
Security Cover / Asset Cover	# Value of shares on the date of event / agreement (A)	5,73,51,880	30,000
	Amount involved (against which shares have been encumbered) (B)	80,00,00,000	60,00,00,000
	Ratio of A / B	0.07	0.00
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) NCDs were issued by MSTPL for its general corporate purposes and to meet expenses pertaining to the Issue of NCDs	(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)

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For Self and on behalf of other Promoters, Promoter Group and PAC



PURUSHOTTAM C. MANDHANA
(PROMOTER)

Place: Mumbai

Date: 4th October, 2019

Encl.: As above.

Notes:

- 1) * Represents details as on 30.09.2019
- 2) # Represents the face value of the shares pledged.
- 3) N.A. denotes Not Applicable
- 4) MSTPL means Mahan Synthetic Textiles Private Limited
- 5) NCDs means 12.75% Unsecured Redeemable Non-Convertible Debentures issued by MSTPL
- 6) Date of encumbrance is considered as 27.09.2016, being the date on which the listed company has allotted shares to the eligible shareholders of Mandhana Industries Ltd. ('MIL'/Demerged Company') pursuant to order dated 29.03.2016 passed by the Hon'ble High Court of Bombay approving the Scheme of Arrangement for Demerger of Retail Division of MIL and transfer and vesting of the same to the listed company. By virtue of the said allotment, the shareholders of MIL became the shareholders of the listed company and the corresponding pledge created by shareholders of MIL has also been created on the shares held by them in the listed company as on the date of allotment in the proportion of their entitlement. Accordingly, the pledge created by the Promoters of the listed company on MIL's share were also created on the shares of the listed company and therefore the date of creation of encumbrance 1 and 2 above is considered as 27.09.2016 (being the date on which shares were allotted by the listed company), instead of original date of Pledge Agreements i.e. 11.12.2014 for encumbrance no. 1 and 25.05.2013 for encumbrance no. 2.

ANNEXURE A

Names and particulars of Shareholding of Promoter/members of Promoter Group/Person acting in Concert as on 30th September, 2019:

Name of the Promoter(s) & members of the Promoter Group	Details of Shares held		Details of Shares Pledged		
	Number of Shares	% w.r.t Paid-up share capital	Number of Shares	% w.r.t Paid-up share capital	% w.r.t Total shares held by the respective person
Mr. Biharilal C. Mandhana	6,33,000	2.87	6,33,000	2.87	100.00
Mr. Purushottam C. Mandhana	7,14,962	3.24	5,81,629	2.63	81.35
Mr. Manish B. Mandhana	10,55,074	4.78	8,55,074	3.87	81.04
Mr. Priyavrat P. Mandhana	11,19,894	5.07	7,03,069	3.18	62.78
Purushottam C. Mandhana (HUF)	6,83,332	3.09	5,16,666	2.34	75.61
Mrs. Prema P. Mandhana	8,10,398	3.67	6,04,193	2.74	74.56
Mrs. Sudha B. Mandhana	2,23,423	1.01	1,50,090	0.68	67.18
Biharilal C. Mandhana (HUF)	3,66,666	1.66	0	0.00	0.00
Mr. Vinay B. Mandhana	46,000	0.21	0	0.00	0.00
Manish B. Mandhana (HUF)	2,89,999	1.31	0	0.00	0.00
Mrs. Sangeeta M. Mandhana	1,764	0.01	1,764	0.01	100.00
Ms. Muskaan M. Mandhana (thru' F/NG Manish B. Mandhana)	2,73,333	1.24	0	0.00	0.00
Master Arnav M. Mandhana (thru' F/NG Manish B. Mandhana)	31,427	0.14	0	0.00	0.00
Mahan Synthetic Textiles Pvt. Ltd.	7,98,522	3.62	0	0.00	0.00
Mrs. Chanda Shyamsundar Jaju	6,666	0.03	0	0.00	0.00
Mrs. Bhagwati Madanlal Chandak	1,333	0.01	0	0.00	0.00
Mrs. Shakuntala R. Dargad	1,525	0.01	0	0.00	0.00
Total	70,57,318	31.96	40,45,485	18.32	57.32

Note:

Shareholding of Promoter and Promoter Group excludes 7,66,666 equity shares representing 3.47% of the total paid-up share capital of the Company transferred as a collateral by Mr. Biharilal C. Mandhana (2,66,666 equity shares representing 1.21%), Biharilal C. Mandhana HUF (3,00,000 equity shares representing 1.36%) & Mahan Synthetic Textiles Private Limited (2,00,000 equity shares representing 0.90%) to Vayoonandan Finance Company Private Limited pursuant to the credit facility availed.

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