



**VISHNU**  
CHEMICALS LTD

4<sup>th</sup> October, 2019

**The Secretary  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400 001  
Fax: 022-22723121/2027/2041/2061/3719  
Email : [corp.relations@bseindia.com](mailto:corp.relations@bseindia.com)**

**National Stock Exchange of India Limited  
Exchange Plaza  
Bandra Kurla Complex  
Bandra (E), Mumbai- 400 051.  
Fax: 022-2659 8237/38, 2659 8347/48  
Email : [takeover@nse.co.in](mailto:takeover@nse.co.in)**

**Scrip code – 516072**

**Scrip symbol - VISHNU**

Dear Sir/Madam,

**Disclosure of reasons for encumbrance under Regulation 31(1) read with Regulation 28(3) of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011**

**REF: SEBI Circular No. SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated 7<sup>th</sup> August, 2019**

Please find the enclosed disclosure of reasons for encumbrance of shares of the company as on 30.09.2019, received from Mr. Ch. Krishna Murthy, promoter of the company, under Regulation 31(1) read with Regulation 28(3) of the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations 2011.

Kindly take the same on record.

Thanking You.

Yours Faithfully,

**For Vishnu Chemicals Limited**

**Kishore Kathri  
Company Secretary**

Encl: a/a

4<sup>th</sup> October, 2019

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**BSE Limited**  
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Dear Sir/Madam,

**Disclosure of reasons for encumbrance under Regulation 31(1) read with Regulation 28(3) of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011**

**REF: SEBI Circular No. SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated 7<sup>th</sup> August, 2019**

Pursuant to Regulation 31(1) read with Regulation 28(3) of the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations 2011, please find enclosed additional disclosure of reasons of encumbrance in a format as prescribed under SEBI Circular No. SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated 7<sup>th</sup> August, 2019.

Thanking You,

Yours Faithfully,



**CH. KRISHNA MURTHY**  
**PROMOTER**

Encl: a/a

**CC to:**

The Company Secretary  
Vishnu Chemicals Limited  
Plot No. C-23, Road No. 8, Film nagar,  
Jubilee Hills, Hyderabad – 500033  
Telangana

## 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	<b>Vishnu Chemicals Limited (VCL)</b>
Name of the recognized stock exchanges where the shares	1. National Stock Exchange of India Limited (NSE) 2. BSE Limited
Name of the promoter(s) / PACs whose shares have been encumbered	1. Ch. Krishna Murthy, Promoter 2. Ch. Manjula, Promoter
Total promoter shareholding in the listed company	No. of shares – 8959506 equity shares of Rs. 10/- each % of total share capital – 75%
Encumbered shares as a % of promoter shareholding	3774687 equity shares; 42.03%
Whether encumbered share is 50% or more of promoter shareholding	NO
Whether encumbered share is 20% or more of total share capital	YES

**Details of all the existing events/ agreements pertaining to encumbrance**

S.No.	Particulars		Encumbrance 1 (Date of creation of encumbrance: 07.08.2007)	Encumbrance 2 (Date of creation of encumbrance: 09.08.2010)	Encumbrance 3 (Date of creation of encumbrance: 23.03.2011)	Encumbrance 4 (Date of creation of encumbrance: 28.06.2012)	Encumbrance 5 (Date of creation of encumbrance: 13.08.2015)	Encumbrance 6 (Date of creation of encumbrance: 10.05.2017)	Encumbrance 7 (Date of creation of encumbrance: 18.01.2019)	Encumbrance 8 (Date of creation of encumbrance: 18.01.2019)
1	<b>Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)</b>		Pledge	Pledge	Pledge	Pledge	Pledge	Pledge	Pledge	Pledge
2	<b>No. and % of shares encumbered</b>		No. of shares: 1288040 % of total share capital: 10.78%	No. of shares: 75000 % of total share capital: 0.63%	No. of shares: 117647 % of total share capital: 0.98%	No. of shares: 1500000 % of total share capital: 12.62%	No. of shares: 344000 % of total share capital: 2.88%	No. of shares: 100000 % of total share capital: 0.84%	No. of shares: 80000 % of total share capital: 0.67%	No. of shares: 270000 % of total share capital: 2.26%
3	<b>Specific details about the encumbrance</b>	<b>Name of the entity in whose favour shares encumbered (X)</b>	State Bank of India Overseas Branch Mid-Corporate Group at 2 &3 Floors, Rajala Centre, Plot No. 241/A, Road No. 36, Jubilee Hills, Hyderabad-500033	Mr.Bajarang Lal Agrawal H.No. 3-6-709, Street No. 1, Himayath Nagar, Hyderabad - 500029	Can Bank Factors Ltd, Himayath Nagar Branch, Hyderabad	State Bank of India Overseas Branch Mid-Corporate Group at 2 &3 Floors, Rajala Centre, Plot No. 241/A, Road No. 36, Jubilee Hills, Hyderabad-500033	Union Bank of India, S.D. Road Branch, L.G-1, 1-2-163, Bhuvana Towers, Secunderabad-500003	MetroGlobal Limited, 101, Mangal Disha, 1st Floor, 6th Road, Near Guru Gangeswar Temple, Khar (West), Mumbai, Maharashtra, 400052	Zen Credit and Capital Services Pvt Ltd, 1202, Marathon ERA-III, Ganpat Rao, Kadam Marg, Lower Parel Mumbai, 400013	Motilal Oswal Finvest Limited, Motilal Oswal Tower, Rahimtullah Sayani Road, Prabhadevi, Opp Parel St Depot, Mumbai, 400025

		<b>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.</b>	YES	NO; Individual	YES	YES	YES	NO; Company is engaged in Trading Activities i.e. Textiles, Castrol Oil and Precious Metals etc.,	YES	YES
		<b>Names of all other entities in the agreement</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
		<b>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</b>	NO	NO	NO	NO	NO	NO	NO	NO
4	<b>Security Cover / Asset Cover</b>	<b>Value of shares on the date of event / agreement (A)</b>	14,82,53,404	51,93,750	1,00,23,524	6,90,00,000	15,56,60,000	2,64,50,000	1,21,64,000	4,10,53,500
		<b>Amount involved (against which shares have been encumbered) (B)</b>	2,50,00,00,000	25,00,000	5,00,00,000	2,14,35,00,000	17,20,00,000	No amount is involved	60,00,000	2,00,00,000
		<b>Ratio of A / B</b>	0.05930	2.07750	0.20047	0.03219	0.90500	Not applicable	2.02733	2.05268

5	<b>End use of money</b>	<b>Borrowed amount to be utilized for what purpose –</b>  <b>(a) Personal use by promoters and PACs</b>  <b>(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.</b>  <b>(a) Any other reason (please specify)</b>	The shares are pledged in favor of lender i.e. SBI (e - SBH) as a collateral security for availing working capital limits Rs. 125.00 Cr and Term loan limits Rs. 125.00 Cr by the Company under consortium arrangements and the said funds are utilised for the purpose of regular working capital requirements and expansion of operations of the VCL.	The funds are borrowed for the purpose of investing in to Vishnu Chemicals Limited as an unsecured loans.	The shares are pledged for availing factoring facility by the company.	The shares are pledged in favor of lender i.e. SBI (e - SBH) as a collateral security for availing working capital limits Rs. 214.50 Cr and Term loan limits Rs. 59.00 Cr by the Company under consortium arrangements and the said funds are utilised for the purpose of regular working capital requirements and expansion of operations of the VCL.	The shares are pledged in favor of lender i.e. UBI as a collateral security for availing working capital limits Rs. 6.00 Cr and Term loan limits Rs. 11.20 Cr by Vishnu Barium Private Limited (VBPL), which is a wholly-owned subsidiary of Vishnu Chemicals Limited and the said funds are utilised to revive the operations of VBPL.	The shares are pledged as a security against supply of material/ goods by MetroGlobal Limited to Vishnu Chemicals Limited.	The funds are borrowed for the purpose of investing in to Vishnu Chemicals Limited as an unsecured loans.	The funds are borrowed for the purpose of investing in to Vishnu Chemicals Limited as an unsecured loans.
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Signature:



**Name: CH. KRISHNA MURTHY**

**Designation: PROMOTER**

Date: 04.10.2019

Place: Hyderabad