6th January, 2017

**To,**

**Manager (Listing),**
**National Stock Exchange of India Ltd.,**
**Exchange Plaza, 5th Floor**
**Plot No. C/1, G Block,**
**Bandra Kurla Complex,**
**Bandra (E), MUMBAI**

**Manager (Listing)**
**Department of Corporate Services,**
**BSE Limited,**
**Phiroze Jeejeebhoy Towers,**
**Dalal Street,**
**Fort,**
**MUMBAI 400 001.**

Dear Sir(s),

**Sub.:- Disclosure of Creation of Encumbrance.**
**Ref.:- Regulation 31(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.**

With reference to the captioned subject, please find enclose disclosures by the undersigned promoter of Jayaswal Neco Industries Limited ("Company") acting on behalf of the Promoters and PAC's of the Company, in respect of pledge of 73,84,281 Equity shares of the Company held by Jayaswal Neco Metallics Private Limited (Promoter Entity) in favour of Union Bank of India. The said pledge has been created to comply with one stipulations of Union Bank of India while granting the Term Loan of Rs. 90.00 crore to the Company.

This disclosure has been made in terms of Regulation 31(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,

**For and on behalf of the Promoters and PACs of**
**Jayaswal Neco Industries Limited**

**Arbind Jayaswal**
**Promoter**

**Encl.:** As sated.

**Copy to:**
Company Secretary,
Jayaswal Neco Industries Limited
F-8, MIDC Industrial Area,
Hingna Road, Nagpur - 440 016

**Disclosure by the Promoter(s) to the stock exchanges and to the Target Company for encumbrance of shares / invocation of encumbrance/ release of encumbrance, in terms of Regulation 31(1) and 31(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.**

| | |
|---|---|
| Name of the Target Company (TC) | **Jayaswal Neco Industries Limited**<br>F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016 |
| Names of the stock exchanges where the shares of the target company are listed | BSE Limited (BSE)<br>National Stock Exchange of India Limited (NSE) |
| Date of reporting | 06/01/2017 |
| Name of the promoter or PAC on whose shares encumbrance has been created~~/released/invoked~~ | Jayaswal Neco Metallics Private Limited |
| Details of the creation of encumbrance | 04/01/2017 |

| **Name of the promoter (s) or PACs with him*** | **Promoter holding in the target company (1)** | | **Promoter holding already encumbered (2)** | | **Details of events pertaining to encumbrance (3)** | | | | | | | **Post event holding of encumbered shares {creation [(2) + (3)] / release [(2) - (3)] / invocation [(1) - (3)]]** | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Number | % of total share capital | Number | % of total share capital | Type of event (creation / release / invocation) | Date of Creation / release/ invocation of encumbrance | Type of Encumbrance (pledge / lien /non disposal undertaking/others) | Reasons for Encumbrance ** | Number | % of share capital | Name of the entity in whose favour shares encumbered *** | Number | % of total Share capital |
| Jayaswal Neco Metallics Private Limited | 40710500 | 6.37 | -- | -- | Creation | 04/01/2017 | Pledge | Collateral Security for loan taken by TC | 7384281 | 1.16 | Union Bank of India | 7384281 | 1.16 |
| Karamveer Impex Private Limited | 47229000 | 7.40 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Neco Valves and Pumps Pvt Ltd | 864000 | 0.14 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Neco Leasing and Finance Pvt Ltd | 899500 | 0.14 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Jayaswal Holdings Pvt Ltd | 53098951 | 8.31 | 52707285 | 8.25 | -- | -- | -- | -- | -- | -- | -- | 52707285 | 8.25 |
| Avon Sales and Services Private Limited | 39095000 | 6.12 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Jayaswal Neco Power Private Limited | 36354500 | 5.69 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Nine Star Plastic Packaging Services Private Limited | 44294600 | 6.94 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Jayaswal Neco Energy Private Limited | 39732000 | 6.22 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Jayaswal Neco Infrastructures Private Limited | 34385500 | 5.38 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Anurag Sales and Services Pvt Ltd | 38931000 | 6.10 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Jayaswal Neco Steel and Mining Private Limited | 13250000 | 2.07 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Apex Spinning Mills Pvt Ltd | 35299600 | 5.53 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Arvind Jayaswal | 2397920 | 0.38 | 50000 | 0.01 | -- | -- | -- | -- | -- | -- | -- | 50000 | 0.01 |
| Basant Lall Shaw | 10312850 | 1.61 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Ramesh Jayaswal | 2397920 | 0.38 | 50000 | 0.01 | -- | -- | -- | -- | -- | -- | -- | 50000 | 0.01 |
| Rita Jayaswal | 25000 | 0.00 | 25000 | 0.00 | -- | -- | -- | -- | -- | -- | -- | 25000 | 0.00 |
| Nisha Jayaswal | 25000 | 0.00 | 25000 | 0.00 | -- | -- | -- | -- | -- | -- | -- | 25000 | 0.00 |
| **TOTAL** | **439302841** | **68.79** | **52857285** | **8.28** | | | | | **7384281** | **1.16** | | **60241566** | **9.44** |

* The names of all the promoters, their shareholding in the target company and their pledged shareholding as on the reporting date should appear in the table irrespective of whether they are reporting on the date of event or not.

** For example, for the purpose of collateral for loans taken by the company, personal borrowing, third party pledge, etc.

*** This would include name of both the lender and the trustee who may hold shares directly or on behalf of the lender.

**For and on behalf of Promoters and PACs of JAYASWAL NECO INDUSTRIES LIMITED**

**ARBIND JAYASWAL**
**PROMOTER**

**Place: Nagpur**
**Date : 06/01/2017**