



# PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS FOR DELISTING OF EQUITY SHARES FROM THE PROMOTER(S)/ ACQUIRER(S) OF ECE INDUSTRIES LIMITED

**Registered Office: ECE House, 28-A, Kasturba Gandhi Marg, New Delhi-110001, India Tel: 91-11-23314237, 23314238, 23314239. Fax: 91-11-23310410; E-mail: ecehdelhi@gmail.com (Corporate Identification Number (CIN): L31500DL1945PLC008279)**

This public announcement ("PA") is being issued by Corporate Professionals Capital Private Limited ("Manager to the Offer") on behalf of Mr. Prakash Kumar Mohta and persons acting in concert with him ("Promoter(s)/Acquirer(s)") in respect of the proposed acquisition and voluntary delisting of the equity shares of face value of Rs. 10/- (Rupees Ten only) each ("Equity Shares" or "Shares") of ECE Industries Limited ("Company") from the National Stock Exchange of India Limited ("NSE") pursuant to Regulation 10 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended ("Delisting Regulations"), and in accordance with the terms and conditions set out below:

- Background of the Delisting Offer**
  - The Company is a public limited company incorporated under the Companies Act, 1913. As on the date of this PA, the total paid-up equity share capital of the Company ("Share Capital") is Rs. 7,28,86,450/- (Rupees Seven Crores Twenty-Eight Lacs Eighty-Six Thousand Four Hundred Fifty only) comprising of 72,88,645 equity shares of Rs. 10/- (Rupees Ten only) each. The Equity Shares are listed on the NSE.
  - Mr. Prakash Kumar Mohta is the one of the Promoter(s) of the Company residing at 7, Ronaldshay Road, Kolkata-700027-West Bengal.
  - Mr. Prakash Kumar Mohta along with persons acting in concert (Promoter(s)/Acquirer(s)) seeks to acquire up to 24,21,416 Equity Shares representing 33.22% of Share Capital held by the public shareholders of the Company ("Public Shareholders") in terms of the Delisting Regulations ("Delisting Offer"). If the Delisting Offer is successful as explained in Paragraph 14 of this PA, the Promoter(s)/Acquirer(s) will apply for delisting of the Equity Shares of the Company from NSE where they are currently listed, pursuant to the Delisting Regulations.
  - On July 18, 2016, the Promoter(s)/Acquirer(s) intimated their intention to make this Delisting Offer ("Promoters' Letter") to the Board of Directors of the Company for its approval and requested the Board of Directors of the Company to seek the approval of the Public Shareholders for the proposed delisting of the Company by way of a special resolution through postal ballot in terms of Regulation 8(1) (b) of the Delisting Regulations.
  - Pursuant to the intimation received from the Promoter(s)/Acquirer(s), the Board of Directors of the Company, in its meeting held on July 26, 2016, took on record the Promoter's Letter and appointed M/s Corporate Professionals Capital Private Limited, SEBI Registered, Category-1 Merchant Banker as "Manager to the offer" to carry out due diligence as required in terms of Regulation 8(1A) (ii) of the Delisting Regulations. On receipt of the due diligence report from Manager to the offer, the Board of Directors of the Company on July 26, 2016, approved the proposed delisting in terms of Regulation 8(1)(a) of the Delisting Regulations subject to approval of the Public Shareholders. The outcome of the meeting of the Board of Directors of the Company held on July 26, 2016 for approving the Delisting Offer was notified to NSE on July 26, 2016.
  - The shareholders of the Company passed a special resolution through postal ballot, the result of which was declared on November 26, 2016 and notified to NSE on November 26, 2016, approving the delisting of the Equity Shares from NSE pursuant to the Delisting Regulations. The votes cast by the Public Shareholders in favour of the Delisting Offer were more than two times the number of votes cast by the Public Shareholders against it. Specifically, out of the total valid votes cast by the Public Shareholders who participated in the postal ballot, 99.78% votes were in favour of the Delisting Offer.
  - The Company has received an in-principle approval for the proposed delisting of Equity Shares from NSE on Wednesday, December 14, 2016. By the time the In-principle Approval was received by the Company, it was close of business hours for the day, so the publication of Public Announcement (PA) could not be made on 15<sup>th</sup> December 2016. Therefore, the PA is being published in the newspapers on 16<sup>th</sup> December, 2016 in compliance of the Delisting Regulations.
  - The "Promoters/Acquirer(s)" reserves the right to withdraw the Delisting Offer in the event any statutory approvals set out in paragraph 22 of this PA are refused or the conditions set out in paragraph 14 of PA have not been fulfilled.
  - The PA is being issued in the following newspapers as required under Regulation 10(1) of the Delisting Regulations:

Newspaper	Language	Edition
Business Standard	English National Daily	ALL
Business Standard	Hindi National Daily	ALL
Navashakti, being the regional language news paper where NSE is located	Marathi	Mumbai

- The Promoter(s)/Acquirer(s) will inform the Public Shareholders, by way of a notice in the aforementioned newspapers in which the PA is being published, of material changes, if any, to the information set out in this PA.
- Objective of Delisting**  
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, Promoter(s)/Acquirer(s) of the Company propose to delist the Company from NSE.
- Background of the Promoter(s)/Acquirer(s):**  
**Mr. Prakash Kumar Mohta**, aged 67, is the Executive Chairman and Managing Director of the Company and holds a Bachelor's Degree (Honours) in Commerce and has vast experience as an industrialist. He was inducted on the Board of the Company in January 2007. Under his leadership, the company has registered steady growth. He commenced his career whilst setting up an automobile accessories unit and an Aluminium rolling mill in Kolkata. He further diversified his business activities by foraging into the metal packaging industry.  
**Mrs. Pratibha Khaitan** is a commerce graduate from Kolkata University, and done Le Grand Diplôme from Le Cordon Bleu, Paris. She is a dynamic professional in the field of Catering and established herself as a Chef. She is doing her own business in UK.  
**Mrs. Moulisree Gani** is MBA (Marketing) from UK and has served Tata Teley-UK for 4 years as their Marketing head of Tea. She is a young and energetic professional having an in-depth understanding in the field of Marketing. She has joined the Board of ECE as a Non-Executive Director in January, 2015.  
**Mrs. Maitreyi Kandoi**, MSc. Finance is a financial Analyst. She is Director in various companies and is well conversant with financial matters. She is a young business woman in Kolkata, and has been managing her own Gym in Kolkata.  
**Mrs. Jayantika Jatia** did her Bachelors of Business Administration from Kolkata and has done MSC in Finance from Manchester Business School, London. She is Director in different companies and running her own business in Website for gifted experience in Mumbai.

**Bhiragacha Finance Company Private Ltd.**, which was incorporated on January 6, 1986 is managed by a group of experienced professionals and is engaged in the business of investment, dealing in shares and securities.

- Currently the promoter group holds 48,67,229 Equity shares of Rs. 10/- (Rupees Ten only) each representing 66.78% of the total paid up equity share capital of the Company.
- As per the certificate dated November 12, 2016 issued by M/s. H. K. Agarwal & Co. Chartered Accountant (Membership No 101937), having office at 125, Netaji Subhash Road, 5<sup>th</sup> Floor, Kolkata-700001, the consolidated net worth of the Acquirer(s) as on date of certificate, is over Rs.132/- Crores (Rupees One Hundred and Thirty Two Crores only) and they have access to sufficient liquid assets required to fulfill their obligations under the Delisting Offer.
- Background of the Company**
  - The Company was incorporated on June 13, 1945, Under the Indian Companies Act, VII of 1913, in the name and style of Electric Construction and Equipment Company Limited vide Registration Number 12403/182 of 1945-1946, with the Assistant registrar of Joint-Stock Companies Bengal. The Company received its certificate for Commencement of Business on July 13, 1945. The Fresh Certificate of Incorporation dated July 28, 1976 was issued by the Assistant Registrar of Companies, Delhi & Haryana confirming the Change in Registered office of the Company from State of West Bengal to the union territory of Delhi. Its Corporate Identification number is L31500DL1945PLC008279.
  - Pursuant to Fresh Certificate of Incorporation dated June 5, 1987 issued by the Additional registrar of Companies, Delhi & Haryana, New Delhi, the name of the Company was changed to ECE Industries Limited having its Registered and Corporate Office at ECE House, 28-A, Kasturba Gandhi Marg, New Delhi-110001, India.
  - The Company is mainly engaged in manufacture of Power transformer and elevator equipment including their installation and maintenance.
  - The Company delisted its Equity Shares from Calcutta Stock Exchange Limited and Delhi Stock Exchange Limited ("the Exchanges") since the trading volumes of the Company's equity shares was negligible. The Company decided to delist its shares from the Exchanges in terms of SEBI (Delisting of Securities) Guidelines, 2003. The Effective date of delisting of the Company from the Calcutta Stock Exchange Limited & Delhi Stock Exchange Limited were April 25, 2005 and February 19, 2004 respectively.
  - The equity shares of the Company were listed on BSE limited on March 25, 2003 and on the National Stock Exchange of India Limited on November 24, 2007. The Company opted for Voluntary Delisting of its Shares from BSE Limited and got delisted from BSE Limited with effect from May 04, 2015.
  - The Company successfully completed the Buy-Back of 8,75,000 fully paid-up equity shares, as was approved by the Board of Directors of the Company, on November 14, 2011. Further the Company completed Buy Back of 1,75,385 fully paid-up equity shares, as was approved by the shareholders of the Company by a resolution passed through Postal Ballot, on March 27, 2013. Further the Company completed Buy Back of 4,37,280 fully paid-up equity shares on July 14, 2016, out of 7,00,000 equity shares as was approved by the Board of the Company by a resolution dated March 23, 2016.
  - There are no partly paid-up equity shares of the Company. There are no outstanding instruments in the nature of convertible preference shares/ warrants / fully convertible debentures / partly convertible debentures etc., which are convertible into equity shares later.
  - The Brief summary of the financials of the Company are provided: (Figures in Rs. Lacs)

Particulars	Year Ended	Year Ended	Year Ended	Year Ended
	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Total Income (Including Exceptional Items)	17706.06	19367.06	12415.68	14371.20
Total Expenditure	17765.87	19054.83	12154.30	13924.17
Profit/(Loss) before Depreciation & Tax	155.81	312.23	261.38	447.03
Less: Depreciation	215.62	264.49	264.49	222.73
Profit/(Loss) Before Tax	(59.81)	47.74	25.84	224.30
Less: Provision for Tax including Deferred Tax	(50.04)	51.13	(8.06)	130.25
Profit/(Loss) After tax	(109.85)	96.87	17.78	94.05
Equity Share Capital	772.76	772.76	772.76	772.96
Net Worth	14061.31	14171.16	14101.70	14095.42
EPS (Rs.)	(1.42)	1.28	0.23	1.21
Return on Net worth (%)	(0.78)	0.70	0.13	0.67
Book Value Per Share (Rs.)	181.96	183.38	182.48	182.36

Earnings Per Share=Profit After Tax/No. of Equity Shares issued  
Return on Net worth (%) = (Profit after Tax/Net worth) \*100  
Book Value = Net worth/No. of Equity shares issued

- Stock Exchange from where the Equity Shares are proposed to be delisted**
  - The Equity Shares are currently listed only on the NSE.
  - The Promoter(s)/Acquirer(s) are seeking to acquire all the Equity Shares held by the Public Shareholders and to delist the Equity Shares from the NSE.
- Manager to the Offer**  
The Promoter(s)/Acquirer(s) has appointed Corporate Professionals Capital Private Limited, having its office at D-28, South Extension, Part - 1, New Delhi - 110065 Tel. nos.: 011-40622230/ 40622200; Fax no.: 011 - 40622201; E-mail: mb@cdiapp.com as Manager to the Offer.
- Registrar to the Offer**  
The Promoter(s)/Acquirer(s) has appointed MAS Services Limited, having its office at T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi - 110 020 E. Mail: info@masserv.com as Registrar to the Offer. Tel. Nos.: 011-26387281/2/3, Fax No.: 26387384.
- Details of the Buyer Broker**  
The Promoter(s)/Acquirer(s) has appointed SMC Global Securities Limited ("Buyer Broker"), having its office at 11/6B, Shanti Chamber, Pusa Road, New Delhi-110005, Tel. (011) 30111000 Fax: (011) 25754365 as the Buyer Broker.
- Present Capital Structure and Shareholding of the Company**
  - Present Equity Share Capital Structure of the Company is as under:

Particulars	No. of Equity Shares	Amount (Rs. in Lacs)
Authorized Equity Capital	1,45,00,000	1,450.00
Subscribed and paid-up Equity Capital	72,88,645	728.86
- There are no partly paid-up equity shares of the Company. There are no outstanding instruments in the nature of convertible preference shares/ warrants / fully convertible debentures / partly convertible debentures etc., which are convertible into equity share later.
- The shareholding of the Company as on date is as under:

Particulars	No. of Equity Shares	% of Equity Share Capital
Promoter/ Acquirer	48,67,229	66.78
Public	24,21,416	33.22
<b>Total</b>	<b>72,88,645</b>	<b>100.00</b>

- Likely Post Delisting Capital Structure**  
The likely post delisting capital structure of the Company, assuming all the Equity Shares held by the Public Shareholders are acquired pursuant to the Delisting:
- | Particulars        | No. of Equity Shares | % of Equity Share Capital |
|--------------------|----------------------|---------------------------|
| Promoter/ Acquirer | 72,88,645            | 100                       |
| Public             | Nil                  | Nil                       |
| <b>Total*</b>      | <b>72,88,645</b>     | <b>100</b>                |
- \*Presuming 100% Tendering from the Public Shareholders. This data may vary depending upon the actual Tendering.
- Information regarding Stock Market Data**
    - The Equity Shares are listed on NSE having a symbol ECEIND. The ISIN for the Equity Shares of the Company is INE588B01014.
    - The high, low and average market prices of the Equity Shares during the preceding three financial years on NSE (April 1, 2013 to March 31, 2016) are as follows: (Figures in Rs.)

Year	High*	Low*	Average**
2013-14	138.00	73.00	105.50
2014-15	188.00	85.05	136.93
2015-16	196.80	118.00	157.40

\*High of intra-day highs/low of intra-day lows during the period  
\*\*Volume Weighted Average Market Price during the period Source: www.nseindia.com

- The monthly high and low market prices of the Equity Shares and the trading volumes (number of Equity Shares) for six calendar months immediately preceding the date of the PA on NSE (i.e. June, 2016 to November, 2016) are as follows:

Month	High*(Rs.)	Low*(Rs.)	Volume of the Month (No. of Shares)
November, 2016	349.00	324.00	21105
October, 2016	375.00	299.00	235800
September, 2016	343.00	285.00	105629
August, 2016	376.90	261.00	122866
July, 2016	360.90	203.60	595008
June, 2016	233.65	170.00	542951

\* High of intra-day highs/low of intra-day lows during the period Source: www.nseindia.com

- Determination of the Floor Price**
  - The Promoter(s)/Acquirer(s) proposes to acquire the Equity Shares from the Public Shareholders pursuant to a reverse book-building process in terms of Schedule II of the Delisting Regulations.
  - | Stock Exchange | Total Number of Equity Shares traded during the twelve calendar months prior to the month of Public Announcement | Total Number of Listed Equity Shares | Annualized Trading turnover (as % of total Equity Shares Listed) |
|----------------|--|--------------------------------------|--|
| NSE            | 77,25,925  | 25,83,964                            | 33.45%   |

Source: www.nseindia.com
  - Based on the above information, the Equity Shares are frequently traded on the NSE within the meaning of explanation provided in Regulation 2(1)(j) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("Takeover Regulations").
  - Accordingly, in terms of Regulation 15 of Delisting Regulations, Regulation 8 of the Takeover Regulations and SEBI FAQs dated August 5, 2016, the reference date for computing the floor price has been the date on which the recognized stock exchanges were notified of the board meeting in which the delisting proposal was considered i.e. 19<sup>th</sup> July, 2016. Accordingly, the floor price is the higher of the following:

1. The highest negotiated price per share of the target company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer	Not Applicable
2. The volume-weighted average price paid or payable for acquisitions, whether by the acquirer or by any person acting in concert with him, during the fifty-two weeks immediately preceding the date of the public announcement	Not Applicable
3. The highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the twenty-six weeks immediately preceding the date of the public announcement	Not Applicable
4. The volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of the Public Announcement (Reference Date) as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period, provided such shares are frequently traded	Rs. 202.56/-
5. Where the shares are not frequently traded, the price determined by the acquirer and the manager to the open offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	Not Applicable
6. The per share value computed under Regulation 8(5) of the Takeover Regulations	Not Applicable

- There have been no corporate actions in the Company warranting adjustment of relevant price parameters.
- In view of the contents of paragraphs 12.3 and 12.4 above, the Promoter(s)/Acquirer(s) has, in consultation with the Manager to the Offer, set the floor price at Rs. 202.56/- (Rupees Two Hundred Two and Paise Fifty- Six Only) per Equity Share ("Floor Price").
- The Promoter(s)/Acquirer(s) reserves the right not to acquire the Equity Shares at any higher price established pursuant to the reverse book-building process ("RBP").
- Determination of the Discovered Price and Exit Price**
  - The Promoter(s)/Acquirer(s) proposes to acquire the Equity Shares pursuant to RBP in accordance with the Delisting Regulations.
  - All Public Shareholders can tender their Equity Shares during the Bid Period (as hereinafter defined) at or above the Floor Price.
  - In accordance with the Delisting Regulations, the price payable by the Promoter(s)/Acquirer(s) for the Equity Shares will not be less than the price at which Equity Shares accepted through eligible bids would take the shareholding of the Promoter(s)/Acquirer(s) to 90% of the Share Capital ("Discovered Price") in the manner specified in Schedule II of the Delisting Regulations.
  - The Promoter(s)/Acquirer(s) is under no obligation to accept the Discovered Price. The Promoter(s)/Acquirer(s) may at his sole discretion, acquire the Equity Shares at the Discovered Price or offer to pay a price higher than the Discovered Price. The price so accepted by the Promoter(s)/Acquirer(s) (being not less than the Discovered Price) is referred to as the exit price ("Exit Price").
  - The Promoter(s)/Acquirer(s) will announce the Discovered Price, his decision to accept or reject the Discovered Price, and if accepted, the Exit Price, as applicable, in the same newspapers in which the PA has been published, in accordance with the timetable set out herein.
  - If the Promoter(s)/Acquirer(s) announces an Exit Price, the Promoter(s)/Acquirer(s) will, subject to the terms and conditions of the PA (defined in paragraph 17.1 of this PA) which will be sent to the Public Shareholders holding Equity Shares as on the Specified Date (defined in paragraph 17.1 of this PA), acquire all the Equity Shares that have been tendered at a price up to and equal to the Exit Price and will pay a cash consideration equal to the Exit Price for each Equity Share. The Promoter(s)/Acquirer(s) will not accept the Equity Shares that have been offered at a price that exceeds the Exit Price.
  - In the event either the Promoter(s)/Acquirer(s) does not accept the Discovered Price in terms of Regulation 16 of the Delisting Regulations or failure of the Delisting Offer in terms of Regulation 17 of the Delisting Regulations:
    - The Promoter(s)/Acquirer(s) through the Manager to the Offer, will within five working days, announce such rejection of the Discovered Price or failure of the Delisting Offer, through an announcement in all the newspapers in which the PA has been published in accordance with the Delisting Regulations.
    - No final application shall be made to the NSE for delisting of the Equity Shares.
    - The Promoter(s)/Acquirer(s) will return the Equity Shares tendered in the Delisting Offer within ten working days from the end of the bidding period in terms of proviso Regulation 19(2) (a) of the Delisting Regulations.

- Conditions of the Delisting Offer**  
In accordance with Regulation 17 of the Delisting Regulations the Offer made shall be deemed to be successful if:
  - The Promoter(s)/Acquirer(s), in his sole and absolute discretion, decides to accept the Discovered Price or offer the Exit Price. It may be noted that notwithstanding anything contained in this PA, the Promoter(s)/Acquirer(s) reserves the right to reject the Discovered Price if the same is higher than the Floor Price.
  - A minimum number of 16,92,552 Equity Shares are validly tendered at or below the Exit Price so as to cause the cumulative number of Equity Shares held by the Promoter(s)/Acquirer(s) to exceed 90% of Share Capital as per Regulation 17(a) of the Delisting Regulations.
  - At least 25% of the Public Shareholders holding Equity Shares in the demat mode as on the date of the meeting of the Board of Directors approving the Delisting Offer have participated in the RBP, as contemplated in Regulation 17(b) of the Delisting Regulations.  
Provided that, if the Promoter(s)/Acquirer(s) along with the Manager to the Offer demonstrates to NSE that he has sent the Offer Letter of this Delisting Offer to all the Public Shareholders either through registered post or speed post or courier or hand delivery with proof of dispatch or through email as a text or as an attachment to email or as a notification providing electronic link or uniform resource locator including a read receipt, the provision of the mandatory participation of at least 25% of the Public Shareholders holding Equity Shares in the demat mode in the reverse book building process for the Delisting Offer to be successful, is not applicable.
  - All applicable statutory/regulatory approvals for the Delisting Offer are received. To the best of the Promoter(s)/Acquirer(s) knowledge, as on date, there are no statutory or regulatory approvals required for acquiring the Equity Shares and implementing the Delisting Offer. If any statutory or regulatory approvals become applicable, the acquisition of the Equity Shares by the Promoter(s)/Acquirer(s) and the Delisting Offer will be subject to receipt of such statutory or regulatory approvals.
  - There being no other applicable laws or regulations or any order from a court or a competent regulatory authority which would prejudice the Promoter(s)/Acquirer(s) from proceeding with the Delisting Offer.
- Acquisition Window Facility**
  - SEBI, vide its circular /CFD/POLICYCELL/11/2015 dated April 13, 2015 ("SEBI Circular") has provided a framework for acquisitions pursuant to a delisting offer to be made through the stock exchanges ("Stock Exchange Mechanism"). As prescribed under the SEBI Circular, the facility for such acquisitions shall be in the form of a separate window provided by a designated stock exchange having nationwide trading terminals. Further, the SEBI Circular provides that the stock exchanges shall take necessary steps and put in place the necessary infrastructure and systems for implementation of the Stock Exchange Mechanism.
  - As such, the Promoter(s)/Acquirer(s) has opted to avail of the Stock Exchange Mechanism and to acquire the Equity Shares under the Delisting Offer through a separate acquisition window provided by the NSE ("Acquisition Window Facility") in compliance with the SEBI Circular. NSE, being the only stock exchange where the Equity Shares are listed on, is the designated stock exchange for the purpose of the Stock Exchange Mechanism.
  - The Promoter(s)/Acquirer(s) has appointed the Buyer Broker to undertake the acquisitions made pursuant to this Delisting Offer.
- Date of opening and closing of Bid Period**
  - All the Public Shareholders holding the Equity Shares are eligible to participate in the RBP, by tendering whole or part of the Equity Shares held by them through the Acquisition Window Facility at or above the Floor Price. The period during which the Public Shareholders may tender their Equity Shares, pursuant to Stock Exchange Mechanism, shall commence on the Bid Opening Date and close on the Bid Closing Date during normal trading hours of the secondary market ("Bid Period"). During the Bid Period, bids of Equity Shares will be placed in the Acquisition Window Facility by the Public Shareholders ("Bids") through their respective stock brokers registered with the NSE during normal trading hours of secondary market on or before the Bid Closing Date. Any change in the Bid Period will be notified by way of an addendum/corrigendum in the newspapers in which the PA has appeared.
  - The Public Shareholders should note that the Bids are required to be uploaded in the Acquisition Window Facility on or before the Bid Closing Date for being eligible for participation in Delisting Offer. Bids not uploaded in the Acquisition Window Facility will not be considered for delisting purposes and will be rejected.

- Process and methodology for bidding**
  - A letter of offer inviting the Public Shareholders (along with necessary forms and instructions) to tender their Equity shares to the Promoter(s)/Acquirer(s) by way of submission of Bids ("Offer letter") will be dispatched to Public Shareholders, whose names appear on the register of members of the Company and to the owner of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories at the close of business hours on Friday, December 16, 2016 ("Specified Date"). In the event of accidental omission to dispatch the Offer Letter or non-receipt of the Offer Letter by any Public Shareholder or any Public Shareholder who has bought the Equity Shares after Specified Date, they may obtain a copy of Offer Letter by writing to Registrar to the Offer at their address given in paragraph 7, clearly marking the envelope "ECE Industries Limited Delisting Offer". Alternatively, the Public Shareholders may obtain copies of Offer Letter from the website of NSE, www.nseindia.com or from the website of the Registrar to the Offer or the Manager to the Offer, at www.masserv.com and www.corporateprofessionals.com, respectively.
  - For further details on the timetable of activities, please refer to paragraph 21 of this PA.
  - The Delisting Offer is open to all Public Shareholders holding Equity Shares either in physical and/or in demat form.
  - During the Bid Period, the Bids will be placed in the Acquisition Window Facility by the Public Shareholders through their respective stock broker ("Seller Member") during normal trading hours of the secondary market. The Seller Member can enter orders for demat shares as well as physical shares.
  - Procedure to be followed by the Public Shareholders holding Equity Shares in dematerialized form:**
    - The Public Shareholders who desire to tender their Equity Shares in the electronic form under the Delisting Offer would have to do so through their respective Seller Member by indicating the details of Equity Shares they intend to tender under the Delisting Offer ("Tendered Shares").
    - The Seller Member shall then transfer the Tendered Shares by using the settlement number and the procedure prescribed by the National Securities Clearing Corporation Ltd. ("Clearing Corporation") to a special escrow account created by the Clearing Corporation before placing the Bids and the same shall be validated at the time of order entry.
    - The details of settlement number shall be informed in the issue opening circular/notice that will be issued by the NSE or the Clearing Corporation before the Bid Opening Date.
    - For Custodian Participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the Bid Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, if there is any order modification, then it shall revoke the previous custodian confirmation and the revised order shall be sent to the custodian again for its confirmation.
    - Upon placing the Bid, a Seller Member shall provide a Transaction Registration Slip ("TRS") generated by the exchange bidding system to the Public Shareholder. The TRS will contain the details of order submitted like Bid ID No., DP ID, Client ID, No. of Equity Shares tendered and price at which the Bid was placed, etc.
    - The Clearing Corporation will hold in trust the Equity Shares until the Promoter(s)/Acquirer(s) completes his obligations under the Delisting Offer in accordance with the Delisting Regulations.
  - Procedure to be followed by the Public Shareholders holding Equity Shares in the Physical form:**
    - The Public Shareholders who are holding physical Equity Shares and intend to participate in the Delisting Offer will be required to approach their respective Seller Member along with the complete set of documents for verification procedures to be carried out including as below:
      - original share certificate(s);
      - Valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered shareholders in same order and as per the specimen signatures registered with the Company/ registrar and transfer agent of the Company) and duly witnessed at the appropriate place authorizing the transfer. Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate/Notary Public/Bank Manager under their Official Seal;
      - self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferees);
      - Bid Form duly signed (by all holders in case the Equity Shares are in joint names) in the same order in which they hold the Equity Shares; and
      - Any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original

- shareholder has deceased, etc., as applicable. In addition, if the address of the Public Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- Upon placing the Bid, the Seller Member will provide a TRS generated by the Exchange Bidding System to the Public Shareholder. The TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered, price at which the Bid was placed, etc.
- The Seller Member/Public Shareholder should ensure to deliver the documents as mentioned in paragraph 17.6(a) above along with the TRS either by registered post or courier or hand delivery to the Registrar to the Offer at the address mentioned at paragraph 7 within 2 (two) days of bidding by the Seller Member. The envelope should be super scribed as "ECE Industries Limited- Delisting Exit Offer".
- Public Shareholders holding Equity Shares in physical form should note that the Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Equity Shares by the Promoter(s)/Acquirer(s) will be subject to verification of documents. The Registrar to the Offer will verify such bids based on the documents submitted on a daily basis and till such time the NSE shall display such bids as "unconfirmed physical bids". Once the Registrar to the Offer confirms the Bids, it will be treated as "Confirmed Bids". The Bids of the Public Shareholders whose original share certificate(s) & other documents (as mentioned in Paragraph 17.6(a) above) along with the TRS are not received by the Registrar to the Offer, within two days after the Bid Closing Date, shall be liable to be rejected.
- The Registrar to the Offer will hold in trust the share certificate(s) & other documents (as mentioned in Paragraph 17.6(a) above until the Promoter(s)/Acquirer(s) completes his obligations under the Delisting Offer in accordance with the Delisting Regulations.
- It shall be the responsibility of the Public Shareholders tendering in the Offer to obtain all requisite approvals (including corporate, statutory and regulatory approvals) prior to tendering their Equity Shares in the Acquisition Window Facility. The Promoter(s)/Acquirer(s) shall assume that the eligible Public Shareholders have submitted their Bids only after obtaining applicable approvals, if any. The Promoter(s)/Acquirer(s) reserves the right to reject Bids received for physical shares which are without a copy of the required approvals.
- The Public Shareholders, who have tendered their Equity Shares by submitting the Bids pursuant to the terms of this PA and the Offer Letter, may withdraw or revise their Bids upwards not later than one day before the Bid Closing Date. Downward revision of the Bids shall not be permitted. Any such request for revision or withdrawal of the Bids should be made by the Public Shareholder through their respective Seller Member, through whom the original Bid was placed. Any such request for revision or withdrawal of the Bids received after normal trading hours of secondary market on one day before the Bid Closing Date will not be accepted.
- The Public Shareholders should note that the Bids should not be tendered to the Manager to the Offer or the Registrar to the Offer or to the Promoter(s)/Acquirer(s) or to the Company or the NSE. The Public Shareholders should further note that they should have a trading account with a Seller Member as the Bids can be entered only through their respective Seller Member. The Seller Member would issue contract note and pay the consideration to the respective Public Shareholder whose Equity Shares are accepted under the Delisting Offer.
- The cumulative quantity of the Equity Shares tendered shall be made available on NSE's website www.nseindia.com throughout the trading session and will be updated at specific intervals during the Bid Period.
- The Equity Shares to be acquired under the Delisting Offer are to be acquired free from all liens, charges, and encumbrances and together with all rights attached thereto. The Equity Shares that are subject to any lien, charge or encumbrances are liable to be rejected.
- The Public Shareholders holding the Equity Shares under multiple folios are eligible to participate in the Delisting Offer and their Bids would not be rejected.
- Method of Settlement**  
**Upon finalization of the basis of acceptance as per the Delisting Regulations:**
  - The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
  - For consideration towards the Equity Shares accepted under the Delisting Offer, the money of the Special Account (defined in paragraph 20.4 of this PA) shall be used to pay the consideration to the Buyer Broker on or before the pay-in date for settlement. The Buyer Broker will transfer the funds to the Clearing Corporation, which will be released to the respective Seller Member(s) Custodian Participants as per the secondary market pay-out in their settlement bank account. The Seller Member(s)/Custodian Participants would pay the consideration to their respective clients.
  - The Equity Shares acquired in the demat form would either be transferred directly to the Promoter(s)/Acquirer(s)/ account provided it is indicated by the Buyer Broker or it will be transferred by the Buyer Broker to the Promoter(s)/Acquirer(s) account on receipt of the Equity Shares pursuant to the clearing and settlement mechanism of the Stock Exchange. In case of the Equity Shares acquired in the physical form, the same will be transferred directly to the Promoter(s)/Acquirer(s) by the Registrar to the Offer.
  - In case of rejected demat Equity Shares, if any, tendered by the Public Shareholders, the same would be returned to the respective Seller Member by the Clearing Corporation in pay-out. The Seller Member/ Custodian Participants would return these rejected Equity Shares to their respective clients on whose behalf the Bids have been placed. In case of rejection of physical Equity Shares, the same will be returned back to the respective Public Shareholders directly by the Registrar to the Offer.
  - The Seller Member would issue contract note & pay the consideration to the respective Public Shareholder whose Equity Shares are accepted under the Delisting Offer. Buyer Broker would also issue a contract note to the Promoter(s)/Acquirer(s) for the Equity Shares accepted under the Delisting Offer.
  - The Public Shareholders who intend to participate in the Delisting Offer should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Public Shareholders for tendering Equity Shares in the Delisting Offer (secondary market transaction). The consideration received by the Public Shareholders from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Promoter(s)/Acquirer(s), the Company, the Buyer Broker, the Registrar to the Offer and the Manager to the Offer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred by the Public Shareholders.
- Period for which the delisting shall be valid**  
Once the Equity Shares have been delisted, all Public Shareholders, whose Equity Shares have not been acquired by the Promoter(s)/Acquirer(s) may validly tender their Equity Shares to the Promoter(s)/Acquirer(s) at the Exit Price up to a period of one year from the date of del