



ECE INDUSTRIES LTD.

REGD. OFFICE : ECE HOUSE

28-A, KASTURBA GANDHI MARG, NEW DELHI-110001

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CIN : L31500DL1945PLC008279

Date: 19th October, 2016

National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E),
Mumbai-400051

SUB: Outcome of Board Meeting.

Dear Sir/ Madam,

In compliance with the applicable provisions of SEBI (LODR) Regulations, 2015 read with SEBI (Delisting of Equity Shares) Regulations, 2009 ("SEBI Delisting Regulations"), the Board of Directors of the Company in their Meeting held on 19th October, 2016 took the following decisions:

1. The Board has approved the Postal Ballot Notice for seeking approval of shareholders for voluntary delisting of equity shares of the Company from National Stock Exchange of India Limited (NSE) after providing an exit opportunity to the public shareholders in compliance with the Regulation 8 of the SEBI (Delisting of Equity Shares) Regulations, 2009. A copy of the draft of Postal Ballot Notice alongwith the explanatory statement is enclosed.

You are requested to take the above information on your records.

The Board meeting started on 12:30 hrs. and concluded on 13:45 hrs.

Thanking you,

For ECE Industries Limited


Piyush Agarwal
Company Secretary



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NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 AND RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 RELATING TO PASSING OF THE RESOLUTION THROUGH POSTAL BALLOT READ WITH REGULATION 44 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("LISTING REGULATIONS") AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES), REGULATIONS 2009, INCLUDING ANY STATUTORY MODIFICATIONS OR AMENDMENTS THEREOF ('DELISTING REGULATIONS').

To,
The Members,

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 ('Companies Act'), and all other applicable provisions, if any, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and other applicable rules framed under the Companies Act (including any statutory modification or re-enactment thereof for the time being in force) and Regulation 8(1)(b) of the Delisting Regulations and pursuant to the requisition letter dated 18th July, 2016 received from Mr. Prakash Kumar Mohta (being the promoter of the Company) (known hereinafter as 'Promoter/Acquirer') and the resolution passed by the Board of Directors of the Company at its meeting held on 26th July, 2016, to consider and if found fit, to pass the following resolution as a special resolution ('Special Resolution') through a postal ballot ('Postal Ballot') or, alternatively, through the e-voting facility offered by the Company in this regard.

The Special Resolution, the explanatory statement ('Explanatory Statement') containing all material facts and a postal ballot form ('Postal Ballot Form') along with details regarding electronic voting are enclosed with this Notice for your consideration.

Also enclosed is a self-addressed, postage prepaid envelope for your use. As per the provisions of the Companies (Management and Administration) Rules, 2014, the Board of Directors of the Company has appointed Mr. B L Khandelwal, Practicing Chartered Accountant (Membership No. 012331) as the scrutinizor ('Scrutinizer') for conducting Postal Ballot process and remote e-voting in a fair and transparent manner.

The members holding Equity Shares of the Company have both the options of voting i.e. by e-voting or through Postal Ballot Form. Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the duly completed Postal Ballot Form (no other form or photocopy is permitted) in self-addressed, postage pre-paid envelope so as to reach the Scrutinizer not later than the close of working hours at 05.00 P.M. on Wednesday, 23rd November, 2016.

Postal Ballot Forms received after this date will be treated as if the reply from the concerned member has not been received. The postage will be borne and paid by the Company, except for Postal Ballot Forms received from outside India. It is hence clarified that those members desiring to exercise their vote from outside India will have to bear/arrange for their postage expenses.

Members may note that as required under Regulation 44 of Listing Regulations and Section 108 of the Companies Act read with all applicable rules under the Companies Act, the Company has engaged the services of National Securities Depository Limited ('NSDL') to provide e-voting facility to the members of the Company. Accordingly, the Company is providing an e-voting facility as an alternate, which would enable the members to cast vote electronically instead of dispatching the Postal Ballot Form. Please read and follow the instructions on e-voting enumerated in the notes to this Notice.

Only members entitled to attend and vote at a general meeting of the company are entitled to fill in the Postal Ballot Form and send it to the Scrutinizer or vote under the e-voting facility offered by the Company, and any other recipient of the Notice who has no voting rights should treat the Notice as an intimation only. Kindly note that while exercising the vote, members holding equity shares of the Company can opt for only one of the two modes of voting i.e. either through Postal Ballot Form or E-voting. If you are opting for e-voting, then do not vote through Postal Ballot Form and vice-versa.

The Scrutinizer will submit his report to the Chairman of the Company or, in his absence, to any other designated Director of the Company after completion of scrutiny of the Postal Ballot Forms and e-voting results received. The result of voting by the Postal Ballot will be announced by the Chairman or any Director of the Company on Saturday, 26th November, 2016 at 12:30 P.M. at the Registered Office of the Company. Additionally, the result will be communicated to the National Stock Exchange of India Limited ('NSE') where the equity shares of the Company are listed. The results of the Postal Ballot will also be displayed on the Company's website (www.eceindustriesltd.com) and on the website of NSDL. The date of declaration of the results of the Postal Ballot shall be the date on which the Resolution would be deemed to have been passed, if approved by the requisite majority by the public shareholders of the Company.

SPECIAL BUSINESS:

Approval for Voluntary Delisting of the Equity Shares of the Company from the National Stock Exchange of India Ltd. (NSE).

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to:

- (i) the requisition letter dated 18th July, 2016 received from Mr. Prakash Kumar Mohta, the promoter on his behalf and on behalf of Persons acting in concert (PACs), holding 48,67,229 Equity Shares of face value of Rs.10/- each constituting 66.78% of the total paid-up share capital of the Company, conveying their intention to voluntarily delist the Equity Shares of the Company from the National Stock Exchange of India Ltd. ("NSE") in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares), Regulations 2009 ('Delisting Regulations');
- (ii) the approval of the Board of Directors of the Company on July 26, 2016, to the voluntary delisting of the Equity Shares from the NSE in terms of the Delisting Regulations and
- (iii) the applicable provisions of the Companies Act, 2013, Securities Contract (Regulation) Act, 1956, Listing Agreement entered into with NSE, Securities and Exchange Board of India Act, 1992, and applicable provisions of Memorandum of Association and Articles of Association of the Company, if any (including their statutory modification(s) or re-enactment for the time being in force), and subject to any directions or modifications as may be issued by any regulating authorities, including but not limited to Securities and Exchange Board of India (SEBI), Registrar of Companies (ROC), NSE and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which terms shall be deemed to include any committee constituted by the Board of Directors), and subject to receipt of the necessary approvals from NSE and such other approvals as may be required under applicable laws.

the consent of the members of the Company be and is hereby accorded to the proposed Voluntary Delisting of Equity Shares of the Company from National Stock Exchange of India Limited (NSE) after providing an exit opportunity to the existing shareholders (other than promoters) in accordance with Delisting Regulations."

"RESOLVED FURTHER THAT the Board of Directors of the Company (which expression shall include any person or committee duly authorized by the Board of Directors in this behalf) be and is hereby authorized on behalf of the Company to do, either by itself or through delegation to any person, as they may in its absolute discretion deem fit, all such acts, deeds, matters and things as they may at its discretion deem necessary or expedient desirable or appropriate in the best interests of the company including signing of all necessary agreements, making all necessary filings to facilitate the proposed Delisting in accordance with the conditions specified in the Delisting Regulations and the applicable provisions of the Companies Act, 2013, including making applications to the NSE for seeking the in-principle and final approval for the proposed Delisting, and to settle all such questions, queries, doubts or difficulty which may arise with regard to Voluntary Delisting of the Equity Shares of the Company and filing of necessary documents for giving effect to this resolution."

By Order of the Board
For ECE INDUSTRIES LTD.
sd/-
PIYUSH AGARWAL
COMPANY SECRETARY

Date : 19th October, 2016
Place : New Delhi

Notes:

1. An explanatory statement as required under Section 102 of the Companies Act, 2013 in respect of the business specified above is annexed hereto.
2. In terms of Regulation 8(1)(b) of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 read with Section 110 of Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, the item of business mentioned above is sought to be passed through postal ballot.
3. The shareholders who are voting through Postal Ballot Form (i.e. Physical Ballot), are requested to carefully read the instructions printed on the Form enclosed herewith and return it, duly completed and signed along with their assent (FOR) or dissent (AGAINST) in the attached self-addressed postage pre-paid business reply envelope, so as to reach the Scrutinizer on or before the close of working hours i.e. by 05.00 P.M. on Wednesday, 23rd November, 2016. Please note that any Postal Ballot Form(s) received after that date will be treated as not having been received.
4. The shareholders are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. Shareholders who do not receive the Postal Ballot Form may apply to the Company and obtain a duplicate thereof. Facility of voting through electronic mode is being provided by the Company.
5. **VOTING THROUGH ELECTRONIC MEANS**
- A. In compliance with provisions of Section 110 read with Section 108 of the Companies Act, 2013, Rule 22 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR) Regulation, 2015, the Company is pleased to provide e-voting facility to its shareholders to enable them to cast their vote electronically. As an alternative to vote through postal ballot, the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL).



The instructions for members for voting electronically are as under:-

- I. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):**
- Open e-mail and open PDF file viz. "ECE-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
 - Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>.
 - Click on Shareholder-Login.
 - Put user ID and password as initial password noted in step (i) above. Click Login.
 - Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - Home page of remote e-voting opens. Click on remote e-voting; Active Voting Cycles.
 - Select "EVEN" of "ECE Industries Limited".
 - Now you are ready for remote e-voting as Cast Vote page opens.
 - Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - Upon confirmation, the message "Vote cast successfully" will be displayed.
 - Once you have voted on the resolution, you will not be allowed to modify your vote.
- II. In case of Members receiving Physical copy of Notice of Postal Ballot (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)**
- Initial password is provided in the letter attached with this Annual Report.
 - Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
- B.** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsd.com or call on toll free no.: 1800-222-990.
- C.** If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- D.** You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- E.** The voting period begins on 25th October, 2016 (09.30 am) and ends on 23rd November, 2016 (05.00 pm). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 14th October, 2016, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- F.** The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 14th October, 2016.
- G.** A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only, shall be entitled to avail the facility of remote e-voting as well as through physical ballot paper.
- H.** Mr. B L Khandelwal, Practising Chartered Accountant has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- I.** The Scrutinizer shall after the closure of e-voting as well as voting through physical postal ballot, will count the votes cast through physical postal ballot as well as through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 25th November, 2016, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him, who shall countersign the same and declare the result of the voting forthwith.
- J.** The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.eceindustriestd.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the National Stock Exchange of India Limited (NSE).

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE

ITEM No. 1: Delisting of Equity Shares of the Company from NSE

- The equity shares of Rs.10 each ('Equity Shares') of ECE Industries Limited ('Company') are presently listed only on the National Stock Exchange of India Limited (NSE).
- Mr. Prakash Kumar Mohta along with Persons acting in concert (hereinafter collectively referred as "Acquirer(s)/Promoter(s)") are presently holding 48,67,229 Equity Shares constituting 66.78% of the total issued and paid-up share capital of the Company.
- The Acquirer(s) / Promoter(s), through Mr. Prakash Kumar Mohta, vide Requisition Letter dated 18th July, 2016 have conveyed their intention to voluntarily delist the Equity Shares of the Company from NSE thereby providing the public shareholders an exit opportunity in terms of the provisions of SEBI Delisting Regulations. In the said Letter, Mr. Prakash Kumar Mohta on his behalf and on behalf of Promoter Group, has notified their intention for acquiring 24,21,416 Equity Shares representing 33.22% of the Equity Share Capital held by the public shareholders, in order to delist the Equity Shares from NSE, the only stock exchange where presently the shares of the company are listed.
- The Promoter(s) are of the view that as the Company is continuously incurring operational losses which is directly or indirectly impeding the financial needs of the Company, therefore, to cut down the increasing cost of listing at NSE on one hand and to obtain full ownership of the Company which will provide the Promoter(s) enhanced operational flexibility, on the other, it becomes more apt to provide an exit opportunity to the public shareholders in an open and transparent manner.
- Pursuant to the requisition letter received from the Promoters, the Board of Directors of the Company, in their meeting held on 26th July 2016, took on record the Acquirer's / Promoter's intention and appointed M/s Corporate Professionals Capital Pvt. Ltd. as the merchant banker for carrying out due diligence as required in terms of regulation 8(1A)(ii) of the Delisting Regulations. On receipt of the Due Diligence Report, the Board of Directors approved the proposed delisting in terms of Regulation 8(1)(a) of the Delisting Regulations subject to approval of public shareholders of the Company. The result of the meeting of the Board of Directors of the Company held for approving the Delisting Offer was duly notified to NSE on 26th July, 2016.
- In terms of Regulation 8(1)(b) of the Delisting Regulations, the Delisting Offer requires approval of the members of the Company by way of a special resolution passed through a Postal Ballot in accordance with the Delisting Regulations. As per Regulation 8(1)(b) of the Delisting Regulations, the special resolution passed by the members of the Company shall be acted upon if the votes cast by the Public Shareholders in favour of the Delisting Offer amount to at least two times the number of votes cast by Public Shareholders against it.
- In the event that this special resolution is passed by the members as set out above, subject to receipt of in-principle approval of the NSE, and other applicable statutory approvals as may be deemed necessary from time to time, a Public Announcement of the Delisting Offer may be made by the Acquirer(s)/ Promoter(s) in accordance with the Delisting Regulations followed by dispatch of the Letter of Offer to all Public Shareholders. Thereafter, the Delisting Offer will be conducted in accordance with the Delisting Regulations.
- In compliance with the provisions of Regulation 15(2) of the Delisting Regulations, taking 19th July 2016 as the Reference Date, being the date when the Company notified NSE about the board meeting in which the delisting proposal would be considered, the floor price has been determined as Rs.202.56 (Rs. Two Hundred Two and Paise Fifty Six) per equity share of Rs.10/- each in terms of Regulation 8 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The Public Shareholders of the Company may tender their Equity Shares during the reverse book building process at the Floor Price or any such price above the Floor Price as they deem fit. The members are requested to note that the Floor Price is neither a ceiling nor the maximum price.
- The Promoter shall not proceed with the Delisting Offer unless the Promoter accepts the discovered price, and the number of Equity Shares validly tendered in the Delisting Offer is sufficient enough to result in the Delisting Offer being successful as per the Delisting Regulations, and the Promoter having obtained all the necessary regulatory and statutory approvals as may be required under applicable laws including the Delisting Regulations.
- The approval of the members is sought for the aforesaid special resolution, after which the Promoter will proceed, subject to receipt of necessary regulatory approvals, to make the Delisting Offer to the members of the Company in accordance with the provisions of the Delisting Regulations. The Board of Directors of the Company, therefore, places the proposed resolution for your consideration and recommends that it be passed as a special resolution.
- The documents referred to in this notice and explanatory statement are available for inspection from 25th October, 2016 up to 23rd November, 2016 on all working days (except Saturday, Sundays & Public Holidays) at the Registered Office of the Company.

The acquirer(s)/ promoter(s) may be deemed to be financially interested to the extent of acquisition of the shares made in terms of the aforesaid resolution under the open offer. Except that none of the other directors and Key Managerial Persons is concerned or interested.

Date : 19th October, 2016
Place : New Delhi



By Order of the Board
For ECE INDUSTRIES LTD.
sd/-
PIYUSH AGARWAL
COMPANY SECRETARY