When promoters pledge shares

Name: Class: Date:

A promoter can borrow money and give some of its shares to the lender as security. The company must show these pledged shares in its shareholding pattern.

Ground rule: In this lesson there is no winner. We explain differences; we don't rank companies or say which is better to own.

What to do

1. Read the made-up gold-loan story and answer Part A.
2. Read the two pledge cards when your teacher says so.
3. Use a calculator for Part D.
4. Answer the questions. Every number you need is on this page.

Part A. A made-up gold loan

A made-up shop owner borrows ₹5 lakh from a bank. She gives the bank her gold as security until she repays.

1. Whose gold is it while the loan runs?

2. What can the bank do if she does not repay?

Part B. From gold to shares

1. A promoter pledges shares to a lender. Whose shares are they while the loan runs?

2. What can the lender do if the loan is not repaid?

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Groups: take one card each. Every group reports back to the class.

Name: _____ Class: _____ Date: _____

Part C, group 1. Apollo Hospitals

Apollo Hospitals, 30 Sep 2026. Promoter group: 28.02% of all shares. Pledged: 2.91% of the promoter group's own shares, against 16.09% on 31 Dec 2023.

1. Did the pledged share rise or fall between Dec 2023 and Sep 2026?

2. In Aug 2025 the promoter group sold 1.3% of Apollo. What did its filing give as the reason?

Part C, group 2. JSW Steel

JSW Steel, 30 Sep 2026. Promoter group: 44.3% of all shares. Pledged: 12.25% of the promoter group's own shares (13.27 crore of 108.32 crore), against 15.24% on 31 Mar 2024.

1. Did the pledged share rise or fall between Mar 2024 and Sep 2026?

2. Which promoter-group company made the largest single pledge, of 5.55 crore shares?

Part D. Share of what?

Pledged share of all shares = pledged share of promoter holding × promoter share ÷ 100.

1. JSW Steel: work out 12.25% × 44.3% ÷ 100.

2. Apollo Hospitals: work out 2.91% × 28.02% ÷ 100.

3. Why is each answer smaller than the pledged share you started with?

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Part E. What the filing says and leaves out

1. Name two facts about a pledge that the shareholding pattern shows.

2. Name one thing about the loan you would need another document for.

Exit ticket

1. What is a pledge of shares?

2. Does a pledge change the promoter holding in the filing? Why?

3. Why must you say "of promoter holding" or "of all shares" with a pledge figure?

Word bank

Pledge	Giving shares to a lender as security for a loan. The shares stay the owner's while the loan runs.
Security	Something valuable a borrower gives a lender, which the lender can take if the loan is not repaid.
Invoke	What a lender does when it uses its right to take the pledged shares.
Promoter	The founding family or parent company that controls a listed company.
Promoter holding	The share of all the company's shares that the promoter group holds.

Sentence starters

- At ___, ___ of the promoter group's own shares were pledged on ___.

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- That is ___ of all the company's shares, because ___ × ___ ÷ 100 = ___.
- The shareholding pattern shows ___, but it does not show ___.

student page

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