Champa C. Doshi

Neela House M L Dahanukar Marg Mumbai -400 026

Date: 4th October, 2019

Walchandnagar Industries Ltd.
3, Walchand Terraces,
Tardeo Road,
Mumbai – 400 034
Tel: 022-23612195/96/97
Email-giriraj.agrawal@walchand.com

National Stock Exchange of India Ltd
Corporate Action Department
Exchange Plaza, C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051
Tel : 022-26598100
Email: takeover@nse.co.in
Scrip Code: WALCHANNAG

BSE Ltd.,
Corporate Relations Department
1st floor, New Trading Ring,
Rotunda Bldg P.J. Tower,
Mumbai 400 001
Tel: 91-22-22721233/4
Email: corp.relations@bseindia.com
Scrip Code: 507410

Sub: **Disclosure of reasons for encumbrance by promoter of listed companies under Regulation 31(1) read with Regulation 28(3) of Takeover Regulations.**

Dear Sirs,

I, on my behalf and on behalf of all other Promoters and Promoter Group together with Persons Acting in Concert (PAC), am enclosing the reasons for encumbrance by promoter as on September 30, 2019, as required under Regulation 31 (1) read with Regulation 28(3) of Takeover Regulations in the prescribed format.

Kindly acknowledge the receipt of the same and take on your record.

Thanking you,

Yours faithfully,

For and on behalf of the Promoter(s) and
Promoter Group of Walchandnagar Industries Ltd.

Champa C Doshi

Champa C. Doshi
Promoter

Encl.: As above

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	Walchandnagar Industries Limited
Name of the recognised stock exchanges where the shares of the company are listed	BSE Limited
	National Stock Exchange of India Ltd.
Name of the promoter(s) / PACs whose shares have been encumbered	1.Chirag C. Doshi
	2. Champa C. Doshi
	3. Chakor L. Doshi
	4. Chakor L. Doshi HUF
	5. Walchand Kamdhenu Commercials Private Limited
	6. Walchand Great Achievers Private Limited
	7. Walcahnd Chiranika Trading Private Limited
	8. Rodin Holdings Inc
	9. Olsson Holding Inc.
Total promoter shareholding in the listed company	No. of shares – 20938613
	% of total share capital – 55.00
Encumbered shares as a % of promoter shareholding	98.15%
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

<table>
<tr><td colspan="2">Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)</td><td>Pledge 1.</td><td colspan="4">Pledge 2. to 10.</td><td colspan="2">Total
(pledge 1 to 10)</td></tr>
<tr><td colspan="2" rowspan="12">No. and % of shares encumbered</td><td rowspan="12">1. Walchand Great Achievers Private Limited

(For Secured Redeemable Non-Convertible Debenture)

(Date of creation of encumbrance: 22nd September, 2017)

No. of shares: 49,12,199

% of total share capital: 12.90</td><td>Name</td><td>Date of Creation of Encumbrance</td><td>No of Shares</td><td>% of Total Share Capital</td><td>No. of Shares</td><td>%</td></tr>
<tr><td>Name</td><td></td><td colspan="2">% of Total Share Capital</td><td rowspan="10"></td><td rowspan="10"></td></tr>
<tr><td>2.Chirag C. Doshi</td><td>29.09.2017</td><td>14000</td><td>0.04</td></tr>
<tr><td>3. Champa C. Doshi</td><td>27.09.2017</td><td>10350</td><td>0.03</td></tr>
<tr><td>4. Chakor L. Doshi</td><td>08.09.2017</td><td>49250</td><td>0.13</td></tr>
<tr><td>5. Chakor L. Doshi HUF</td><td>25.09.2017</td><td>6680</td><td>0.02</td></tr>
<tr><td>6. Walchand Kamdhenu Commercials Pvt. Ltd.</td><td>22.09.2017</td><td>9869673</td><td>25.92</td></tr>
<tr><td>7. Walcahnd Chiranika Trading Private Limited</td><td>08.09.2017</td><td>342090</td><td>0.9</td></tr>
<tr><td>8. Rodin Holdings Inc</td><td>08.09.2017</td><td>3000000</td><td>7.88</td></tr>
<tr><td>9. Olsson Holding Inc.</td><td>08.09.2019</td><td>2000000</td><td>5.25</td></tr>
<tr><td colspan="4"></td></tr>
<tr><td>10. Walchand Great Achievers Private Limited (For Security Loan)</td><td>22.09.2019</td><td>347961</td><td>0.91</td><td>20552203</td><td>53.99</td></tr>
<tr><td rowspan="4">Specific details about the encumbrance</td><td>Name of the entity in whose favour shares encumbered (X)</td><td colspan="7">Vistra ITCL (India) Limited (Formerly known as IL&FS Trust Company Limited) {In Capacity of Debenture and/or Security Trustee}</td></tr>
<tr><td>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.</td><td>NO

Debenture Trustee</td><td colspan="6">NO

Security Trustee</td></tr>
<tr><td>Names of all other entities in the agreement</td><td>KKR India Debt Opportunities Fund II</td><td colspan="6">KKR India Financial Services Private Limited</td></tr>
<tr><td>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</td><td>YES
If yes,
1. Name of the issuer : Walchandnagar Industries Limited
2. Details of the debt instrument : Secured Redeemable Non-Convertible Debenture
3. Whether the debt instrument is listed on stock exchanges : No
4. Credit Rating of the debt instrument : Not Applicable
5. ISIN of the instrument : INE711A07011</td><td colspan="6">No</td></tr>
</table>

Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	**The Company has not taken loan against pledge of shares. The shares are pledged along with charge created on immovable and movable fixed assets of the Company.**	
			Rs. In lakhs
		Share Value	31589
		Assets Value	30120
		Total Value (A)	61709
	Amount involved (against which shares have been encumbered) (B)		23700
	Ratio of A / B		**2.60**
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)	(b) For the benefit of listed company : Security for loan/NCD taken of Rs. 23700 Lakh by Walchandnagar Industries Limited for repayment of existing financial facilities and for long term working capital needs of the Company. This is payable in six years' time with two years moratorium	

Signature of Authorised Signatory

Place: Mumbai

Date: 4th October, 2019