

4th 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

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

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 7th 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 7th 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 | Vishnu Chemicals Limited (VCL) |
| 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 | 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 | Pledge | Pledge | Pledge | Pledge |
| 2 | No. and % of shares encumbered | | 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 | Specific details about the encumbrance | Name of the entity in whose favour shares encumbered (X) | 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 |

| | | | | | | | | | | |
|---|-------------------------------------|---|----------------|----------------|-------------|----------------|--------------|---|-------------|-------------|
| | | 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 | NO; Individual | YES | YES | YES | NO; Company is engaged in Trading Activities i.e. Textiles, Castrol Oil and Precious Metals etc., | YES | YES |
| | | Names of all other entities in the agreement | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| | | 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 | NO | NO | NO | NO |
| 4 | Security Cover / Asset Cover | Value of shares on the date of event / agreement (A) | 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 |
| | | Amount involved (against which shares have been encumbered) (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 |
| | | Ratio of A / B | 0.05930 | 2.07750 | 0.20047 | 0.03219 | 0.90500 | Not applicable | 2.02733 | 2.05268 |

| | | | | | | | | | | |
|---|-------------------------|---|---|---|--|--|---|--|---|---|
| 5 | 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) | 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