

G.K. INVESTMENTS LIMITED

71, PARK STREET, PARK PLAZA BUILDING, 4th FLOOR,
Room No. - 4D (SOUTH BLOCK) KOLKATA -700 016 (INDIA)

CIN - U65993WB1974PLC029382

TEL: Board Number 91-33- 8334851900, 91-33-8334854500

3 October 2019

BSE Limited

Phiroze Jeejeebhoy
Towers,
Dalal Street, Fort,
Mumbai - 400 001

**National Stock Exchange of
India Limited**

Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051

The Company Secretary

Electrosteel Castings Limited
Rathod Colony, Dist.
Sundergarh, Rajgangpur.
Orisha - 770 017

Dear Sir/Madam,

Sub: Disclosure of reasons for encumbrance by Promoter and Promoter Group of Electrosteel Castings Limited under Regulation 31(1) read with Regulation 28(3) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

Pursuant to SEBI Circular No. SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated 7 August 2019 and Regulation 31(1) read with Regulation 28(3) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, we are enclosing the disclosure of reasons for encumbrance by Promoter and Promoter Group of Electrosteel Castings Limited.

Thanking you.

Yours faithfully,

For G. K. INVESTMENTS LTD.



Director

Encl: As above

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Disclosure of reasons for encumbrance

Name of listed company	ELECTROSTEEL CASTINGS LIMITED
Name of the recognised stock exchanges where the shares of the company are listed	1. National Stock Exchange of India Limited 2. BSE Limited
Name of the promoter(s) / PACs whose shares have been encumbered	Annexure- I
Total promoter shareholding in the listed company	No. of shares – 20,52,56,684 % of total share capital – 50.62%
Encumbered shares as a % of promoter shareholding	99.85%
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 II (Date of creation of encumbrance: 18 March, 2019)	Encumbrance I (Date of creation of encumbrance: 14 July 2014)
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 and Non-Disposal Undertaking	Pledge
No. and % of shares encumbered	Pledge - No. of shares: 4,05,48,218 % of total share capital: 10% Non-Disposal Undertaking - No. of shares: 13,17,25,810 % of total share capital: 32.49%	Pledge – No. of share: 3,26,75,270 % of total share capital: 8.06%
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	Pledge – IL & FS TRUST COMPANY LIMITED
	Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide the	Security Trustee
	Pledge - Vistra ITCL (India) Ltd Trustee on behalf of Yes Bank Ltd Non-Disposal Undertaking - Yes Bank Ltd YES (Yes Bank Ltd - Scheduled Commercial Bank Vistra ITCL (India) Ltd – Security Trustee)	



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	nature of the business of the entity.		
	Names of all other entities in the agreement	Listed company and its group companies – Pledge - 1. Annexure - II Non-Disposal Undertaking - 1. Annexure - II Other entities (if any) – Not Applicable	Listed company and its group companies – Pledge- 1.G. K. Investments Limited 2.Murari Investment & Trading Company Limited Other entities (if any) – Not Applicable
	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)	Pledge – Rs.82,11,01,415	Pledge – Rs.96,39,20,465
	Amount involved (against which shares have been encumbered) (B)	Rs.7,50,00,00,000	Rs. 76,72,00,00,000
	Ratio of A / B	0.11	0.01
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	For the benefit of listed company - Electrosteel Castings Limited Amount - Rs.7,50,00,00,000	For the benefit of - Electrosteel Steels Limited Amount - Rs.76,72,00,00,000
	Provide details including amount, purpose of raising money by listed	Purpose of raising money by listed company – For meeting long term working requirement, refinancing of existing debt and inter corporate deposits and reimbursement of capital expenditure.	Purpose of raising money by listed company – Not Applicable Schedule for utilization of amount – The borrowed money was to be utilized by



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	company, schedule for utilization of amount, repayment schedule etc. (a) Any other reason (please specify)	Schedule for utilization of amount – The borrowed money is to be utilized by Electrosteel Castings Limited for meeting long term working requirement, refinancing of existing debt and inter corporate deposits and reimbursement of capital expenditure. Repayment schedule – As per Annexure III	Electrosteel Steels Limited, for setting up an integrated steel and D I pipe plant at Bokaro Repayment schedule – As per Annexure IV
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For G. K. INVESTMENTS LTD.



Director

Date: 3 October 2019
Place: Kolkata