

AMLIKA MERCANTILE PRIVATE LIMITED

CIN: U52500MH2012PTC236514

amlikamercantile@gmail.com

October 28, 2019

The Executive Director
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

The Executive Director
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

Scrip Code: 539917

Scrip Code: NAGAFERT

Dear Sir,

Sub: Disclosure of reasons for encumbrance under Regulation 31(1) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

Please find attached herewith the disclosure of reasons for encumbrance under regulation 31(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, for the pledge of shares of Nagarjuna Fertilizers and Chemicals Limited, by its promoter Amlika Mercantile Private Limited.

We request you to take the same on record.

Thanking you,

Yours faithfully,

For Amlika Mercantile Private Limited



K Rahul Raju
Director
DIN: 00015990

Encl: As above.

Cc: The Company Secretary, Nagarjuna Fertilizers and Chemicals Limited

Plot No. 8-2-248/1/7/16 & 17, Block B, Laxmi Towers, Nagarjuna Hills, Punjagutta,
Hyderabad-500082, Telangana

Annexure – II

FORMAT FOR DISCLOSURE OF REASONS FOR ENCUMBRANCE

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

Name of Listed Company	Nagarjuna Fertilizers and Chemicals Limited
Name of the recognized stock exchanges where the shares of the company are listed	Bombay Stock Exchange National Stock Exchange
Name of the promoter(s) / PACs whose shares have been encumbered	Amlika Mercantile Private Limited
Total promoter shareholding in the listed company	No. of shares – 29,60,72,140 % of total share capital – 49.51%
Encumbered shares as a % of promoter shareholding	100%
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: June 06, 2017)	Encumbrance 2 (Date of creation of encumbrance: August 06, 2019)	Encumbrance 3 (Date of creation of encumbrance: August 07, 2019)	Encumbrance 4 (Date of creation of encumbrance: September 16, 2019)
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	Pledge	Pledge
No. and % of shares encumbered	No. of shares: 116360077 % of total share capital: 19.45%	No. of shares: 26912926 % of total share capital: 4.51%	No. of shares: 7553943 % of total share capital: 1.26%	No. of shares: 145245194 % of total share capital: 24.29%

Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	IDBI Bank Limited	JM Financial Capital Limited	JM Financial Capital Limited	JM Financial Capital Limited
	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 (Scheduled Commercial Bank)	YES (NBFC)	YES (NBFC)	YES (NBFC)
	Names of all other entities in the agreement	NA	NA	NA	NA
	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	NO	NO
Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	85,59,43,228	65,80,67,691		
	Amount involved (against which shares have been encumbered) (B)	800,00,00,000	Loan against shares sought Rs.100,00,00,000 (Current sanctioned loan Rs.10,00,00,000)		
	Ratio of A / B	0.107	0.66 (6.58)		

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)	Pledge of shares by Promoter towards the Term Loan availed by the Listed Company to augment its Net Working Capital for an aggregate principal amount not exceeding Rs.800,00,00,000 /- (Rupees Eight Hundred Crores Only)	To repay Loan of Kotak Mahindra Bank Limited, other liabilities and for general corporate purposes.
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Signature of Director

Place: Hyderabad

Date: 28/10/2019