

4th October, 2019

To
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,

Reg: Disclosure of Reason for Encumbrance
Target Company-Elecon Engineering Company Limited

With reference to circular no. SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated 7th August, 2019, we are sending herewith Disclosure of Reason for Encumbrance by Promoter of Elecon Engineering Company Limited as on 30th September, 2019.

You are requested to take the same on record.

Thanking you,

For Prayas Engineering Limited


Authorised Signatory



Encl.:

Annexure- II- Disclosure of Reason for Encumbrance

4th October, 2019

To
BSE Limited
Phiroze Jeejeebhay Towers,
25th Floor,
Dalal Street,
Bombay - 400 001

Dear Sir,

Reg: Disclosure of Reason for Encumbrance
Target Company-Elecon Engineering Company Limited

With reference to circular no. SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated 7th August, 2019, we are sending herewith Disclosure of Reason for Encumbrance by Promoter of Elecon Engineering Company Limited as on 30th September, 2019.

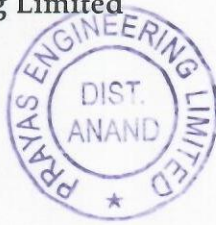
You are requested to take the same on record.

Thanking you,

For Prayas Engineering Limited



Authorised Signatory



Encl.:

Annexure- II- Disclosure of Reason for Encumbrance

4th October, 2019

To
The Company Secretary
Elecon Engineering Company Limited
Vallabh Vidyanagar

Dear Sir,

Reg: Disclosure of Reason for Encumbrance
Target Company-Elecon Engineering Company Limited

With reference to circular no. SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated 7th August, 2019, we are sending herewith Disclosure of Reason for Encumbrance by Promoter of Elecon Engineering Company Limited as on 30th September, 2019.

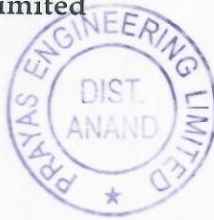
You are requested to take the same on record.

Thanking you,

For Prayas Engineering Limited



Authorised Signatory



Encl.:

Annexure- II- Disclosure of Reason for Encumbrance

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	Elecon Engineering Company Limited
Name of the recognised stock exchanges where the shares of the company are listed	- National Stock Exchange of India Limited - BSE Limited
Name of the promoter(s) / PACs whose shares have been encumbered	Prayas Engineering Limited
Total promoter shareholding in the listed company	No. of shares - 6,61,18,052 % of total share capital - 58.93
Encumbered shares as a % of promoter shareholding	Total encumbrance of Promoter holding :- 45.98% For Prayas Engineering Limited: 16.94%
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 3,04,00,000 (27.09%)

Details of all the existing events/ agreements pertaining to encumbrance

	Encumbrance 1 Date of creation of encumbrance: 15.02.2018 (Prayas)	Encumbrance 2 Date of creation of encumbrance: 26.03.2018 (Prayas)	Encumbrance 3 Date of creation of encumbrance: 23.05.2018 (Prayas)	Encumbrance 4 Date of creation of encumbrance: 28.06.2018 (Prayas)
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: 80,00,000 % of total share capital: 7.13%	No. of shares: 10,00,000 % of total share capital: 0.89%	No. of shares: 10,00,000 % of total share capital: 0.89%	No. of shares: 10,00,000 % of total share capital: 0.89%	No. of shares: 12,00,000 % of total share capital: 1.07%
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	Catalyst Trusteeship Limited YES	Catalyst Trusteeship Limited YES	Catalyst Trusteeship Limited YES	Catalyst Trusteeship Limited YES	Catalyst Trusteeship Limited YES
	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	YES	YES	YES	YES
	Names of all other entities in the agreement	Not Applicable Listed company and its group companies (if any) - 1. 2. ...	Not Applicable Listed company and its group companies (if any) - 1. 2. ...	Not Applicable Listed company and its group companies (if any) - 1. 2. ...	Not Applicable Listed company and its group companies (if any) - 1. 2. ...	Not Applicable Listed company and its group companies (if any) - 1. 2. ...
		Other entities (if any) 1. 2. ...	Other entities (if any) 1. 2. ...	Other entities (if any) 1. 2. ...	Other entities (if any) 1. 2. ...	Other entities (if any) 1. 2. ...



	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			
		If yes,				If yes,				If yes,				If yes,			
*Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	68,68,00,000 (Per Share 85.85)				7,22,00,000 (Per Share 72.20)				6,25,00,000 (Per Share 62.50)				6,87,60,000 (Per Share 57.30)			
	Amount involved (against which shares have been encumbered) (B)	25,00,00,000				25,00,00,000				25,00,00,000				25,00,00,000			
	Ratio of A / B	0.02				0.29				0.25				0.27			



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	No Yes - For Long Term Working Capital Loan - (Repayment Schedule-Annexure-1)	No Yes - For Long Term Working Capital Loan - (Repayment Schedule-Annexure-1)	No Yes - For Long Term Working Capital Loan - (Repayment Schedule-Annexure-1)	No Yes - For Long Term Working Capital Loan - (Repayment Schedule-Annexure-1)
	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)				

* Abovesaid Amount involved in the encumbrance is Rs. 25,00,00,000 (Rupees Twenty Five Crores only) and the total encumbered shares from time to time is 1,12,00,000 (One Crore Twelve Lakhs) equity shares.

For, Prayas Engineering Limited



(Signature)

Signature of Authorized Signatory:

Place: Vallabh Vidyanagar

Date: 04.10.2019

ANNEXURE-1

Tata Capital Financial Services Limited

Repayment Schedule

Outstanding as on 30.09.2019 ₹ 1325.00 Lakhs
Repayable in quarterly instalments amounting to INR 75.00 Lakhs for February, 2020 and INR 312.50 Lakhs from May, 2020.

