EMTICI
ENGINEERING
LIMITED
MARKETING & SERVICING COMPANY
CIN : U29259GJ1956PLC001509

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 Emtici Engineering Limited

Authorised Signatory

Emtici Engineering Ltd.

Encl.:

Annexure- II- Disclosure of Reason for Encumbrance

EMTICI
ENGINEERING
LIMITED
MARKETING & SERVICING COMPANY
CIN : U29259GJ1956PLC001509

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 **Emtici Engineering Limited**

Authorised Signatory

Emtici Engineering Ltd.

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 **Emtici Engineering Limited**

Authorised Signatory

Emtici Engineering Ltd.

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	Emtici 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 Emtici Engineering Limited: 29.04%
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: 20.04.2016	Encumbrance 2 Date of creation of encumbrance: 06.10.2017
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	Non-disposal Undertaking-Power of Attorney
No. and % of shares encumbered		No. of shares: 36,00,000 % of total share Capital: 3.21	No. of shares: 1,56,00,000 % of total share capital: 13.90
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	Aditya Birla Finance Limited	IFCI 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	YES

Emtici Engineering Ltd.

	Names of all other entities in the agreement	**Not Applicable** Listed company and its group companies (if any) 1. 2. … Other entities (if any) 1. 2. …	**Not Applicable** Listed company and its group companies (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** If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges? 4. Credit Rating of the debt instrument 5. ISIN of the instrument	**No** If yes, 1. Name of the issuer 2. Details of the debt instrument 3. Whether the debt instrument is listed on stock exchanges? 4. Credit Rating of the debt instrument 5. ISIN of the instrument
Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	23,22,00,000 (Per Share 64.50)	100,23,00,000 (Per Share 64.25)
	Amount involved (against which shares have been encumbered) (B)	60,00,00,000	95,00,00,000
	Ratio of A / B	0.387	1.055

Emtici Engineering Ltd.

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)	No Yes - For Long Term Working Capital Loan - (Repayment Schedule-Annexure-1)	No Yes - For Long Term Working Capital Loan - (Repayment Schedule-Annexure-2)

For, **Emtici Engineering Limited**

Signature of Authorized Signatory:

Place: Vallabh Vidyanagar

Date: 04.10.2019

ANNEXURE-1

Aditya Birla Finance Limited

Repayment Schedule

Outstanding as on 30.09.2019 ₹ 2082.00 Lakhs	
Repayable instalments:-	
- October, 2019	INR 693.00 Lakhs
- January, 2020	INR 693.00 Lakhs
- March, 2020	INR 696.00 Lakhs

Emtici Engineering Ltd.

ANNEXURE-2

IFCI Limited

Repayment Schedule

Outstanding as on 30.09.2019 ₹ 5370.00 Lakhs
Repayable in instalments as under:- - For October, 2019 - INR 220.00 Lakhs - And thereafter from January, 2020 – INR 350.00 Lakhs on quarterly basis - Last Instalment in July 2023 – INR 250.00 Lakhs

