

Disclosure of reasons for encumbrance

Name of listed company	Lactose (India) Limited
Name of the recognised stock exchanges where the shares of the company are listed	BSE Limited
Name of the promoter(s) / PACs whose shares have been encumbered	As per Annexure I
Total promoter shareholding in the listed company	No. of shares: 4371425 % of total share capital: 42.90%
Encumbered shares as a % of promoter shareholding	No. of Shares: 2626868 % of total share capital: 25.78%
Whether encumbered shares 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

Particulars		Encumbrance 1 (Date of creation of encumbrance: 16.08.2019 and 19.08.2019)
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
No. and % of shares encumbered		No. of shares: 2626868 (As per Annexure II) % of total share capital: 25.78%
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	Shares pledged in favour of Aditya Birla Finance Limited (ABFL)
	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, it is NBFC
	Names of all other entities in the agreement	As per Annexure III
	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



Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	Value of shares as per the closing price at BSE as on the date of creation of pledge (19.08.2019 and 16.08.2019) is: On 16.08.2019: Rs. 1.33 Cr. On 19.08.2019: Rs. 5.72 Cr.
	Amount involved (against which shares have been encumbered) (B)	Rs. 39.50 Cr.
	Ratio of A / B	As on 16.08.2019= 0.03: 1 As on 19.08.2019= 0.14: 1
End use of money	Borrowed amount to be utilized for what purpose: Personal use by promoters and PACs 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)	To be utilized for the benefit of Lactose (India) Limited. Amount Borrowed: Rs. 39,50,00,000/- Purpose of loan: Lower Interest Rate and availing additional Term Loan along with Working Capital Term Loan for up gradation of plant. Repayment Schedule: Frequency of payment- Monthly, No. of Instalments- 120 Amount- As per rate of interest

Atul Maheshwari

Mr. Atul Maheshwari

Managing Director

DIN: 00255202

Place: Mumbai

Date: 04th October, 2019

ANNEXURE I

Name of promoter(s) / PACs whose shares have been encumbered:

Sr. No.	Name of Promoters / PACs
1	Mr. Atul Maheshwari
2	Mrs. Sangita Maheshwari
3	Mr. Yashvardhan Maheshwari
4	Mrs. Madhubala Toshniwal



ANNEXURE II

Details of Number and Percentage of shares encumbered

Sr. No.	Name of Promoters / PACs	Date of Creation of encumbrance	No. of Shares	Percentage of paid up capital
1	Mr. Atul Maheshwari	19.08.2019	948510	9.31%
2	Mrs. Sangita Maheshwari	19.08.2019	1127410	11.06%
3	Mr. Yashvardhan Maheshwari	19.08.2019	35360	0.35%
4	Mrs. Madhubala Toshniwal	16.08.2019	515588	5.06%



ANNEXURE III

Name of entities in the agreement

Sr. No.	Pledgors
1	Mr. Atul Maheshwari
2	Mrs. Sangita Maheshwari
3	Mr. Yashvardhan Maheshwari
4	Mrs. Madhubala Toshniwal

Sr. No.	Borrowers
1	Lactose (India) Limited

Sr. No.	Lenders
1	Aditya Birla Finance Limited (ABFL)

