

**DELISTING
OF
EQUITY SHARES
LAW & PRACTICE**



**THE INSTITUTE OF
Company Secretaries of India**
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament

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PREFACE

Conventionally, delisting of shares did not auger well in India owing to its adverse perception towards the depth and liquidity of the stocks. However, over the time, it was realized that in a market driven economy and liberalized environment, the entry as well as exit from the securities market should be free from undue barriers to protect the minority interests as well. With a view to ensure an inclusive growing market, a need was felt to plug the loopholes in the existing delisting framework and to make them compatible with the internationally prevalent practices.

The Securities and Exchange Board of India (SEBI) superseding its delisting guidelines, 2003 notified the SEBI (Delisting of Equity Shares) Regulations, 2009 commonly known as Delisting Regulations to provide for a simplified procedure for delisting by small companies exempting them from specified requirements subject to certain conditions.

SEBI received several representations on Delisting Regulations, 2009, from market participants including stock exchanges, industry representatives and investor associations, highlighting the challenges faced in delisting process and also the suggestions to address the concerns. Consequently, SEBI (Delisting of Equity Shares) Regulations, 2009 were duly amended in the year 2015 and 2016 respectively.

With a view to acquaint the readers with the regulatory framework, trend towards delisting of shares and operation of regional stock exchanges, the Institute decided to bring out this publication.

I commend the dedicated efforts put in by CS Khusbu Mohanty, Assistant Director, ICSI in finalising the book by incorporating changes in regulatory framework, industry trends and other added value, under the guidance of CS Sonia Baijal, Director, Professional Development, Perspective Planning & Studies, ICSI.

I am confident that this publication will prove to be of immense practical value to professionals, corporate executives, and academicians on the subject.

In any publication, there is always a scope for further improvement. I would personally be grateful to users and readers for offering their suggestions/comments for further refinement.

Place : New Delhi

Date : November 03, 2016

CS Mamta Binani

President

The Institute of Company Secretaries of India

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1

LISTING OF SECURITIES

INTRODUCTION

The listing of securities is ensured by way of an agreement called listing agreement which is entered into between a stock exchange and the issuing company. Listing of securities at stock exchanges provides for free transferability and ready marketability securities of the Company. The listing rules and regulations have been designed to safeguard the interests of investors and to ensure transparency through disclosures, proper supervision and control over the dealings in the conduct of listed companies in India whose securities can freely be traded through the Securities and Exchange Board of India (SEBI).

Listing agreement is of great importance as it provides the terms and conditions to be complied by the company whose securities are listed on the stock exchange. Listed agreement is executed under the common seal of a company.

The Companies Act, 2013 makes it mandatory for a company intending to offer shares or debentures to public through prospectus to list its securities on a stock exchange. The Securities Contracts (Regulation) Act, 1956 (SCRA) obliges the company to comply with the conditions of listing. The term "Listed Company" has been defined in Section 2 (52) of the Companies Act, 2013 as a Company which has any of its securities, listed on any stock exchange.

Listing provides ready marketability and free transferability to securities. The listing rules and regulations have been designed :

- (a) to safeguard the interest of investors and
- (b) to ensure transparency, proper supervision and control of dealings in the conduct of listed companies.

Listed companies by virtue of the listing conditions as stipulated in SEBI LODR, 2015 are required to provide substantial information about the company to the stock exchanges on a regular basis.

This endeavor is in the interest of shareholders and to ensure that management adopt high level of Corporate Governance and compliance.

SEBI has introduced various provisions regulating the listing of securities of companies.

The norms and eligibility criteria for initial listing and the requirements for continued listing have been distinctly laid down by SEBI.

Conditions precedent to listing

The applicant is required to adhere to the conditions precedent to listing as emerging from, *inter-alia*, SCRA, Companies Act, 2013, SEBI Act 1992, any rules and/or regulations framed under foregoing statutes, as also any circular, clarifications, guidelines issued by the appropriate authority under foregoing statutes.

LEGAL PROVISIONS FOR LISTING

The Companies Act, 2013

Securities to be dealt within stock exchanges (Section 40)

According to section 40 (1) of the Companies Act, 2013, every company making public offer shall, before making such offer, make an application to one or more recognised stock exchange or exchanges and obtain permission for the securities to be dealt within such stock exchange or exchanges.

According to Section 40 (2) of the Companies Act, 2013, prospectus shall state the name or names of the stock exchange where application for listing has been made.

According to section 40(3), all monies received on application from the public for subscription to the securities shall be kept in a separate bank account in a scheduled bank and shall not be utilised for any purpose other than—

- (a) for adjustment against allotment of securities where the securities have been permitted to be dealt with in the stock exchange or stock exchanges specified in the prospectus; or
- (b) for the repayment of monies within the time specified by SEBI, received from applicants in pursuance of the prospectus, where the company is for any other reason unable to allot securities.

Any condition purporting to require or bind any applicant for securities to waive compliance with any of the requirements of this section shall be void. If a default is made in complying with the provisions of this section, the company shall be punishable with a fine which shall not be less than five lakh rupees but which may extend to fifty lakh rupees and every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than fifty thousand rupees but which may extend to three lakh rupees, or with both.

Securities Contracts (Regulation) Act, 1956

The Securities Contracts (Regulation) Act, 1956 (SCRA) provides the legal framework for listing of securities by stock exchanges.

SCRA deals, *inter alia*, with the grant of recognition to the stock exchanges and empowers the Central Government to accord such recognition. Central Government has delegated this power to the SEBI.

Section 9 of SCRA empowers the recognised stock exchanges to make bye-laws for regulation and control of contracts subject to previous approval of SEBI. Such bye-laws, may *inter-alia*, provide for the listing of securities on the stock exchange, the inclusion of any security for the purpose of dealings and the suspension or withdrawal of any such securities and the suspension or prohibition of trading in any specified securities.

Sections 21 and 21A deal with conditions for listing and delisting of securities.

Section 21. Conditions for listing

Section 21 provides that where securities are listed on the application of any person in any recognised stock exchange, such person shall comply with the conditions of the listing agreement with that stock exchange.

Section 21A. Delisting of Securities

- (1) A recognized exchange may delist the securities, after recording the reasons therefor, from any recognized stock exchange on any of the ground or grounds as may be prescribed under this Act.

Provided that the securities of a company shall not be delisted unless the company concerned has been given a reasonable opportunity of being heard.

- (2) A listed company or an aggrieved investor may file an appeal before the Securities Appellate Tribunal against the decision of the recognized stock exchange, delisting the securities within fifteen days from the date of the decision of the recognized stock exchange delisting the securities and the provisions of Sections 22B to 22E of this Act, shall apply, as far as may be, to such appeals.

Provided that the Securities Appellate Tribunal may, if it is satisfied that the company was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period not exceeding one month.

Section 22. Right of appeal against refusal of stock exchanges to list securities of public companies

Where a recognised stock exchange acting in pursuance of any power given to it by its bye-laws, refuses to list the securities of any public company or collective investment scheme, the company or scheme shall be entitled to be furnished with reasons for such refusal, and may,—

- (a) within fifteen days from the date on which the reasons for such refusal are furnished to it, or
- (b) where the stock exchange has omitted or failed to dispose of, within the time specified in sub-section (1) of section 73 of the Companies Act, 1956* (1 of

* Section 40 of Companies Act, 2013 corresponds to Section 73 of Companies Act, 1956 is in force SEBI has not amended the SCRA Act to incorporate the newly notified provisions of Companies Act, 2013.

1956) (hereafter in this section referred to as the “specified time”), the application for permission for the shares or debentures to be dealt with on the stock exchange, within fifteen days from the date of expiry of the specified time or within such further period, not exceeding one month, as the Central Government may, on sufficient cause being shown, allow,

appeal to the Central Government against such refusal, omission or failure, as the case may be, and thereupon the Central Government may, after giving the stock exchange an opportunity of being heard,—

- (i) vary or set aside the decision of the stock exchange, or
- (ii) where the stock exchange has omitted or failed to dispose of the application within the specified time, grant or refuse the permission, and where the Central Government sets aside the decision of the recognised stock exchange or grants the permission, the stock exchange shall act in conformity with the orders of the Central Government.

Section 73(1) of Companies Act, 1956, has no relevance in the light of Companies Act, 2013 becoming effective. Provisions relating to appeal to Securities appellate tribunal have not been covered under Companies Act, 2013. However, Regulation 110 of SEBI (ICDR), 2009 provides that it is an obligation of stock exchange, shall grant in-principle approval/list the securities or reject the application for in-principle approval /listing by the issuer or issuing company, as the case may be, within thirty days from the later of the following dates:

- (a) the date of receipt of application for in-principle approval/listing from issuer or the issuing company, as the case may be,;
- (b) the date of receipt of satisfactory reply from the issuer or the issuing company, as the case may be, in cases where the stock exchange(s) has sought any clarification from them.

Section 22A. Right of appeal to Securities Appellate Tribunal against refusal of stock exchanges to list securities of public companies

Section 22A deals with right of appeal against refusal of stock exchanges to list securities of public companies and states that where a recognised stock exchange acting in pursuance of any power given to it by its bye-laws, refuses to list the securities of any company, the company shall be entitled to be furnished with reasons for such refusal, and may : -

- (a) Within fifteen days from the date on which the reasons for such refusal are furnished to it, or
- (b) Where the stock exchange has omitted or failed to dispose of, within the time specified in sub-section (1A) of Section 73 of the Companies Act, 1956 (1 of 1956) (hereafter in this section referred to as the “specified time”), the application for permission for the shares or debentures to be dealt with on the stock exchange within fifteen days from the date of expiry of the specified time or within such further period, not exceeding one month, as the Securities Appellate Tribunal may, on sufficient cause being shown, allow, appeal to the Securities Appellate Tribunal having jurisdiction in the matter against such refusal, omission or failure as the case may be, and thereupon the Securities

Appellate Tribunal may, after giving the stock exchange an opportunity of being heard,

- (i) vary or set aside the decision of the stock exchange; or
- (ii) where the stock exchange has omitted or failed to dispose of the application within the specified time, grant or refuse the permission,

and where the Securities Appellate Tribunal sets aside the decision of the recognised stock exchange or grants the permission, the stock exchange shall act in conformity with the orders of the Securities Appellate Tribunal.

Section 73(1A) of Companies Act, 1956, has no relevance in the light of Companies Act, 2013 becoming effective. Provisions relating to appeal to Securities Appellate Tribunal have not been covered under Companies Act, 2013. However, Regulation 110 of SEBI (ICDR), 2009 provides that it is an obligation of stock exchange, shall grant in-principle approval/list the securities or reject the application for in-principle approval /listing by the issuer or issuing company, as the case maybe, within thirty days from the later of the following dates:

- (a) the date of receipt of application for in-principle approval/listing from issuer or the issuing company, as the case may be,;
- (b) the date of receipt of satisfactory reply from the issuer or the issuing company, as the case may be, in cases where the stock exchange(s) has sought any clarification from them.

22E. Civil court not to have jurisdiction

No civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which a Securities Appellate Tribunal is empowered by or under this Act to determine and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

Section 22F. Appeal to Supreme Court

Any person aggrieved by any decision or order of the Securities Appellate Tribunal may file an appeal to the Supreme Court within sixty days from the date of communication of the decision or order of the Securities Appellate Tribunal to him on any question of law arising out of such order. The Supreme Court may, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period not exceeding sixty days.

Section 23(2) of Securities Contracts (Regulation) Act, 1956, prescribes the penalty for contravention of the provisions contained in Section 15, punishment for violation of Section 21 or Section 21A or with order of or Section 22 or with the orders of the Securities Appellate Tribunal. Under said Section 23(2), if any person is convicted, under Section 22 of SCRA, can be punished with an imprisonment for a term which may extend to ten years or with fine, which may extend to twenty-five crore rupees or with both.

REQUIREMENTS WITH RESPECT TO THE LISTING OF SECURITIES ON A RECOGNISED STOCK EXCHANGE

Rule 19 of the Securities Contracts (Regulation) Rules, 1957 states the requirements with respect to the listing of securities on a recognised stock exchange.

Minimum Public Shareholding Regulation 38 of SEBI (LODR) Regulations, 2015

Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that the listed entity shall comply with the minimum public shareholding requirements specified in Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957 in the manner as specified by SEBI from time to time.

However, provisions of this regulation shall not apply to entities listed on institutional trading platform without making a public issue.

Rule 19(2)(b) and Rule 19A of Securities Contracts Regulation Rules, 1957 also deals with conditions as to minimum public holding and continuous listing requirement respectively. The extracts of the said rules are placed at Annexure to this book.

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DELISTING OF SECURITIES – HISTORICAL BACKGROUND

Delisting denotes removal of the listing of the securities of a listed company from the Stock Exchange. Delisting differs from suspension or withdrawal of admission to dealings of listed securities, which is for a limited period.

'Suspension' of trading in securities means that no trade can take place in the securities of the company suspended for a temporary period. Suspension is not done at the instance of company but it is action taken by the Stock Exchanges against the company, generally for non-compliance of listing conditions as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations). Once, the company makes good the compliance of the listing conditions under LODR Regulations, stock exchange withdraws suspension and permits trading. Stock exchanges may impose fines or freeze promoter/promoter group holding of designated securities, as may be applicable in coordination with depositories at the instances of non compliance with LODR Regulations.

On the other hand, 'delisting' of securities means removal of the name of the company from the stock exchange and no trade can take place in the securities of the company delisted. Delisting of securities can be done either by company voluntarily or by the stock exchange, compulsorily. Generally stock exchange, in order to impose severe punishment on companies compulsorily delist securities of any company, as a last resort. Compulsory delisting affects reputation of company.

Delisting of securities may be of two types, namely, voluntary delisting and compulsory delisting. In the case of voluntary delisting, a listed company seeks of its own volition for the delisting of its securities; while in case of compulsory delisting, the Stock Exchange itself delist the securities of such Company.

Ministry of Finance, Department of Economic Affairs, Stock Exchange Division, in 1979 issued a Circular No.6/9/SE/78 dated 28.6.79, advising the stock exchanges to permit delisting if the following conditions are fulfilled :

- (a) The listed company has incurred losses during the preceding three years as per the audited accounts and net worth has reduced to less than the paid up capital;
- (b) The shares of the company have remained infrequently traded during the

preceding three years;

- (c) The shares of the company remain listed at least on concerned Regional stock exchange.

In case any company does not fulfill any of the above requirements, it may make a reference to Central government and seek approval for delisting.

Ministry of Finance by its circular Cir.No.F/14(2)/SE/85 dated 23 Sept., 1985 further provided that a listed company may be delisted by a Recognised stock exchange if the number of public shareholders falls below 5 for every one lakh rupees of capital offered or if the public shareholding falls below 50% of the public offer. The circular also provided additional conditions regarding capital adequacy of the company and liquidity for the investors. *At present 19(2)(b) of Securities Contracts (Regulation) Rules deals with minimum public holdings.*

CHANDRATRE COMMITTEE ON DELISTING OF SECURITIES

On February 19, 1997 SEBI appointed a Committee, under the chairmanship of Dr. K R Chandratre to look into and make recommendations on various aspects concerning delisting of securities of companies. The terms of reference of the Committee were as follows :

- (a) to examine the present conditions for the delisting of securities of companies listed on the recognized stock exchanges and suggest norms and procedure in connection therewith;
- (b) to examine ways and means of ensuring continuous listing of the securities and protection of the interests of the investors;
- (c) to review mode of payment of listing fees payable by companies to the stock exchanges and suggest manner and periodicity of payment of the fees;
- (d) to recommend changes in laws, rules, regulations, etc. in order to give effect to the recommendations on the above mentioned matters.

The Committee found that these two circulars were not addressing the basic problem of the delisting on the basis of merits / or the absence of the same. Though appreciating the fact that delisting by company be allowed only after the company, through its board, has sought the approval of the shareholders, it recommended that an option be provided to the companies to exit out of the agreement with the Stock Exchanges.

Causes of Delisting

The committee observed that the most common causes, which could trigger both compulsory and voluntary delisting, are as follows:

For compulsory delisting, the major causes may be:

1. Non-payment of listing fees
2. Non-compliance with listing requirements
3. Non-compliance with the provisions of the listing agreement
4. Absence of trading or negligible trading
5. Non-redressal of investors' complaints despite repeated reminders

6. Unfair trading practices at the behest of the promoters / management
7. Other malpractices such as fake, original or duplicate share certificates deliberately issued by the management
8. Whereabouts of the company /or its promoters/directors not known
9. Reduction in the number of public holders of securities

For voluntary delisting, the major causes may be:

1. A listed company finds the listing fees payable to the Stock Exchange burdensome and disproportionate to the benefits accruing to the company and / or its security holders.
2. The number of public shareholders of the listed securities is reduced to so low a level (due to private placement issue or otherwise) that it does not justify the securities to continue to be listed.
3. Regional imbalance of the holders of the securities either due to shifting of the companies registered office and / or location of manufacturing unit, or for any other reason.
4. Negligible trading or total absence of trading for a considerable long period of time.
5. The company has either suspended its business or is under closure or has become sick industrial company
6. Small capital base or failure to comply with the requirement of increasing the capital, not justifying listing to be continued.
7. Mergers, amalgamations, takeovers, etc.

The Committee submitted its Report on December 10, 1997, placed as *Annexure*. SEBI issued Circular SMRDP/CIR-14/98 dated April 29, 1998 based on the recommendations of the Chandratre Committee. The circular laid down the various provisions under which the securities of a company could be voluntarily or compulsorily delisted from the stock exchanges. With the issue of the said circular, aforesaid two circulars of Ministry of Finance of 1979 and 1985 were withdrawn.

PRATIP KAR COMMITTEE ON DELISTING OF SHARES

Growing trend of delisting of shares from the Indian stock exchanges by a number of multi-national companies and its possible negative impact on the securities market had been engaging the attention of the public, media, investor associations and the Government authorities. Delisting was believed to be causing uneasiness and anxiety among investors. Many shareholders expressed the view that the exit price offered generally does not correctly reflect the company's worth and lead to permanent loss of investment opportunity under depressed market conditions.

SEBI therefore constituted a committee under the convenorship of Shri Pratip Kar, the Executive Director, SEBI to address various issues as mentioned below:

- (a) whether there should be regulations to prohibit or discourage delisting of companies from stock exchanges; or

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- (b) whether the present exit option by way of price mechanism available for voluntary delisting of companies under the various SEBI regulations/guidelines need further refinement to provide for adequate compensation to the shareholders specially having regard to the fact that delisting implies complete loss of investment opportunity for the shareholders;
 - (c) whether such price regulation would be adequate to protect the interest of minority shareholders and also discourage delisting of shares; and whether such price regulation would be contrary to free pricing regime, which is being otherwise pursued by SEBI in the primary market;
 - (d) whether regulations or guidelines shall be put in place, which can discourage delisting, by one class of companies such as MNCs;
 - (e) whether separate price regulations for delisting of companies would open up the possibility of regulatory arbitrage with the provisions for acquisition of shares, which are solely governed by SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997;
 - (f) whether when one class of securities (for example equity) of a company is delisted, other classes of securities of the company (for example debentures) should also be delisted;
 - (g) whether in the context of electronic trading on the stock exchanges, the concept of regional stock exchange remains relevant;
 - (h) whether in the case of multiple listing of the same security, the security can be delisted from the regional and other stock exchanges without giving any exit route to the shareholders as long as such security continues to remain listed in any stock exchange which has nation-wide access; and whether this shall provide sufficient access to liquidity for the investors;
 - (i) whether the existing Listing Agreement needs to be reviewed in the context of present market structure and whether the Listing Agreement shall be common for all classes of securities of a company, namely equity and fixed income securities such as convertible and non-convertible debentures;
 - (j) whether stock exchanges can compulsorily delist the shares of a company if it has not complied with the listing conditions and if so the manner in which the interest of investors/shareholders shall be protected;
 - (k) whether the due diligence for listing of a security is uniform across all stock exchanges and if not whether a separate agency needs to be set up to bring about uniformity in the due diligence by the stock exchanges for listing of a security; and
 - (l) whether the power of the stock exchanges is adequate to act as deterrent for violation of the Listing Agreement.

Recommendations of Pratip Kar Committee

To ensure effective implementation of the listing guidelines, compliance of listing requirements/agreement and in general to secure investor protection, SEBI committee made the following recommendations :-

- (a) There should be no prohibition per se against delisting securities provided that

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- the securities of company have been listed for a minimum period of 3 years on any stock exchange;
- (b) There should not be any selective restriction or discrimination against any class of companies for delisting. However, the regulatory framework may need to be strengthened to prevent any misuse by the companies and to ensure that investors' interests are protected at all times;
 - (c) Any acquisition of shares or scheme or arrangement, by whatever name referred to, which may result in delisting of securities should be in compliance with the relevant provisions under any SEBI regulation, circular or guideline and the provisions of the Listing Agreement so as to ensure protection of investors' interest;
 - (d) SEBI should clarify once again that no company could use the buy-back provision to delist the company;
 - (e) There should be comprehensive provisions which shall also include procedures governing the entire subject of delisting of securities of companies, and should cover cases in which companies on their own seek delisting of their securities from all or some of the stock exchanges, as well as those where the stock exchanges can compulsorily delist the securities of a company;
 - (f) The comprehensive provisions for delisting provisions should be applicable in cases where a person in control of the management is seeking to consolidate his holdings in a company, in a manner which would result in the company being delisted, or in cases where as a result of a takeover process, the public (non promoter holding) falls below the prescribed threshold;
 - (g) The exit price for delisting should be in accordance with the book building process;
 - (i) the offer price should have a floor price which should be the average of 26 weeks traded price and without any maximum price;
 - (ii) market forces of demand and supply should determine the price above the floor price. The stock exchanges would provide the infrastructure facility to enable the investors to see the price on the screen to bring transparency to the delisting process;
 - (iii) in the event of securities being delisted, the acquirer should allow a further period of 6 months for any of the remaining shareholders to tender shares at the same price;
 - (iv) to reduce the possibility of price manipulation, the scrips should be kept under special watch by the stock exchanges;
 - (v) to ascertain the genuineness of physical shares if tendered and to avoid the bad papers, R&TA should be asked to cooperate with the Clearing House/ Clearing Corporation to determine the quality of the papers upfront;
 - (vi) if the quantity eligible for acquiring shares at the final price offered does not result in public shareholding falling below 25%, the company would remain listed;

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- (vii) the paid up share capital should not be extinguished as in the case of buyback of shares;
 - (vii) in case of partly paid-up shares, the price determined by the book-building process would be applicable to the extent the call has been made and paid. The amount of consideration for the departing shares should be settled in cash;
 - (h) A company which is listed on any stock exchange may be allowed to delist from that stock exchange without an exit offer being made to its shareholders provided that the securities of the company are listed on BSE or NSE which have nationwide reach. As the securities of the company would continue to be listed on stock exchanges which have nation wide reach, investors' interests would not be jeopardized and hence no additional exit route need be separately provided to them;
 - (i) In all other cases, viz. when a company which is listed on any stock exchange or stock exchanges other than BSE or NSE seeks delisting, an exit offer must be made to the shareholders in accordance with the recommendation as mentioned at point (g);
 - (j) The MOF circular F. NO. 14(2)/SE/85 dated September 23, 1985 should be withdrawn;
 - (k) There should not be any compulsion for the existing companies to remain listed on any stock exchange merely because it is a regional stock exchange and companies shall have the freedom to list on a stock exchange of its choice;
 - (l) Even if the shares of a company are delisted, the fixed income securities may continue to remain listed on the stock exchange. If however a company has a convertible instrument outstanding, it should not be permitted to delist its equity shares till the exercise of the conversion options;
 - (m) Stock exchanges should be empowered to delist those companies which have been suspended for a minimum period of six months for non-compliance with the Listing Agreement;
 - (n) As an alternative to the norms and procedure laid down in Annexure II of the existing SEBI Circular SMDRP/CIR-14/98 dated April 29 1998, the stock exchange should give a show cause notice to these companies besides adequate and wide public notice through newspapers and on the notice boards of the stock exchanges;
 - (o) These companies should be brought into the framework of arbitration mechanism of the stock exchanges so that the investors could have the opportunity of receiving monetary compensation;
 - (p) The Department of Company Affairs may be requested to amend the Companies Act for allowing the stock exchanges to make an application for winding up of the company. However, such petitions against companies shall be filed by the stock exchanges only on the basis of investor complaint;
 - (q) The requirement of continuous listing be made as non-promoter holding of

-
- 25% as provided in Rule of Securities Contracts (Regulation) Rules for public shareholding taking into account the exemption given under Rule 19(2)(b);
- (r) In case of rights issue, allotment to the promoters or the persons in control of the management may be allowed even if they subscribe to unsubscribed portion which may result in the non promoter holding falling below the permissible minimum level, provided that adequate disclosures have been made in the offer document to that effect and provided further that they agree to buy out the remaining holdings at the price of right issue or offer for sale to bring the non-promoter holding at the level of 10% to remain the company listed;
 - (s) To bring about uniformity in the exercise of due diligence in scrutinizing listing applications, a separate agency be formed designated as the Central Listing Authority (CLA);
 - (i) the initial role of the CLA may be confined to scrutinizing listing agreement and reviewing the provisions of Listing Agreement from time to time;
 - (ii) it would be up to SEBI to expand the scope of CLA to include monitoring and compliance with the Listing Agreement at later date;
 - (iii) the CLA will be suitably empowered by SEBI;
 - (iv) a company seeking listing of fresh securities would make an application in a prescribed format listing first to the CLA. The CLA shall give its opinion within 30 days after submission of application. After receiving the approval of CLA, the company would be free to apply to any stock exchange along with the letter of approval of CLA. The stock exchange would independently decide on whether to list the security or not with reference to its listing criteria and in case it does not list the security, it shall give its reasons in writing. The stock exchange shall convey its decision within the time frame already prescribed under the applicable regulations. The decision of the stock exchange would be able to appealable in Securities Appellate Tribunal;
 - (v) the members of the CLA shall not exceed eleven and CLA may be chosen from among the judiciary, lawyers, and people having expertise in securities market regulation, financial experts, academicians and Investor associations. Four members of the CLA shall always be drawn from the stock exchanges who would provide the CLA with expertise and experience in the area of scrutinizing applications for listing;
 - (vi) the quorum will be of four members. The representative of the stock exchanges where listing may be sought by the company would not form a part of quorum of the CLA. Of the members present at the time of granting approval to a listing application, 50% shall be non-stock exchange members;
 - (vii) SEBI would draw up a panel of names for members of the CLA;
 - (viii) the term of a member shall be for a period of 3 years unless the member has been found unfit for any reason or the member has himself expressed his desire to discontinue. No member may be given re-appointment after two terms of three years each;
 - (ix) to enable the CLA to function efficiently, it shall have a permanent secretariat

- which may be provided by the stock exchanges / SEBI who may depute personnel to the CLA to enable CLA to analyze and scrutinize applications, convene meetings etc;
- (x) CLA may charge a reasonable processing fee from the company making application for listing to it;
 - (xi) the CLA will be accountable to SEBI and shall provide a quarterly report on their activities in a specified format to SEBI;
 - (xii) SEBI would periodically review the performance and working of CLA based on the reports and may reconstitute the CLA as and when necessary.
- (t) Reinstatement of delisted securities shall be permitted by the stock exchanges with a cooling period of 2 years. In other words, relisting of securities shall be allowed after 2 years of delisting of the securities. It would be based on the respective norms/criteria for listing at the time of making the application for listing and the application will be initially scrutinized by the CLA.

The report of the committee was considered and accepted by SEBI. Pursuant to the same, SEBI vide Circular SMD/Policy/CIR – 7/ 2003 dated February 17, 2003 issued the SEBI (Delisting of Securities) Guidelines, 2003 (Guidelines).

The Guidelines dealt with Voluntary Delisting and Compulsory delisting and provided for detailed procedure for voluntary delisting, delisting from one or more stock exchanges, delisting of one or all class of securities, delisting pursuant to Rights issue, Compulsory delisting of companies by stock exchanges, rights of securities holders in case of compulsory delisting.

Based on many representations from market participants, stock exchanges, industry representatives and common shareholders, considering procedural implementation difficulties, it was proposed to look into and suggest changes in the guidelines. The provisions governing Delisting of Securities were initially envisaged only as a guiding framework to provide for an exit option at a determined price with the Stock Exchange overseeing the compliance. Consistent with the need to have appropriate instrumentalities, Guidelines were converted into Regulations.

Accordingly, in exercise of the powers conferred by Section 31 read with Section 21 of the Securities Contracts (Regulation) Act, 1956, section 30, section 11(1) and section 11(2) of Securities and Exchange Board of India Act, 1992, SEBI notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 to regulate delisting of equity shares.

Subsequently, SEBI received several representations from market participants printing out issues in the delisting process both in the cases where the delisting offer has succeeded or failed. Certain concern relating to delisting process have also been raised from the perspective of investors. There were apprehensions that either through parking their own shares by way of offer for sale (OFS) / Institutional Placement Programme (IPP) or through informal arrangements with a set of investors, they acquire such shares at a predetermined price and successfully delist the company at a price favourable to them. This adversely inputs true price discovery. So taking note of all the issues and concerns, SEBI again come out with a discussion paper on 'Review of Delisting Regulation' in light of the above on 09 May, 2014.

The discussion paper contained the suggestion received from the market participants, the following were the main issue :

- (i) Price discovery mechanism
- (ii) Lack of sufficient demand/enhancing participation in RBB
- (iii) Shortening of process
- (iv) Threshold limit
- (v) Delisting of small companies
- (vi) Indicative timelines to complete the delisting process.

on receiving comments from public, SEBI placed a comprehensive report before the Primary Market Advisory Committee (PMAC) and proposed amendments to the SEBI (Delisting of Equity Shares) Regulations, 2009. Based on the recommendations of PMAC SEBI amended the regulations vide its notification dated 24th March, 2015 SEBI, subsequently amended the regulations on August 14, 2015 and January 12, 2016 respectively.

A pre and a post scenario comparison after amendments which were made in 2015 to the SEBI (Delisting of equity Shares) Regulations, 2009

The major challenges faced with the 'delisting regulations' can be attributed to high shareholders' bid prices resulting in exorbitant final offer price, low shareholders' participation in book building process, and lengthy timelines associated with completing delisting. In the wake of these challenges, the 2015 Amendment aims at facilitating delisting and has introduced substantial changes to simplify the 'delisting regulations'. These amendments were implemented on March 24, 2015. The key changes are as follows:

- (a) *Reduction in timelines* : The maximum time within which the steps must be completed has been reduced to approximately 20 days as against 138 days under the 2009 Regulations.
- (b) *Changed thresholds for successful offer* : Under the 'delisting regulations', delisting was successful if post-delisting the total promoter shareholding was higher of either 90% of the issued share capital or aggregate of pre-offer promoter shareholding and 50% of offer size.

The SEBI (Delisting of Equity Shares) (Amendment) Regulations, 2015 has revised the threshold to 90% of the issued share capital. Further, a new condition is added which requires that at least 25% of public shareholders holding demat shares must participate in the book-building process.

- (c) *New responsibilities for board of directors* : The 2015 Amendment imposes new responsibilities on the boards of companies. As per Regulation 8(1A), the board has to (i) disclose the delisting proposal to the stock exchange and appoint merchant banker for due diligence; and (ii) furnish details of trading and off-market transactions of top 25 shareholders to the merchant banker and, provide additional information, as and when sought by them. There was no such obligation under the 'delisting regulations'.

These amendments ensure that the interest of the shareholders and the company's commercial needs are protected.

3

SEBI (DELISTING OF EQUITY SHARES) REGULATIONS 2009 — AN OVERVIEW

SEBI (Delisting of Equity Shares) Regulations, 2009 are applicable to delisting of equity shares of a company from all or any of the recognised stock exchanges where such shares are listed.

Framework of SEBI (Delisting of Equity Shares) Regulations, 2009

These regulations contain 8 chapters and three schedules dealing with the following:

- Chapter I - Preliminary - Regulations 1 and 2;
- Chapter II - Delisting of Equity Shares - Regulations 3 and 4;
- Chapter III - Voluntary Delisting - Regulations 5 to 8;
- Chapter IV - Exit Opportunity - Regulations 9 to 21;
- Chapter V - Compulsory Delisting - Regulations 22 to 24;
- Chapter VI - Powers of the Board - Regulations 25, 25A and 26;
- Chapter VII - Special provisions for small companies and delisting by operation of law-Regulations 27 and 28;
- Chapter VIII - Miscellaneous - Regulations 29 to 31.
- Schedule I - Contents of the Public Announcement;
- Schedule II - The Book building process;
- Schedule III - Criteria for Compulsory Delisting.

Provided that these regulations shall not apply to securities listed without making a public issue, on the institutional trading platform of a recognised stock exchange.

However, these regulation shall not be applicable in case of delisting under a scheme sanctioned by the Board for Industrial and Financial Reconstruction under the Sick Industrial Companies (Special Provisions) Act, 1985 or by the National Company Law

Tribunal under section 424D* of the Companies Act, 1956, if such scheme lays down any specific procedure to complete the delisting; or provides an exit option to the existing public shareholders at a specified rate. The above paragraph read in harmonisation with applicable provisions of the Insolvency and Bankruptcy code, 2016 and Companies Act, 2013.

Circumstances where delisting is not permissible

- Pursuant to Buy back of equity shares by the company; or
- Pursuant to Preferential allotment made by the company; or
- Unless a period of three years has elapsed since the listing of that class of equity shares; or
- Instruments which are convertible into the same class of equity shares that are sought to be delisted are outstanding.
- Delisting of convertible securities.

Promoter or promoter group shall not propose delisting of equity shares of a company, if any entity belonging to the promoter or promoter group has sold equity shares of the company during a period of six months prior to the date of the board meeting in which the delisting proposal was approved in terms of sub-regulation (1B) of regulation 8.

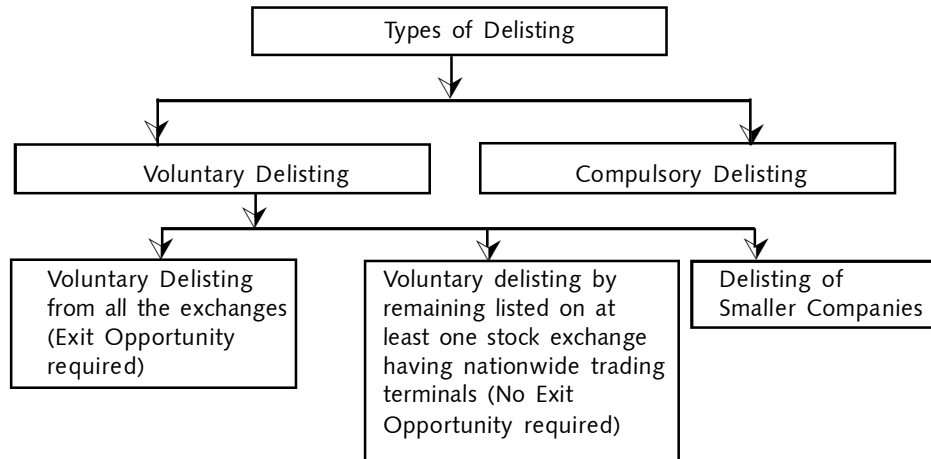
SEBI (SAST) Regulations, 2011 provides that the acquirer whose shareholding exceeds the maximum permissible non-public shareholding, pursuant to an open offer under these regulations, is not eligible to make a voluntary delisting offer under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, unless a period of twelve months has elapsed from the date of the completion of the offer period.

Conditions applicable

- No promoter shall directly or indirectly employ the funds of the company to finance an exit opportunity or an acquisition of shares made pursuant to provide under these regulations.
- No acquirer or promoter or promoter group or their related entities shall –
 - a) employ any device, scheme or artifice to defraud any shareholder or other person; or
 - b) engage in any transaction or practice that operates as a fraud or deceit upon any shareholder or other person; or
 - c) engage in any act or practice that is fraudulent, deceptive or manipulative – in connection with any delisting sought or permitted or exit opportunity given or other acquisition of shares made under these regulations.

* Section 262 of the Companies Act, 2013 corresponding to the Section 424D of the Companies Act, 1956 is not yet notified by MCA.

TYPES OF DELISTING



Voluntary and Compulsory Delisting

In voluntary delisting, a listed company decides on its own to permanently remove its securities from the stock exchange, where the company opts to delist.

Compulsory delisting refers to permanent removal of securities of a listed company from a stock exchange as a penalizing measure at the behest of the stock exchange for not making submissions/comply with various requirements set out in the Listing agreement within the time frames prescribed.

Voluntary Delisting may be

- (i) Voluntary delisting from all the exchanges; or
- (ii) Voluntary delisting from few exchanges but remaining listed in one exchange having nation wide terminals; and
- (iii) Delisting of smaller companies.

When the companies want to delist its shares from all the exchanges then, it is required to provide an exit option to the investors. (i.e., Reverse Book Building)

<i>Compulsory delisting</i>	<i>Voluntary delisting</i>
<ul style="list-style-type: none"> • Non-payment of listing fees. • Non-compliance with listing requirements and listing agreement. • Non redressal of investor's complaints despite repeated reminders. • Unfair trading practices at the behest of the promoters/management. • Other malpractice such as fake, original or duplicate share certificates deliberately issued by the management. 	<ul style="list-style-type: none"> • A listed company finds the listing fees payable to the stock exchanges burdensome and disproportionate to the benefits accruing to the company or its stock holders. • Regional imbalance of the holders of the securities • Negligible trading or total absence of trading for a considerable long period of time.

<i>Compulsory delisting</i>	<i>Voluntary delisting</i>
<ul style="list-style-type: none"> • Whereabouts of the company/or its promoters/directors not known • Reduction in number of public holders of securities. 	<ul style="list-style-type: none"> • The company has either suspended its business or is under closure or has become sick industrial company. • Small capital base or failure to comply with the requirement of increasing the capital, not justifying listing to be continued. • Mergers, amalgamations, takeovers, etc.

Agencies involved in delisting process and their role

<i>Agencies</i>	<i>Functions</i>
Merchant banker	<ul style="list-style-type: none"> • Determines exit price. • Makes public announcements. • Determines bidding centres. • Appoints trading members. • Determines and announces final trading price. • Overseas settlement process.
Professionals involved	<ul style="list-style-type: none"> • Intimates stock exchange. • Gets special resolution approved and filed at ROC. • Determines exit price. • Finalizes schedule of delisting. • Overseas book building process. • Opens escrow account. • Prepare public announcement. • Determines and announces final trading price. • Overseas settlement process.

SALIENT FEATURES OF SEBI (DELISTING OF EQUITY SHARES) REGULATIONS, 2009

- These Regulations shall not be applicable to sick companies and whose reconstruction/ revival scheme provides for the delisting and an exit option to the public shareholders be given.

-
- Public shareholders have been defined as the holders of equity shares other than the Promoters and holders of depository receipts issued overseas against underlying equity shares.
 - The companies cannot delist their securities from the Exchanges pursuant to buyback, preferential allotment and if any instruments is pending for conversion into equity shares.
 - In case the company continues to remain listed at any of the exchanges having nationwide trading terminals, then the approval of share holders is not required.
 - The concept of Specified Date has been provided to determine the names of shareholders to whom the letter of offer is to be sent. The specified date shall not be later than 30 working days from the date of the Public Announcement.
 - The exchanges are required to dispose off the application seeking delisting/ in principle approval within 30 working days from the date of receipt of application complete in all respect.
 - In case where an Exit Opportunity is required to be given to the Public Shareholders, then Company will have to now take in principle approval from the concerned Exchange(s).
 - The special resolution passed for the delisting giving exit option to the shareholders will be valid for a period of 1 year within which the final application will be required to be made to the exchange for delisting.
 - The shareholders approval should be sought from the shareholders *via* postal ballot in case the exit opportunity be given to the shareholders. The votes cast by the public shareholders in favour of the delisting proposal should be at least 2 times of the numbers of votes cast against it.
 - The Opening Date of the Offer should not be later than 7 working days from the Public Announcement. The Offer should remain open for a period of 5 working days, during which the public shareholder may tender their bids.
 - An acquirer/Promoters/ Persons Acting in Concert (PAC)/ GDR/ ADR/ Receipt Holders can not participate in the delisting bid. If Depository Receipt holders wish to participate then they have to first convert them into equity shares.
 - The Acquirer or Promoters are not bound to accept the Offer Price, as may be determined by the Book Building Process. If the acquirer or Promoters do not accept the price arising out of bidding :
 - (a) the acquirer or promoter shall not acquire any equity shares tendered pursuant to the offer and the equity shares deposited or pledged by a shareholder pursuant to paragraphs 7 or 9 of Schedule II shall be returned or released to him within ten working days of closure of the bidding period;
 - (b) the company shall not make the final application to the exchange for delisting of the equity shares;
 - (c) the acquirer or promoter may close the escrow account opened under regulation 11.
 - The final exit price to remain open for a period of 1 year from the date of

delisting, for the remaining shareholders who have not exercised the option at the time the offer is open.

- The Exchanges are required to constitute a Panel for taking decisions regarding the compulsory delisting and also to appoint an Independent Valuer for determining the fair value of such compulsorily delisted shares, at which the promoters of the company have to accept the shares of the public shareholders.
- In case of Delisted companies who were sick in the past, can be given opportunity of listing through restructuring scheme passed by BIFR.
- In case of compulsory delisting, the promoters, the whole time directors, and the companies which are promoted by any of them shall not directly or indirectly access the securities market or seek listing for any equity shares for a period of 10 years from the date of such delisting.
- There are special provisions with regard to delisting of equity shares of smaller companies.
- Relisting can be done after 5 years in case of voluntary delisting and 10 years in case of compulsory Delisting.

* * *

4

VOLUNTARY DELISTING

Chapter III of SEBI (Delisting of Shares) Regulations 2009 gives an option to the listed company to either get itself delisted from all the recognised stock exchanges where it is listed or only from some of the few stock exchanges and continue to be listed on the exchange(s) having nation wide terminals.

The difference between two options is that of giving 'exit opportunity' to the shareholders. This is described as under:

- *Option I – No 'exit opportunity' required to be given* : In this option, if after the proposed delisting from any one or more recognised stock exchanges, the equity shares still remain listed on any recognised stock exchange which has nation-wide trading terminals, no exit opportunity needs to be given to the public shareholders. The procedure for such delisting of shares can be through a board resolution, public notice and application to the concerned exchange.
- *Option II – 'Exit opportunity' must be given* : This option requires that if after the proposed delisting, the equity shares do not remain listed on any recognised stock exchange having nation-wide trading terminals, exit opportunity shall be given to all the public shareholders holding the equity shares sought to be delisted, through reverse book building.

'Recognised stock exchange having nation wide trading terminals' means the Bombay Stock Exchange Limited, the National Stock Exchange of India Limited or any other recognised stock exchange which may be specified by SEBI in this regard.

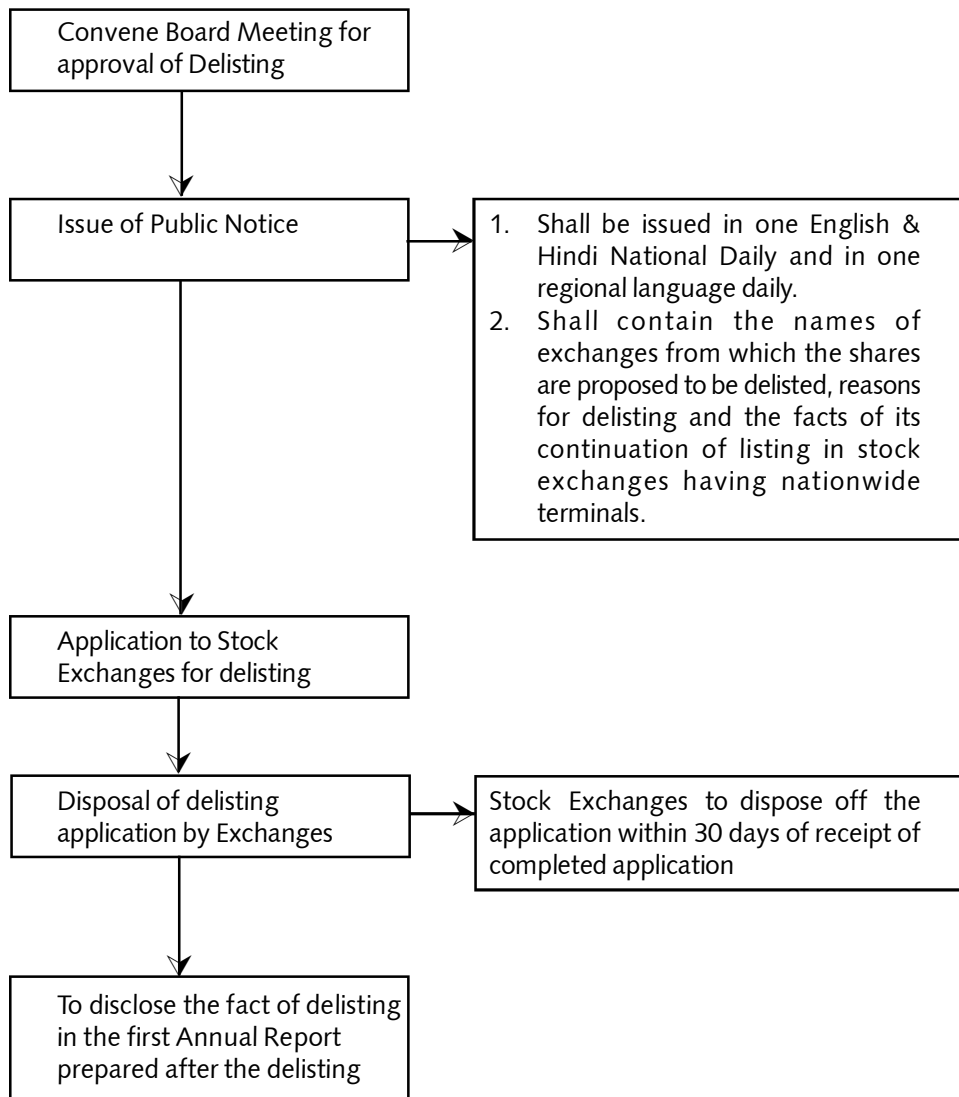
PROCEDURE FOR VOLUNTARY DELISTING

In case of no exit opportunity

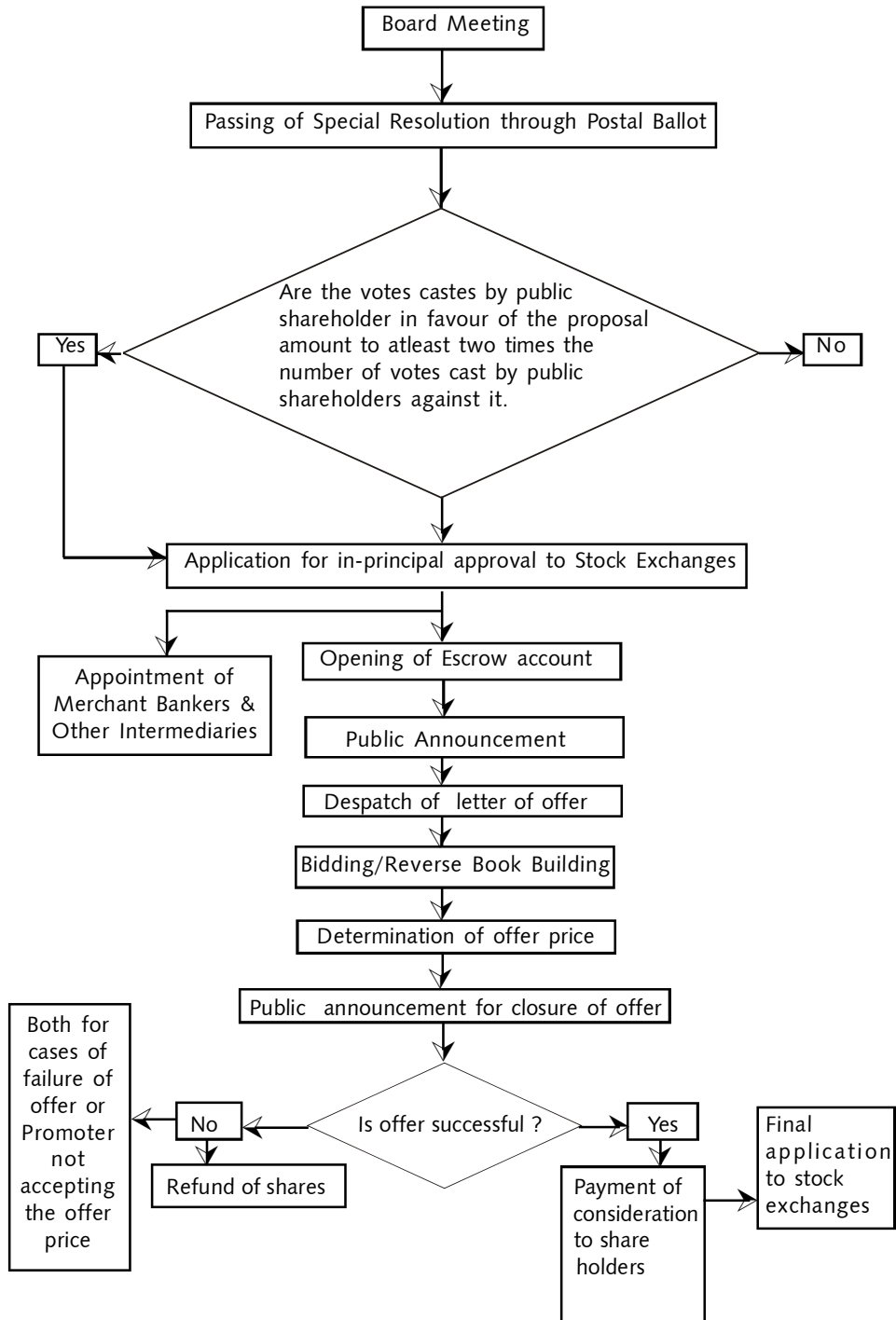
- (1) It shall be approved by a resolution of the board of directors of the company in its meeting;
- (2) The company shall give a public notice of the proposed delisting in at least one English national daily with wide circulation, one Hindi national daily with wide circulation and one regional language newspaper of the region where the concerned recognised stock exchanges are located;
- (3) The company shall make an application to the concerned recognised stock exchange regarding this;

- (4) The public notice shall mention the names of the recognised stock exchanges from which the equity shares of the company are intended to be delisted, the reasons for such delisting and the fact of continuation of listing of equity shares on recognised stock exchange having nation wide trading terminals;
- (5) An application shall be disposed off by the recognised stock exchange within a period not exceeding thirty working days from the date of receipt of such application complete in all respects.
- (6) The fact of delisting shall be disclosed in the first annual report of the company prepared after the delisting.

Flow chart on Voluntary Delisting without exit option



Flow chart on Voluntary Delisting with exit option



Exit opportunity is required to be given to the shareholders in case of a company delists its equity shares from all the recognised stock exchanges including exchanges having nationwide terminals.

Except where the equity shares would remain listed on any recognised stock exchange which has nationwide trading terminals and no exit opportunity needs to be given to the public shareholders, any company desirous of delisting its equity shares is required to –

- (1) Obtain the prior approval of the board of directors of the company in its meeting;
- (2) Obtain the prior approval of shareholders of the company by special resolution passed through postal ballot, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution;

However, the special resolution shall be acted upon if and only if the votes cast by public shareholders in favour of the proposal amount to at least two times the number of votes cast by public shareholders against it.

'Public Shareholders' means the holders of equity shares other than the following.

- (a) Promoters
 - (b) Holders of depository receipts issued overseas against equity shares held with a custodian and such custodian.
- (3) Prior to granting approval, the board of directors of the company shall,
 - (a) make a disclosure to the recognized stock exchanges on which the equity shares of the company are listed that the promoters/acquirers have proposed to delist the company;
 - (b) appoint a merchant banker to carry out due-diligence and make a disclosure to this effect, to the recognized stock exchanges on which the equity shares of the company are listed;
 - (c) obtain details of trading in shares of the company for a period of two years prior to the date of board meeting by top twenty five shareholders as on the date of the board meeting convened to consider the proposal for delisting, from the stock exchanges and details of off-market transactions of such shareholders for a period of two years and furnish the information to the merchant banker for carrying out due-diligence;
 - (d) obtain further details relating to due diligence from the board of director and furnish the information to the merchant banker.
 - (4) The board of directors of the company while approving the proposal for delisting shall certify that:
 - (a) the company is in compliance with the applicable provisions of securities laws;
 - (b) the acquirer or promoter or promoter group or their related entities, are in compliance with these regulation;

(c) the delisting is in the interest of the shareholders

- (5) For certification in respect of matters discussed above, the board of directors of the company shall take into account the report of the merchant banker as specified in these regulation.
- (6) The merchant banker appointed by the board of directors of the company, shall carry out due diligence upon obtaining details from the board of directors of the company.
- (7) Provided that if the merchant banker is of the opinion that details referred to in point 3(c) are not sufficient for certification in terms these regulation, he shall obtain additional details from the board of directors of the company for such longer period as he may deem fit.

Upon carrying out due-diligence as specified above, the merchant banker shall submit a report to the board of directors of the company certifying the following:

- (a) the trading carried out by the entities belonging to acquirer or promoter or promoter group or their related entities was in compliance or not, with the applicable provisions of the securities laws; and
 - (b) entities belonging to acquirer or promoter or promoter group or their related entities have carried out or not, any transaction to facilitate the success of the delisting offer which is not in compliance with the provisions of sub-regulation (5) of regulation 4.
- (8) Make an application to the concerned recognised stock exchange for in-principle approval of the proposed delisting and accompanied by an audit report as required under regulation 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 in respect of the equity shares sought to be delisted, covering a period of six months prior to the date of the application.
 - (9) An application shall be disposed off by the recognised stock exchange within a period not exceeding five working days from the date of receipt of such application complete in all respects.
 - (10) The recognised stock exchange shall not unfairly withhold such application, but may require the company to satisfy it as to -
 - (a) Compliance with these regulations
 - (b) The resolution of investor grievances by the company;
 - (c) Payment of listing fees to that recognised stock exchange;
 - (d) The compliance with any condition of the listing agreement with that recognised stock exchange having a material bearing on the interests of its equity shareholders;
 - (e) Any litigation or action pending against the company pertaining to its activities in the securities market or any other matter having a material bearing on the interests of its equity shareholders;

- (f) Any other relevant matter as the recognised stock exchange may deem fit to verify.
- (11) Within one year of passing the special resolution, make the final application to the concerned recognised stock exchange in the form specified by the recognised stock exchange and shall be accompanied with such proof of having given the exit opportunity in accordance with these regulations as the recognised stock exchange may require.

DELISTING PROCEDURES

Details of Delisting Procedures is enumerated below :

Appointment of Intermediaries

- The company shall appoint Intermediaries such as Merchant Banker, book running Manager, Registrar etc.

Escrow account

- Before making the public announcement, the acquirer or promoter shall open an escrow account and deposit therein the total estimated amount of consideration calculated on the basis of floor price and number of equity shares outstanding with public shareholders.
- The escrow account shall consist of either cash deposited with a scheduled commercial bank, or a bank guarantee in favour of the merchant banker, or a combination of both.
- On determination of final price through reverse Book Building, the acquirer or promoter shall forthwith deposit in the escrow account such additional sum as may be sufficient to make up the entire sum due and payable as consideration in respect of equity shares outstanding with public shareholders.

<p>Can cash component of the escrow account in the delisting offer process be maintained in an interest bearing account?</p>

<p><i>Yes, the cash component of the escrow account may be maintained in an interest bearing account. However, the merchant banker shall ensure that the funds are available at the time of making payment to shareholders.</i></p>

Public Announcement

- The acquirers or promoters of the company shall within one working day from the date of receipt of in-principle approval for delisting from the recognised stock exchange, make a public announcement which contains all material information including the information specified in Schedule I of the Regulations and shall not contain any false or misleading statement, in at least one English national daily with wide circulation, one Hindi national daily with wide circulation and one regional language newspaper of the region where the concerned recognised stock exchange is located.
- The public announcement shall also specify a date, being a day not later than thirty working days from the date of the public announcement, which shall be the 'specified date' for determining the names of shareholders to whom the letter of offer shall be sent.

-
- Before making the public announcement, the acquirer or promoter shall appoint a merchant banker registered with SEBI and such other intermediaries as are considered necessary to ensure compliance with these regulations.
 - No acquirer or promoter shall appoint any person as a merchant banker if such a person is an associate of the acquirer/promoter.
 - No entity belonging to the acquirer, promoter and promoter group of the company shall sell shares of the company during the period from the date of the board meeting in which the delisting proposal was approved till the completion of the delisting process.

Letter of offer

- The acquirer or promoter shall despatch the letter of offer to the public shareholders of equity shares, not later than two working days from the date of the public announcement.
- The letter of offer shall be sent to all public shareholders whose names appear on the register of the company or depository as on the date specified in the public announcement .
- The letter of offer shall contain all the disclosures made in the public announcement and such other disclosures as may be necessary for the shareholders to take an informed decision.
- The letter of offer shall be accompanied with a bidding form for use of public shareholders and a form to be used by them for tendering shares. [Refer Annexure for Specimen letter of offer]

Bidding period

- The date of opening of the offer shall not be later than seven working days from the date of the public announcement.
- The acquirer or promoter shall facilitate tendering of shares by the shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI.
- The offer shall remain open for a period of five working days.

Book building process

- All public shareholders of the equity shares which are sought to be delisted shall be entitled to participate in the book building process in the manner specified in Schedule II. The process of Reverse book building is described in Chapter 5.
- A acquirer or promoter or a person acting in concert with any of the promoters shall not make a bid in the offer.
- Any holder of depository receipts issued on the basis of underlying shares held by a custodian and any such custodian shall not be entitled to participate in the offer and this shall not affect if the holder of depository receipts exchanges such depository receipts with shares of the class that are proposed to be delisted.

Offer price

The offer price shall be determined through book building in the manner specified in Schedule II, after fixation of floor price and disclosure of the same in the public announcement and the letter of offer.

The Floor price shall be determined in terms of regulation 8 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be applicable.

Promoter not bound to accept the offer price

The acquirer or promoter is not bound to accept the equity shares at the offer price determined by the book building process. If the promoter decides not to accept the offer price so determined,-

- (a) the acquirer or promoter shall not acquire any equity shares tendered pursuant to the offer and the equity shares deposited or pledged by a shareholder pursuant to paragraphs 7 or 9 of Schedule II shall be returned or released to him within ten working days of closure of the bidding period;
- (b) the company shall not make the final application to the exchange for delisting of the equity shares;
- (c) the acquirer or promoter may close the escrow account.

Minimum number of equity shares to be acquired

An offer shall be deemed to be successful only if,-

- (a) the post offer promoter shareholding (along with the persons acting in concert with the promoter) taken together with the shares accepted through eligible bids at the final price determined as per Schedule II, reaches ninety per cent of the total issued shares of that class excluding the shares which are held by a custodian and against which depository receipts have been issued overseas; and
- (b) at least twenty five per cent of the public shareholders holding shares in the demat mode as on date of the board meeting, had participated in the Book Building Process.

Provided that this requirement shall not be applicable in a case, where the acquirer and the merchant banker demonstrate to the stock exchanges that they have delivered the letter of offer to all the public shareholders either through registered post or speed post or courier or hand delivery with proof of delivery 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.

Explanation - In case where delisting offer has been made in terms of regulation 5A of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the threshold limit of ninety per cent for successful delisting offer shall be calculated taking into account the post offer shareholding of the acquirer taken together with the existing shareholding, shares to be acquired which attracted the obligation to make an open offer and shares accepted through eligible bids at the final price determined as per Schedule II.

Regulation 5A. Delisting offer

As per Regulation 5A of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, the following are the provisions for delisting of offer:-

1. Notwithstanding anything contained in these regulations, in case where the acquirer makes a public announcement of an open offer for acquiring shares of a target company in terms of regulations 3, 4 or 5, he may delist the company in accordance with provisions of the SEBI (Delisting of Equity Shares) Regulations, 2009 but the acquirer shall have declared upfront his intention to so delist at the time of making the detailed public statement.
2. Where an offer made is not successful,
 - (i) on account of non-receipt of prior approval of shareholders in terms of regulation 8(1)(b) of SEBI (Delisting of Equity Shares) Regulations, 2009; or
 - (ii) in terms of regulation 17 of SEBI (Delisting of Equity Shares) Regulations, 2009; or
 - (iii) on account of the acquirer rejecting the discovered price determined by the book building process in terms of regulation 16(1) of SEBI (Delisting of Equity Shares) Regulations, 2009, the acquirer shall make an announcement within 2 working days in respect of such failure in all the newspapers in which the detailed public statement was made and shall comply with all applicable provisions of these regulations.
3. In the event of the failure of the delisting offer, the acquirer through the manager to the open offer, shall within five working days from the date of the announcement file with SEBI, a draft of the letter of offer as specified in regulation 16(1) and shall comply with all other applicable provisions of these regulations.
4. Where a competing offer is made in terms of regulation 20(1),-
 - (a) the acquirer shall not be entitled to delist the company;
 - (b) the acquirer shall not be liable to pay interest to the shareholders on account of delay due to competing offer;
 - (c) the acquirer shall comply with all the applicable provisions of these regulations and make an announcement in this regard, within two working days from the date of public announcement made in terms of regulation 20(1), in all the newspapers in which the detailed public statement was made.
5. Shareholders who have tendered shares in acceptance of the offer made under sub-regulation (1), shall be entitled to withdraw such shares tendered, within 10 working days from the date of the announcement.
6. Shareholders who have not tendered their shares in acceptance of the offer made under sub-regulation (1) shall be entitled to tender their shares in acceptance of the offer made under these regulations.

In case any third party acquirer makes a delisting offer instead of an open offer under regulation 5A of SEBI(Substantial Acquisition of Shares and Takeover) Regulations, 2011, whether the requirement of Board approval and Merchant Banker due diligence would apply?

Yes, the requirement of Board approval and due diligence by the Merchant Banker would apply in such cases as well.

Public Announcement on Closure of offer

Within five working days of closure of the offer, the promoter or acquirer and the merchant banker shall make a public announcement in the newspapers regarding:-

- (a) the success of the offer along with the final price accepted by the acquirer; or
- (b) the failure of the offer; or
- (c) rejection of the final price discovered under Schedule II, by the promoters.

Failure of offer

- (1) Where the offer is rejected or is not successful, the offer shall be deemed to have failed and no equity shares shall be acquired pursuant to such offer.
- (2) Where the offer fails –
 - (a) the equity shares deposited or pledged by a shareholder shall be returned or released to him within ten working days from the end of the bidding period;

Provided that the acquirer shall not be required to return the shares if the offer is made pursuant to regulation 5A of Securities and Exchange Board of India (Substantial/Acquisition of Shares and Takeovers) Regulations, 2011.
 - (b) no final application shall be made to the exchange for delisting of the equity shares; and
 - (c) the escrow account opened shall be closed.

Payment of consideration

1. The promoter shall immediately on ascertaining success of the offer, open a special account with a banker to an issue registered with SEBI and transfer thereto, the entire amount due and payable as consideration in respect of equity shares tendered in the offer, from the escrow account.
2. All the shareholders whose equity shares are verified to be genuine shall be paid the final price stated in the public announcement within ten working days from the closure of the offer.

Return of equity shares

The equity shares deposited or pledged by a shareholder shall be returned or released to him, within ten working days from the closure of the offer, in cases where the bids pertaining thereto have not been accepted.

Right of remaining shareholders to tender equity shares

- (1) Where, pursuant to acceptance of equity shares tendered in terms of these regulations, the equity shares are delisted, any remaining public shareholder holding such equity shares may tender his shares to the promoter upto a period of at least one year from the date of delisting and, in such a case, the promoter shall accept the shares tendered at the same final price at which the earlier acceptance of shares was made.

- (2) The payment of consideration for shares accepted shall be made out of the balance amount lying in the escrow account.
- (3) The amount in the escrow account or the bank guarantee shall not be released to the promoter unless all payments are made in respect of shares tendered.

* * *

5

REVERSE BOOK BUILDING

SEBI (Delisting of Equity Shares) Regulations, 2009 requires companies to go through the process of Reverse Book Building, for delisting of its shares from all the exchanges, including the exchanges with nationwide terminals.

What is reverse book building ?

The Reverse Book Building is a mechanism provided for capturing the sell orders on online basis from the shareholders through respective Book Running Lead Managers (BRLMs) which can be used by companies intending to delist its shares through buy back process. In the Reverse Book Building scenario, the Acquirer/Company offers to buy back shares from the share holders.

The Reverse Book Building is basically a process used for efficient price discovery. It is a mechanism where, during the period for which the Reverse Book Building is open, offers are collected from the share holders at various prices, which are above or equal to the floor price. The buy back price is determined after the offer closing date.

Terminology

(a) *Bid*

A bid is the price at which securities are offered by the shareholder which is entered in the system by the trading member. The two main components of a bid are the price and the quantity.

(b) *Floor Price*

Floor Price is the minimum price at which the bids can be placed and is determined on the basis of regulation 15 of SEBI (Delisting of Equity Shares) Regulations, 2009.

(c) *Public Shareholders*

means the holders of equity shares, other than the following:

- (a) promoters;
- (b) holders of depository receipts issued overseas against equity shares held with a custodian and such custodian;

(d) *Order Book*

As and when valid Offers are received by the system, they are first numbered, time stamped, and stored in the book. Each offer has a distinctive offer number and a unique time stamp on it. All the Offers placed in the system will remain outstanding till the last day of the book building process. Trading Members can modify/cancel all the offers placed in the system from the start till the last day of the Book-Building process.

The process in brief

The promoter or acquirer shall appoint a Merchant Banker and also a trading member for placing bids on the online electronic system :

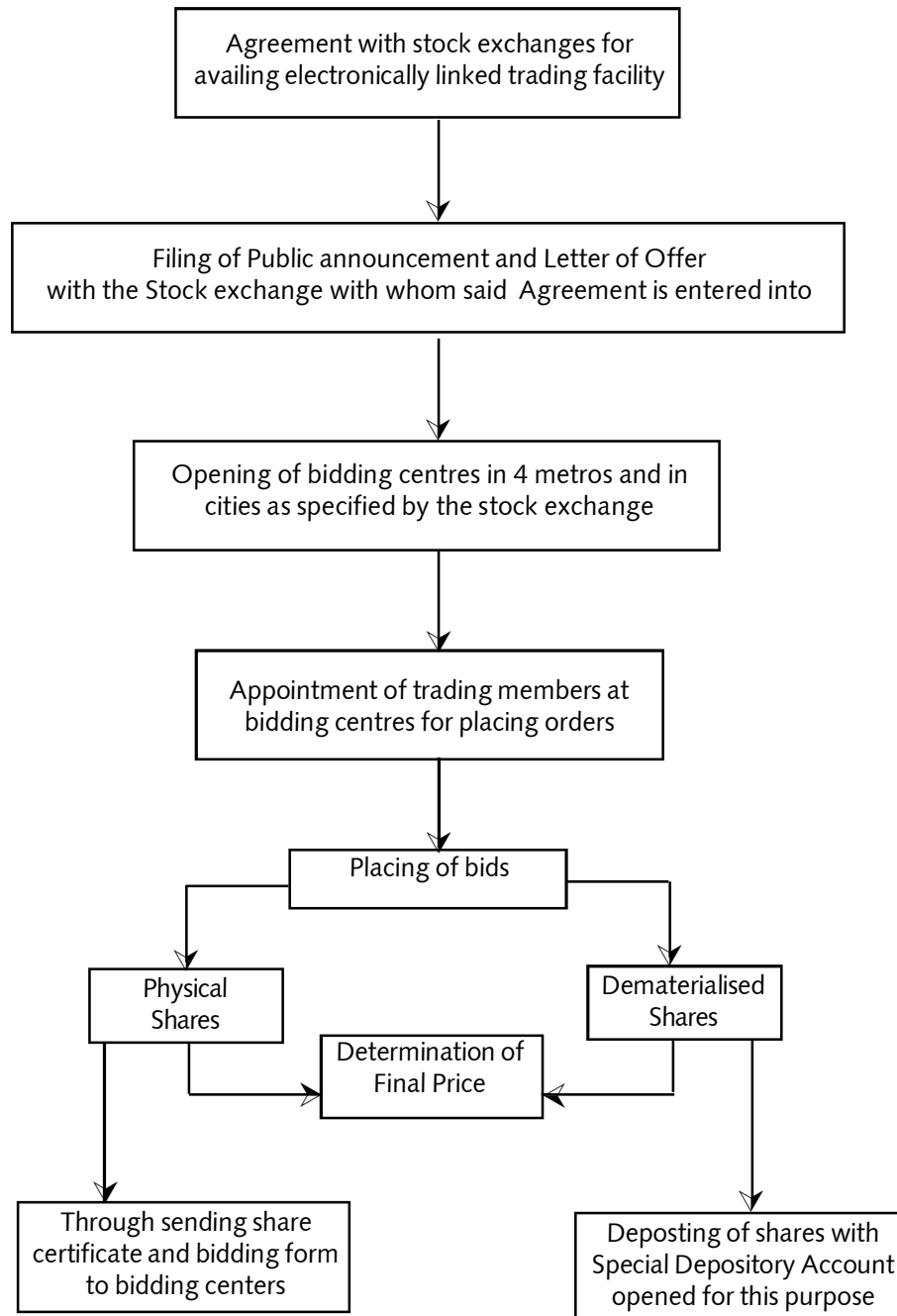
- The Merchant Banker and promoter shall make a public announcement and also dispatch a letter of offer to the public shareholders along with a bidding form.
- Shareholders may approach the trading member for placing offers on the on-line electronic system with the bidding form.
- The shareholders desirous of availing the exit opportunities are required to tender their shares to the trading members prior to placement of orders. Alternately, they may mark a pledge for the shares.

The final offer price shall be determined as the price at which the maximum number of shares has been offered. The promoter shall have the choice to accept / not accept the price. If the price is accepted, the promoter shall be required to accept all valid offers upto and including the final price. However, if the quantity eligible for acquiring securities at the final price offered does not result in promoter holding crossing the limits specified in the Regulations, the offer shall be deemed to have failed and the company shall remain listed.

At the end of the offer, the merchant banker to the book building exercise shall announce the final price and the acceptance (or not) of the price by the promoter. Any remaining public shareholders may tender shares to the promoter at the same final price upto a period of one year from the date of delisting.

The following is the detailed procedure involved in Reverse Book Building.

1. The book building process shall be made through an electronically linked transparent facility and the promoter shall enter into an agreement with a stock exchange for the purpose.
2. The public announcement and letter of offer shall be filed without delay with the stock exchange, with whom the agreement for availing electronically linked transparent facility has been entered into and such stock exchange shall forthwith post the same in its website.

Flow Chart on Reverse Book Building Process

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3. The minimum number of bidding centres shall be:
 - (a) the four metropolitan centres situated at Mumbai, Delhi, Kolkata and Chennai;
 - (b) such cities in the region in which the registered office of the company is situated, as are specified by the stock exchange with whom the agreement for availing electronically linked transparent facility has been entered into.
 4. There shall be at least one electronically linked computer terminal at all bidding centres.
 5. The shareholders may withdraw or revise their bids upwards not later than one day before the closure of the bidding period. Downward revision of bids shall not be permitted.
 6. The promoter shall appoint 'trading members' at the bidding centres, whom the public shareholders may approach for placing bids on the on-line electronic system.
 7. The shareholders holding dematerialised shares desirous of availing the exit opportunity may deposit the equity shares in respect of which bids are made, with the special depositories account opened by the merchant banker for the purpose prior to placement of orders or, alternately, may mark a pledge for the same to the merchant banker in favour of the said account.
 8. The merchant banker shall ensure that the equity shares in the said special depositories account are not transferred to the account of the promoter unless the bids in respect thereof are accepted and payments made.
 9. The holders of physical equity shares may send their bidding form together with the share certificate and transfer deed to the trading member appointed for the purpose, who shall immediately after entering their bids on the system send them to the company or the share transfer agent for confirming their genuineness. The company or the share transfer agent shall deliver the certificates which are found to be genuine to the merchant banker, who shall not make it over to promoter unless the bids in respect thereof are accepted and payment made. The bids in respect of the certificates which are found to be not genuine shall be deleted from the system.
 10. The verification of physical certificates shall be completed in time for making the public announcement under regulation 18.
 11. The bids placed in the system shall have an audit trail which includes stock broker identification details, time stamp and unique order number.
 - 11A. Para 1 to 11 shall not be applicable in respect of book building process where settlement is carried out through stock exchange mechanism as specified in regulation 13(1A) of these regulations.
 12. The final offer price shall be determined as the price at which shares accepted

through eligible bids, that takes the shareholding of the promoter or the acquirer (along with the persons acting in concert) to ninety percent of the total issued shares of that class excluding the shares which are held by a custodian and against which depository receipts have been issued. If the final price is accepted, then, the promoter shall accept all shares tendered where the corresponding bids placed are at the final price or at a price which is lesser than the final price. The promoter may, if he deems fit, fix a higher final price.

Documents to be submitted alongwith Bid Form for Submission of Bids

<i>Category</i>	<i>Physical</i>	<i>Demat</i>
Individual/ HUF	<ol style="list-style-type: none"> 1. The Bid Form duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the Share certificate. 2. Original Share certificate(s). 3. Valid share transfer deed(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with and duly witnessed at the appropriate place(s). Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate/Notary Public/Bank Manager under their Official Seal. 	<ol style="list-style-type: none"> 1. Electronic Shareholders who wish to offer their Shares should forward the Bid Form duly filled and signed by the Registered Shareholder. 2. The duly executed copy of the Delivery Instruction Slip (DIS).
Corporate	<ol style="list-style-type: none"> 1. The Bid Form duly completed and signed in accordance with the instructions contained therein, by the Authorized Signatory. 2. Original Share certificate(s). 3. Valid share transfer deed(s) duly signed as transferors by the Authorized Signatory as per specimen signatures registered with the company. 	<ol style="list-style-type: none"> 1. Corporate Shareholders who wish to offer their shares should forward the Bid Form duly filled and signed by the Authorized Signatory. 2. The duly executed copy of the DIS.

<i>Category</i>	<i>Physical</i>	<i>Demat</i>
Power of Attorney (POA)	<ol style="list-style-type: none"> 1. The Bid Form duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the Share certificate. 2. Original Share certificate(s) 3. Valid share transfer deed(s) duly signed as transferors by all POA Holders in the same order and as per specimen signatures registered with the company and duly witnessed at the appropriate place(s). 4. Copy of POA only if not registered with the Company or Registrar/ Transfer Agent. 	<ol style="list-style-type: none"> 1. Electronic Shareholders who wish to offer their Shares should forward the Bid Form duly filled and signed by the POA Holders. 2. The duly executed copy of the DIS. 3. Copy of POA only if not registered with the Company or Registrar/ Transfer Agent.
Custodian	<ol style="list-style-type: none"> 1. The Bid Form duly completed and signed in accordance with the instructions contained therein, by all shareholders/ POA shareholders whose names appear on the Share certificate. 2. Original share certificate(s) and 3. Valid share transfer deed(s) duly signed as transferors by all POA holders in the same order and as per specimen signatures registered with the company and duly witnessed at the appropriate place(s). 4. Attested copy of POA only if not registered with the company or its registrar/transfer agent (Note: It is recommended to attach a photocopy of the same) 	<ol style="list-style-type: none"> 1. Electronic shareholders who wish to offer their shares should forward the bid form duly filled and signed by the registered shareholders or the POA holder. 2. The duly executed copy of the delivery instruction slip (DIS).
NRI	<ol style="list-style-type: none"> 1. The Bid Form duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the Share certificate or POA Holder. 	<ol style="list-style-type: none"> 1. Electronic Shareholders who wish to offer their Shares should forward the Bid Form duly filled and signed by the Registered Shareholder or the POA Holder.

<i>Category</i>	<i>Physical</i>	<i>Demat</i>
	<ol style="list-style-type: none"> 2. Original Share certificate(s). 3. Valid share transfer deed(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with and duly witnessed at the appropriate place(s). Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate / Notary Public/Bank Manager under their Official Seal. 4. NRIs tendering shares desiring to have the proceeds credited to a NRE account / FCNR account shall submit the necessary RBI Approvals 5. Copy of Permanent Account Number / PAN Card(Self Attested) 6. Should enclose a certificate (NOC) & Tax Clearance Certificate (TCC) from the Income Tax Authority. The certificate should state the acquisition cost of shares (if fails to provide this certificate then by default taxed on ST Capital Gains) 7. Copy of POA only if not registered with the Company or Registrar/ Transfer Agent 	<ol style="list-style-type: none"> 2. The duly executed copy of the DIS. 3. NRIs tendering shares desiring to have the proceeds credited to a NRE account / FCNR account shall submit the following - (a) RBI approvals for acquiring equity shares of tendered in the Offer. 4. Copy of POA only if not registered with the Company or Registrar/ Transfer Agent 5. Should enclose a certificate (NOC) & Tax Clearance Certificate (TCC) from the Income Tax Authority. The certificate should state the acquisition cost of shares (if fails to provide this certificate then by default taxed on Short term Capital Gains)
FI/OCB/FPI	<ol style="list-style-type: none"> 1. The Bid Form duly completed and signed in accordance with the instructions contained therein, by the Authorized Signatory on the Share certificate. 	<ol style="list-style-type: none"> 1. Electronic Shareholders who wish to offer their offer shares in electronic form should forward the Bid Form duly filled & signed by the Authorized Signatory

<i>Category</i>	<i>Physical</i>	<i>Demat</i>
	2. Original Share certificate(s)	2. The duly executed copy of the DIS
	3. Valid share transfer deed(s) duly signed as transferors by the Authorized Signatory under their Official Seal	3. No Objection Certificate (NOC) & Tax Clearance Certificate (TCC) from the Income Tax Authority
	4. Self Attested copy of PAN Card	4. SEBI Registration Certificate
	5. No Objection Certificate (NOC) & Tax Clearance Certificate (TCC) from the Income Tax Authority	5. FII Certificate (self attested declaration certifying the nature of income arising from the sale of shares, whether capital gains or otherwise)
	6. SEBI Registration Certificate	6. Certificate along with proof such as demat account statement certifying that the shares have been held for more than one year along with acquisition cost, if applicable
	7. FII Certificate (self attested declaration certifying the nature of income arising from the sale of shares, whether capital gains or otherwise)	7. Banker certificate certifying inward remittance
	8. Certificate along with proof such Accountant as demat account statement certifying that the shares have been held for more than one year along with acquisition cost, if applicable	8. RBI approvals for acquiring equity shares of tendered in the Offer.
	9. Banker certificate certifying inward remittance	9. Copy of POA only if not registered with the Company or Registrar/ Transfer Agent
	10. RBI approvals for acquiring equity shares tendered in the Offer.	
	11. Copy of POA only if not registered with the Company or Registrar/ Transfer Agent	

6

COMPULSORY DELISTING

GROUNDS FOR COMPULSORY DELISTING

A recognised stock exchange may, by order, delist equity shares of a company on any ground prescribed in the rules made under section 21A of the Securities Contracts (Regulation) Act, 1956 (42 of 1956). However, no order shall be made under this sub-regulation unless the company concerned has been given a reasonable opportunity of being heard.

Section 21A of Securities (Contracts) Regulation Act 1956

- (1) A recognised stock exchange may delist the securities, after recording the reasons therefor, from any recognised stock exchange on any of the ground or grounds as may be prescribed under this Act:

Provided that the securities of a company shall not be delisted unless the company concerned has been given a reasonable opportunity of being heard.

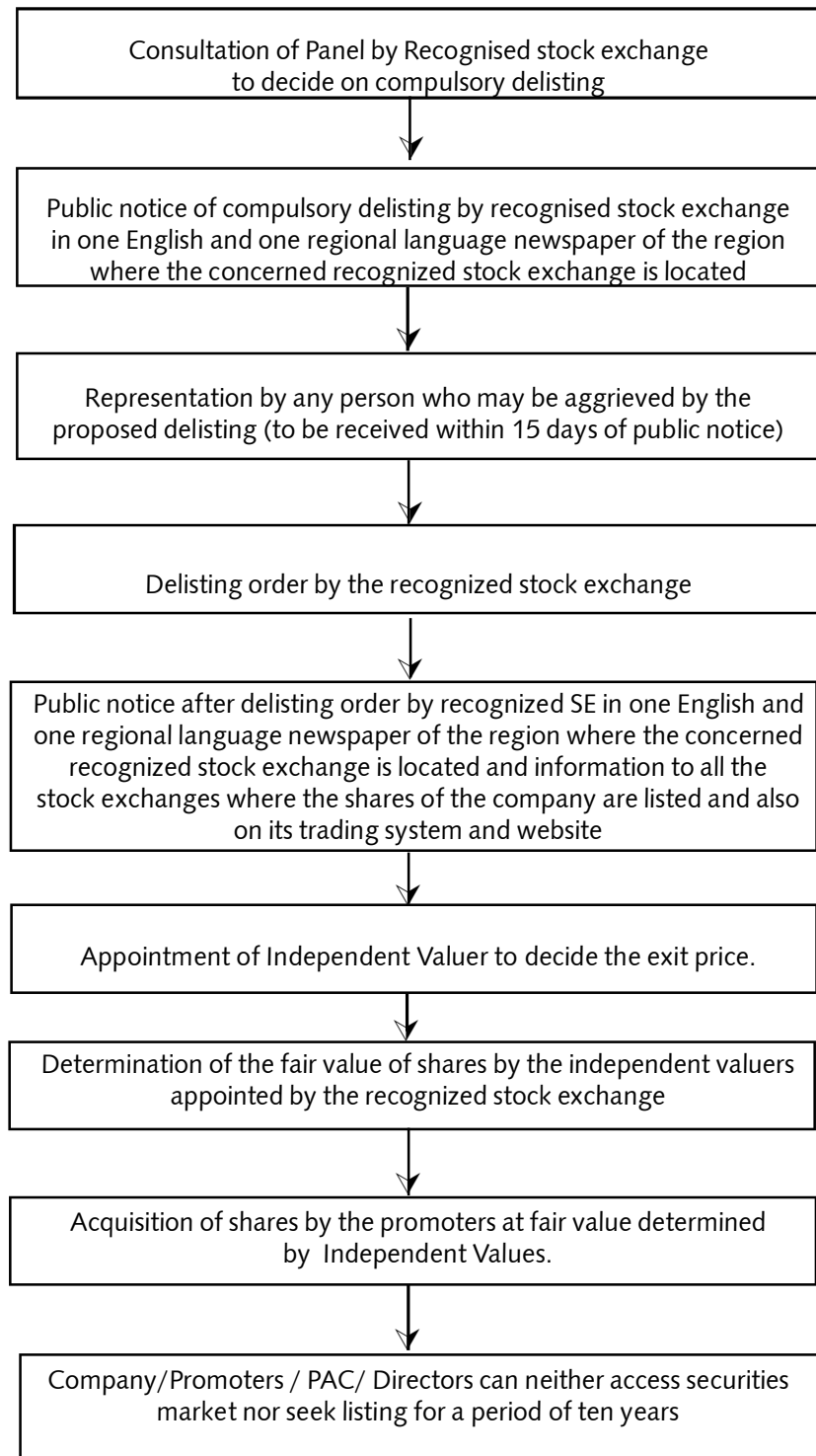
- (2) A listed company or an aggrieved investor may file an appeal before the Securities Appellate Tribunal against the decision of the recognised stock exchange delisting the securities within fifteen days from the date of the decision of the recognised stock exchange delisting the securities and the provisions of sections 22B to 22E of this Act, shall apply, as far as may be, to such appeals:

Provided that the Securities Appellate Tribunal may, if it is satisfied that the company was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period not exceeding one month.

Constitution of a panel

The decision on delisting shall be taken by a panel to be constituted by the recognised stock exchange consisting of –

- (a) two directors of the recognised stock exchange (one of whom shall be a public representative);
- (b) one representative of the investors;
- (c) one representative of the Ministry of Corporate Affairs or Registrar of Companies; and
- (d) the Executive Director or Secretary of the recognised stock exchange.

Flow Chart on Compulsory Delisting

Compulsory Delisting — Time-line

<i>Compulsory Delisting</i>	<i>Time - Line in Working Days</i>
1. CONSTITUTION OF PANEL [Reg. 22(2)] The recognised stock exchange(s) shall constitute the panel to take the decision regarding the compulsory delisting of the Company	—
2. PUBLIC NOTICE BEFORE MAKING THE DELISTING ORDER [Reg. 22(3)] The recognised stock exchange (s) shall give the public notice for the compulsory delisting of the company in one English, one Hindi national daily and one Regional language news paper where the concerned stock exchange is located and also on its trading system & website	X
3. REPRESENTATIONS [Reg. 22(4)] Any person aggrieved by such public notice may give representation within maximum 15 working days from the date of the public notice	X + 15
4. DELISTING ORDER [Reg. 22(3)] The recognised stock exchange(s) may pass the delisting order after giving the reasonable opportunity of being heard to the concerned person	X + 30
5. PUBLIC NOTICE AFTER DELISTING ORDER [Reg. 22(6)] The recognized stock exchange(s) shall publish the delisting order in one English, one Hindi national daily newspaper and one Regional language newspaper where the concerned stock exchange is located.	X + 31
6. INTIMATION TO OTHER EXCHANGE(S) [Reg. 22(6)] The recognized stock exchange(s) shall intimate other exchange(s) where the company is listed about the delisting order	X + 31
7. APPOINTMENT OF INDEPENDENT VALUER [Reg. 23(1)] The recognised stock exchange(s) shall appoint the independent valuer(s) from the panel of expert valuers	X + 30
8. DETERMINATION OF FAIR VALUE [Reg. 23(1)] The independent valuer(s) shall determine the fair value of the delisted equity shares at which the shares may be tendered by the public shareholders	—
9. ACQUISITION OF SHARES [Reg. 23(3)] The promoters shall acquire the shares at the fair value from the public shareholders	—
10. CONSEQUENCE OF COMPULSORY DELISTING (Reg. 24) The company / promoters / person acting in concert/ directors cannot access securities market or seek listing for a period of 10 years.	—

Notice of Proposed Delisting and representations by aggrieved persons

Before making an order the recognised stock exchange shall give a notice in one English national daily with wide circulation and one regional language newspaper of the region where the concerned recognised stock exchange is located, of the proposed delisting, giving a time period of not less than fifteen working days from the notice, within which representations may be made to the recognised stock exchange by any person who may be aggrieved by the proposed delisting and shall also display such notice on its trading systems and website.

The recognised stock exchange shall while passing any order consider the representations, if any, made by the company as also any representations received in response to the notice given and shall comply with the criteria specified in Schedule III which is given below—

Criteria for Compulsory Delisting

1. The recognised stock exchange shall take all reasonable steps to trace the promoters of a company whose equity shares are proposed to be delisted, with a view to ensuring compliance with sub-regulation (3) of regulation 23.
2. The recognised stock exchange shall consider the nature and extent of the alleged non-compliance of the company and the number and percentage of shareholders who may be affected by such non-compliance.
3. The recognised stock exchange shall take reasonable efforts to verify the status of compliance of the company with the office of the concerned Registrar of Companies.
4. The names of the companies whose equity shares are proposed to be delisted and their promoters shall be displayed in a separate section on the website of the recognised stock exchange for a brief period of time. If delisted, the names shall be shifted to another separate section on the website.
5. The recognised stock exchange shall in appropriate cases file prosecutions under relevant provisions of the Securities Contracts (Regulation) Act, 1956 or any other law for the time being in force against identifiable promoters and directors of the company for the alleged non-compliances.
6. The recognised stock exchange shall in appropriate cases file a petition for winding up the company under section 433* of the Companies Act, 1956 (1 of 1956) or make a request to the Registrar of Companies to strike off the name of the company from the register under section 560** of the said Act.

The provisions related to exit opportunity shall not be applicable to a compulsory delisting made by a recognised stock exchange under this Chapter.

* Section 271 of the Companies Act, 2013 corresponds to Section 433 of the Companies Act, 1956 is not yet notified by MCA.

** Section 248 of the Companies Act, 2013 corresponds to Section 560 of the Companies Act, 1956 is not yet notified by MCA.

Public notice after delisting

Where the recognised stock exchange passes an order it shall, forthwith publish a notice in one English national daily with wide circulation and one regional language newspaper of the region where the concerned recognised stock exchange is located, of the fact of such delisting, disclosing therein the name and address of the company, the fair value of the delisted equity shares determined and the names and addresses of the promoters of the company who would be liable under these regulations and inform all other stock exchanges where the equity shares of the company are listed, about such delisting and the surrounding circumstances.

Valuation of delisted equity shares

Where equity shares of a company are delisted by a recognised stock exchange the recognised stock exchange shall appoint an independent valuer or valuers who shall determine the fair value of the delisted equity shares. The promoter of the company shall acquire delisted equity shares from the public shareholders by paying them the value determined by the valuer subject to their option of retaining their shares.

The recognised stock exchange shall form a panel of expert valuers from whom the valuer or valuers shall be appointed.

Here 'valuer' means a chartered accountant within the meaning of clause (b) of section 2 of the Chartered Accountants Act, 1949 (38 of 1949), who has undergone peer review as specified by the Institute of Chartered Accountants of India constituted under that Act, or a merchant banker appointed to determine the value of the delisted equity shares.

Consequences

Where a company has been compulsorily delisted the company, its whole time directors, its promoters and the companies which are promoted by any of them shall not directly or indirectly access the securities market or seek listing for any equity shares for a period of ten years from the date of such delisting.

7

DELISTING UNDER SPECIAL CIRCUMSTANCES

Special Provisions for Small Companies

Equity shares may be delisted from all the recognised stock exchanges where they are listed, without following the procedure provided for exit opportunity (Chapter IV) under these Regulations where :

- the company has a paid up capital upto ten crore rupees and net worth upto twenty five crore rupees as on the last date of preceding financial year;
- the number of equity shares of the company traded on each such recognised stock exchange during the twelve calendar months immediately preceding the date of board meeting is less than ten per cent of the total number of shares of such company;
- Provided that where the share capital of a particular class of shares of the company is not identical throughout such period, the weighted average of the shares of such class shall represent the total number of shares of such class of shares of the company; and
- the company has not been suspended by any of the recognised stock exchanges having nation-wide trading terminals for any non-compliance in the preceding one year.

However, the companies specified above has to fulfil the following conditions :-

- (a) the promoter appoints a merchant banker and decides an exit price in consultation with him;
- (b) the exit price offered to the public shareholders shall not be less than the floor price determined under these regulations read with clause (e) of sub-regulation (2) of regulation 8 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- (c) the promoter writes individually to all public shareholders in the company informing them of his intention to get the equity shares delisted, indicating the exit price together with the justification therefor and seeking their consent for the proposal for delisting;

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- (d) at least ninety per cent of such public shareholders give their positive consent in writing to the proposal for delisting, and have consented either to sell their equity shares at the price offered by the promoter or to remain holders of the equity shares even if they are delisted;
 - (e) the promoter completes the process of inviting the positive consent and finalisation of the proposal for delisting of equity shares within seventy five working days of the first communication made by the promoter individually to all public shareholders;
 - (f) the promoter makes payment of consideration in cash within fifteen working days from the date of expiry of seventy five working days stipulated .

The communication made to the public shareholders shall contain justification for the offer price with particular reference to the applicable parameters for offer price, that consent for the proposal would include consent for dispensing with the exit price discovery through book building method.

The concerned recognised stock exchange may delist such equity shares upon satisfying itself of compliance with this regulation.

In case of Winding up, Derecognition

- In case of winding up proceedings of a company whose equity shares are listed on a recognised stock exchange, the rights, if any, of the shareholders of such company shall be in accordance with the laws applicable to those proceedings.
- Where SEBI withdraws recognition granted to a stock exchange or refuses renewal of recognition to it, SEBI may, in the interest of investors pass appropriate order in respect of the status of equity shares of the companies listed on that exchange.

Monitoring Compliances

The respective recognised stock exchanges shall comply with and monitor compliance with the provisions of these regulations and shall report to SEBI any instance of non-compliance which comes to their notice.

Listing of Delisted Shares

An application for listing shall not be made in respect of any equity shares :

- (a) which have been delisted under voluntary delisting or by operation of law except delisting of small companies, for a period of five years from the delisting.
- (b) which have been delisted under compulsory delisting, for a period of ten years from the delisting.

However, this shall not be applicable where a recommendation for listing has been made by the Board for Industrial and Financial Reconstruction under the Sick Industrial Companies (Special Provisions) Act, 1985.

While considering an application for listing of any equity shares which had been delisted the recognised stock exchange shall have due regard to facts and circumstances under which delisting was made.

An application for listing made in respect of delisted equity shares shall be deemed to be an application for fresh listing of such equity shares and shall be subject to provisions of law relating to listing of equity shares of unlisted companies.

Transitional Provisions

- (1) Anything done or omitted to be done or any right, privilege, obligation or liability acquired or accrued or incurred under Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 prior to the commencement of these regulations shall be governed by said guidelines.
- (2) Any proposal for delisting made by company or any promoter or acquirer who wanted to delist securities of the company, prior to commencement of these regulations and where the offer price has not been determined under these regulations, as on the date of such commencement, shall be proceeded with under the SEBI(Delisting of Equity) Regulations, 2009 as amended by the SEBI (Delisting of Equity Shares) (Amendment) Regulations, 2015.
- (3) The remaining procedures in respect of an exit opportunity already completed or an exit opportunity initiated but not completed under the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 prior to commencement of these regulations, shall be completed and the application for delisting made pursuant thereto shall be dealt under the said guidelines.

Can the promoter of a small company, as defined under regulation 27 of Delisting Regulations, be considered to have complied with the condition under regulation 27(3)(d) if the public shareholders holding at least ninety percent of the public shareholding give their positive consent in writing to the proposal for delisting?

Yes, the promoter of a small company would be considered to have complied with the condition under regulation 27(3) (d) if the public shareholders, irrespective of their numbers, holding ninety percent or more of the public shareholding give their positive consent in writing to the proposal for delisting. (Please refer to SAT Order dated November 04, 2011 in the matter of *V. T. Somasundaram and M/s. Trichy Distilleries & Chemicals Limited vs. Madras Stock Exchange and SEBI.*)

ANNEXURE I

SEBI (DELISTING OF EQUITY SHARES) REGULATIONS, 2009

CHAPTER I PRELIMINARY

1. Short title and commencement

- (1) These regulations may be called the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- (2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions

- (1) In these regulations, unless the context otherwise requires,
 - (i) 'Act' means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
 - (ii) 'Board' means the Securities and Exchange Board of India established under section 3 of the Act;
 - (iii) 'company' means a company within the meaning of section 3 of the Companies Act, 1956 (1 of 1956) and includes a body corporate or corporation established under a central Act, state Act or provincial Act for the time being in force, whose equity shares are listed on a recognised stock exchange;
 - (iv) 'Compulsory delisting' means delisting of equity shares of a company by a recognised stock exchange under Chapter V of these regulations;
- ¹[(iva) "promoter group" shall have the same meaning as assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009]

1. Inserted by SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

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- (v) 'public shareholders' means the holders of equity shares ,other than the following:
 - (a) promoters;
 - (b) holders of depository receipts issued overseas against equity shares held with a custodian and such custodian;
 - (vi) 'recognised stock exchange' means any stock exchange which has been granted recognition under section 4 of the Securities Contracts (Regulation) Act, 1956;
 - (vii) 'Schedule' means a Schedule appended to these regulations;
 - (viii) 'Voluntary delisting' means delisting of equity shares of a company voluntarily on application of the company under Chapter III of these regulations;
 - (ix) 'working days' means the working days of the Board.
- (2) The words 'control', 'person acting in concert', 'promoter', '[acquirer]' and 'public shareholding' shall have the meanings respectively assigned to them under the [Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011] as amended from time to time.
- (3) Words and expressions not defined in these regulations, but defined in or under the Act or the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Companies Act, 1956(1 of 1956), or any statutory modification or re-enactment thereof, shall have the same meanings as in or under those enactments.

CHAPTER II

DELISTING OF EQUITY SHARES

3. Applicability

- (1) These regulations shall apply to delisting of equity shares of a company from all or any of the recognised stock exchanges where such shares are listed ⁴[:]
- ⁵[Provided that these regulations shall not apply to securities listed without making a public issue, on the institutional trading platform of a recognised stock exchange.]

2. ibid.

3. Substituted for words "Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997" by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

4. Substituted for the full stop by the SEBI (Listing of Specified Securities on Institutional Trading Platform) Regulations, 2013, w.e.f. 08-10-2013.

5. Substituted by SEBI (Delisting of Equity shares) (Second Amendment) Regulations 2015, w.e.f. 14-08-2015. Prior to its substitution, the proviso to sub-regulation (1) read as under:

"Provided that these regulations shall not apply to securities listed on the institutional trading platform of a recognised stock exchange."

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- (2) Nothing in these regulations shall apply to any delisting made pursuant to a scheme sanctioned by the Board for Industrial and Financial Reconstruction under the Sick Industrial Companies (Special Provisions) Act, 1985 or by the National Company Law Tribunal under section 424D of the Companies Act, 1956, if such scheme –
 - (a) lays down any specific procedure to complete the delisting; or
 - (b) provides an exit option to the existing public shareholders at a specified rate.

4. Delisting not permissible in certain circumstances and conditions for delisting

- (1) No company shall apply for and no recognised stock exchange shall permit delisting of equity shares of a company,-
 - (a) pursuant to a buyback of equity shares by the company; or
 - (b) pursuant to a preferential allotment made by the company; or
 - (c) unless a period of three years has elapsed since the listing of that class of equity shares on any recognised stock exchange; or
 - (d) if any instruments issued by the company, which are convertible into the same class of equity shares that are sought to be delisted, are outstanding.
 - ⁶ [(1A) No promoter or promoter group shall propose delisting of equity shares of a company, if any entity belonging to the promoter or promoter group has sold equity shares of the company during a period of six months prior to the date of the board meeting in which the delisting proposal was approved in terms of sub-regulation (1B) of regulation 8.]
- (2) For the removal of doubts, it is clarified that no company shall apply for and no recognised stock exchange shall permit delisting of convertible securities.
- (3) Nothing contained in clauses (c) and (d) of sub-regulation (1) shall apply to a delisting of equity shares falling under clause (a) of regulation 6.
- (4) No promoter shall directly or indirectly employ the funds of the company to finance an exit opportunity provided under Chapter IV or an acquisition of shares made pursuant to sub regulation(3) of regulation 23.
- (5) No ⁷ [acquirer or promoter or promoter group or their related entities] shall –
 - (a) employ any device, scheme or artifice to defraud any shareholder or other person; or

6. Inserted by SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

7. Substituted for words "promoter or other person" by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

- (b) engage in any transaction or practice that operates as a fraud or deceit upon any shareholder or other person; or
- (c) engage in any act or practice that is fraudulent, deceptive or manipulative— in connection with any delisting sought or permitted or exit opportunity given or other acquisition of shares made under these regulations.

CHAPTER III

VOLUNTARY DELISTING

5. Delisting from all recognised stock exchanges

Subject to the provisions of these regulations, a company may delist its equity shares from all the recognised stock exchanges where they are listed or from the only recognised stock exchange where they are listed:

Provided that all public shareholders holding equity shares of the class which are sought to be delisted are given an exit opportunity in accordance with Chapter IV.

6. Delisting from only some of the recognised stock exchanges

A company may delist its equity shares from one or more recognised stock exchanges where they are listed and continue their listing on one or more other recognised stock exchanges, subject to the provisions of these regulations and subject to the following –

- (a) if after the proposed delisting from any one or more recognised stock exchanges, the equity shares would remain listed on any recognised stock exchange which has nationwide trading terminals, no exit opportunity needs to be given to the public shareholders; and,
- (b) if after the proposed delisting, the equity shares would not remain listed on any recognised stock exchange having nationwide trading terminals, exit opportunity shall be given to all the public shareholders holding the equity shares sought to be delisted in accordance with Chapter IV.

Explanation : For the purposes of this regulation, 'recognised stock exchange having nationwide trading terminals' means the Bombay Stock Exchange Limited, the National Stock Exchange of India Limited or any other recognised stock exchange which may be specified by the Board in this regard.

7. Procedure for delisting where no exit opportunity is required

- (1) In a case falling under clause (a) of regulation 6 –
 - (a) the proposed delisting shall be approved by a resolution of the board of directors of the company in its meeting;
 - (b) the company shall give a public notice of the proposed delisting in at least one English national daily with wide circulation, one Hindi national daily with wide circulation and one regional language newspaper of the region where the concerned recognised stock exchanges are located;

-
- (c) the company shall make an application to the concerned recognised stock exchange for delisting its equity shares; and
 - (d) the fact of delisting shall be disclosed in the first annual report of the company prepared after the delisting.
- (2) The public notice made under clause (b) of sub-regulation (1) shall mention the names of the recognised stock exchanges from which the equity shares of the company are intended to be delisted, the reasons for such delisting and the fact of continuation of listing of equity shares on recognised stock exchange having nationwide trading terminals.
- (3) An application for delisting made under clause (c) of sub regulation(1) shall be disposed of by the recognised stock exchange within a period not exceeding thirty working days from the date of receipt of such application complete in all respects.

8. Conditions and procedure for delisting where exit opportunity is required

- (1) Any company desirous of delisting its equity shares under the provisions of Chapter III shall, except in a case falling under clause (a) of regulation 6, -
- (a) obtain the prior approval of the board of directors of the company in its meeting;
 - (b) obtain the prior approval of shareholders of the company by special resolution passed through postal ballot, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution:

Provided that the special resolution shall be acted upon if and only if the votes cast by public shareholders in favour of the proposal amount to at least two times the number of votes cast by public shareholders against it.
 - (c) make an application to the concerned recognised stock exchange for in-principle approval of the proposed delisting in the form specified by the recognised stock exchange; and
 - (d) within one year of passing the special resolution, make the final application to the concerned recognised stock exchange in the form specified by the recognised stock exchange:

Provided that in pursuance of special resolution as referred to in clause (b), passed before the commencement of these regulations, final application shall be made within a period of one year from the date of passing of special resolution or six months from the commencement of these regulations, whichever is later⁸.

8. Inserted by SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

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- [(1A) Prior to granting approval under clause (a) of sub-regulation (1), the board of directors of the company shall, -
- (i) make a disclosure to the recognized stock exchanges on which the equity shares of the company are listed that the promoters/acquirers have proposed to delist the company;
 - (ii) appoint a merchant banker to carry out due-diligence and make a disclosure to this effect to the recognized stock exchanges on which the equity shares of the company are listed;
 - (iii) obtain details of trading in shares of the company for a period of two years prior to the date of board meeting by top twenty five shareholders as on the date of the board meeting convened to consider the proposal for delisting, from the stock exchanges and details of off-market transactions of such shareholders for a period of two years and furnish the information to the merchant banker for carrying out due-diligence;
 - (iv) obtain further details in terms of sub-regulation (1D) of regulation 8 and furnish the information to the merchant banker.
- (1B) The board of directors of the company while approving the proposal for delisting shall certify that :
- (i) the company is in compliance with the applicable provisions of securities laws;
 - (ii) the acquirer or promoter or promoter group or their related entities, are in compliance with sub-regulation (5) of regulation 4;
 - (iii) the delisting is in the interest of the shareholders.
- (1C) For certification in respect of matters referred to in sub regulation (1B), the board of directors of the company shall take into account the report of the merchant banker as specified in sub regulation (1E) of regulation 8.
- (1D) The merchant banker appointed by the board of directors of the company under clause (ii) of sub-regulation (1A) shall carry out due diligence upon obtaining details from the board of directors of the company in terms of clause (iii) of sub-regulation (1A) of regulation 8.
- Provided that if the merchant banker is of the opinion that details referred to in clause (iii) of sub-regulation (1A) of regulation 8 are not sufficient for certification in terms of sub-regulation (1E) of regulation 8, he shall obtain additional details from the board of directors of the company for such longer period as he may deem fit.
- (1E) Upon carrying out due-diligence as specified in terms of sub regulation (1D) of regulation 8, the merchant banker shall submit a report to the board of directors of the company certifying the following:
- (a) the trading carried out by the entities belonging to acquirer or promoter or promoter group or their related entities was in compliance or not, with the

applicable provisions of the securities laws; and (b) entities belonging to acquirer or promoter or promoter group or their related entities have carried out or not, any transaction to facilitate the success of the delisting offer which is not in compliance with the provisions of sub-regulation (5) of regulation 4.]

- (2) An application seeking in-principle approval for delisting under clause (c) of sub-regulation (1) shall be accompanied by an audit report as required under regulation 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 in respect of the equity shares sought to be delisted, covering a period of six months prior to the date of the application.
- (3) An application seeking in-principle approval for delisting shall be disposed of by the recognised stock exchange within a period not exceeding ⁹[five] working days from the date of receipt of such application complete in all respects.
- (4) While considering an application seeking in-principle approval for delisting, the recognised stock exchange shall not unfairly withhold such application, but may require the company to satisfy it as to -
 - (a) compliance with clause (b) of sub-regulation (1);
 - (b) the resolution of investor grievances by the company;
 - (c) payment of listing fees to that recognised stock exchange;
 - (d) the compliance with any condition of the listing agreement with that recognised stock exchange having a material bearing on the interests of its equity shareholders;
 - (e) any litigation or action pending against the company pertaining to its activities in the securities market or any other matter having a material bearing on the interests of its equity shareholders;
 - (f) any other relevant matter as the recognised stock exchange may deem fit to verify.
- (5) A final application for delisting made under clause (d) of sub regulation(1) shall be accompanied with such proof of having given the exit opportunity in accordance with the provisions of Chapter IV, as the recognised stock exchange may require.

CHAPTER IV

EXIT OPPORTUNITY

9. Applicability of Chapter IV

The provisions of this Chapter shall apply to any delisting sought to be made under regulation 5 or under clause (b) of regulation 6.

9. Substituted for word "thirty" by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

10. Public announcement

- (1) The ¹⁰[acquirers or] promoters of the company shall ¹¹[within one working day from the date of] receipt of in principle approval for delisting from the recognised stock exchange, make a public announcement in at least one English national daily with wide circulation, one Hindi national daily with wide circulation and one regional language newspaper of the region where the concerned recognised stock exchange is located.
- (2) The public announcement shall contain all material information including the information specified in Schedule I and shall not contain any false or misleading statement.
- (3) The public announcement shall also specify a date, being a day not later than thirty working days from the date of the public announcement, which shall be the 'specified date' for determining the names of shareholders to whom the letter of offer shall be sent.
- (4) Before making the public announcement, the ¹²[acquirer or] promoter shall appoint a merchant banker registered with the Board and such other intermediaries as are considered necessary.
- (5) It shall be the responsibility of the ¹³[acquirer/promoter] and the merchant banker to ensure compliance with the provisions of this Chapter.
- (6) No ¹⁴[acquirer/promoter] shall appoint any person as a merchant banker under sub-regulation (4) if such a person is an associate of the ¹⁵[acquirer/promoter].
- ¹⁶[(7) No entity belonging to the acquirer, promoter and promoter group of the company shall sell shares of the company during the period from the date of the board meeting in which the delisting proposal was approved till the completion of the delisting process.]

11. Escrow account

- (1) Before making the public announcement under regulation 10, the ¹⁷[acquirer

10. Inserted by SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

11. Substituted for word "upon" by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

12. Inserted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

13. Substituted for word "promoter" by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

14. *Ibid*

15. *Ibid*

16. Inserted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

17. *Ibid*

or] promoter shall open an escrow account and deposit there in the total estimated amount of consideration calculated on the basis of floor price and number of equity shares outstanding with public shareholders.

- (2) On determination of final price and making of public announcement under regulation 18 accepting the final price, the ¹⁸[acquirer or] promoter shall forthwith deposit in the escrow account such additional sum as may be sufficient to makeup the entire sum due and payable as consideration in respect of equity shares outstanding with public shareholders.
- (3) The escrow account shall consist of either cash deposited with a scheduled commercial bank, or a bank guarantee in favour of the merchant banker, or a combination of both.
- (4) Where the escrow account consists of deposit with a scheduled commercial bank, the promoter shall, while opening the account, empower the merchant banker to instruct the bank to issue banker's cheques or demand drafts for the amount lying to the credit of the escrow account, for the purposes mentioned in these regulations, and the amount in such deposit, if any, remaining after full payment of consideration for equity shares tendered in the offer and those tendered under sub-regulation (1) of regulation 21 shall be released to the promoter.
- (5) Where the escrow account consists of a bank guarantee, such bank guarantee shall be valid till payments are made in respect of all shares tendered under sub-regulation (1) of regulation 21.

12. Letter of offer

- (1) The ¹⁹[acquirer or] promoter shall despatch the letter of offer to the public shareholders of equity shares, not later than ²⁰[two] working days from the date of the public announcement ²¹[***].
- (2) The letter of offer shall be sent to all public shareholders holding equity shares of the class sought to be delisted whose names appear on the register of the company or depository as on the date specified in the public announcement under sub-regulation (3) of regulation 10.
- (3) The letter of offer shall contain all the disclosures made in the public announcement and such other disclosures as maybe necessary for the shareholders to take an informed decision.
- (4) The letter of offer shall be accompanied with a bidding form for use of public shareholders and a form to be used by them for tendering shares under sub-regulation (1) of regulation 21.

18. *Ibid*

19. *Ibid*

20. Substituted for the words "forty five" by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

21. Omitted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015. Prior to omission it read as "so as to reach them at least five working days before the opening of the bidding period"

13. Bidding period

- (1) The date of opening of the offer shall not be later than ²²[seven] working days from the date of the public announcement.
- ²³[(1A) The acquirer or promoter shall facilitate tendering of shares by the shareholders and settlement of the same, through the stock exchange mechanism as specified by the Board.]
- (2) The offer shall remain open for a ²⁴[***] period of five working days, during which the public shareholders may tender their bids.

14. Right of shareholders to participate in the book building process

- (1) All public shareholders of the equity shares which are sought to be delisted shall be entitled to participate in the book building process in the manner specified in Schedule II.
- (2) ²⁵[An acquirer or promoter] or a person acting in concert with any of the promoters shall not make a bid in the offer and the merchant banker shall take necessary steps to ensure compliance with this sub-regulation.
- (3) Any holder of depository receipts issued on the basis of underlying shares held by a custodian and any such custodian shall not be entitled to participate in the offer.
- (4) Nothing contained in sub-regulation (3) shall affect the right of any holder of depository receipts to participate in the book building process under sub-regulation (1) if the holder of depository receipts exchanges such depository receipts with shares of the class that are proposed to be delisted.

15. Offer price

- (1) The offer price shall be determined through book building in the manner specified in Schedule II, after fixation of floor price under sub-regulation (2) and disclosure of the same in the public announcement and the letter of offer.
- ²⁶[(2) The floor price shall be determined in terms of regulation 8 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be applicable.]

22 Substituted for the words "fifty five" by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

23 Inserted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

24 Omitted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015. Prior to omission it read as "minimum period of three working days and a maximum"

25 Substituted for the words "A promoter" by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

26 Substituted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

(3) ²⁷[***]

16. Right of the promoter not to accept the offer price

- (1) The ²⁸[acquirer or] promoter shall not be bound to accept the equity shares at the offer price determined by the book building process.
- (2) Where the ²⁹[acquirer or] promoter decides not to accept the offer price so determined, -
 - (a) the ³⁰[acquirer or] promoter shall not acquire any equity shares tendered pursuant to the offer and the equity shares deposited or pledged by a shareholder pursuant to paragraphs 7 or 9 of Schedule II shall be returned or released to him within ten working days of closure of the bidding period;
 - (b) the company shall not make the final application to the exchange for delisting of the equity shares;
 - (c) the ³¹[acquirer or] promoter may close the escrow account opened under regulation 11; and,
 - (d) ³²[***]
- (3) ³³[***]

17. Minimum number of equity shares to be acquired

³⁴An offer made under chapter III shall be deemed to be successful only if, -

- (a) the post offer promoter shareholding (along with the persons acting in concert with the promoter) taken together with the shares accepted through eligible bids at the final price determined as per Schedule II, reaches ninety per cent of the total issued shares of that class excluding the shares which are held by a custodian and against which depository receipts have been issued overseas; and
- (b) at least twenty five per cent of the public shareholders holding shares in the demat mode as on date of the board meeting referred to in sub-regulation (1B) of regulation 8 had participated in the Book Building Process:

27 Omitted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

28 Inserted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

29 *Ibid*

30 *Ibid*

31 *Ibid*

32 Omitted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

33 *Ibid*

34 Substituted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

Provided that this requirement shall not be applicable to cases where the acquirer and the merchant banker demonstrate to the stock exchanges that they have delivered the letter of offer to all the public shareholders either through registered post or speed post or courier or hand delivery with proof of delivery 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.

Explanation. - In case the delisting offer has been made in terms of regulation 5A of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the threshold limit of ninety per cent for successful delisting offer shall be calculated taking into account the post offer shareholding of the acquirer taken together with the existing shareholding, shares to be acquired which attracted the obligation to make an open offer and shares accepted through eligible bids at the final price determined as per Schedule II.]

18. Procedure after closure of offer

Within ³⁵[five] working days of closure of the offer, the ³⁶[promoter/acquirer] and the merchant banker shall make a public announcement in the same newspapers in which the public announcement under sub-regulation (1) of regulation 10 was made regarding:-

- (i) the success of the offer in terms of regulation 17 Along with the final price accepted by the acquirer; or
- (ii) the failure of the offer in terms of regulation 19; or
- (iii) rejection under regulation 16 of the final price discovered under Schedule II, by the promoters.

19. Failure of offer

(1) Where the offer is rejected under regulation 16 or is not successful as per regulation 17, the offer shall be deemed to have failed and no equity shares shall be acquired pursuant to such offer.

(2) Where the offer fails –

- (a) the equity shares deposited or pledged by a shareholder under paragraphs 7 or 9 of Schedule II shall be returned or released to him within ten working days from the end of the bidding period;

³⁷[Provided that the acquirer shall not be required to return the shares if

35 Substituted for the word "eight" by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

36 Substituted for the word "promoter" by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

37 Inserted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

the offer is made pursuant to regulation 5A of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.]

- (b) no final application shall be made to the exchange for delisting of the equity shares; and
- (c) the escrow account opened under regulation 11 shall be closed.

20. Payment of consideration and return of equity shares

- (1) The promoter shall immediately on ascertaining success of the offer, open a special account with a banker to an issue registered with the Board and transfer thereto, the entire amount due and payable as consideration in respect of equity shares tendered in the offer, from the escrow account.
- (2) All the shareholders whose equity shares are verified to be genuine shall be paid the final price stated in the public announcement within ten working days from the closure of the offer.
- (3) The equity shares deposited or pledged by a shareholder pursuant to paragraphs 7 or 9 of Schedule II shall be returned or released to him, within ten working days from the closure of the offer, in cases where the bids pertaining thereto have not been accepted.

21. Right of remaining shareholders to tender equity shares

- (1) Where, pursuant to acceptance of equity shares tendered in terms of these regulations, the equity shares are delisted, any remaining public shareholder holding such equity shares may tender his shares to the promoter upto a period of atleast one year from the date of delisting and, in such a case, the promoter shall accept the shares tendered at the same final price at which the earlier acceptance of shares was made.
- (2) The payment of consideration for shares accepted under sub regulation (1) shall be made out of the balance amount lying in the escrow account.
- (3) The amount in the escrow account or the bank guarantee shall not be released to the promoter unless all payments are made in respect of shares tendered under sub-regulation (1).

CHAPTER V

COMPULSORY DELISTING

22. Compulsory delisting by a stock exchange

- (1) A recognised stock exchange may, by order, delist any equity shares of a company on any ground prescribed in the rules made under section 21A of the Securities Contracts (Regulation) Act, 1956 (42 of 1956):

Provided that no order shall be made under this sub regulation unless the company concerned has been given a reasonable opportunity of being heard.

-
- (2) The decision regarding compulsory delisting shall be taken by a panel to be constituted by the recognised stock exchange consisting of –
 - (a) two directors of the recognised stock exchange (one of whom shall be a public representative);
 - (b) one representative of the investors;
 - (c) one representative of the Ministry of Corporate Affairs or Registrar of Companies; and
 - (d) the Executive Director or Secretary of the recognised stock exchange.
 - (3) Before making an order under sub-regulation (1), the recognised stock exchange shall give a notice in one English national daily with wide circulation and one regional language newspaper of the region where the concerned recognised stock exchange is located, of the proposed delisting, giving a time period of not less than fifteen working days from the notice, within which representations may be made to the recognised stock exchange by any person who may be aggrieved by the proposed delisting and shall also display such notice on its trading systems and website.
 - (4) The recognised stock exchange shall while passing any order under sub-regulation (1), consider the representations, if any, made by the company as also any representations received in response to the notice given under sub-regulation(3) and shall comply with the criteria specified in Schedule III.
 - (5) The provisions of Chapter IV shall not be applicable to a compulsory delisting made by a recognised stock exchange under this Chapter.
 - (6) Where the recognised stock exchange passes an order under sub regulation (1), it shall, -
 - (a) forthwith publish a notice in one English national daily with wide circulation and one regional language newspaper of the region where the concerned recognised stock exchange is located, of the fact of such delisting, disclosing therein the name and address of the company, the fair value of the delisted equity shares determined under sub-regulation (1) of regulation 23 and the names and addresses of the promoters of the company who would be liable under sub-regulation (3) of regulation 23; and
 - (b) inform all other stock exchanges where the equity shares of the company are listed, about such delisting and the surrounding circumstances.

21. Rights of public shareholders in case of a compulsory delisting

- (1) Where equity shares of a company are delisted by a recognised stock exchange under this Chapter, the recognised stock exchange shall appoint an independent valuer or valuers who shall determine the fair value of the delisted equity shares.
- (2) The recognised stock exchange shall form a panel of expert valuers from whom the valuer or valuers shall be appointed for purposes of sub-regulation (1).

- (3) The promoter of the company shall acquire delisted equity shares from the public shareholders by paying them the value determined by the valuer, subject to their option of retaining their shares.

Explanation : For the purposes of sub-regulation (1), - (a) 'valuer' means a chartered accountant within the meaning of clause (b) of section 2 of the Chartered Accountants Act, 1949 (38 of 1949), who has undergone peer review as specified by the Institute of Chartered Accountants of India constituted under that Act, or a merchant banker appointed to determine the value of the delisted equity shares;

- (b) value of the delisted equity shares shall be determined by the valuer having regard to the factors mentioned in regulation 15.

24. Consequences of compulsory delisting

Where a company has been compulsorily delisted under this Chapter, the company, its whole time directors, its promoters and the companies which are promoted by any of them shall not directly or indirectly access the securities market or seek listing for any equity shares for a period of ten years from the date of such delisting.

CHAPTER VI

POWERS OF THE BOARD

25. Power of the Board to issue clarifications

In order to remove any difficulties in the application or interpretation of these regulations, the Board may issue clarifications and guidelines in the form of circulars.

25A.³⁸ [Power to relax strict enforcement of the regulations.]

- (1) The Board may for reasons recorded in writing, grant relaxation from strict enforcement of any of the requirements of these regulations, if the Board is satisfied that the relaxation is in the interests of investors in securities and the securities market.
- (2) For seeking exemption under sub-regulation (1), the promoter or the acquirer or the company shall file an application with the Board, supported by a duly sworn affidavit, giving details for seeking such exemption and the grounds on which the exemption has been sought.
- (3) The promoter or the acquirer or the company, as the case may be, shall along with the application referred to under sub-regulation(3) pay an on refundable fee of rupees fifty thousand, by way of a banker's cheque or demand draft payable in Mumbai in favour of the Board.
- (4) The Board may after affording reasonable opportunity of being heard to the applicant and after considering all the relevant facts and circumstances, pass a

38. Inserted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

reasoned order either granting or rejecting the exemption or relaxation sought as expeditiously as possible.]

26. Directions by the Board

Without prejudice to provisions of the Act and those of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Board may in case of any violation of these regulations and in the interests of the investors and the securities market give such directions as it deems fit:

Provided that the Board shall, either before or after passing such orders, give an opportunity of hearing to the concerned person.

CHAPTER VII

SPECIAL PROVISIONS FOR SMALL COMPANIES AND DELISTING BY OPERATION OF LAW

27. Special provisions in case of small companies

³⁹[(1) Equity shares of a company may be delisted from all the recognised stock exchanges where they are listed, without following the procedure in Chapter IV, if,-

- (a) the company has a paid up capital not exceeding ten crore rupees and net worth not exceeding twenty five crore rupees as on the last date of preceding financial year;
- (b) ⁴⁰[the number of equity shares of the company traded on each such recognised stock exchange during the twelve calendar months immediately preceding the date of board meeting referred to in sub regulation (1B) of regulation 8 is less than ten per cent of the total number of shares of such company:

Provided that where the share capital of a particular class of shares of the company is not identical throughout such period, the weighted average of the shares of such class shall represent the total number of shares of such class of shares of the company; and]

- (c) the company has not been suspended by any of the recognised stock exchanges having nation-wide trading terminals for any non-compliance in the preceding one year;]

(2) ⁴¹[***]

39 Substituted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

40 Substituted by SEBI (Delisting of Equity shares) (Amendment) Regulations 2016, w.e.f. 12-01-2016. Prior to its substitution, clause (b) read as under:

“the equity shares of the company were not traded in any recognised stock exchange for a period of One year immediately preceding the date of board meeting referred to in sub-regulation (1B) of regulation 8; and”

41 Omitted by the SEBI (Delisting of Equity shares) (Amendment) Regulations, 2015, w.e.f. 24-03-2015.

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- (3) A delisting of equity shares may be made under sub regulation (1) ⁴²[***] only if, in addition to fulfilment of the requirements of regulation 8, the following conditions are fulfilled:-
- (a) the promoter appoints a merchant banker and decides an exit price in consultation with him;
 - (b) ⁴³[(b) the exit price offered to the public shareholders shall not be less than the floor price determined in terms of sub-regulation (2) of regulation 15 of these regulations read with clause (e) of sub regulation (2) of regulation 8 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;]
 - (c) the promoter writes individually to all public shareholders in the company informing them of his intention to get the equity shares delisted, indicating the exit price together with then justification therefore and seeking their consent for the proposal for delisting;
 - (d) at least ninety per cent of such public shareholders give their positive consent in writing to the proposal for delisting, and have consented either to sell their equity shares at the price offered by the promoter or to remain holders of the equity shares even if they are delisted;
 - (e) the promoter completes the process of inviting the positive consent and finalisation of the proposal for delisting of equity shares within seventy five working days of the first communication made under clause (c);
 - (f) the promoter makes payment of consideration in cash within fifteen working days from the date of expiry of seventy five working days stipulated in clause (e).
- (4) The communication made to the public shareholders under clause (c) of sub-regulation (3) shall contain justification for the offer price with particular reference to the applicable parameters mentioned in regulation 15 and specifically mention that consent for the proposal would include consent for dispensing with the exit price discovery through book building method.
- (5) The concerned recognised stock exchange may delist such equity shares upon satisfying itself of compliance with this regulation.

42 Omitted the words "or sub-regulation (2)" by the SEBI (Delisting of Equity shares) (Amendment) Regulations, 2015, w.e.f. 24-03-2015.

43 Substituted by SEBI (Delisting of Equity shares) (Amendment) Regulations 2016, w.e.f. 12-01-2016. Prior to its substitution, clause (b) read as under: "the exit price offered to the public shareholders shall not be less than the price arrived at in consultation with the merchant banker;"

28. Delisting in case of winding up, derecognition, etc

- (1) In case of winding up proceedings of a company whose equity shares are listed on a recognised stock exchange, the rights, if any, of the shareholders of such company shall be in accordance with the laws applicable to those proceedings.
- (2) Where the Board withdraws recognition granted to a stock exchange or refuses renewal of recognition to it, the Board may, in the interest of investors pass appropriate order in respect of the status of equity shares of the companies listed on that exchange.

CHAPTER VIII MISCELLANEOUS

29. Recognised stock exchanges to monitor compliance

The respective recognised stock exchanges shall comply with and monitor compliance with the provisions of these regulations and shall report to the Board any instance of non-compliance which comes to their notice.

30. Listing of delisted equity shares

- (1) No application for listing shall be made in respect of any equity shares,
 - (a) which have been delisted under Chapter III rounder Chapter VII (except regulation 27), for a period of five years from the delisting;
 - (b) which have been delisted under Chapter V, for a period of ten years from the delisting.
- (2) Notwithstanding anything contained in sub-regulation (1), an application for listing of delisted equity shares may be made where a recommendation in this regard has been made by the Board for Industrial and Financial Reconstruction under the Sick Industrial Companies (Special Provisions) Act, 1985.
- (3) While considering an application for listing of any equity shares which had been delisted the recognised stock exchange shall have due regard to facts and circumstances under which delisting was made.
- (4) An application for listing made in respect of delisted equity shares shall be deemed to be an application for fresh listing of such equity shares and shall be subject to provisions of law relating to listing of equity shares of unlisted companies.

31. Transitional provisions

- (1) Anything done or omitted to be done or any right, privilege, obligation or liability acquired or accrued or incurred under Securities and Exchange Board of India(Delisting of Securities) Guidelines, 2003 prior to the commencement of these regulations shall be governed by said guidelines.

⁴⁴[(2) Any proposal for delisting made by company or any promoter or acquirer who

44. Substituted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

wanted to delist securities of the company, prior to commencement of these regulations and where the offer price has not been determined in terms of sub regulation (1) of regulation 15 as on the date of such commencement, shall be proceeded with under the Securities and Exchange Board of India (Delisting of Equity) Regulations, 2009 as amended by the Securities and Exchange Board of India (Delisting of Equity Shares) (Amendment) Regulations, 2015.]

- (3) The remaining procedures in respect of an exit opportunity already completed or an exit opportunity initiated but not completed under the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 prior to commencement of these regulations, shall be completed and the application for delisting made pursuant thereto shall be dealt under the said guidelines.

SCHEDULE I**[See regulation 10(2)]****CONTENTS OF THE PUBLIC ANNOUNCEMENT**

1. The floor price and the offer price and how they were arrived at.
2. The dates of opening and closing of the offer.
3. The name of the exchange from which the equity shares are sought to be delisted.
4. The manner in which the offer can be accepted by the shareholders.
5. Disclosure regarding the minimum acceptance condition for success of the offer.
6. The names of the merchant banker and other intermediaries together with the helpline number for the shareholders.
7. The specified date fixed as per sub-regulation (3) of regulation 10.
8. The object of the proposed delisting.
9. The proposed time table from opening of the offer till the payment of consideration or return of equity shares.
10. Details of the escrow account and the amount deposited therein.
11. Listing details and stock market data:
 - (a) high, low and average market prices of the equity shares of the company during the preceding three years;
 - (b) monthly high and low prices for the six months preceding the date of the public announcement; and,
 - (c) the volume of equity shares traded in each month during the six months preceding the date of public announcement.
12. Present capital structure and shareholding pattern.
13. The likely post-delisting shareholding pattern.
14. The aggregate shareholding of the promoter together with persons acting in concert and of the directors of the promoter where the promoter is a company and of persons who are in control of the company.
15. A statement, certified to be true by the board of directors of the company, disclosing material deviation, if any, in utilisation of proceeds of issues of securities made during the five years immediately preceding the date of public announcement, from the stated object of the issue.
16. A statement by the board of directors of the company confirming that all material information which is required to be disclosed under the provisions of continuous listing requirement have been disclosed to the stock exchanges.

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- ⁴⁵[16A. A statement by the board of directors of the company certifying that: -
- (a) the company is in compliance with the applicable provisions of securities laws;
 - (b) the acquirer or promoter or promoter group or their related entities have not carried out any transaction during the aforesaid period to facilitate the success of the delisting offer which is not in compliance with the provisions of sub-regulation (5) of regulation 4;
 - (c) the delisting is in the interest of the shareholders.]
17. Name of compliance officer of the company.
18. It should be signed and dated by the promoter. Where the promoter is a company, the public announcement shall be dated and signed on behalf of the board of directors of the company by its manager or secretary, if any, and by not less than two directors of the company, one of whom shall be a managing director where there is one.

⁴⁵ Inserted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

SCHEDULE II**[See regulation 15(1)]****THE BOOK BUILDING PROCESS**

1. The book building process shall be made through an electronically linked transparent facility and the promoter shall enter into an agreement with a stock exchange for the purpose.
2. The public announcement and letter of offer shall be filed without delay with the stock exchange mentioned in paragraph 1 and such stock exchange shall forthwith post the same in its website.
3. The minimum number of bidding centres shall be:
 - (a) the four metropolitan centres situated at Mumbai, Delhi, Kolkata and Chennai;
 - (b) such cities in the region in which the registered office of the company is situated, as are specified by the stock exchange mentioned in paragraph 1.
4. There shall be at least one electronically linked computer terminal at all bidding centres.
5. The shareholders may withdraw or revise their bids upwards not later than one day before the closure of the bidding period. Downward revision of bids shall not be permitted.
6. The promoter shall appoint 'trading members' at the bidding centres, whom the public shareholders may approach for placing bids on the on-line electronic system.
7. The shareholders holding dematerialised shares desirous of availing the exit opportunity may deposit the equity shares in respect of which bids are made, with the special depositories account opened by the merchant banker for the purpose prior to placement of orders or, alternately, may mark a pledge for the same to the merchant banker in favour of the said account.
8. The merchant banker shall ensure that the equity shares in the said special depositories account are not transferred to the account of the promoter unless the bids in respect thereof are accepted and payments made.
9. The holders of physical equity shares may send their bidding form together with the share certificate and transfer deed to the trading member appointed for the purpose, who shall immediately after entering their bids on the systems end them to the company or the share transfer agent for confirming their genuineness. The company or the share transfer agent shall deliver the certificates which are found to be genuine to the merchant banker, who shall not make it over to promoter unless the bids in respect thereof are accepted and payment made. The bids in respect of the certificates which are found to be not genuine shall be deleted from the system.

10. The verification of physical certificates shall be completed in time for making the public announcement under regulation 18.
11. The bids placed in the system shall have an audit trail which includes stockbroker identification details, time stamp and unique order number.

⁴⁶[11A Para 1 to 11 shall not be applicable in respect of the book building process where settlement is carried out through stock exchange mechanism as specified in sub-regulation (1A) of regulation 13 of these regulations.]

- ⁴⁷[12 The final offer price shall be determined as the price at which the shares accepted through eligible bids, that takes the shareholding of the promoter or the acquirer (along with the persons acting in concert) to ninety percent of the total issued shares of that class excluding the shares which are held by a custodian and against which depository receipts have issued. If the final price is accepted, then, the promoter shall accept all shares tendered where corresponding bids placed are at the final price or at price which is lesser than final price. The promoter or acquirer may, if he deems fit, pay a higher final price.

An Illustration for arriving at the final offer price is given in the table below:-

<i>Bid price (Rs.)</i>	<i>Number of investors</i>	<i>Demand (Number of shares)</i>	<i>Cumulative demand (Number of shares)</i>
550	5	2,50,000	2,50,000
565	8	4,00,000	6,50,000
575	10	2,00,000	8,50,000
585	4	4,00,000	12,50,000
595	6	1,20,000	13,70,000
600	5	1,30,000	15,00,000
605	3	2,10,000	17,10,000
610	3	1,40,000	18,50,000
615	3	1,50,000	20,00,000
620	1	5,00,000	25,00,000
	48	25,00,000	

Assuming floor price of Rs. 550 /- per share, promoter/acquirer shareholding at 75% and number of shares required for successful delisting as 15,00,000, the final price would be the price at which the promoter reaches the threshold of 90%, i.e., it would be Rs.600/- per share.]

46. Inserted by the SEBI (Delisting of Equity shares) (Amendment) Regulations 2015, w.e.f. 24-03-2015.

47. *ibid*

SCHEDULE III**[See regulation 22(4)]****CRITERIA FOR COMPULSORY DELISTING**

1. The recognised stock exchange shall take all reasonable steps to trace the promoters of a company whose equity shares are proposed to be delisted, with a view to ensuring compliance with sub-regulation (3) of regulation 23.
2. The recognised stock exchange shall consider the nature and extent of the alleged non-compliance of the company and the number and percentage of shareholders who may be affected by such non-compliance.
3. The recognised stock exchange shall take reasonable efforts to verify the status of compliance of the company with the office of the concerned Registrar of Companies.
4. The names of the companies whose equity shares are proposed to be delisted and their promoters shall be displayed in a separate section on the website of the recognised stock exchange for a brief period of time. If delisted, the names shall be shifted to another separate section on the website.
5. The recognised stock exchange shall in appropriate cases file prosecutions under relevant provisions of the Securities Contracts (Regulation) Act, 1956 or any other law for the time being in force against identifiable promoters and directors of the company for the alleged non-compliances.
6. The recognised stock exchange shall in appropriate cases file a petition for winding up the company under section 433 of the Companies Act, 1956 (1 of 1956) or make a request to the Registrar of Companies to strike off the name of the company from the register under section 560 of the said Act..

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ANNEXURE II

RULE 19 & 19A OF SECURITIES CONTRACTS (REGULATION) RULES, 1957

19. REQUIREMENTS WITH RESPECT TO THE LISTING OF SECURITIES ON A RECOGNISED STOCK EXCHANGE.

- (1) A public company as defined under the Companies Act, 1956, desirous of getting its securities listed on a recognised stock exchange, shall apply for the purpose to the stock exchange and forward along with its application the following documents and particulars:
 - (a) Memorandum and articles of association and, in the case of a debenture issue, a copy of the trust deed.
 - (b) Copies of all prospectuses or statements in lieu of prospectuses issued by the company at any time.
 - (c) Copies of offers for sale and circulars or advertisements offering any securities for subscription or sale during the last five years.
 - (d) Copies of balance sheets and audited accounts for the last five years, or in the case of new companies, for such shorter period for which accounts have been made up.
 - (e) A statement showing -
 - (i) Dividends and cash bonuses, if any, paid during the last ten years (or such shorter period as the company has been in existence, whether as a private or public company).
 - (ii) Dividends or interest in arrears, if any.
 - (f) Certified copies of agreements or other documents relating to arrangements with or between : -
 - (i) Vendors and/or promoters,
 - (ii) Underwriters and sub-underwriters,
 - (iii) Brokers and sub-brokers.

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- (g) Certified copies of agreements with
 - (i) Managing agents and secretaries and treasurers,
 - (ii) Selling agents,
 - (iii) Managing directors and technical directors,
 - (iv) General manager, sales manager, manager or secretary.
 - (h) Certified copy of every letter, report, balance sheet, valuation contract, court order or other document, part of which is reproduced or referred to in any prospectus, offer for sale, circular or advertisement offering securities for subscription or sale, during the last five years.
 - (i) A statement containing particulars of the dates of, and parties to all material contracts, agreements (including agreements for technical advice and collaboration), concessions and similar other documents (except those entered into in the ordinary course of business carried on or intended to be carried on by the company) together with a brief description of the terms, subject-matter and general nature of the documents.
 - (j) A brief history of the company since its incorporation giving details of its activities including any reorganisation, reconstruction or amalgamation, changes in its capital structure (authorised, issued and subscribed) and debenture borrowings, if any.
 - (k) Particulars of shares and debentures issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option.
 - (l) A statement containing particulars of any commission, brokerage, discount or other special terms including an option for the issue of any kind of the securities granted to any person,
 - (m) Certified copies of -
 - (i) Acknowledgment card or the receipt of filing offer document with the Securities and Exchange Board of India;
 - (ii) Agreements, if any, with the Industrial Finance Corporation, Industrial Credit and Investment Corporation and similar bodies.
 - (n) Particulars of shares forfeited,
 - (o) A list of highest ten holders of each class or kind of securities of the company as on the date of application along with particulars as to the number of shares or debentures held by and the address of each such holder.
 - (p) Particulars of shares or debentures for which permission to deal is applied for:

Provided that a recognised stock exchange may either generally by its byelaws or in any particular case call for such further particulars or documents as it deems proper.

(2) Apart from complying with such other terms and conditions as may be laid down by a recognised stock exchange, an applicant company shall satisfy the stock exchange that:

(a) Its articles of association provide for the following among others -

- (i) that the company shall use a common form of transfer,
- (ii) that the fully paid shares will be free from all lien, while in the case of partly paid shares, the company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such shares,
- (iii) that any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holders of the share to participate in respect thereof, in a dividend subsequently declared,
- (iv) there will be no forfeiture of unclaimed dividends before the claim becomes barred by law,
- (v) that option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting:

Provided that a recognised stock exchange may provisionally admit to dealings the securities of a company which undertakes to amend its articles of association at its next general meeting so as to fulfill the foregoing requirements and agrees to act in the meantime strictly in accordance with the provisions of this clause.

(b) The minimum offer and allotment to public in terms of an offer document shall be-

- (i) at least twenty five per cent of each class or kind of equity shares or debenture convertible into equity shares issued by the company, if the post issue capital of the company calculated at offer price is less than or equal to one thousand six hundred crore rupees;
- (ii) at least such percentage of each class or kind of equity shares or debentures convertible into equity shares issued by the company equivalent to the value of four hundred crore rupees, if the post issue capital of the company calculated at offer price is more than one thousand six hundred crore rupees but less than or equal to four thousand crore rupees;
- (iii) at least ten per cent of each class or kind of equity shares or debentures convertible into equity shares issued by the company, if the post issue capital of the company calculated at offer price is above four thousand crore rupees:

Provided that the company referred to in sub-clause (ii) or sub-clause (iii), shall increase its public shareholding to at least twenty five per cent within a period of three years from the date of listing of the securities, in the manner specified by the Securities and Exchange Board of India.

Provided further that this clause shall not apply to a company whose draft offer document is pending with the Securities and Exchange Board of India

on or before the commencement of the Securities Contracts (Regulation) Third Amendment Rules, 2014, if it satisfies the conditions prescribed in clause (b) of sub-rule (2) of rule 19 of the Securities Contracts (Regulation) Rules, 1956 as existed prior to the date of such commencement.

- (3) A company applying for listing shall, as a condition precedent, undertake *inter alia* -
- (a) (i) that letters of allotment will be issued simultaneously and that, in the event of its being impossible to issue letters of regret at the same time, a notice to that effect will be inserted in the press so that it will appear on the morning after the letters of allotment have been posted,
 - (ii) that letters of right will be issued simultaneously,
 - (iii) that letters of allotment, acceptance or rights will be serially numbered, printed on good quality paper and, examined and signed by a responsible officer of the company and that whenever possible, they will contain the distinctive numbers of the securities to which they relate,
 - (iv) that letters of allotment and renounceable letters of right will contain a proviso for splitting and that, when so required by the exchange, the form of renunciation will be printed on the back of or attached to the letters of allotment and letters of right,
 - (v) that letters of allotment and letters of right will state how the next payment of interest or dividend on the securities will be calculated;
- (b) to issue, when so required, receipts for all securities deposited with it whether for registration, sub-division, exchange or for other purposes; and not to charge any fees for registration of transfers, for sub division and consolidation of certificates and for sub-division of letters of allotment, renounceable letters of right, and split, consolidation, renewal and transfer receipts into denominations of the market unit of trading;
- (bb) to issue, when so required, consolidation and renewal certificates in denominations of the market unit of trading, to split certificates, letters of allotment, letters of right, and transfer, renewal, consolidation and split receipts into smaller units, to split call notices, issue duplicates thereof and not require any discharge on call receipts and to accept the discharge of members of stock exchange on split, consolidation and renewal receipts as good and sufficient without insisting on the discharge of the registered holders;
- (c) when documents are lodged for sub-division or consolidation or renewal through the clearing house of the exchange:
- (i) to accept the discharge of an official of the stock exchange clearing house on the company's split receipts and consolidation receipts and renewal receipts as good and sufficient discharge without insisting on the discharge of the registered holders; and

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- (ii) to verify when the company is unable to issue certificates or split receipt or consolidation receipts or renewal receipts immediately on lodgment whether the discharge of the registered holders, on the documents lodged for sub-division or consolidation or renewal and their signatures on the relative transfers are in order;
 - (d) on production of the necessary documents by shareholders or by members of the exchange, to make on transfers an endorsement to the effect that the power of attorney or probate or letters of administration or death certificate or certificate of the Controller of Estate Duty or similar other document has been duly exhibited to and registered by the company;
 - (e) to issue certificates in respect of shares or debentures lodged for transfer within a period of one month of the date of lodgment of transfer and to issue balance certificates within the same period where the transfer is accompanied by a larger certificate;
 - (f) to advise the stock exchange of the date of the board meeting at which the declaration or recommendation of a dividend or the issue or right or bonus share will be considered;
 - (g) to recommend or declare all dividends and/or cash bonuses at least five days before the commencement of the closure of its transfer books or the record date fixed for the purpose and to advise the stock exchange in writing of all dividends and/or cash bonuses recommended or declared immediately after a meeting of the board of the company has been held to finalise the same;
 - (h) to notify the stock exchange of any material change in the general character or nature of the company's business;
 - (i) to notify the stock exchange of any change -
 - (i) in the company's directorate by death, resignation, removal or otherwise,
 - (ii) of managing director, managing agent or secretaries and treasurers;
 - (iii) of auditors appointed to audit the books and accounts of the company;
 - (j) to forward to the stock exchange copies of statutory and annual reports and audited accounts as soon as issued, including directors' report;
 - (k) to forward to the stock exchange as soon as they are issued, copies of all other notices and circulars sent to the shareholders including proceedings of ordinary and extraordinary general meetings of the company and to file with the stock exchange certified copies of resolutions of the company as soon as such resolutions become effective;
 - (l) to notify the stock exchange prior to intimating the shareholders, of any new issue of securities whether by way of right, privilege, bonus or otherwise and the manner in which it is proposed to offer or allot the same;

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- (m) to notify the stock exchange in the event or re-issue of any forfeited securities or the issue of securities held in reserve for future issue;
 - (n) to notify the stock exchange of any other alteration of capital including calls;
 - (o) to close the transfer books only for the purpose of declaration of dividend or issue of right or bonus shares or for such other purposes as the stock exchange may agree and to give notice to the stock exchange as many days in advance as the exchange may from time to time reasonably prescribe, stating the dates of closure of its transfer books (or, when the transfer books are not to be closed, the date fixed for taking a record of its shareholders or debenture holders) and specifying the purpose or purposes for which the transfer books are to be closed (or the record is to be taken); and in the case of a right or bonus issue to so close the transfer books or fix a record date only after the sanctions of the competent authority subject to which the issue is proposed to be made have been duly obtained, unless the exchange agrees otherwise;
 - (p) to forward to the stock exchange an annual return immediately after each annual general meeting of at least ten principal holders of each class of security of the company along with particulars as to the number of shares or debentures held by, and address of, each such holder;
 - (q) to grant to shareholders the right of renunciation in all cases of issue of rights, privileges and benefits and to allow them reasonable time not being less than four weeks within which to record, exercise, or renounce such rights, privileges and benefits, and to issue, where necessary, coupons or fractional certificates or provide for the payment of the equivalent of the value of the fractional right in cash unless the company in general meeting or the stock exchange agrees otherwise;
 - (r) to promptly notify the stock exchange -
 - (i) of any action which will result in the redemption, cancellation or retirement in whole or in part of any securities listed on the exchange,
 - (ii) of the intention to make a drawing of such securities, intimating at the same time the date of the drawing and the period of the closing of the transfer books (or the date of the striking of the balance) for the drawing,
 - (iii) of the amount of securities outstanding after any drawing has been made;
 - (s) to intimate the stock exchange any other information necessary to enable the shareholders to appraise the position of the company and to avoid the establishment of a false market in the shares of the company;
 - (t) that in the event of the application for listing being granted, such listing shall be subject to the rules and bye-laws of the exchange in force from time to time and that the company will comply within a reasonable time, with such further listing requirements as may be promulgated by the exchange as a general condition for new listings.

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- (4) An application for listing shall be necessary in respect of the following:
- (a) all new issues of any class or kind of securities of a company to be offered to the public;
 - (b) all further issues of any class or kind of securities of a company if such class or kind of securities of the company are already listed on a recognised stock exchange.
- (5) A recognised stock exchange may suspend or withdraw admission to dealings in the securities of a company or body corporate either for a breach of or non-compliance with, any of the conditions of admission to dealings or for any other reason, to be recorded in writing, which in the opinion of the stock exchange justifies such action:
- Provided, however, that no such action shall be taken by a stock exchange without affording to the company or body corporate concerned a reasonable opportunity by a notice in writing, stating the reasons, to show cause against the proposed action:
- Provided further that where a recognised stock exchange has withdrawn admission to dealings in any security, or where suspension of admission to dealings has continued for a period exceeding three months, the company or body corporate concerned may prefer an appeal to the Securities Appellate Tribunal constituted under section 15K of the Securities and Exchange Board of India Act, 1992(15 of 1992), and the procedure laid down under the Securities Contract (Regulation)(Appeal to Securities Appellate Tribunal)Rules, 2000 shall apply to such appeal. The Securities Appellate Tribunal may, after giving the stock exchange an opportunity of being heard, vary or set aside the decision of the stock exchange and its orders shall be carried out by the stock exchange.
- (6) A recognised stock exchange may, either at its own discretion or shall in accordance with the orders of the Securities Appellate Tribunal under sub-rule (5) restore or re-admit to dealings any securities suspended or withdrawn from the list.
- (6A) Except as otherwise provided in these rules or permitted by the Securities and Exchange Board of India under sub-rule (7), all requirements with respect to listing prescribed by these rules shall, so far as they may be, also apply to a public sector company."
- (7) The Securities and Exchange Board of India may, at its own discretion or on the recommendation of a recognised stock exchange, waive or relax the strict enforcement of any or all of the requirements with respect to listing prescribed by these rules.

19A. Continuous Listing Requirement

- (1) Every listed company other than public sector company shall maintain public share holding of at least twenty five per cent:

Provided that any listed company which has public shareholding below twenty

five per cent, on the commencement of the Securities Contracts (Regulation) (Amendment) Rules, 2010, shall increase its public shareholding to at least twenty five per cent, within a period of three years from the date of such commencement, in the manner specified by the Securities and Exchange Board of India.

Explanation: For the purposes of this sub-rule, a company whose securities has been listed pursuant to an offer and allotment made to public in terms of sub-clause (ii) of clause (b) of sub-rule (2) of rule 19, shall maintain minimum twenty five per cent, public shareholding from the date on which the public shareholding in the company reaches the level of twenty five percent in terms of said sub-clause.

- (2) Where the public share holding in a listed company falls below twenty five per cent at any time, such company shall bring the public share holding to twenty five per cent within a maximum period of twelve months from the date of such fall in the manner specified by the Securities and Exchange Board of India.
- (3) Where the public shareholding in a listed company falls below twenty-five per cent in consequence to the Securities Contracts (Regulation) (Amendment) Rules, 2015, such company shall increase its public shareholding to at least twenty-five per cent in the manner specified by the Securities and Exchange Board of India within a period of three years, as the case may be, from the date of notification of:
 - (a) the Depository Receipts Scheme, 2014 in cases where the public shareholding falls below twenty five per cent as a result of such scheme;
 - (b) the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 in cases where the public shareholding falls below twenty-five percent, as a result of such regulations.

* * *

ANNEXURE III

DEFINITIONS OF RELEVANT TERMS UNDER SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

2(e) "control" includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner:

Provided that a director or officer of a target company shall not be considered to be in control over such target company, merely by virtue of holding such position;

2(q) "persons acting in concert" means,—

- (1) persons who, with a common objective or purpose of acquisition of shares or voting rights in, or exercising control over a target company, pursuant to an agreement or understanding, formal or informal, directly or indirectly co-operate for acquisition of shares or voting rights in, or exercise of control over the target company.
- (2) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be persons acting in concert with other persons within the same category, unless the contrary is established,—
 - (i) a company, its holding company, subsidiary company and any company under the same management or control;
 - (ii) a company, its directors, and any person entrusted with the management of the company;
 - (iii) directors of companies referred to in item (i) and (ii) of this sub-clause and associates of such directors;
 - (iv) promoters and members of the promoter group;
 - (v) immediate relatives;
 - (vi) a mutual fund, its sponsor, trustees, trustee company, and asset management company;

-
- (vii) a collective investment scheme and its collective investment management company, trustees and trustee company;
 - (viii) a venture capital fund and its sponsor, trustees, trustee company and asset management company;
 - (viii a) an alternative investment fund and its sponsor, trustees, trustee company and manager;
 - (ix) a merchant banker and its client, who is an acquirer;
 - (x) a portfolio manager and its client, who is an acquirer;
 - (xi) banks, financial advisors and stock brokers of the acquirer, or of any company which is a holding company or subsidiary of the acquirer, and where the acquirer is an individual, of the immediate relative of such individual:

Provided that this sub-clause shall not apply to a bank whose sole role is that of providing normal commercial banking services or activities in relation to an open offer under these regulations;

- (xii) an investment company or fund and any person who has an interest in such investment company or fund as a shareholder or unitholder having not less than 10 per cent of the paid-up capital of the investment company or unit capital of the fund, and any other investment company or fund in which such person or his associate holds not less than 10 per cent of the paid-up capital of that investment company or unit capital of that fund:

Provided that nothing contained in this sub-clause shall apply to holding of units of mutual funds registered with the Board;

Explanation.— For the purposes of this clause “associate” of a person means,—

- (a) any immediate relative of such person;
- (b) trusts of which such person or his immediate relative is a trustee;
- (c) partnership firm in which such person or his immediate relative is a partner; and
- (d) members of Hindu undivided families of which such person is a coparcener;

2(s) “promoter” has the same meaning as in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and includes a member of the promoter group.

ANNEXURE IV

APPLICATION FORMAT FOR VOLUNTARY DELISTING OF EQUITY SHARES WITHOUT EXIT OPTION

To,

Date :

The Managing Director
..... Stock Exchange Ltd.
.....

Dear Sir,

Sub. : Voluntary Delisting of Equity Shares sought under Regulation 6 (a) of SEBI (Delisting of Equity Shares) Regulations, 2009.

The Board of Directors of our company in its meeting held on _____ has resolved to de-list the Equity Shares listed on(exchange), voluntarily under Regulation 6 (a) of SEBI (Delisting of Equity Shares) Regulations, 2009.

We hereby apply for de-listing the listed equity shares on your exchange and provide the following information :

1. Company Code
2. Name of the Company
3. Registered Office
4. Type & No. of Securities to be de-listed
6. Reason for Delisting
7. Total Paid-up Capital
8. Designated Exchange on which company remains listed

Thanking You,

Yours faithfully

For,
Managing Director

ANNEXURE V

FORMAT OF INDEMNITY CUM UNDERTAKING FOR VOLUNTARY DELISTING OF EQUITY SHARES WITHOUT EXIT OPTION

FORMAT OF INDEMNITY CUM UNDERTAKING FOR VOLUNTARY DELISTING OF SECURITIES FROM _____ STOCK EXCHANGE LTD.

(To be executed on stamp paper of Rs. 100/-)

THIS INDEMNITY CUM UNDERTAKING is made at _____ this ____
day of _____, 2016, by _____ (Company name)
incorporated under the Companies Act, 2013, having registered office at _____

_____ hereinafter
called "The Company" (which expression shall unless it be repugnant to the context or
meaning thereof be deemed to mean and include their legal representatives, successors,
executors and assigns) :

TO

..... STOCK EXCHANGE LTD.

having its registered office at _____, hereinafter referred to
as _____ Ltd. (Stock Exchange) (which term so far as the context will admit will
include its executors, administrators, and assigns)

- A. WHEREAS the Equity Shares of our Company are listed on the ____ Ltd. (Stock Exchange). in accordance with the Rules, Regulations and bye laws, listing agreement of the ____ Ltd. (Stock Exchange) as well as Rules, Regulations, Guidelines, Circulars etc. prescribed by SEBI from time to time.
- B. AND WHEREAS the one of the requirements / conditions prescribed by _____ Ltd. (Stock Exchange) for getting the securities of the company delisted from ____ Ltd. (Stock Exchange) is the execution of an indemnity bond and undertaking by the Company.

NOW THEREFORE IN CONSIDERATION OF THE PREMISES AND IN ORDER TO COMPLY WITH THE PRE-CONDITIONS FOR DELISTING OF ITS SECURITIES _____ LTD. (STOCK EXCHANGE)

1. The Company hereby unconditionally & irrevocably undertakes, indemnifies and agrees to keep indemnified and hold harmless, ___ Ltd. (Stock Exchange) and its officials against any action, claim, causes, suits, proceedings and demands whatsoever, which may at any time be taken and made against ___ Ltd. (Stock Exchange) and / or its officials whether directly or indirectly, that may arise by reason of or in consequences or in connection with the process of delisting of securities of the company and / or on account of the fact that the securities of the company were listed on ___ Ltd. (Stock Exchange) prior to such delisting.
2. The Company shall abide by all such rules, regulations and directive as may be framed / initiated by _____ Ltd. (Stock Exchange) to give effect to the above delisting.
3. The Company has complied with the SEBI (Delisting of Equity Shares) Regulations, 2009 and the delisting application made to ___ Ltd. (Stock Exchange) is in compliance of the said Regulations.
4. We confirm that the Equity Shares sought to be de-listed from _____ Ltd. (Stock Exchange) remains listed on BSE Ltd. and / or NSEIL.

IN WITNESS WHEREOF the Company presently listed on ___ Ltd. (Stock Exchange) have set their respective hands and seals hereto the day and year first hereinabove written.

For, _____ Ltd.

(Name)

Managing Director

The Common seal of the aforesaid company (Company name) was hereunto affixed by the hands of _____, Managing Director, pursuant to a resolution passed at the meeting of the Board of Directors / General Meeting held on _____.

Date : _____

Place : _____

(Signature of Magistrate/Notary)

Full Name and Address of Magistrate /Notary

Name _____

Address _____

PIN _____

Regd. No. _____

Use space below to affix:

**Notarial / Court Fee Stamp Official Seal of
Magistrate / Notary**

ANNEXURE VI

FORMAT OF SPECIAL RESOLUTION THROUGH POSTAL BALLOT FOR DELISTING THROUGH REVERSE BOOK BUILDING

Voluntary Delisting of the Equity Shares of Company from the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited

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 letter dated July 25, 2016 received from The _____ (holding company), holding _____ % of the paid up equity share capital in the Company, conveying its intention to voluntarily delist the Equity Shares ("Equity Shares") of the Company from the Bombay Stock Exchange Limited and National Stock Exchange of India Limited ("Stock Exchanges") and in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("Delisting Regulations") and the consent letter dated July 25, 2016 received from _____ being the promoters of the Company, for consent to the voluntary delisting of Equity Shares in accordance with the Delisting Regulations,
- (ii) the approval of the Board of Directors of the Company ("Board" which term shall be deemed to include any person(s) authorized by the Board to exercise the powers conferred on the Board by this resolution) dated July 25, 2016, to the voluntary delisting of the Equity Shares of the Company from the Stock Exchanges, and
- (iii) Regulation 8(1)(b) of the Delisting Regulations and subject to all the applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter), and subject to receipt of the requisite approvals to the satisfaction of _____ from the Stock Exchanges, Reserve Bank of India, Foreign Investment Promotion Board and the Competition Commission of India and such other regulatory authorities or otherwise as may be required, the voluntary delisting of the Equity Shares of the Company from the Stock Exchanges in

accordance with Delisting Regulations be and is hereby approved and that the Company (which term shall be deemed to include the Board and any person(s) authorized by the Board thereof) shall take all necessary actions and make all necessary filings to facilitate such delisting in accordance with the conditions specified in the Delisting Regulations and the applicable provisions of the Companies Act, 2013."

"RESOLVED FURTHER THAT, for the purpose of giving effect to the voluntary delisting of the Equity Shares as described herein, any one of the following persons viz., any director and/or Company Secretary of the Company be and are hereby authorized jointly or severally on behalf of the Company to do all such acts, deeds, matters and things as they may at their discretion deem necessary or desirable for such purpose including making applications to the Stock Exchanges to seek their in-principle and final approval for the proposed voluntary delisting of the Equity Shares of the Company, and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard as they may in their absolute discretion deem fit."

"RESOLVED FURTHER THAT, the Board be and is hereby authorized to delegate all or any of the powers conferred by this resolution on it to any Director(s) or Officer(s) of the Company to give effect to the aforesaid resolutions."

EXPLANATORY STATEMENT REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 RELATING TO THE AFORESAID RESOLUTION

Delisting of the Equity Shares of Company from the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

The equity shares ("Shares") of _____ ("Company") are at present listed on the Bombay Stock Exchange Limited (Scrip Code: _____) and National Stock Exchange of India Limited (Scrip Code: _____) [the "Stock Exchanges"].

_____, ("Acquirer") is one of the promoters of the Company. The Acquirer owns _____ Shares of the Company representing _____ of the issued and paid up share capital of the Company. The other promoters of the Company, namely, _____ are collectively referred to as the _____ and cumulatively own _____ Shares of the Company representing _____% of the issued and paid up Share capital of the Company.

The Company has received a letter dated July 25, 2016 from the Acquirer, expressing its intention to acquire the Shares held by the public shareholders of the Company ("Public Shareholders") by providing an exit opportunity in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("Delisting Regulations") in order to voluntarily delist the Company's Shares from the Stock Exchanges ("Delisting Offer").

The Company has also received a letter dated July 25, 2016 from _____ whereby the _____ have given their consent to the Delisting Offer in terms of Clause ___ of the Shareholders Agreement dated _____ executed amongst the Acquirer, _____ and the Company and Article _____ of the Articles of Association of the Company. By the said letter dated July 25, 2016, the _____ have confirmed to the Company that (a) they consent to this Delisting Offer being

made by the Acquirer, (b) the Shares owned by them shall be aggregated with the Shares owned by the Acquirer for purposes of determining whether the Delisting Offer is successful under the Delisting Regulations; and (c) they or their affiliates and family members shall not tender their Shares, directly or indirectly, influence the Discovered Price (defined below) or the Exit Price (defined below), as the case may be, or otherwise participate in the Delisting Offer.

The objective of the Acquirer in making the Delisting Offer is to obtain full ownership of the Company, which will provide enhanced operational flexibility to the Acquirer's business in India while providing an attractive exit opportunity to the Public Shareholders of the Company. Additionally, the Acquirer believes that given the low liquidity in the Company's shares, the Delisting Offer would provide the public investors of the Company with ability to exit fully at an attractive price.

The price at which shares will be acquired in the Delisting Offer is required to be determined in accordance with a reverse book building process set out in the Delisting Regulations, subject to a Floor Price (as defined below).

In terms of the Delisting Regulations and the reverse book building process, the minimum price payable by the Acquirer for acquiring Shares in the Delisting Offer shall be the price at which the maximum number of Shares are tendered (the "Discovered Price") pursuant to the reverse book building process. The Discovered Price will not be lower than the Floor Price of Rs. _____) per share. Such price at which the Delisting Offer is accepted by the Acquirer (which price shall be equal to or more than the Discovered Price) is hereinafter referred to as the "Exit Price".

Public Shareholders are free to tender their shares in the reverse book building process and quote any price higher than the Floor Price.

The Board of Directors of the Acquirer has approved the Delisting Offer and has resolved that an acquisition of shares from the Public Shareholders pursuant to the Delisting Offer may be made at a price not exceeding Rs. _____ (Rupees _____) per Share. The Acquirer is of the view that a price of Rs. _____ (Rupees _____ Only) per share is an attractive price for the Public Shareholders of the Company in the present circumstances.

However, this should in no way be construed as:

- (i) a ceiling or maximum price for the purposes of the reverse book building process under the Delisting Regulations, and the Public Shareholders are free to tender their Shares at any price higher than the Floor Price; or
- (ii) a commitment by the Acquirer to acquire all or any Shares tendered in the Delisting Offer if the Discovered Price is equal to or less than Rs. _____ (Rupees _____ only); or
- (iii) a commitment by the Acquirer that the Acquirer will acquire Shares of the Company at a price of Rs. _____ (Rupees _____ only) per Share despite the Discovered Price being less than Rs. _____ (Rupees _____) per share; or

-
- (iv) a restriction on the board of directors of the Acquirer to subsequently approve an acquisition of shares from the Public Shareholders at a price in excess of Rs. _____ (Rupees _____) per Share.

If for any reason, the Delisting Offer is not successful, the Acquirer shall evaluate all potential strategies and opportunities in relation to the Acquirer's investment in Company.

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 shall be acted upon only 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 the Public Shareholders against it. In the event that this Special Resolution is passed by the members as set out above, subject to receipt of the in-principle approval of Stock Exchanges and applicable statutory approvals, a public announcement ("Public Announcement") of the Delisting Offer may be made by the Acquirer in accordance with the Delisting Regulations followed by dispatch of Letter of Offer to all Public Shareholders. Thereafter, the Delisting Offer will be conducted in accordance with the Delisting Regulations.

The Delisting Offer has been approved by the Board of Directors of the Company on July 25, 2016. The Stock Exchanges were informed of such approval on the same date. Since the Shares of the Company are frequently traded on the Stock Exchanges, the floor price ("Floor Price") as computed under the Delisting Regulations is Rs. _____ (Rupees _____) per share. The Floor Price has been calculated as the higher of the average of the weekly high and low of the closing prices of the Shares, as quoted on the Stock Exchanges during the 26 weeks or 2 weeks preceding July 25, 2016, being the date on which the Stock Exchanges were notified of the approval of the Delisting Offer by the Board of Directors of the Company.

The shareholders may tender their Shares during the reverse book building process at such price as they deem fit, independent of the Floor Price. The Floor Price is not a ceiling or maximum price.

The Acquirer shall not proceed with the Delisting Offer unless:

- a. the Acquirer accepts the Discovered Price;
- b. the number of Shares validly tendered in the Delisting Offer are sufficient to result in the Delisting Offer being successful as per the Delisting Regulations; and
- c. the Acquirer has obtained necessary regulatory and statutory approvals required under the applicable laws including the Delisting Regulations.

On July 25, 2016, the Acquirer and the Promoters have entered into a Share Purchase Agreement ("SPA"). Pursuant to and subject to certain conditions set forth in the SPA, only in the event that the Delisting Offer is successful, the Acquirer has

agreed to acquire _____ Shares ("Shares") representing _____ % of the paid-up Share capital of the Company from the Promoters. Prior to completion of the transactions in the SPA _____ may transfer certain Shares held by it in the Company to _____. Similarly, prior to completion of the transactions in the _____ may transfer Shares held by her in the Company to _____.

In addition to the foregoing, the SPA contains the following salient features:

- (a) The Acquirer has agreed to acquire the Shares from the Promoters only in the event that the Delisting Offer is successful i.e. only in the event that the Acquirer, in its sole discretion, accepts the Discovered Price and announces the Exit Price ("Successful Delisting Announcement"). In the event that the Acquirer issues the Successful Delisting Announcement, the Acquirer has agreed to acquire the Shares from the Promoters either simultaneously with the making of the Successful Delisting Announcement under an exemption available under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 or after the Shares of the Company have ceased to trade on the Stock Exchanges pursuant to the Delisting Offer;
- (b) Accordingly, in the event that the Delisting Offer is not successful for any reason whatsoever, the SPA shall terminate and the Acquirer shall not acquire the Shares from the Promoters;
- (c) The Acquirer and the Promoters have agreed that their respective Shareholding in the Company shall be aggregated for the purpose of determining whether or not the Delisting Offer is successful in term of Regulation 17 of the Delisting Regulations;
- (d) The Acquirer and the Promoters, not being Public Shareholders, shall not participate in the reverse book building process for discovering the Discovered Price;
- (e) The SPA contains representations, warranties, covenants and indemnities provided by the Acquirer and the Promoters which are customary to transactions of such nature;
- (f) The Public Announcement in terms of Regulation 10(1) of the Delisting Regulations may be made by the Acquirer or promoter and the letter of offer ("Letter of Offer ") in terms of Regulation 12(1) of the Delisting Regulations shall be dispatched by the Acquirer to all Public Shareholders if the Public Announcement is made, only after the receipt of all requisite approvals ("Required Approvals") to the satisfaction of the Acquirer for acquiring all Shares in the Delisting Offer and acquiring the Shares from the Promoters, including approvals from the Stock Exchanges, Reserve Bank of India, Foreign Investment Promotion Board, the Competition Commission of India, and such other regulatory authorities or otherwise as may be necessary;
- (g) If all the Required Approvals are not obtained or if any of the Required Approvals are not obtained to the satisfaction of the Acquirer, the Acquirer shall not make the Public Announcement and shall abandon all actions in connection with the delisting and the SPA; and

- (h) If the Required Approvals are amended at anytime after the Public Announcement has been made, the Acquirer reserves the right to withdraw the Public Announcement and abandon all actions in connection with the delisting and the SPA.

Upon consummation of the transactions contained in the SPA, the Promoters shall cease to be Shareholders of the Company.

Upon completion of the Acquirer's acquisition of the Shares tendered by Public Shareholders in the Delisting Offer, _____ shall be employed with _____ as the _____. The roles and responsibilities of _____ as _____ shall include responsibility for overseeing the Indian businesses of companies owned and managed by the _____, including those of the Company (the "_____"). _____ shall enter into an employment agreement in this regard. Some of the salient features of _____ employment with _____ are as follows:

- (a) _____ shall be employed with _____ for an initial term of five years;
- (b) During such term of employment, _____ shall be paid a remuneration package comprising of two components
- (i) a fixed salary; and
- (ii) performance based incentive compensation. The performance based incentive is linked to improvement in the value of the _____ structured as follows:
- (a) At two separate times being expiry of two (2) years and expiry of five (5) years from the acquisition of Shares pursuant to the Delisting Offer and the SPA, the value of the _____ will be computed as of the date of acquisition of Shares pursuant to the Delisting Offer. The valuation will include historical performance and expected future performance.
- (b) _____ would pay _____ of value created, if any, in excess of the baseline value of _____ Businesses determined prior to the acquisition of Shares pursuant to the Delisting Offer and under the SPA. Such baseline value shall include the enterprise value of the current business of the _____ in India, the enterprise value of the Company as implied by the delisting price, and the value of any anticipated synergies of a future combined operation.
- (iii) Each payout, if any, due upon expiry of the two year and the five year period, as the case may be, will be paid in three equal instalments. In the event that there is a payout due upon expiry of the said two year period, the first instalment for such payout will be paid immediately upon the completion of the said two year period and the next two instalments will be paid on the first and second anniversaries thereafter (i.e in the third and fourth year).

-
- (iv) Similarly, in the event that there is a payout due upon expiry of the said five year period, the first instalment for such payout will be paid immediately upon the completion of the said five year period and the next two instalments will be paid on the first and second anniversaries thereof (i.e. in the sixth and seventh year).
- (v) _____ must continue to be an employee to receive the aforementioned payouts, unless _____ leaves at the end of his initial term of five years, in which case the instalments for payout due, if any, upon expiry of the five year period will continue to be paid in the sixth and seventh year as set out above.
- (c) The employment agreement to be executed between _____ shall also contain other provisions customary in the employment of senior management personnel such as the ability of _____ to terminate the employment under specific circumstances and also certain employee related obligations on _____ such as non-compete and non-solicitation of customers and employees.

Approval of the members is sought for the aforesaid Special Resolution, after which, the Acquirer will proceed, subject to receipt of Required Approvals to make the Delisting Offer to the members of the Company in accordance with the provisions of the Delisting Regulations. The Board, therefore, places the proposed resolution for your consideration and recommends that it be passed as a Special Resolution.

Mr. _____, Mr. _____, Mr. _____, Mr. _____, Mr. _____ and Mrs. _____, are Directors of the Company representing the Acquirer and the Promoters. As such they may be deemed to be concerned or interested in the proposed resolution directly or indirectly set out in the notice.

ANNEXURE VII

SPECIMEN / LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This offer letter ("Offer Letter") is being sent to you as a Shareholder of _____ ("Company"). In case you have recently sold your shares in the Company, please hand over this Offer Letter and the accompanying documents to the member of the stock exchange through whom the sale was affected.

OFFER LETTER

for Delisting of Equity Shares

To : the Shareholders of _____ "Company")

Registered Office: _____

From : _____ ("Promoter/Acquirer")

Registered Office _____

Inviting you to tender your fully paid-up Equity Shares of Rs.10 /- each of _____, through the reverse book building process in accordance with the Securities and Exchange Board of India (Delisting of Securities) Regulations, 2009.

Floor Price : _____ per Equity Share of Face Value of Rs. 10 /- each

MANAGER TO THE OFFER

REGISTRAR TO THE OFFER

If you wish to tender your Shares to the Promoter/Acquirer, you should:

- read this Offer Letter and the instructions herein;
- complete and sign the accompanying Bid Form in accordance with the instructions therein and in this Offer Letter;

- Ensure that (a) you have credited to the specified Special Depository Account (details of which are set out in this Bid Letter) and obtained a copy of your Depository Participant Instruction in relation thereto, or (b) in case of shares held in physical form, executed the transfer deed. Alternately you may mark a pledge for the Manager to the Offer in favour of the said Special Depository Account and enclose along with their Bid, a photocopy of the pledge instructions to your depository participant with the due acknowledgement of such depository participant.
- Submit (a) your Bid Form and (b) a copy of your Depository Participant Instruction by physical delivery or (c) physical share certificate along with the executed transfer deed (applicable only in the case of shares held in physical form) to one of the Bid Centres set out in this Bid Letter. If you are resident in areas where no Bid Centre is located, you may send the above by registered post / courier (at your risk and cost) to any of the bidding centers as per the details set out in this Bid Letter, such that it is received before 3 p.m. on the Bid Closing Date, namely, on Friday, March 11, 2016.

<i>Activity</i>	<i>Date</i>
Date of publication of the PA	February 18, 2016
Specified Date for determining the names of shareholders to whom the Offer Letters shall be sent*	February 18, 2016
Dispatch of Offer Letters/Bid Forms to Public Shareholders as on Specified Date	February 22, 2016
Bid Opening Date (10.00 am)	March 7, 2016
Last Date of Revision (upwards) or withdrawal of bids	March 10, 2016
Bid Closing Date (3.00 pm)	March 11, 2016
Announcement of Discovered Price/Exit Price and the Promoter's Acceptance/Non-acceptance of Discovered Price/Exit Price	March 23, 2016
Final date of payment of consideration#	March 25, 2016
Return of Equity Shares to shareholders in case of failure of Delisting	
Offer/Bids have not been accepted	March 25, 2016

* Specified Date is only for the purpose of determining the name of the Shareholders as on such date to whom the Offer Letter will be sent. However, all owners (registered or unregistered) of the Equity Shares of the Company are eligible to participate in the Delisting Offer any time before and on the Bid Closing Date.

Subject to the acceptance of the Discovered Price or offer of an Exit Price higher than the Discovered Price by the Promoter.

<i>SR. NO.</i>	<i>SECTION</i>
1	BACKGROUND OF THE DELISTING OFFER
2	OBJECT OF THE OFFER
3	BACKGROUND OF THE PROMOTER / ACQUIRER
4	BACKGROUND OF THE COMPANY
5	STOCK EXCHANGES FROM WHICH EQUITY SHARES ARE TO BE DELISTED
6	MANAGER TO THE OFFER
7	REGISTRAR TO THE OFFER
8	STOCK EXCHANGE DATA
9	DETERMINATION OF FLOOR PRICE
10	DETERMINATION OF THE EXIT PRICE
11	CONDITIONS TO THE OFFER
12	DISCLOSURE REGARDING THE MINIMUM ACCEPTANCE CONDITION FOR SUCCESS OF THE OFFER
13	DATES OF OPENING AND CLOSING OF BID PERIOD
14	DETAILS OF TRADING MEMBER, BIDDING CENTRES AND BIDDING PROCEDURE
15	PERIOD FOR WHICH THE DELISTING OFFER SHALL BE VALID
16	DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN
17	PROPOSED TIMETABLE FOR THE OFFER
18	PRESENT CAPITAL STRUCTURE AND SHAREHOLDING PATTERN OF THE COMPANY
19	LIKELY POST DELISTING CAPITAL STRUCTURE
20	STATUTORY APPROVALS
21	TAX DEDUCTED AT SOURCE
22	CERTIFICATION BY BOARD OF DIRECTORS OF THE COMPANY
23	COMPLIANCE OFFICER
24	REGISTRAR TO THE OFFER
25	DISCLAIMER CLAUSE OF THESE
26	GENERAL DISCLAIMER

Dear Shareholder,

Invitation to tender Shares held by you in the Company

The Promoter / Acquirer is pleased to invite you to tender, on the terms and subject to the conditions set out below, Equity Shares held by you in the Company pursuant to the Delisting Regulations.

1. BACKGROUND OF THE DELISTING OFFER

- (a) The Company is a public limited company incorporated under the Indian Companies Act, 2013, having its registered office at _____. The paid-up equity share capital of the Company ("**Equity Capital**") comprises of _____ fully paid-up equity shares having face value of Rs. 10/- each ("**Equity Shares**"). The Equity Shares are listed on the Bombay Stock Exchange Limited ("**BSE**") and Pune Stock Exchange ("**PSE**").
- (b) _____ is a company promoted by the Promoter/Acquirer. The Promoter/Acquirer of the Company currently holds _____ Equity Shares as on date of the PA representing _____ of the paid up equity share capital of the Company.
- (c) The Promoter/Acquirer seeks to acquire _____ Equity Shares representing the balance _____ of the equity share capital of the Company from the public shareholders (defined to mean all the shareholders other than the Promoter and herein after referred to as "**Public Shareholders**") (the "**Offer Shares**") and proposes to delist the Equity Shares of the Company from BSE and PSE pursuant to the Delisting Regulations (the "**Offer**" / "**Delisting Offer**").
- (d) On _____ 2016, the Promoter/Acquirer informed the Company of its intention to make the Delisting Offer and requested the board of directors of the Company to convene a meeting to consider the Delisting Offer and to communicate and recommend the said proposal for approval by the shareholders in accordance with the Delisting Regulations.
- (e) The board of directors of the Company vide its resolution dated _____, approved the proposal received from the Promoter/Acquirer to initiate the Delisting Offer in accordance with the provisions of the Delisting Regulations, subject to applicable law and to seek approval of the shareholders of the Company. A special resolution has been passed by the shareholders of the Company through postal ballot, the result of which was declared on _____, approving the proposed delisting of the Equity Shares from the BSE and PSE in accordance with the Delisting Regulations. The votes cast by Public Shareholders in favour of the Delisting Offer were more than two times the number of votes cast by the Public Shareholders against it. The BSE has issued its in-principle approval to the Delisting Offer vide letter dated _____, subject to compliance with the Delisting Regulations.
- (f) Subsequently, the Promoter/Acquirer vide its letter dated _____ informed the Company that, after considering prevailing market conditions and with a view to reward shareholders, it is willing to accept Equity Shares tendered in the delisting offer at a price of _____ per equity share ("**Indicative Offer price**").

- (g) The Public Announcement has been issued in the following newspapers as required under Regulation 10(1) of the Delisting Regulations:

<i>Newspaper</i>	<i>Language</i>	<i>Editions</i>
_____	_____	_____
_____	_____	_____

- (h) The Promoter/Acquirer will inform the Public Shareholders, by way of a notice in the aforementioned newspapers in which the Public Announcement was published, of material changes, if any, to the information set out in the PA.
- (i) The Promoter/Acquirer reserves the right to withdraw the Delisting Offer in certain cases as more fully set out in paragraph 11 of the Public Announcement and this Offer Letter.

2. OBJECT OF THE OFFER

- (a) The objective of the Promoter/Acquirer in making the Offer is (i) to obtain full ownership of the Company, which will provide Letter of Offer the Promoter/Acquirer with increased operational flexibility to support the Company's business and meet the needs of its customers; (ii) to provide an exit opportunity to the Public Shareholders; and (iii) to comply with regulatory changes notified recently which requires the Company to have a minimum public float of 25% .
- (b) Accordingly, the Promoter/Acquirer intends to make the Delisting Offer to the Public Shareholders of the Company in order to acquire _____ Equity Shares constituting _____ % of the paid-up equity capital of the Company and to voluntarily delist the Equity Shares from the BSE and the PSE in accordance with the Delisting Regulations.

3. BACKGROUND OF THE PROMOTER/ACQUIRER

_____ is an industrial group with leading positions in compressors, construction and mining equipment, power tools and assembly systems. _____ is a public limited liability company incorporated in the year _____ under the laws of _____. It has its registered office at _____. The Company is primarily engaged in the business of engineering and rental of engineering products and carry out business compatible therewith.

4. BACKGROUND OF THE COMPANY

- (a) The Company was incorporated in _____, as under the Indian Companies Act, 2013 having its registered office at _____.
- (b) The Company's _____ core business areas are (i) _____, (ii) _____; and (iii) _____.

- (c) The Company has been listed on the BSE and PSE since _____.
- (d) Summary of financial results are as below.

<i>Particulars (Million)</i>	<i>Year ended December 31, 2015 (Unaudited)</i>	<i>Year ended December 31, 2014 (Audited)</i>	<i>Year ended December 31, 2013 (Audited)</i>	<i>Year ended December 31, 2012 (Audited)</i>

Source: Based on certificate dated February 16, 2016 from _____.

**Figures are not available as the company has not published / approved the balance sheet for year ended 31.12.2015*

5. STOCK EXCHANGES FROM WHICH THE EQUITY SHARES ARE SOUGHT TO BE DELISTED

The Equity Shares are proposed to be delisted from BSE and PSE in accordance with the Delisting Regulations.

Public Shareholders should note that as per the Delisting Regulations:-

- (a) No application for listing shall be made in respect of the Equity Shares which have been delisted pursuant to this Delisting Offer, for a period of five years from the delisting, except where a recommendation in this regard has been made by the Board for Industrial and Financial Reconstruction under the Sick Industrial Companies (Special Provisions) Act, 1985.
- (b) Any application for listing made in future by the Company in respect of delisted Equity Shares shall be deemed to be an application for fresh listing of such Equity Shares and shall be subject to provisions of law relating to listing of equity shares of unlisted companies.

6. MANAGER TO THE OFFER

The Promoter/Acquirer has appointed _____ having its registered office at _____, as the manager to the Offer ("_____ " or "Manager to Offer")

7. REGISTRAR TO THE OFFER

The Promoter/Acquirer has appointed _____ having its office at _____, India, as the registrar to the Offer ("Registrar to the Offer")

8. STOCK EXCHANGE DATA

- (a) The high, low and average prices of the Equity Shares (in ₹ per share) during the preceding three years on BSE is as follows:

<i>Month</i>	<i>BSE (₹)</i>			
	<i>High*</i>	<i>Low*</i>	<i>Average**</i>	<i>Volume</i>

(Source: www.bseindia.com)

* High/low during the period

** Volume Weighted Average Price during the period

- (b) The monthly high and low prices of the Equity Shares (in ₹ per share) and the trading volume (number of Equity Shares) for the six calendar months immediately preceding the date of the Public Announcement were as follows:

<i>Month</i>	<i>BSE (₹)</i>			
	<i>High*</i>	<i>Low*</i>	<i>Average**</i>	<i>Volume</i>

(Source: www.bseindia.com)

* High/low during the period

** Volume Weighted Average Price during the period

PSE has not been operational since 2003, and hence no trade has been carried out on the floor of the stock exchange since 2003.

Letter of Offer

9. DETERMINATION OF FLOOR PRICE

- (a) The Promoter/Acquirer proposes to acquire the Equity Shares of the Company pursuant to a reverse book-building process ("RBP") conducted in accordance with the terms of the Delisting Regulations.
- (b) With effect from March 24, 2015, the Amended Regulations came into force inter-alia amending provisions relating to computation of floor price where the floor price shall be determined in terms of regulation 8 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be applicable. In light of the Amended Regulations, the Acquirer/Promoter required clarification of SEBI on the computation of floor price for this Delisting Offer. SEBI vide its letter dated May 28, 2015 ("SEBI Letter") has clarified that the floor price for this Offer shall be the higher of (a) the floor price computed in accordance with the Delisting Regulations prior to the Amended Regulations. Therefore, in accordance with the applicable provisions, the floor price for equity shares was determined by promoter / acquirer in

consultation with manager to offer to be _____ (Rupees _____) per equity share ("Floor Price").

10. DETERMINATION OF THE EXIT PRICE

- (a) All Public Shareholders can tender Offer Shares of the Company during the Bid Period (as hereinafter defined) as set out in paragraph 13 of the Public Announcement and this Offer Letter.
- (b) The minimum price per Equity Share payable by the Promoter/Acquirer for the Offer Shares it acquires pursuant to the Delisting Offer, as determined in accordance with the Delisting Regulations, will be the price at which the maximum number of Offer Shares are tendered ("Discovered Price") pursuant to a RBP conducted in the manner specified in Schedule II of the Delisting Regulations.
- (c) The Promoter/Acquirer has informed the Company vide its letter dated January 26, 2016 that, after considering prevailing market conditions and with a view to reward shareholders, they are willing to accept Equity Shares tendered in the delisting offer at a price of ' _____ (Rupees _____) per equity share ("Indicative Offer Price"). However this should be in no way be construed as:
 - (i) a ceiling or maximum price for the purpose of the reverse book-building process contemplated herein and the Public Shareholders are free to tender their Equity Shares at any price higher than the Indicative Offer Price in accordance with the Delisting Regulations; or
 - (ii) a commitment by the Promoter/Acquirer to accept up to _____ Equity Shares tendered in the Delisting Offer if the Discovered Price (price at which maximum Equity Shares have been tendered in the reverse book building process) is _____ or less; or
 - (iii) any restriction on the ability of the Promoter/Acquirer to acquire shares at a price higher or lower than Indicative Offer Price.
- (d) The Promoter/Acquirer is under no obligation to accept the Discovered Price. The Promoter/Acquirer may at its discretion acquire Equity Shares at the Discovered Price or at a price higher than Discovered Price. Such price at which Delisting Offer is accepted by the Promoter/Acquirer (not less than the Discovered Price) is referred to as the exit price (the "Exit Price").
- (e) The Promoter/Acquirer shall announce the Discovered Price and its decision to accept or reject the Discovered Price and if accepted also announce the Exit Price as applicable, in the same newspapers in which the PA appears, in accordance with the timetable set out herein.
- (f) Once the Promoter/Acquirer accepts the Exit Price, the Promoter/Acquirer will acquire, subject to the terms and conditions of the PA, including but not limited to fulfillment of the conditions mentioned in paragraph 11 below, all the Equity Shares tendered up to and equal to the Exit Price, for a cash consideration equal to the Exit Price for each such Equity Share tendered.
- (g) If the Promoter/Acquirer does not accept the Discovered Price, the Promoter/

Acquirer will have no right or obligation to acquire any Equity Shares tendered pursuant to the Delisting Offer and the Delisting Offer shall not be proceeded with. Any shareholders who have tendered shares in the Special Depository Account will be returned in accordance with the Delisting Regulations.

11. CONDITIONS TO THE OFFER

The acquisition of the Equity Shares by the Promoter/Acquirer is conditional upon:

- (a) the Promoter/Acquirer deciding in its sole and absolute discretion to accept the Discovered Price or offer an Exit Price higher than the Discovered Price;
- (b) a minimum number of Offer Shares being tendered at or below the Exit Price so as to cause the shareholding of the Promoter/Acquirer in the Company to reach a minimum of _____ Equity Shares which is the aggregate percentage of pre offer Promoter/Acquirer shareholding (_____ Equity Shares) and fifty per cent of the Offer size (_____ Equity Shares) as per Regulation 17(b) of Delisting Regulations;
- (c) the Promoter/Acquirer obtaining all statutory approvals, as stated in paragraph 20 of this Offer Letter, and
- (d) there being no amendments to the Delisting Regulations or other applicable laws or regulations or conditions imposed by any regulatory/statutory authority/body or order from a court or competent authority which would in the sole opinion of the Promoter/Acquirer, prejudice the Promoter/Acquirer from proceeding with the Delisting Offer.

12. DISCLOSURE REGARDING THE MINIMUM ACCEPTANCE CONDITION FOR SUCCESS OF THE OFFER

As per Regulation 17 of the Delisting Regulations, the Delisting Offer shall be deemed to be successful if the following conditions are met :-

- (a) the post offer promoter shareholding (along with the persons acting in concert with the promoter) taken together with the shares accepted through eligible bids at the final price determined as per Schedule II, reaches ninety per cent of the total issued shares of that class excluding the shares which are held by a custodian and against which depository receipts have been issued overseas; and
- (b) at least twenty five per cent of the public shareholders holding shares in the demat mode as on date of the board meeting, had participated in the Book Building Process.

Provided that this requirement shall not be applicable to cases where the acquirer and the merchant banker demonstrate to the stock exchanges that they have delivered the letter of offer to all the public shareholders either through registered post or speed post or courier or hand delivery with proof of delivery 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.

13. DATES OF OPENING AND CLOSING OF BID PERIOD

- (a) The period during which the Public Shareholders may tender their Equity Shares to the Promoter/Acquirer in the RBP (the **"Bid Period"**) shall commence at 10.00 a.m. on March 7, 2016 (the **"Bid Opening Date"**) and close at 3.00 p.m. on March 11, 2016 (the **"Bid Closing Date"**).
- (b) Bids received after 3.00 p.m. on the Bid Closing Date may not be considered for the purpose of determining the Discovered Price payable for the Equity Shares by the Promoter/Acquirer pursuant to the RBP.
- (c) A letter inviting Public Shareholders to tender their Equity Shares to the Promoter/Acquirer by way of submission of "Bids" (the **"Offer Letter"**) containing the necessary forms and detailed instructions for submitting Bids will be dispatched to Public Shareholders as per the proposed timetable set out below.

14. DETAILS OF TRADING MEMBER, BIDDING CENTRES AND BIDDING PROCEDURE

- (a) Public Shareholders may tender their Equity Shares through an online electronic system facility, which will be provided by the BSE. The Company has appointed _____, a company registered under the provisions of the Companies Act, 2013 and having its registered office at _____ as the trading member (**"Trading Member"**) for the purpose of the Offer.
- (b) The Trading Member has, vide a sub-syndicate agreement dated February 2, 2016 with _____, a company incorporated under the provisions of the Companies Act, 2013 and having its official address at _____ (**"Sub-Syndicate Member"**), sub-syndicated only the online operations at _____ for the purpose of the Offer.
- (c) The Public Shareholders are required to submit their Bids only through the Trading Member or to the Sub-Syndicate Member.
- (d) The details of centres of the Trading Member where the Bids shall be submitted by hand delivery (**"Bid Centres"**) are as follows:

<i>S.No.</i>	<i>Bid Centre</i>	<i>Address</i>	<i>Contact Person</i>	<i>Contact Number</i>

Public Shareholders may submit their Bids by completing the bid forms accompanying their Offer Letters (**"Bid Forms"**) and submitting these Bid Forms to the Trading Member at any of the Bid Centres set out above by hand delivery on or before the Bid Closing Date. Bid Forms submitted by hand delivery must be delivered to the Bid Centres on Working Days during 10.00 am to 3.00 pm.

- (e) Public Shareholders (in particular those shareholders who are resident in areas where no Bid Centres are located) may also submit their Bids by registered post (at their own risk and cost) so as to ensure that their Bids are delivered to

the Trading Member on or before closing hours of the Bid Closing Date. Under no circumstances should the Bids be dispatched to the Promoter or the Company, or to the Registrar to the Offer or to the Manager to the Offer. If duly filled Bid Forms arrive before the Bidding Period opens, the Bid will still be valid, however, the Trading Member will not submit the Bid until the commencement of the Bidding Period.

- (f) The Manager to the Offer has opened a special depository account with _____ (the "**Special Depository Account**"), details of which are as follows :

Special Depository Account Name _____
 Name of the Depository Participant _____
 Depository Participant _____
 DP Identification Number _____
 Client Identification Number _____

- (g) **In order for Bids to be valid, Public Shareholders, who hold Equity Shares in dematerialised form, should transfer their Equity Shares from their respective depository accounts to the Special Depository Account of the Manager to the Offer. All transfers should be in off-market mode. A photocopy of the delivery instructions or counterfoil of the delivery instructions submitted to the depository participant of the Public Shareholder's depository account and duly acknowledged by such depository participant crediting the Public Shareholder's equity shares to the Special Depository Account, should be attached to the Public Shareholder's Bid.**
- (h) **Alternately Public Shareholders may mark a pledge for the same to the Manager to the Offer in favour of the said account.**
- (i) Public shareholders who hold their Equity Shares through Central Depository Services Limited will have to execute an inter-depository delivery instruction for the purpose of crediting their Equity Shares in favour of the Special Depository Account of the Manager to the Offer.
- (j) **It is the responsibility of Public Shareholders to ensure that their Equity Shares are credited/pledged in favour of the Special Depository Account to the Special Depository Account on or before the closing hours of Bid Closing Date.**
- (k) In order for Bids to be valid, the Public Shareholders who hold Equity Shares in physical form should send their Bid Form together with the share certificate and duly executed transfer deed to the Trading Member who shall immediately after entering their Bids on its system send them to the Registrar for confirming their genuineness.

The Registrar shall deliver the certificates which are found to be genuine to the Manager to the Offer. The bids in respect of the certificates which are found to be not genuine shall be deleted from the system. The transfer deed should be in favour of " _____".

-
- (l) The Manager to the Offer will hold in trust the Equity Shares/share certificates, Equity Shares lying in credit of the special depository account and the transfer form(s) or pledged Equity Shares, until the Promoter/Acquirer completes its obligations under the Offer in accordance with the Delisting Regulations.
 - (m) The ISIN for the Equity Shares of the Company is _____.
 - (n) If any Public Shareholder fails to receive or misplaces the Offer Letter, a copy may be obtained by writing to the Registrar to the Offer at their address given in paragraph 24, clearly marking the envelope “_____”. Alternatively, such Public Shareholder may obtain copies of Bid Forms from the Bid Centres mentioned above.
 - (o) The Equity Shares to be acquired under this Offer are to be acquired free from all liens, charges and encumbrances and together with all rights attached thereto. Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected.
 - (p) 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 Offer and the Promoter/Acquirer shall take no responsibility for the same. The Public Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares failing which the Bid may be considered invalid and may be liable to be rejected. The Public Shareholder should attach a copy of any such approval to the Bid.
 - (q) In accordance with Clause 5 of Schedule II of the Delisting Regulations, Public Shareholders who have tendered their Equity Shares by submitting Bids pursuant to the terms of the 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 Bids shall not be permitted. Any such request for revision or withdrawal of the Bids should reach the Trading Member at the Bid Centres on or before 3.00 p.m. as on one day before Bid Closing Date. Any such request for revision or withdrawal Bids received after 3.00 p.m. on one day before the Bid Closing Date may not be accepted.
 - (r) Shareholders who obtain shares after the Specified Date may request for a form as per paragraph 14 (n) above.
 - (s) Multiple bids from same depository participant would be accepted and considered in delisting offer.
 - (t) All the Public Shareholders whose Bids are verified to be genuine shall be paid the Exit Price stated in this Offer Letter within 10 working days from the closure of the Offer by way of a crossed account payee cheque/ demand draft/ pay order/ECS/RTGS/NEFT/Direct Credit. All cheques/demand drafts will be drawn in the name of the first holder, in case of joint holder(s), and will be dispatched to the shareholders by registered post or ordinary post as the case may be, at the shareholder's sole risk, and at the address registered with the Company.

**Dispatches involving payment of a value in excess of 1,500 will be made by*

registered post at the shareholder's sole risk. All other dispatches will be made by ordinary post at the shareholder's sole risk.

- (u) Share certificates for any invalid bid, will be dispatched to the shareholders by registered post, at the shareholder's sole risk. Equity Shares held in dematerialized form for any invalid Bid will be credited back to the respective beneficiary account with their respective Depository Participants (DPs) as per the details furnished by the beneficial owners in the Bid Form.
- (v) Where the Offer fails in the circumstances stated in sections 10 and 11 of this Offer Letter:-
 - (i) the Equity Shares deposited or pledged by a Public Shareholder shall be returned or released to him within ten working days from the Bid Closing Date in terms of the Proposed Timetable herein;
 - (ii) no final application shall be made to the BSE for delisting of the Equity Shares; and
 - (iii) the Escrow Account shall be closed.
- (w) Shareholders holding equity shares under multiple folios are eligible to participate in Delisting offer and would not be rejected.
- (x) Shareholders are requested to submit the required documents along with Bid Form:

15. PERIOD FOR WHICH THE DELISTING OFFER SHALL BE VALID

The Public Shareholders may submit their Bids to the Promoter during the Bid Period. Additionally, once the Equity Shares have been delisted, shareholders, whose Equity Shares have not been acquired by the Promoter, may offer their Equity Shares for sale to the Promoter at the Exit Price for a period of one year following the date of the delisting.

16. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN

- (a) The estimated consideration payable under the Delisting Regulations, being the Floor Price of _____ per Equity Share multiplied by the number of Equity Shares outstanding with the public shareholders, i.e., _____ Equity Shares, is _____ (_____).
- (b) In accordance with the Delisting Regulations, the Promoter/Acquirer, Citibank NA (the "_____") and the Manager to the Offer have entered into an escrow agreement dated February 7, _____ subsequent to which the Promoter/Acquirer has opened an escrow account with the Escrow Bank at their branch at _____ (the "_____") and the Escrow Bank has issued, pursuant to

bank guarantee letter dated February 17, 2016 (the **"Bank Guarantee"**) in favor of the Merchant Banker for an aggregate amount of Rs. _____ (_____) representing _____ of the estimated consideration payable as calculated in paragraph (a) above.

- (c) If the Promoter/Acquirer offers an Exit Price, it shall, along with the Merchant Banker, instruct the Escrow Bank to open a special account (the **"Special Account"**), which shall be used for payment to the Public Shareholders who have tendered Equity Shares in the Delisting Offer. It shall then deposit in the Escrow Account an amount equal to the amount payable to the Shareholders whose shares have been tendered and accepted in the Delisting Offer at the Exit Price (the **"Escrow Amount"**).

17. PROPOSED TIMETABLE FOR THE OFFER

<i>Activity</i>	<i>Date (for reference purpose only)</i>
Date of publication of the PA	February 18, 2016
Specified Date for determining the names of shareholders to whom the Offer Letters shall be sent*	February 18, 2016
Dispatch of Offer Letters/Bid Forms to Public Shareholders as on Specified Date	February 22, 2016
Bid Opening Date (10.00 am)	March 7, 2016
Last Date of Revision (upwards) or withdrawal of bids	March 10, 2016
Bid Closing Date (3.00 pm)	March 11, 2016
Announcement of Discovered Price/Exit Price and the Promoter's Acceptance/Non-acceptance of Discovered Price/Exit Price	March 23, 2016
Final date of payment of consideration#	March 25, 2016
Return of Equity Shares to shareholders in case of failure of Delisting Offer/Bids have not been accepted	March 25, 2016

* Specified Date is only for the purpose of determining the name of the Shareholders as on such date to whom the Offer Letter will be sent. However, all owners (registered or unregistered) of the Equity Shares of the Company are eligible to participate in the Delisting Offer any time before and on the Bid Closing Date.

Subject to the acceptance of the Discovered Price or offer of an Exit Price higher than the Discovered Price by the Promoter

All the dates are subject to change and are dependent on obtaining the requisite statutory and regulatory approval as may be applicable. In the event there is any change in the proposed timetable, it will be announced by way of corrigendum to the PA and in the same newspapers in which the PA appeared.

18. PRESENT CAPITAL STRUCTURE AND SHAREHOLDING PATTERN OF THE COMPANY

- (a) The authorized equity share capital of the Company is _____ comprising of _____ Equity Shares. The paid up equity capital comprises of _____ Equity Shares.
- (b) As on the date of the Public Announcement and this Offer Letter, the Company has no outstanding preference shares, partly paid-up shares, convertible instruments, or stock options. None of the Equity Shares are subject to any lock-in requirements.
- (c) The shareholding pattern of the Company, as on February 11, 2016 is as under:

<i>Particulars</i>	<i>No. of Shares</i>	<i>Shareholding (%)</i>
_____	_____	_____

19. LIKELY POST DELISTING CAPITAL STRUCTURE

The likely post-delisting capital structure of the Company, assuming that all Equity Shares outstanding with the Public Shareholders are acquired pursuant to the Delisting Offer, will be as follows:

Shareholder(s) No. of Equity Shares % of Equity Capital

20. STATUTORY APPROVALS

- (a) The Promoter/Acquirer applied to the Reserve Bank of India ("RBI") for obtaining approval for acquiring Equity Shares from resident and non-resident Indians, at the Exit Price, in accordance with applicable laws and regulations. The RBI has granted such approval for the Delisting Offer vide its letter dated _____ subject to compliance with conditions stated therein.
- (b) To the best of the Promoter's/Acquirer's knowledge, as of the date of the Offer Letter, there are no other statutory or regulatory approvals required to acquire the Offer Shares and implement the Delisting Offer, other than as indicated above. If any statutory or regulatory approvals become applicable, the acquisition of Offer Shares by the Promoter/Acquirer and the Delisting Offer will be subject to receipt of such statutory or regulatory approvals.
- (c) It shall be the responsibility of the Public Shareholders tendering in the Delisting Offer to obtain all requisite approvals (including corporate, statutory or regulatory approvals), if any, prior to tendering the Equity Shares held by them in the Delisting Offer, and the Promoter/Acquirer shall take no responsibility for the same. The Public Shareholders should attach a copy of any such approval to the Bid Form, wherever applicable.
- (d) The Promoter/Acquirer reserves the right not to proceed with the Delisting Offer in the event the approvals indicated above are not obtained or

conditions which the Promoter/Acquirer considers in its sole discretion to be onerous are imposed in respect of such approvals.

- (e) In the event that receipt of the requisite statutory and regulatory approvals are delayed, the Promoter/Acquirer may, with such permission as may be required, make changes to the proposed timetable or may delay the Delisting Offer and any such change shall be intimated by the Promoter/Acquirer by issuing an appropriate corrigendum in all the newspapers where the Public Announcement was published.

21. TAX DEDUCTED AT SOURCE

Summary of key provisions related to Tax Deduction at Source ("TDS") under the Income-tax Act, 1961 ("the Act"). All shareholders would either be classified as resident or non-resident, which status is to be determined on the basis of criteria laid down in Section 6 of the Act.

As per the provisions of Section 195(1) of the Act, any person responsible for paying to a non-resident, not being a company, or to a foreign company, any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess wherever applicable) at the rates in force. Since, under the current provisions of the Act, the consideration payable under the Offer would be chargeable to tax as capital gains, or business profits (as the case may be), the Acquirer Company will need to deduct tax at source at the rates as per Income Tax Act, 1961.

22. CERTIFICATION BY BOARD OF DIRECTORS OF THE COMPANY

The Board of Directors of the Company hereby certifies that -

- (a) the Company has not raised capital by issuing securities during the five years preceding the date of the PA;
- (b) all material information which is required to be disclosed under the provisions of the continuous listing requirement under the relevant Listing Agreement have been disclosed to the BSE and the ___ (the Regional Exchange), as applicable.

23. COMPLIANCE OFFICER

The Compliance Officer of the Company is:

In case the Public Shareholders have any queries concerning the non-receipt of credit or payment for Offer Shares or on delisting processes and procedure, they may address the same to the Registrar to the Offer or the Manager to the Offer.

24. REGISTRAR TO THE OFFER

25. DISCLAIMER CLAUSE OF THE STOCK EXCHANGE

It is to be distinctly understood that the permission given by SE to use their electronic automated facilities and infrastructure for "Online reverse book building facility for delisting of securities" should not in any way be deemed or construed that the compliance with various statutory and other requirements by _____ and the MANAGER TO THE OFFER etc.

are cleared or approved by SE; nor does SE in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does SE have any financial responsibility or liability nor does SE take responsibility in any way for the financial or other soundness of the Company, its promoters or its management." It is also to be distinctly understood that the approval given by SE should not in any way be deemed or construed to mean that the public announcement has been cleared or approved by SE, nor does SE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the announcements, nor does SE warrant that the securities will be delisted. That every person who desires to avail of the exit opportunity may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against SE or against the Investor Protection Fund set up by SE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through book building process whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

26. GENERAL DISCLAIMER

Every person who desires to avail of the Offer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Promoter/Acquirer, the Manager to the Offer or the Company whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through RBP.

Signed on behalf of the Board of Directors of the Promoter

For _____

(On behalf of the Board)

<i>Sd/-</i>	<i>Sd/-</i>	<i>Sd/-</i>
<i>Managing Director</i>	<i>Director Company</i>	<i>Secretary/Manager</i>

Place :

Date :

**THIS DOCUMENT IS IMPORTANT AND REQUIRES
YOUR IMMEDIATE ATTENTION**

Please read this document along with the Public Announcement dated February 16, 2016 and published on _____ ("PA") and the Offer Letter dated _____ ("Offer Letter") issued by _____ ("_____"), since the terms and conditions of the PA and the Offer Letter are deemed to have been incorporated in and form part of this document. Unless the context otherwise requires, expressions in this Bid cum Acceptance Form / Bid Form have the same meaning as defined in the PA and the Offer Letter.

DELISTING OFFER*

Bid Opening Date	Monday March 7, 2016 10:00 AM
Last Date for Revision (Upwards) or Withdrawal	Thursday March 10, 2016 3:00 PM
Bid Closing Date	Friday March 11, 2016 3:00 PM
Floor Price Per Share	1,426/- (Rupees One Thousand Four Hundred Twenty Six Only)
Indicative Offer Price Per Share	2,250/- (Rupees Two Thousand Two Hundred Fifty Only)

* *The dates are subject to, among other things, the Promoter/Acquirer obtaining the necessary approvals, if any, prior to the Bid Opening Date*
The Indicative Offer price should in no way be construed as (i) a ceiling or maximum price for the purpose of the reverse bookbuilding process contemplated herein and the public shareholders are free to tender their equity shares at any price higher than the Offer Price in accordance with the Delisting Regulations or (ii) a commitment by us to accept up to _____ equity shares tendered in the Delisting Offer if the Discovered Price (price at which maximum shares have been tendered in the reverse book building process) is _____ or less or (iii) any restriction on the ability of the Acquirer to acquire shares at a price higher or lower than Offer price.

BID CUM ACCEPTANCE FORM

In respect of Equity Shares of Face Value of Rs. 10/- each of

_____ pursuant to the Delisting Offer by _____
 (To be filled in by the Trading Member)

<i>Bid Centre</i>	<i>Application</i>	<i>Number Date</i>
-------------------	--------------------	--------------------

Dear Sir(s),

Re: Delisting Offer for fully paid up Equity Shares of _____ (_____) by the Promoter/Acquirer through reverse book building process ("Delisting Offer"). The Floor Price for the Delisting Offer has been determined as Rs. 1,426/- per Equity Share.

Tear Here

1. I/We, having read and understood the terms and conditions set out below, in the PA and in the Offer Letter, hereby tender my/our Equity Shares in response to the Delisting Offer.
2. I/We understand that the trading member to whom this Bid cum Acceptance Form is sent, is authorized to tender the Equity Shares on my/our behalf and the Equity Shares tendered under the Delisting Offer shall be held in trust by the Manager to the Offer until the time of the dispatch of payment of consideration calculated at Discovered /Exit Price and/or the Equity Shares are returned.
3. I/We hereby undertake the responsibility for the Bid Form and the Equity Shares tendered under the Delisting Offer and I/we hereby confirm that the Promoter/Acquirer/Manager to the Offer or the Registrar to the Offer or the Trading Member shall not be liable for any delay/loss in transit resulting into delayed receipt or non receipt of the Bid Form along with all requisite documents, by the Trading Member or delay/failure in credit of shares to the Special Depository Account within due time, due to inaccurate/incomplete particulars/instructions or any reason whatsoever.
4. I/We understand that this Bid is in accordance with the SEBI (Delisting of Equity Shares) Regulations, 2009 and any amendments thereto ("Delisting Regulations") and all other applicable laws, by way of reverse book building process and the Promoters/Acquirer are not bound to accept the Discovered Price.
5. I/We also understand that the payment of consideration will be done after due verification of Bids, documents and signatures.
6. I/We hereby confirm that I have never sold or parted/dealt with in any manner with the Equity Shares tendered under the Delisting Offer and these Equity Shares are free from any lien, equitable interest, charges & encumbrances, whatsoever.
7. I/We hereby declare that there are no restraints/injunctions, or other order of any nature which limits/restricts my/our rights to tender these Equity Shares and I/we are the absolute and only owner of these Equity Shares and legally entitled to tender the Equity Shares under the Delisting Offer.
8. I/We authorize the Promoter/Acquirer, Manager to the Offer and Registrar to the Offer to send the payment of consideration by way of crossed account payee cheque/demand draft/pay order through registered post or ordinary post, as the case may be/ECS/RTGS/NEFT/Direct Credit, and at the address registered with the Company.
9. I/We undertake to return the amount received by me/us inadvertently, immediately.
10. I/We agree that upon acceptance of the Equity Shares by the Promoter/Acquirer, tendered by me/us under the Delisting Offer, I/we would cease to enjoy all right, title, claim and interest whatsoever, in respect of such Equity Shares of the Company.
11. I/We authorize the Promoter/Acquirer to accept the Equity Shares so offered,

which they may decide to accept in consultation with the Manager to the Offer and in terms of the Offer Letter.

12. I/We further authorize the Promoter/Acquirer to return to me/us, the Equity Share certificate(s) in respect of which the offer is found not valid or is not accepted, specifying the reasons thereof (Note: do we need to do that) and in the case of dematerialized Equity Shares, to the extent not accepted will be released to my depository account at my/our sole risk.
13. I/We hereby undertake to execute any further documents, give assurance and provide assistance, which may be required in connection of the Delisting Offer and agree to abide by the decisions taken in accordance with the applicable laws, rules and regulations.
14. I/We acknowledge and confirm that all the particulars/statements given herein are true and correct.

1. Name (in BLOCK LETTERS)	Holder	Name	PAN No.
(Please write the names of the joint holders in the same order as appearing in the share certificate(s)/ demat account)	Sole / First Second Third		
2. Contact Number(s) :	Tel No:	Mobile No.:	
3. Full Address of the First Holder (with pin code)			
	Individual	NRI - Repatriable	
	HUF	NRI – Non Repatriable	
4. Type of Investor	Domestic Company	FII	
(Please tick (✓) the box to the right of the appropriate category)	Mutual Fund / Banks / FI	Foreign Company	
	OCB	Others (Please specify)	

5. FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

Details of original share certificate(s) along with duly filled, signed transfer deed(s), as enclosed

<i>Sr. No.</i>	<i>Folio No.</i>	<i>Share Certificate(s) No.</i>	<i>Distinctive No. From</i>	<i>Number of Shares To</i>
----------------	------------------	---------------------------------	-----------------------------	----------------------------

(If the space provided is inadequate please attach a separate continuation sheet)

TOTAL

FOR SHAREHOLDERS HOLDING SHARES IN DEMATERIALISED FORM

Details of demat account and delivery instruction executed in favour of Special Depository Account

Name of Depository Participant**Depository Participant's ID No.****Client ID No.****Date of execution/acknowledgement of delivery instruction (copy enclosed)****Number of Equity Shares****6. Other enclosures, as applicable** Power of Attorney Others (Please specify)

(Please tick (✓) the box to the right of the appropriate category) Death Certificate Corporate Authorisation

7. Details of Bank Account

In order to avoid any fraudulent encashment in transit of the cheque, pay order or demand draft issued by the Promoter/Acquirer or as the case may be ECS/RTGS/NEFT/Direct Credit towards the consideration payable for the Equity Shares tendered under this Bid Form, please fill the following details of the sole shareholder's bank account (or, in the case of joint holders, the first-named holder's bank account) and any consideration payable will be paid by issuing an instrument carrying the details of the bank account so provided.

If you do not provide the following details or the details provided are different from those received electronically from the your depository participant, any consideration payable will be sent to the first/sole shareholder based on details obtained from the first/sole shareholders' depository participant (however, there will be no obligation on the Promoter/Acquirer or Manager to the Offer or Registrar to do the same), or without such details.

Name of the Bank

Branch Address

Account No.

Savings/Current / Others (Please Specify)

MICR Code

IFSC Code

8. Details of Bid and Shares tendered in pursuant to the Delisting Offer

You should insert the number of Equity Shares you wish to tender and the price per Equity Share at which you are tendering the same (your "Bid Price") in the space provided below. If your Bid Price is less than the Floor Price which

is Rs. 1,426/- per Equity Share, you will be deemed to have tendered your Equity Shares at Rs. 1,426/- per Equity Shares.

I/We hereby tender to the Promoter, the number of Equity Shares at the Bid Price as specified below:

	<i>Figure in Numbers</i>	<i>Figure in Words</i>
Number of Equity Shares		
Bid Price per Equity Share (in ‘)		
Signature		
	Sole / First Holder	Second Holder
		Third Holder

Note: In case of joint holdings, all holders must sign.

In case of bodies corporate a stamp of the Company should be affixed and necessary board resolution authorizing the submission of this Bid Form should be attached.

Tax Certification (Non Resident Indians (“NRIs”) / Overseas Corporate Bodies (“OCBs”) / Foreign Institutional Investors (“FIIs”) / Foreign Portfolio Investors (“FPI”) / Non-Resident shareholders ONLY)

Please refer to the Offer Letter for details regarding tax to be deducted at source. Shareholders are also advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take.

I/We certify that the Equity Shares referred to in Box 5 are held :
[please tick (✓)]

On Investment / Capital Account	On Trade Account /to be taxed as Business Profits
---------------------------------	---

I/We certify that the tax deduction on the Equity Shares referred to in Box 5 is to be deducted on account of .

Short Term Gains	Long Term Gains	Business Profits
------------------	-----------------	------------------

Note: Where the shares tendered comprise both long term capital assets and short term capital asset please furnish a statement showing computation of the break up into short term capital gains and long term capital gains In the case of NRIs only, where the Equity Shares have been acquired / purchased with or subscribed to in convertible foreign exchange and the shareholder wants to certify himself as having opted / not opted out of Chapter XII-A of the Income Tax Act, 1961 then please tick (✓) in the appropriate box below

I certify that:

- I have not opted out of Chapter XII-A of the Income Tax Act, 1961
- I have opted out of Chapter XII-A of the Income Tax Act, 1961

PERMANENT ACCOUNT NUMBER :

(For tax deduction at source purposes)

I/We have enclosed the following documents that are applicable to me/us
[Please tick (✓)]

No objection certificate / Tax clearance certificate from income tax authorities u/s 195(3) or u/s 197 of the Income Tax Act, 1961

Previous RBI approvals for holding the Equity Shares referred to in Box 5 of this Bid Form

Self Attested Copy of Permanent Account Number (PAN) Letter / PAN Card

Notes :

- (a) In case the Equity Shares are held on trade account, kindly enclose a certificate stating that you are a tax resident of your country of residence/Incorporation and that you do not have a "permanent establishment" in India in terms of the Double Taxation Avoidance Agreement ("DTAA") entered into between India and your country of residence.
- (b) In order to avail the benefit of lower rate of tax deduction under the DTAA, if any, kindly enclose a tax residency certificate stating that you are a tax resident of your country of incorporation in terms of the DTAA entered into between India and your country of residence.
- (c) Non-resident shareholders should enclose a copy of the permission received from RBI for the Equity Shares held by them. If the Equity Shares are held under the general permission of RBI, the non-resident shareholder should furnish a copy of the relevant notification / circular pursuant to which the Equity Shares are held and state whether the Equity Shares are held on repatriable or non-repatriable basis.
- (d) Non-resident shareholders (including NRIs, OCBs and FIIs/FPIs) should enclose no objection certificate / tax clearance certificate from income tax authorities u/s 195(3) or u/s 197 of the Income Tax Act, 1961, indicating the tax to be deducted, if any, by the Promoter before remittance of consideration. Otherwise, tax will be deducted at maximum marginal rate as may be applicable to the category and status of the shareholder, on the full consideration payable by the Promoter.
- (e) NRIs, OCBs, FIIs/FPIs and non-resident shareholders are required to furnish bankers' certificates certifying inward remittance of funds for their original acquisition of Equity Shares of Atlas India.
- (f) NRIs holding shares on non-repatriable basis and OCBs shall also enclose a copy of the permission received from the RBI, if any, for tendering their Equity Shares in the Offer.
- (g) FIIs/FPIs are requested to enclose the SEBI Registration Letter;
- (h) Non-resident shareholders (including NRIs, OCBs and FIIs/FPIs) should also

enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose shares are being transferred i.e. "_____." and the price at which the Equity Shares are being transferred i.e. "Price determined accordance with the SEBI (Delisting of Equity Shares) Regulations, 2009" duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.

- (i) OCBs are requested to enclose Form OAC of the current year

CHECKLIST

<i>DEMAT SHAREHOLDERS</i>	<i>PHYSICAL SHAREHOLDERS</i>
1 BID FORM	1 BID FORM
2 COPY OF ACKNOWLEDGED DEMAT SLIP /	2 ORIGINAL SHARE CERTIFICATE OF THE COMPANY
COPY OF ACKNOWLEDGED PLEDGE CREATION SLIP	
3 INTER DEPOSITORY DELIVERY INSTRUCTION, IN CASE OF SHARES HELD THROUGH CDSL	3 VALID SHARE TRANSFER DEED
4 OTHER DOCUMENTS, AS APPLICABLE	4 OTHER DOCUMENTS, AS APPLICABLE

Notes:

- 1. All documents/remittances sent by / to the shareholders will be at their risk and shareholders are advised to adequately safeguard their interests in this regard.**
- 2. Please read these notes along with the entire contents of the PA and the Offer Letter, particularly the section titled "DETAILS OF TRADING MEMBER, BIDDING CENTRES AND BIDDING PROCEDURE" (Section 14) of the Offer Letter.**
3. In the case of shareholder(s) other than individuals, any documents, such as a copy of a power of attorney, board resolution, authorization, death certificate, etc., as applicable and required in respect of support/verification of this Bid Form shall also be provided; otherwise, the Bid shall be liable for rejection.
4. Please refer to paragraph 14 (n) of the Offer Letter for details of documents
5. The number of Equity Shares tendered under the Delisting Offer should match with the number of Equity Shares specified in the share certificate(s) enclosed or Equity Shares credited in the Special Depository Account under the respective client ID number.
6. In case, the Bid Price is less than the Floor Price of ' 1,426/-, it will be deemed that the Equity Shares have been tendered at the Floor Price.
7. The consideration shall be paid in the name of sole/first holder.
8. In case, the Bid Forms are not complete in all respects, the same may be liable for rejection.

9. The Bid Forms received/tendered before the commencement of the Bidding Period shall remain valid

10. **FOR EQUITY SHARES HELD IN DEMATERIALIZED FORM:**

- (a) Before submitting this Bid Form to the Trading Member, please issue necessary instructions to your depository participant (with whom you hold the depository account in which the Equity Shares of _____ are presently held) to credit your Equity Shares into the Special Depository Account of the Manager to the Offer (whose details are below), so as to enable the Trading Member to tender your Equity Shares in the Delisting Offer pursuant to this Bid cum Acceptance Form.
- (b) Alternatively, you may instruct the Depository Participant to mark a pledge in favour of the Manager to the Offer in respect of the Equity Shares tendered. A photocopy of the delivery instruction or counterfoil of the delivery instruction slip furnished to your depository participant (duly acknowledged by such depository participant) as proof of credit of your Equity Shares to the Special Depository Account ("**Depository Participant Instruction**") should be attached to this Bid Form.

Trading Member _____

Special Depository _____

Account Name _____

Name of the Depository Participant _____

DP Identification Number _____

Client Identification Number _____

- (c) Shareholders having their beneficiary account in the Central Depository Services (India) Ltd. have to use inter depository delivery instructions for the purpose of crediting their Equity Shares in favour of the Special Depository Account with the National Securities Depository Ltd.

- (d) It is the sole responsibility of shareholders to ensure that their Equity Shares are credited to or pledged in favour of the Special Depository Account on or before 3.00 P.M. on the Bid Closing Date.**

11. FOR EQUITY SHARES HELD IN PHYSICAL FORM : Before submitting this Bid Form to the Trading Member, you must execute valid share transfer deed(s) in respect of the Equity Shares intended to be tendered under the Delisting Offer and attach thereto all the relevant physical share certificate(s). The share transfer deed(s) shall be signed by the shareholder (or in case of joint holdings by all the joint holders in the same order) in accordance with the specimen signature(s) recorded with the Company and shall also be duly witnessed. A copy of any signature proof may be attached to avoid any inconvenience.

Incase, the sole/any joint holder has died, but the share certificate(s) are still in the name of the deceased person(s), please enclose the requisite documents,

i.e., copies of death certificate/will/probate/succession certificate and other relevant papers, as applicable.

- 12. FOR UNREGISTERED SHAREHOLDERS :** Unregistered shareholders should enclose, as applicable, (a) this Bid Form, duly completed and signed in accordance with the instructions contained therein, (b) original share certificate(s), (c) original broker contract note, (d) valid share transfer form(s) as received from the market, duly stamped and executed as the transferee(s) along with blank transfer form duly signed as transferor(s) and witnessed at the appropriate place.

The transfer deed should be in favour of " _____ All other requirements for valid transfer will be preconditions for acceptance.

----- *Tear Here* -----

For any queries, please contact

MANAGER TO THE OFFER

REGISTRAR TO THE OFFER

- 13. FOR SUBMITTING THE BID FORM BY HAND DELIVERY :** Please submit this Bid cum Acceptance Form together with other necessary documents referred to above by Hand Delivery to the Trading Member at any one of the Bid Centers mentioned in the Offer Letter.

FOR SUBMITTING THE BID FORM BY POST/ COURIER : In case you reside in an area where no Bid Centres are located, may also submit your Bid Form by registered post (at your own risk and cost) so as to ensure that the Bid Form is delivered to the Trading Member on or before closing hours of the Bid Closing Date. Under no circumstances should the Bid Form be dispatched to the Promoter or the Company, or to the Registrar to the Offer or to the Manager to the Offer. If duly filled Bid Forms arrive before the Bidding Period opens, the Bid will still be valid, however the Trading Member will not submit the Bid Form until the commencement of the Bidding Period.

ACKNOWLEDGEMENT SLIP

Received from _____ a Bid Form for fully paid up equity shares of _____ at a Bid Price of _____ per equity share.

DEMAT SHAREHOLDER

PHYSICAL SHAREHOLDER

DP ID NO.

FOLIO
NUMBER

CLIENT ID
NO

SHARE
CERTIFICATE NO

NUMBER
OF SHARES

NUMBER
OF SHARES

Received but not verified share certificate(s) and share transfer deeds

ACKNOWLEDGEMENT

APPLICATION NUMBER

DATE

SIGNATURE

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Please read this document along with the Public Announcement dated _____ (“PA”) and the Offer Letter dated _____ (“Offer Letter”) issued by _____ (“_____”), since the terms and conditions of the PA and the Offer Letter are deemed to have been incorporated in and form part of this document. Unless the context otherwise requires, expressions in this Bid Revision/ Withdrawal Form have the same meaning as defined in the PA and the Offer Letter

DELISTING OFFER*

Bid Opening Date	_____
Last Date for Revision (Upwards) or Withdrawal	_____
Bid Closing Date	_____
Floor Price Per Share	_____
Indicative Offer Price Per Share	_____

* *The dates are subject to, among other things, the Promoter obtaining the necessary approvals, if any, prior to the Bid Opening Date*

The Indicative Offer price should in no way be construed as (i) a ceiling or maximum price for the purpose of the reverse bookbuilding process contemplated herein and the public shareholders are free to tender their equity shares at any price higher than the Offer Price in accordance with the Delisting Regulations or (ii) a commitment by us to accept up to _____ equity shares tendered in the Delisting Offer if the Discovered Price (price at which maximum shares have been tendered in the reverse book building process) is _____ or less or (iii) any restriction on the ability of the Acquirer to acquire shares at a price higher or lower than Offer price.

Bid Revision /Withdrawal Form

In respect of Equity Shares of Face Value of Rs. 10/- each of

pursuant to the Delisting Offer by _____
(To be filled in by the Trading Member)

<i>Bid Centre</i>	<i>Application</i>	<i>Number</i>	<i>Date</i>
-------------------	--------------------	---------------	-------------

I / We hereby revoke any offer made in any Bid Form submitted prior to the date of this Bid Revision / Withdrawal Form in respect of the Equity Shares of _____ (“_____”). I/We hereby make a new offer to tender the number of Equity Shares set out or deemed to be set out herein and on and subject to the terms and conditions, as applicable.

1. Name (in BLOCK LETTERS) Holder Name PAN No.

(Please write the names of the joint holders in the same order as appearing in the share certificate(s)/ demat account)

Sole / First
Second
Third

2. TO BE FILLED IN ONLY IF THE NUMBER OF EQUITY SHARES HAVE BEEN INCREASED AS COMPARED TO NUMBER OF EQUITY SHARES TENDERED IN THE PREVIOUS BID FOR SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Details of original share certificate(s) along with duly filled, signed transfer deed(s), as enclosed

<i>Sr. No.</i>	<i>Folio No.</i>	<i>Share Certificate(s) No.</i>	<i>Distinctive No. From</i>	<i>Number of Shares To</i>
----------------	------------------	---------------------------------	-----------------------------	----------------------------

(If the space provided is inadequate please attach a separate continuation sheet)

TOTAL

3. FOR SHAREHOLDERS HOLDING SHARES IN DEMATERIALISED FORM

Name of Depository Participant

Depository Participant's ID No.

Client ID No.

Date of execution/acknowledgement of delivery instruction (copy enclosed)

Number of Equity Shares

4. Other enclosures, as applicable

[Please tick (✓)]

Power of Attorney Others (Please specify)

Death Certificate Corporate Authorisation

5. Details of Previous Bid and Equity Shares tendered pursuant to the Delisting Offer

Figure in Numbers Figure in Words

Number of Equity Shares

Bid Price per Equity Share (in ')

6. Details of Revised Bid and Equity Shares tendered pursuant to the Delisting Offer

	Figure in Numbers	Figure in Words
Number of Equity Shares		
Bid Price per Equity Share (in ')		
Signature		
	Sole/First Holder	Second Holder Third Holder

CHECKLIST

Notes:

1. All documents/remittances sent by / to the shareholders will be at their risk and shareholders are advised to adequately safeguard their interests in this regard.
2. The shareholders may withdraw or revise their Bids upwards not later than one day before the closure of the Bidding Period. Downward revision of Bids shall not be permitted.
3. You must submit this Bid Revision/Withdrawal Form to the same Trading Member and the same Bid Centre through whom your original Bid Form was submitted. Please ensure that you enclose a copy of the acknowledgement slip relating to your previous Bid.
4. Please refer to paragraph 14 (n) of the Offer Letter for details of documents
5. Please note that all the information, terms and conditions contained in the original Bid Form shall remain valid, except which has been revised under Bid Revision / Withdrawal Form.
6. In case you wish to tender additional dematerialized shares, please ensure that you have instructed your depository participant (of the depository account in which your Equity Shares are presently held) to deposit your additional Equity Shares into the Special Depository Account of the Manager to the Offer. Alternatively, you may instruct the depository participant for marking a pledge in favour of the Manager to the Offer in respect of the additional Equity Shares tendered. In case you wish to tender additional physical Equity Shares, please ensure that you attach the additional share certificates and the transfer deed along with the Bid Revision / Withdrawal Form. Please ensure that the number of Equity Shares tendered under the Bid Revision / Withdrawal Form is equal to the total number of Equity Shares pledged/deposited into the Special Depository Account of the Manager to the Offer or the number indicated in the share certificate(s) attached and the transfer deed executed.
7. The shareholders holding Equity Shares in dematerialized form are requested to tender the Equity Shares under the Delisting Offer by crediting the Equity Shares to the following Special Depository Account in **OFF-MARKET MODE:**

Trading Member	_____
Special Depository	_____
Account Name	_____
Name of the Depository Participant	_____
DP Identification Number	_____
Client Identification Number	_____

8. In case of shareholder(s) other than individuals, copy of power of attorney, board resolution, authorization, etc. as applicable and required in respect of support/verification of this Bid Revision / Withdrawal Form, shall also be provided, otherwise, the same shall be liable for rejection.
9. The number of Equity Shares tendered under the Delisting Offer should match with the number of Equity Shares specified in the share certificate(s) enclosed or Equity Shares credited in the Special Depository Account under the respective client ID number.
10. The consideration shall be paid in the name of sole/first holder.
11. In case the Bids are not complete in all respects, the same may be liable for rejection.
- 12. FOR SUBMITTING THE BID REVISION / WITHDRAWAL FORM BY HAND DELIVERY:** Please submit this Bid Revision / Withdrawal Form together with other necessary documents referred to above by hand delivery **to the same Trading Member and at the same Bid Center where the original Bid Form was submitted.** Please refer to the Offer Letter for the list of Bid Centers.
- 13. FOR SUBMITTING THE BID FORM BY REGISTERED POST/:** In case you reside in an area where no Bid Centres are located and/or you had originally tendered your Equity Shares under the Delisting Offer by post/courier, you may submit your Bid Revision / Withdrawal Form by registered post (at your own risk and cost) so as to ensure that the Bid Revision / Withdrawal Form is delivered to the Trading Member on or before 3.00 p.m. on one day before Bid Closing Date. Any such request for revision or withdrawal of Bids received after 3.00 p.m. one day before the Bid Closing Date may not be accepted. Under no circumstances should the Bid Revision / Withdrawal Form be dispatched to the Promoter or the Company, or to the Registrar to the Offer or to the Manager to the Offer.

----- *Tear Here* -----

For any queries, please contact

MANAGER TO THE OFFER

REGISTRAR TO THE OFFER

----- *Tear Here* -----

ACKNOWLEDGEMENT SLIP

Received from _____ a Bid Revision / Bid Withdrawal Form
for _____ fully paid up equity shares of _____
at a Bid Price of _____ per equity share.

DEMAT SHAREHOLDER

PHYSICAL SHAREHOLDER

DP ID NO.

FOLIO
NUMBERCLIENT ID
NOSHARE
CERTIFICATE NONUMBER
OF SHARESNUMBER
OF SHARES

ANNEXURE VIII

SPECIMEN PUBLIC ANNOUNCEMENT BEFORE REVERSE BOOK BUILDING

_____ **LIMITED**

This Public Announcement (the "Public Announcement" PA) is being issued by The _____ Limited, a company incorporated and registered under the laws of _____ having its registered office at _____ (the "Acquirer" or the "Promoter") along with _____ as persons acting in concert (the "PACs"), pursuant to Regulation 10 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (the "Delisting Regulations"), to the public shareholders of _____ Limited (the "Company") in respect of the proposed acquisition and delisting of the fully paid-up equity shares of the Company in accordance with the Delisting Regulations (the "Delisting Offer").

Background of the Delisting Offer

1. _____ Limited is a public limited company incorporated under the Companies Act, 2013, as amended (the "Act"), having its registered office located at _____.
2. The paid-up equity share capital of the Company (the "Equity Capital") comprises _____ fully paid-up equity shares having face value of Rs. 10/- each (the "Equity Shares"). The Equity Shares are listed on both The Bombay Stock Exchange Limited ("BSE"), and The National Stock Exchange of India Limited ("NSE").
3. The _____ Limited (the "Acquirer") is a company incorporated and registered under the laws of _____ and having its registered office at The _____. The Acquirer forms part of the promoter group of the Company and, as on the date of this Public Announcement, is the legal owner of _____ Equity Shares, representing approximately _____ of the Equity Capital.
4. The Acquirer along with _____, a company incorporated under the laws of _____ and having its registered office at _____ and _____, a company incorporated under the laws of _____ and having its registered office at _____

_____ (hereinafter collectively referred to as the "PACs") (hereinafter the Acquirer and the PACs being collectively referred to as the "Promoter Group") is making this Public Announcement to the public holders of the Equity Shares (defined to mean all the shareholders of the Company other than the Promoter Group and hereinafter referred to as the "Public Shareholders"), to acquire, in accordance with the Delisting Regulations and on the terms and subject to the conditions set out in paragraph 46 of this Public Announcement, up to _____ Equity Shares, representing approximately _____ of the Equity Capital (the "Offer Shares"). Consequent to the Delisting Offer and upon the shareholding of the Promoter Group reaching a minimum of approximately _____ of the Equity Capital and fulfillment of other conditions stipulated under the Delisting Regulations, the Company will seek to voluntarily delist its Equity Shares from the Stock Exchanges for the reasons set out in paragraphs 12, 13 and 14 of this Public Announcement.

5. On _____, _____ intimated its intention to make the Delisting Offer (either directly or together with persons acting in concert) to the Company (the "Delisting Proposal") and requested the Board of Directors of the Company to convene a meeting to consider the Delisting Proposal, to place the Delisting Proposal before the shareholders of the Company for their consideration and approval by a special resolution passed vide postal ballot in accordance with Regulation 8(1)(b) of the Delisting Regulations, and to seek in-principle approval of the Stock Exchanges for delisting the Equity Shares in accordance with Regulation 8(1)(c) of the Delisting Regulations.
6. The board of directors of the Company vide its resolution dated June 15, 2015, approved the Delisting Proposal, subject to the approval of the shareholders of the Company, the Stock Exchanges and compliance with the provisions of the Delisting Regulations and applicable laws.
7. In this regard, a special resolution has been passed by the shareholders of the Company through postal ballot in accordance with the provisions of Section 114(2) and 110 of the Act read with the Companies (Management and Administration) Rules, 2014, the result of which was declared on _____, approving the proposed delisting of the Equity Shares from the Stock Exchanges in accordance with the Act and the Delisting Regulations. The votes cast by Public Shareholders in favour of the Delisting Offer were more than two times the number of votes cast by the Public Shareholders against it. BSE, NSE and _____ have issued their in-principle approval for the Delisting Offer, subject to compliance with the Delisting Regulations, vide letters dated August 31, 2015, August 18, 2015 and September 8, 2015 respectively.
8. The Reserve Bank of India ("RBI") has, vide letter dated October 15, 2015, granted its no-objection to the acquisition of the Offer Shares by the Acquirer pursuant to the Delisting Offer in accordance with Regulation 4 read with Regulation 10A(b)(iii) and Regulation 9 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 subject to the condition that specific approval of the RBI would need to

be sought in respect of any shares tendered in the Delisting Offer by (i) erstwhile overseas corporate bodies or (ii) non resident Indians who hold the same on non-repatriation basis.

9. This Public Announcement is being issued in the following newspapers as required under Regulation 10 of the Delisting Regulations:

<i>Newspaper</i>	<i>Language</i>	<i>Editions</i>

10. Any modifications to this Public Announcement will be notified by issuing a corrigendum in all of the aforementioned newspapers.
11. The Acquirer reserves the right to withdraw the Delisting Offer in certain cases as more fully set out in paragraph 46 of this Public Announcement.

Object of the Delisting Offer

12. The proposed delisting of Equity Shares from the Stock Exchanges is to achieve complete operational/financial flexibility in furtherance of the company's businesses/financial needs and to enable the promoter group to pursue strategic opportunities in respect of its investments.
13. The Acquirer believes that the delisting of the Equity Shares is in the interest of the Public Shareholders of the Company as it will provide them with an exit opportunity from the Company at a price arrived at by the reverse book building process in accordance with the Delisting Regulations.
14. Accordingly, the Acquirer (being a promoter of the Company) proposes to acquire all the Offer Shares in accordance with the Delisting Regulations and to voluntarily delist the Equity Shares of the Company from the Stock Exchanges in accordance with the Delisting Regulations.

Information about the Promoter Group

The Acquirer

15. The Acquirer was incorporated as a private limited company under the laws of _____, with its registered office located at _____.
16. The name of the Acquirer has undergone the following changes:

<i>From</i>	<i>Up To</i>	<i>Name</i>

17. The shares of the Acquirer are not listed on any stock exchange.

18. As on the date of this Public Announcement, the paid up equity capital of the Acquirer is _____ consisting of _____ equity shares having a face value of _____ each.
19. The Acquirer is primarily engaged as an for The _____ Group, holding interests in group companies involved in the businesses of manufacturing, production, conversion, processing, refining, distilling, using, distributing, purchasing and dealing of natural or man-made substances and relevant derivative products with the aim of delivering value-added solutions based on the supply of gases, equipment, consumables and services for the manufacturing, healthcare and advanced technology and research industries.
20. The Acquirer is a wholly owned subsidiary of _____, which in turn is a 100% subsidiary of _____, a public limited company incorporated under the laws of the _____ and having its registered office at _____ a PAC and a wholly owned subsidiary of _____, has agreed to extend an inter corporate loan to _____, another PAC and wholly owned subsidiary of _____, to enable it to provide the necessary funding assistance to the Acquirer for the acquisition of the Offer Shares validly tendered in the Delisting Offer. _____ has in turn provided the necessary funds to the Acquirer for the purpose of funding the Escrow Account (as defined in paragraph 74 herein below) in the form of a bank guarantee. As consideration for such financial assistance, the Acquirer has executed a declaration of trust dated _____ (the "Declaration of Trust") in favour of _____, assigning to _____ the beneficial ownership of the Offer Shares validly tendered to the Acquirer pursuant to the Delisting Offer.
21. The Acquirer is the legal owner of _____ Equity Shares, representing approximately _____ of the Equity Capital. In this behalf, BOC Holdings, a subsidiary of the Acquirer having its registered office at _____, beneficially owns _____ Equity Shares representing approximately _____ of the Equity Capital pursuant to declarations of trust dated _____ in its favour by the Acquirer. Further, _____ beneficially owns _____ Equity Shares representing approximately _____ of the Equity Capital pursuant to a declaration of trust dated _____ in its favour by the Acquirer.
22. The shareholding pattern of the Acquirer as on the date of this Public Announcement is as under:

<i>Sr.No.</i>	<i>Name of the shareholder</i>	<i>Number of shares held</i>	<i>% of shareholding</i>

23. The Board of Directors of the Acquirer comprises 7 Directors namely,

24. A brief summary of the audited financial statements of the Acquirer for the last three financial years ended _____ is provided below:

<i>Particulars</i>	<i>December 31, ____</i>	<i>December 31, ____</i>	<i>December 31, ____</i>
(GBP in million except stated otherwise)			

Notes:

- (1) Total of the Issued equity share capital, Share premium and Reserves
- (2) Calculated by dividing the net worth by the number of shares outstanding as at year end
- (3) Calculated by dividing the Profit after tax for the year by the number of shares outstanding as at year end
- (4) Calculated by dividing the Profit after tax for the year by net worth as at year end

Information on the Company

25. _____ is a public limited company incorporated under the Act, with its registered office located _____.
26. The Company was incorporated on _____ in the name of _____. The name of the Company has undergone the following changes since incorporation:
 - (a) From _____ to _____ on _____;
27. The principal activity of the Company is:
28. A brief summary of the audited financial statements of the Company for the financial years ended _____, December 31, 2013 and 9 months ended December 31, 2012 is provided below:

<i>Particulars</i>	<i>December 31, 2014</i>	<i>December 31, 2013</i>	<i>9 months ended December 31, 2012</i>
(Rupees in million except stated otherwise)			

Stock Exchange on which the shares of the Company are listed

33. The Equity Shares are currently listed on BSE, NSE and (Regional Exchange). The Acquirer is seeking to delist the Equity Shares from each of the BSE, NSE and (Regional Exchange).

Information regarding Stock Market Data

34. The high, low and average closing prices of the Equity Shares on BSE and NSE during the preceding three calendar years were as follows:

<i>Calendar Year</i>	<i>BSE</i>		
	<i>High*</i>	<i>Low*</i>	<i>Average**</i>

Source: BSE website

* High of intra-day high / low of intra-day lows during the period in Rupees/ Share

** Average of closing prices during the period

<i>Calendar Year</i>	<i>BSE</i>		
	<i>High*</i>	<i>Low*</i>	<i>Average**</i>

Source: NSE website

* high of intra-day / low of intra-day lows during the period in Rupees/Share

** Average of closing prices during the period

35. The monthly high and low prices and the trading volume (number of Equity Shares) of the Company on BSE and NSE for the six calendar months immediately preceding the date of this Public Announcement is as follows:

<i>Calendar Year</i>	<i>BSE</i>		
	<i>High*</i>	<i>Low*</i>	<i>Average**</i>

Source: BSE website

* High of intra-day highs / low of intra-day lows during the period in Rupees/ Share

Determination of Floor Price

36. SEBI has amended the Delisting Regulations with effect from March 24, 2015 by notification of the SEBI (Delisting of Equity Shares) (Amendment) Regulations, 2015. The Amended Regulations came into force inter-alia amending the methodology of calculating the floor price for the purpose of Voluntary delisting.
37. The Equity Shares are listed on BSE. The annualized trading turnover in the Equity Shares on BSE based on trading volume during the twelve calendar months prior to the month of the Public Announcement.
38. The floor price shall be determined in terms of regulation 8 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be applicable.

Accordingly, in terms of Regulation 8 of the Takeover Regulations, the floor price shall be higher of the following:

- a. 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;
- b. 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;
- c. 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;
- d. the volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of the public announcement 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;
- e. 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;
- f. the per share value computed under Regulation 8(5) of the Takeover Regulations.

Determination of Discovered Price and Exit Price

39. The Acquirer proposes to acquire the Offer Shares pursuant to a reverse book-building process through acquisition window facility, i.e. separate acquisition window in form of web based bidding platform provided by the NSE, in accordance with the stock exchange mechanism, conducted in accordance with the terms of the Delisting Regulations.

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40. All Public Shareholders can tender their Offer Shares during the Bid Period (as hereinafter defined) as set out in paragraph 48 of this Public Announcement.
 41. The minimum price per Offer Share payable by the Acquirer for the Offer Shares it acquires pursuant to the Delisting Offer, as determined in accordance with the Delisting Regulations, will be the price at which the shareholding of the Acquirer Group reaches 90% pursuant to a reverse book-building process conducted in the manner specified in Schedule II of the Delisting Regulations ("Discovered Price") which shall not be lower than the Floor Price.
 42. The Acquirer may at its sole discretion acquire the Offer Shares subject to the conditions mentioned in paragraph 65 below at the Discovered Price or at a price higher than Discovered Price. Such price at which Delisting Offer is accepted by the Acquirer (being not less than the Discovered Price) is referred to as the exit price ("Exit Price").
 43. The Acquirer shall announce the Discovered Price and its decision to accept or reject the Discovered Price, and if accepted, also announce the Exit Price as applicable, in the same newspapers in which this PA is published, in accordance with the timetable set out in paragraph 81.
 44. Once the Acquirer announces the Exit Price, the Acquirer will acquire, subject to the terms and conditions of the PA and the letter of offer of this Delisting Offer, including but not limited to fulfilment of the conditions mentioned in paragraph 46 below, all the Offer Shares validly tendered at a price not exceeding the Exit Price, for a cash consideration equal to the Exit Price for each such Offer Shares validly tendered.
 45. If the Acquirer does not accept the Discovered Price, the Acquirer will have no right or obligation to acquire any Offer Shares tendered pursuant to the Delisting Offer and the Delisting Offer shall not be proceeded with.

Conditions of the Delisting Offer

46. The acquisition of Offer Shares by the Acquirer and the delisting of the Equity Shares of the Company are conditional upon:
 - (a) The Acquirer deciding in its sole and absolute discretion to accept an Exit Price and making the Second Public Announcement;
 - (b) A minimum number of Offer Shares being validly tendered at prices up to or equal to the Exit Price so as to cause the shareholding of the Acquirer in the Company to reach a minimum of approximately 94.74% of the Equity Capital; and
 - (c) There being no amendments to the Delisting Regulations or other applicable laws or regulations or conditions imposed by any regulatory/ statutory authority/body or order from a court or competent authority which would, in the sole opinion of the Acquirer, prejudice the Acquirer from proceeding with the Delisting Offer.

Disclosure Regarding the Minimum Acceptance Condition for success of the offer.

47. In accordance with Regulation 17 of the Delisting Regulations the Offer, shall be deemed to be successful if:
- (i) post the Delisting Offer, the number of Equity Shares held cumulatively by the Acquirer Group taken together with the Equity Shares accepted in the reverse book-building process through eligible bids ("Bids") at the Exit Price equals or exceeds _____ Equity Shares or such higher number of Equity Shares (in the event of allotment of Equity Shares post vesting of further stock options, prior to closure of bidding period i.e. on the Bid Closing Date) constituting 90% of the Total Share Capital; and
 - (ii) at least 25% of the Public Shareholders holding Equity Shares in the demat mode as on date of the meeting of the Board of Directors approving the Offer i.e. on _____, participate in the reverse book building if the Letter of Offer Delivery Requirement is not fulfilled or complied with. Please note that the Letter of Offer Delivery Requirement will be deemed to have been fulfilled and complied with if the Acquirer or the Manager dispatches the letter of offer in respect of the Offer to all the Public Shareholders by registered post or speed post through India Post and is able to provide a detailed account regarding the status of delivery of the said letters of offer (whether delivered or not) sent through India Post.

Dates of Opening and Closing the Bid Period

48. Public Shareholders may tender their Offer Shares (the "Bids") by submitting a Bid Form (as hereinafter defined) to the relevant Bid Centre (as hereinafter defined) during the Bid Period (as hereinafter defined). The period during which Public Shareholders may tender their Offer Shares to the Trading Member (as hereinafter defined) pursuant to the reverse bookbuilding process (the "Bid Period") shall commence at 10.00 a.m. on _____ 2016 (the "Bid Opening Date") and close at 3.00 p.m. on _____ 2016 (the "Bid Closing Date").
49. Bid Forms received after 3.00 p.m. on the Bid Closing Date will not be considered valid Bids and not be accepted for the purpose of determining the Discovered Price pursuant to the reverse book-building process.
50. Letters inviting Public Shareholders to tender their Offer Shares to the Acquirer by way of submission of Bids (the "Bid Letters"), containing the necessary forms and detailed instructions for submitting Bids will be dispatched to all Public Shareholders as per the timetable provided in paragraph 81 of this Public Announcement. The Bid Letters would be dispatched to only those Public Shareholders whose names appear on the register of members of the Company or the depository on the Specified Date (as stated in paragraph 81 of this Public Announcement).
51. Procedure to be followed by the Public Shareholders holding Equity Shares in dematerialized form:
- (a) The Public Shareholders who desire to tender their Equity Shares in the

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- 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").
- (b) The Seller Member shall then transfer the Tendered Shares by using the settlement number and the procedure prescribed by the Indian 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.
 - (c) The details of settlement number shall be informed in the issue opening circular/notice that will be issued by the BSE or the Clearing Corporation before the Bid Opening Date.
 - (d) 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.
 - (e) 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.
 - (f) The Clearing Corporation will hold in trust the Equity Shares until the Promoter completes his obligations under the Delisting Offer in accordance with the Delisting Regulations.
52. Procedure to be followed by the Public Shareholders holding Equity Shares in the Physical form:
- (a) 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:
 - (i) original share certificate(s);
 - (ii) 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;
 - (iii) Self attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors);

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- (iv) 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
 - (v) 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.
- (b) 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.
 - (c) The Seller Member/Public Shareholder should ensure to deliver the documents as mentioned above along with the TRS either by registered post or courier or hand delivery to the Registrar to the Offer within 2 (two) days of bidding by the Seller Member.
 - (d) 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 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 BSE 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 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.
 - (e) The Registrar to the Offer will hold in trust the share certificate(s) & other documents (as mentioned above until the Promoter completes his obligations under the Delisting Offer in accordance with the Delisting Regulations.
 - (f) 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 shall assume that the eligible Public Shareholders have submitted their Bids only after obtaining applicable approvals, if any. The Promoter reserves the right to reject Bids received for physical shares which are without a copy of the required approvals.
53. The Public Shareholders, who have tendered their Equity Shares by submitting the Bids pursuant to the terms of the 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.

54. 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 or to the Company or the BSE. 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.
55. The cumulative quantity of the Equity Shares tendered shall be made available on BSE's website [www. bseindia.com](http://www.bseindia.com) throughout the trading session and will be updated at specific intervals during the Bid Period.
56. 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.

Details of Trading Member, Bidding Centres and Bidding Procedures

57. Public Shareholders may tender their Offer Shares through an online electronic system, the facility for which will be provided by BSE. Public Shareholders may lodge their Bids through _____, the trading member of BSE (the "Trading Member").
58. The details of centres of the Trading Member where the Bids shall be submitted by hand delivery (the "Bid Centres") are as follows:

<i>Sr.No</i>	<i>Bid Centre/ City</i>	<i>Address of Trading Member</i>	<i>Contact Person</i>	<i>Phone Number</i>	<i>Fax Number</i>
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59. Public Shareholders may submit their Bids by completing the Bid Forms accompanying their Bid Letters (the "Bid Forms") and submitting these Bid Forms to the Trading Member at any of the Bid Centres set out above by hand delivery on or before the Bid Closing Date. Bid Forms submitted by hand delivery must be delivered to the Bid Centres during the following hours: Monday to Friday – 10.00 AM to 3.00 PM.
60. Public Shareholders (in particular those Public Shareholders who are resident in areas where no Bid Centres are located) may also submit their Bids by registered post or speed post only (at their own risk and cost) so as to ensure that their Bid Forms are delivered to: _____, on or before 3.00 PM on

the Bid Closing Date. If duly filled Bid Forms arrive before the Bid Period opens, the Bid will continue to remain valid, subject to the Trading Member not submitting the Bid until the commencement of the Bid Period. The Bid Forms should not be dispatched to the Acquirer, the Company, the Manager to the Offer or the Registrar to the Offer under any circumstances.

61. The Trading Member, on behalf of the Manager to the Offer, has opened a special depository account with _____ (the "Special Depository Account"), details of which are as follows:

<i>Trading Member</i>	<i>Name of A/c</i>

62. In order for Bid Forms to be valid, Public Shareholders, who wish to participate in the reverse book building process, should transfer their Offer Shares from their respective depository accounts to the Special Depository Account prior to the submission of their Bid, and enclose a photocopy of the delivery instruction to their depository participant, duly acknowledged by such depository participant, along with the Bid Form. Alternatively, Public Shareholders who hold Equity Shares in dematerialized form, may mark a pledge for their Offer Shares to the Manager to the Offer in favour of the Special Depository Account prior to the submission of their Bids, and enclose a photocopy of the pledge instruction to their depository participant with the due acknowledgment by such depository participant, along with the Bid Form.
63. All transfers should be in off-market mode. Multiple Bids from the same depository account are liable to be rejected.
64. Public Shareholders who hold their Offer Shares through National Securities Depository Limited will have to execute an inter-depository delivery instruction for the purpose of crediting their Offer Shares in favour of the Special Depository Account of the Trading Member.
65. It is the responsibility of the Public Shareholders to ensure that their Offer Shares are credited or pledged to the Special Depository Account (in accordance with paragraph 62 of this Public Announcement) on or before 3.00 PM on the Bid Closing Date.
66. In order for Bid Forms to be valid, (i) unregistered Public Shareholders who hold Offer Shares in physical form must have submitted the Bid Form along with the original contract note issued by a registered share broker of a recognized stock exchange through whom such Equity Shares were acquired accompanied by the duly signed share certificate(s) and transfer deed(s); and (ii) registered Public Shareholders who hold Offer Shares in physical form, must have submitted the Bid Form along with the duly signed original share certificate(s) and transfer deed(s). In each case, the Public Shareholders must submit the relevant documents either by hand delivery or by registered post or by courier such that these are received by the Trading Member before 3.00 p.m. on the Bid Closing

Date. The Trading Member will, after entering the Bids on the online electronic system, send them to the Registrar to the Offer (as hereinafter defined) for confirming their genuineness. The Bids in respect of the share certificates which are found to be not genuine, as communicated to the Trading Member by the Registrar to the Offer, during the Bid Period, shall be deleted from the online electronic system. If any such instances are noticed by the Registrar to the Offer after the Bid Period, the respective Bids shall be rejected by the Registrar to the Offer directly.

67. It shall be the responsibility of the Public Shareholders tendering their Equity Shares in the Delisting Offer to obtain all requisite approvals (including corporate, statutory or regulatory approvals) if any, prior to tendering in the Delisting Offer and the Acquirer shall take no responsibility for the same. The Public Shareholders should attach a copy of any such approval to the Bid Form, wherever applicable. Once the Offer Shares are credited or pledged to the Special Depository Account or physical Offer Shares submitted to the Trading Member, the Acquirer shall assume that the Public Shareholders have submitted their Bid(s) only after obtaining applicable approvals, if any. In any case, the Acquirer reserves the right to reject those Bid Forms which are submitted without attaching a copy of such required approvals.
68. The Trading Member, on behalf of the Manager to the Offer, will hold in trust the Offer Shares deposited in the Special Depository Account or pledged to the Manager to the Offer in accordance with paragraph 62 above. The Registrar to the Offer will hold in trust the share certificate(s) and transfer deed(s) delivered to it by the Trading Member in accordance with paragraph 66 above, until the Acquirer completes its obligations under the Delisting Offer in accordance with the Delisting Regulations.
69. The ISIN number for the Equity Shares is _____.
70. In the event that some Public Shareholders do not receive, or misplace, their Bid Letters, they may obtain a copy of the same by writing to _____ (the "Registrar to the Offer"), clearly marking the envelopes "_____". Public Shareholders may obtain copies of Bid Forms at the Bid Centres.
71. The Offer Shares to be acquired under this Delisting Offer are to be acquired free from all liens, charges and encumbrances and together with all rights attached thereto. Offer Shares that are subject to any liens, charges or encumbrances are liable to be rejected.
72. Paragraph 5 of Schedule II of the Delisting Regulations provides that Public Shareholders, who have tendered their Offer Shares by submitting Bids pursuant to the terms of this Public Announcement and the Bid Letter, may withdraw or revise their Bids upwards not later than one day before the Bid Closing Date. Downward revision of the Bids is not permitted. Any such request for revision or withdrawal of the Bids can only be exercised by submitting the Form of Withdrawal or Form of Revision respectively so as to reach the Trading Member

at _____ on or before 3.00 p.m. as on one day prior to the Bid Closing Date. Please note that the Form of Withdrawal and/or Form of Revision will not be accepted at other Bid Centres.

Details of Escrow Account and the amount deposited therein

73. The estimated consideration payable under the Delisting Regulations, being the Floor Price of Rs. 225.29/- per Equity Share multiplied by the number of Equity Shares outstanding with the Public Shareholders, i.e. 8,975,930 Equity Shares, is Rs. 2,022,187,270/- (as may be increased from time to time, the "Escrow Amount"). In the event the Acquirer decides to announce an Exit Price higher than the Floor Price in accordance with paragraph 49 above, the Acquirer shall forthwith substitute the Bank Guarantee (as defined below) with another bank guarantee representing such increased Escrow Amount in accordance with Regulation 11(2) of the Delisting Regulations and the definition of "Escrow Amount" herein shall be deemed to include such increase, if any.
74. In accordance with Regulations 11(1) and 11(3) of the Delisting Regulations, the Acquirer, _____, having its registered office at _____ 1 (the "Manager to the Offer") and _____, having its registered office at _____ (the "Escrow Bank"), have entered into an escrow agreement dated November 29, 2015 (the "Escrow Agreement"), pursuant to which the Acquirer has opened an escrow account with the Escrow Bank (the "Escrow Account"). The Escrow Account consists of inter alia a bank guarantee dated _____, (the "Bank Guarantee") issued by the Escrow Bank on behalf of the Acquirer in favour of the Manager to the Offer for the Escrow Amount calculated in terms of paragraph 91 above.
75. In the event of default by the Acquirer in fulfilling its obligations under the Delisting Regulations, the Manager to the Offer has been authorised to realise the value of the Escrow Amount as per the provisions of the Delisting Regulations.

Procedure for settlement

76. In case the Acquirer decides to accept the Exit Price and makes the Second Public Announcement in accordance with paragraph 44 above and all other conditions attaching to the Delisting Offer are satisfied, the Acquirer shall forthwith open a special account with the Escrow Bank and transfer thereto, the entire amount due and payable as consideration in respect of the Equity Shares validly tendered in the Delisting Offer at a price up to or equal to the Exit Price in accordance with Regulation 20(1) of the Delisting Regulations. The Acquirer shall hereafter acquire all Offer Shares that have been validly tendered at prices up to or equal to the Exit Price, for a cash consideration equal to the Exit Price for each such Offer Share, subject to applicable taxes.
77. All the Public Shareholders whose Bids were at a price up to or equal to the Exit Price and whose Bids were verified to be genuine in accordance with the

Delisting Regulations shall be paid the Exit Price for each Offer Share validly tendered, within ten working days from Bid Closing Date (i.e. by _____) by way of crossed account payee cheque/demand draft/pay order. All cheques/demand drafts/pay orders will be drawn in the name of the first holder in case of joint holders of Equity Shares.

78. Additionally, if and once the Equity Shares have been delisted, all Public Shareholders whose Offer Shares have not been acquired by the Acquirer may validly tender their Equity Shares to the Acquirer at the Exit Price during a period of up to twelve months following the date of delisting of the Equity Shares from the Stock Exchanges (the "Exit Window"). Such Public Shareholders may tender their Equity Shares by submitting the required documents to the Registrar to the Offer during the Exit Window.
79. If the Acquirer does not accept or offer an Exit Price, all dematerialized Offer Shares deposited in the Special Depository Account or pledged with the Manager to the Offer in accordance with paragraph 62 of this Public Announcement and physical Offer Shares tendered as per paragraph 66 of this Public Announcement, will, (i) in the case of dematerialized Offer Shares deposited in the Special Depository Account, be credited back to the respective depository account with the respective depository participants as per the details furnished by the relevant Public Shareholder in the Bid Form; (ii) in the case of dematerialized Offer Shares pledged to the Manager to the Offer, have the pledge revoked and (iii) in the case of physical Offer Shares, be dispatched to the relevant Public Shareholders by registered post, at the Public Shareholder's sole risk; the actions in respect of both (i), (ii) and (iii) above being completed within ten working days from the Bid Closing Date (i.e. by _____), as stipulated under the Delisting Regulations.
80. Equity Shares from any invalid Bid will (i) in the case of dematerialized Offer Shares deposited in the Special Depository Account, be credited back to the respective depository account with the respective depository participants as per the details furnished by the relevant Public Shareholder in the Bid Form; (ii) in the case of dematerialized Offer Shares pledged to the Manager to the Offer, have the pledge revoked and (iii) in the case of physical Offer Shares, be dispatched to the relevant Public Shareholders by registered post / speed post, at the Public Shareholder's sole risk; the actions in respect of both (i), (ii) and (iii) above being completed within ten working days from the Bid Closing Date (i.e. by _____), as stipulated under the Delisting Regulations.

Proposed Time Table for the Delisting Offer

81. The proposed timetable for the Delisting Offer is as follows:

Activity

*Day and Date**

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- * Changes, if any will be notified to the Public Shareholders by way of corrigendum to this Public Announcement in the same newspapers where this Public Announcement is being issued.
 - # Specified Date is only for the purpose of determining the names of the Public Shareholders as on such date to whom the Bid Letter will be sent. However, all Public Shareholders (registered or unregistered) of the Equity Shares are eligible to participate in the Delisting Offer any time before and on the Bid Closing Date.
 - ## Subject to the acceptance of the Discovered Price (if it is higher than the Floor Price) or offer of an Exit Price higher than the Discovered Price by the Acquirer.

Statutory and Regulatory Approvals

82. The Public Shareholders of the Company have accorded their consent by way of special resolution, in respect of delisting of Equity shares from the stock exchanges, in accordance with the delisting Regulations.
83. SEBI vide SEBI order issued under Regulation 25A of the Delisting Regulations which has granted requisite extension of timelines under Regulation 8(1)(d), 10(1) and 12(1) of the delisting Regulations.
84. To the best of the Acquirer's knowledge, as of the date of this Public Announcement, there are no other statutory or regulatory approvals required to acquire the Offer Shares other than as indicated above. If any statutory or regulatory approvals become applicable, the acquisition of Offer Shares by the Acquirer and the Delisting Offer will be subject to such statutory or regulatory approvals.
85. The Acquirer reserves the right not to proceed with the Delisting Offer in the event the approvals indicated above are not obtained or conditions which the Acquirer considers in its sole discretion to be onerous are imposed in respect of such approvals.
86. The Acquirer reserves the right not to proceed with the Delisting Offer if any amendments to the Delisting Regulations occur.
87. In the event that receipt of the requisite statutory and regulatory approvals are delayed, the Acquirer may, with such permission as may be required, make changes to the proposed timetable in paragraph 81 of this Public Announcement or may delay the Delisting Offer, and any such change shall be intimated by the Acquirer by issuing an appropriate corrigendum in all the newspapers where this Public Announcement is being issued.
88. It shall be the responsibility of the Public Shareholders to obtain, prior to tendering in the Delisting Offer, all approvals (including corporate, statutory or regulatory approvals) required for tendering Equity Shares in the Delisting Offer as applicable, and the Acquirer shall take no responsibility for the same. The

Public Shareholder should attach a copy of any such approval to the Bid Form, wherever applicable. If such a copy is not attached, the Acquirer reserves the right to reject such Equity Shares.

Taxation

89. Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if securities transaction tax ("STT") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE DELISTING OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE PROMOTER DOES NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS DELISTING OFFER.

Certification by the Board of Directors of the Company

90. The Board of Directors of the Company have confirmed that:
- (a) here were no material deviations in utilization of proceeds of issue of securities, made during the five years immediately preceding the date of this Public Announcement, from the stated object of the issue; and
 - (b) all material information which is required to be disclosed under the provisions of the listing agreements executed by the Company with the Stock Exchanges pertaining to continuous listing has been disclosed to the Stock Exchanges.

BSE Disclaimers

91. It is to be distinctly understood that the permission given by BSE to use their electronic automated facilities and infrastructure for "online reverse book building facility for delisting of securities" should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by the Company, Acquirer or the Manager to the Offer, etc. are cleared or approved by BSE; nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements; nor does BSE have any financial responsibility or liability in this regard; nor does BSE take responsibility in any way for the financial or other soundness of the Company, its promoters or its management.
92. It is also to be distinctly understood that the approval given by BSE should not in any way be deemed or construed to mean that this Public Announcement has been cleared or approved by BSE, nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the announcements, nor does BSE warrant that the securities will be delisted.
93. Every person who desires to avail of the exit opportunity may do so pursuant to

independent inquiry, investigation and analysis and shall not have any claim against BSE or against the Investor Protection Fund set up by BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through the reverse book building process whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever. Compliance Officer

94. The Compliance Officer of the Company is Mr. _____
95. Every person who desires to avail of the Delisting Offer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Acquirer, PACs, the Manager to the Offer or the Company whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such Delisting Offer and tender of securities through the reverse book building process in accordance with the Delisting Regulations.

Manager to the Offer

Registrar to the Offer

Legal Advisors to the Acquirer

Signed on behalf of the Acquirer

The _____ Limited

Sd/-

Date : _____

ANNEXURE IX

TRI-PARTITE AGREEMENT FORMAT FOR FACILITATION OF REVERSE BOOK BUILDING

DRAFT

*(Note : Document to be stamped for Rs.300/-.
Please execute on Non-Judicial stamp paper/s or frank from Stamp Office)*

AGREEMENT

This Agreement is entered into at Mumbai on this ____ day of _____ 20____ between NATIONAL STOCK EXCHANGE OF INDIA LIMITED, a company registered under the Companies Act, 1956 and having its registered office at Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 (hereinafter referred to as “the Exchange”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the ONE PART and Mr. /Ms. / M/s. _____ residing at/ having its (registered) office at _____

_____, (hereinafter referred to as “the Acquirer” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his / her / its successors and assigns) of the SECOND PART, and _____

LIMITED, a company registered under the Companies Act, 2013 and having its registered office at _____

_____, (hereinafter referred to as “the Lead Manager” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the THIRD PART.

WHEREAS,

- (a) The Acquirer intends to acquire the equity shares of M/s _____ Limited, a company registered under the Companies Act, 2013 and having its registered office at _____ (hereinafter referred to as “the Company”) held by the public and/or other shareholders, consequently resulting in the delisting of shares of the Company in accordance

Source : www.nseindia.com.

with Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

- (b) The Acquirer, in order to increase the participation of the shareholders in the process and to broad base the offer, has requested the Exchange to allow the Acquirer to use their automated facilities and infrastructure for display of the price at the terminals of the trading members to enable the existing shareholders to access the price on the trading members' screen to participate in the bidding process through Reverse Book building process, to use its electronic order routing and matching mechanism to receive the application and complete the required process through the system provided by the Exchange and also to allow such of its trading members desirous of participating in this process through online book building system of the Exchange and having trading terminals at the centres, and the Exchange has agreed for the same subject to certain conditions as laid down herein:
- (c) The Acquirer has appointed the Lead Manager for managing the aforesaid process.
- (d) The Acquirer and the Lead Manager confirm that the system referred hereinabove for reverse book building has undergone tests with the participants and are satisfied about the utility of the same.
- (e) The Lead Manager has appointed certain trading members of the Capital Market Segment of the Exchange (hereinafter referred to as 'Syndicate Members') for placing bids of the shareholders of the Company offering their shares to the Acquirer on the on-line electronic system.

NOW THEREFORE THIS DEED WITNESSETH AS FOLLOWS

1. CONSIDERATION

In consideration of the payment of charges as indicated in the Schedule I annexed hereto (hereinafter referred to as 'Charges'), the Exchange shall provide the services as set out hereunder.

2. SERVICES TO BE PROVIDED BY THE EXCHANGE

- 2.1. The Exchange shall provide its automated facilities and infrastructure for Reverse Book building process.
- 2.2. The Exchange will allow to use its electronic order routing and matching mechanism for the purpose of entering bids and complete the required process through the system provided by the Exchange and also to allow such of its trading members desirous of participating in this process through online book building system of the Exchange and having trading terminals at the centres.
- 2.3. The Exchange shall provide its services on the "best effort" basis. The Exchange shall not be liable for failure of the system or for any loss, damage, or other costs arising in any way out of:-
 - 2.3.1. Telecom network or system failures including failure of ancillary or associated systems or fluctuation of power or other environmental conditions, or

-
- 2.3.2. Accident, transportation, neglect, misuse, errors, frauds of the syndicate members/ LEAD MANAGER or its authorised persons or the agents or any third party, or
 - 2.3.3. Any fault in any attachments or associated equipment (either supplied by the Exchange or approved by the Exchange) which forms or does not form part of the trading workstation installation, or
 - 2.3.4. Any incidental, special or consequential damages including without limitation of loss of profit.
 - 2.4. The Exchange will keep open on-line Reverse Book building facilities during such periods and dates as may be decided by the Exchange in consultation with the Lead Manager.
 - 2.5. The Exchange will provide the data for the entries of the entire book only to authorised employees of the Acquirer and/or the Lead Manager or to such persons designated in writing by Acquirer and/or the Lead Manager and having connectivity with the Exchange, at pre-determined intervals, as decided by the Exchange in consultation with the Acquirer and Lead Manager.

3. OBLIGATIONS OF THE ACQUIRER AND LEAD MANAGER

- 3.1. The Acquirer and the Lead Manager agree that the bidding centres shall be as under: - _____
- 3.2. The Acquirer and the Lead Manager shall ensure that the syndicate members comply with the terms and conditions regarding placement of bids, commissions, sub-brokerage, incentives, etc as mentioned in Schedule II.
- 3.3. The Acquirer and the Lead Manager undertake to pay the commission to the syndicate members directly for the shares for which the bids have been given by the syndicate members along with delivery of the shares. Such commission shall be% of the value of the shares calculated at the discovered price and shall be paid within _____days from the close of bidding of the shares after satisfying that the syndicate members have duly performed their duties and no complaints are outstanding against them.
- 3.4. The Acquirer/Lead Manager shall comply with the provisions of the Securities and Exchange Board of India Act, 1992, Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 & Foreign Exchange Management Act, 1999 read with guidelines, if any, as may be issued by Reserve Bank of India (RBI) in this regard.

4. LIABILITY AND INDEMNITY

- 4.1. The Exchange is only providing its automated facilities and infrastructure and shall not be liable to any party under the process including the Acquirer and the Lead Manager.
- 4.2. In the event any shareholder has any grievance against any of the syndicate members, the Acquirer or the Lead Manager, he should approach the Acquirer

and/or the Lead Manager for redressal of his grievance. The Acquirer shall be fully responsible to resolve the grievances of the shareholders to the satisfaction of the Exchange.

- 4.3. The Acquirer and the Lead Manager shall indemnify and hold harmless the Exchange, its affiliates and their officers, directors, employees and agents against any and all judgments, damages, costs or losses of any kind (including reasonable attorneys' and experts' fees) as a result of any claim, action or proceeding that arises out of or relates to this Agreement, except in so far as it relates to a breach by the Exchange of its representations or warranties hereunder. The Exchange shall have the right at its own expense to participate in the defence of any claim, action or proceeding against which it is indemnified hereunder. This provision shall survive the termination or expiration of this Agreement.

5. DISCLAIMER

- 5.1. The Acquirer and the Lead Manager agree to incorporate the following clause in all announcements, publications, advertisement, pamphlets, etc. relating to this delisting.

"It is to be distinctly understood that the permission given by NSE to use their electronic automated facilities and infrastructure for "Online reverse book building facility for delisting of securities" should not in any way be deemed or construed that the compliances with various statutory and other requirements by (name of the Acquirer), LEAD MANAGER etc. are cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it have any financial responsibility or liability nor does it take responsibility in any way for the financial or other soundness of this company, its promoters or its management."

"It is also to be distinctly understood that the approval given by NSE should not in any way be deemed or construed that the public announcement has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this announcements, nor does it warrant that the securities will be delisted.

It is further to be distinctly understood that NSE is only providing its automated facilities and infrastructure for reverse book building It is also to be understood that NSE shall not be liable to the shareholders for non-receipt of the sale proceeds nor funds from Investor Protection Fund set up by NSE shall be available to settle the claims of those shareholders who have not received their sale proceeds. In the event any shareholder has any grievance against any of the syndicate members or the Acquirer or the Lead Manager, he should approach the Acquirer or Lead Manager for redressal of his grievance."

- 5.2 The Acquirer and the Lead Manager agree to clarify in all their announcements, publications, advertisements, pamphlets etc. relating to this delisting, that every person who desires to avail of the exit opportunity may do so pursuant

to independent inquiry, investigation and analysis and shall not have any claim against NSE or against the Investor Protection Fund or any fund set up by NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with this process whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

6. FORCE MAJEURE

If the performance of any obligations by any party as specified in this Agreement is prevented, restricted, delayed or interfered by reason of force majeure then notwithstanding anything hereinbefore contained, the party affected shall be excused from its performance to the extent such performance relates to prevention, restriction, delay or interference and provided the party so affected uses its best efforts to remove such cause of non-performance and when removed the party shall continue performance with utmost urgency. For the purpose of this clause "Force Majeure" means & includes fire, explosion, cyclone, floods, war, revolution, blockage or embargo, any law, order, demands or requirements of any Government or statutory authority, strikes, which are not instigated for the purpose of avoiding obligations herein or any other circumstances beyond the control of the party affected.

7. ASSIGNMENT

The Exchange may assign to any person any of its rights under this Agreement and in particular assign such rights by way of charge and any persons to whom such rights are assigned shall be entitled to full benefit of such rights.

- 8.** No forbearance, delay or indulgence by any party in enforcing any of the provisions of this Agreement shall prejudice or restrict the rights of that party nor shall any waiver of its rights operate as a waiver of any subsequent breach and no rights, powers, remedies herein conferred upon or reserved for the parties is exclusive of any other right, power or remedy available to that party and each right, power or remedy shall be cumulative.

9. JURISDICTION

This Agreement shall be governed by and construed and interpreted in accordance with the laws of India and each of the parties submits to the exclusive jurisdiction of the civil courts in Mumbai in all matters relating to or arising out of this Agreement.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE HEREUNTO SET AND SUBSCRIBED THEIR RESPECTIVE HANDS TO THIS AGREEMENT, THIS DAY MONTH AND THE YEAR FIRST HEREIN ABOVE WRITTEN.

SIGNED AND DELIVERED by the withinnamed)

_____, for and on behalf of _____)

NATIONAL STOCK EXCHANGE OF INDIA LTD)

SIGNED and DELIVERED by the within named
_____, for and on behalf of

SIGNED and DELIVERED by the within named
_____, for and on behalf of

In the presence of Witnesses

1. _____ (Name & Address)
2. _____ (Name & Address)
3. _____ (Name & Address)

SCHEDULE I

- (1) For providing the above-mentioned services, I/we shall pay a sum of Rs. ____ (amount.) in advance to the Exchange based on the buy back issue size. I/we understand that this advance amount is worked out, for using the system provided by Exchange :

<i>Buy back size (Intended)</i>	<i>Fees</i>
Upto Rs. 5 Cr.	Rs. 1.5 lacs
Above Rs. 5 Cr. and upto Rs.10 Cr.	Rs. 2.5 lacs
Above Rs.10 Cr. and upto Rs. 50 Cr.	Rs. 6 lacs
Above Rs. 50 Cr	Rs. 10 lacs

Note : The above fees will be subjected to any taxes as applicable on time to time basis

- (2) If the issue size undergoes a change in relation to quantity of shares and /or the offer/exit price, the charges shall be calculated as the quantity of shares accepted for buy back multiplied with the actual offer/exit price
- (3) The differential amount (computed as the difference between the quantity of shares to be acquired into the offer price fixed by the acquirer and the quantity of shares to be acquired into the exit price accepted by the acquirer) payable as mentioned above will be paid to the Exchange before the date on which the funds pay in and securities pay out are scheduled

SCHEDULE II**Placing of Bids**

1. Syndicate Members shall ensure that the bid forms received from the bidders are complete and duly signed by the bidders.
2. Syndicate Members shall ensure that the shareholders desirous of availing of the exit opportunity shall deposit the shares offered with them prior to placement of orders/bids
3. Syndicate Members shall register the bid form on the online system for electronic Reverse Book building. Each bid becomes a separate entry into the system. The Syndicate Members shall ensure that all the bid forms accepted are registered in the system. Bid forms accepted by the Syndicate Members but not registered by them on the online system shall be deemed to have been rejected / subject to summary rejection.
4. Syndicate Members shall ensure that all the fields in the order entry screen should be populated with valid data
5. Syndicate Members shall give the shareholders, system generated Transaction Registration Slips (TRS), for the bids registered into the system.
6. Syndicate Members shall abide by the applicable statutory requirements including the instructions/circulars that may be issued by the Exchange from time to time in this regard.
7. Syndicate Members shall not pass on incentives or payment in any manner to the bidders.
8. Syndicate Members shall not pay sub-brokerage exceeding the commission that may be received by them.
9. Syndicate Members shall execute such documents in favour of the Exchange in such formats as may be prescribed by them.

ANNEXURE X

PUBLIC ANNOUNCEMENT AFTER THE DISCOVERY OF PRICE

_____ Ltd. ("Manager to the Offer") on behalf of _____ Ltd. (the "Promoter" or the "Acquirer") has issued this Public Announcement ("Post Offer PA") to the Equity shareholders of _____ ("Target Company"), which is in continuation of, and should be read in conjunction with, the original Public Announcement ("Original PA") dated _____ and the Offer Letter dated _____ ("Offer Letter").

This Post Offer PA is being issued in accordance with Regulation 18 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("Delisting Regulations"), in respect of the proposed acquisition and voluntary delisting of the equity shares of the Company from the Bombay Stock Exchange Ltd ("BSE") pursuant to the Delisting Regulations ("Delisting Offer").

Capitalised terms used but not defined in this Post Offer PA shall have the same meaning assigned to them as in the Original PA and the Offer Letter.

The Acquirer issued the Original PA seeking to acquire, in accordance with the Delisting Regulations and on the terms and conditions set out therein and in the Offer Letter, up to _____ equity shares representing _____ of the paid-up equity share capital of the Company from the Public Shareholders. The Public Shareholders holding equity shares of the Company were invited to submit Bids pursuant to a Reverse Book Building ("RBB") process made available through the electronic system of the BSE during the Bid Period (_____ to _____), in accordance with the Delisting Regulations.

Discovered Price

In terms of Regulation 15(1) of the Delisting Regulations, the Discovered Price (i.e., the price at which maximum number of equity shares were tendered by the Public Shareholders) determined through the RBB process is Rs. _____ (Rupees _____) per equity share.

Success of the Delisting Offer & Exit Price

The Acquirer has accepted the Discovered Price of Rs. _____ per equity share ("Exit Price") and shall acquire all equity shares tendered through valid Bids at or

below the Exit Price. Post the acceptance of the equity shares validly tendered in the Delisting Offer at or below the Exit Price and completion of the acquisition, the shareholding of the Acquirer in the Company would exceed the minimum number of equity shares required for the Delisting Offer to be successful in terms of Regulation 17 of the Delisting Regulations. The Delisting Offer is thus successful.

All the Public Shareholders of the Company who have tendered their equity shares at or below the Exit Price through valid Bids will be paid the consideration at the Exit Price of Rs. _____ per equity share. The last date for dispatch of consideration to all Public Shareholders whose Bids have been accepted will be _____. Tax at source for the non-resident Public Shareholders will be deducted, as applicable, in accordance with paragraph _____ of the Original PA.

The equity shares of the Public Shareholders whose Bids have been rejected in the RBB process will be returned to them. The last date for dispatching the share certificates in case of physical shares and for the credit of shares to the respective beneficiary accounts in case of dematerialised shares will be _____. Such shareholders are advised to check their demat accounts to confirm receipt of the equity shares tendered.

Subsequently, the Company will initiate the necessary steps to delist its equity shares from the BSE. The Company shall announce the delisting date in the same newspapers in which the Original PA and this Post Offer PA has appeared.

Outstanding Equity Shares after Delisting

All Public Shareholders of the Company who did not or were not able to participate in the RBB process or who unsuccessfully tendered their equity shares in the RBB process, will be able to offer their equity shares to the Acquirer at the Exit Price during a period of one year starting from the date of delisting of the equity shares of the Company from the BSE.

All other terms and conditions set forth in the Original PA and the Offer Letter remain unchanged.

This Post Offer PA is issued on behalf of the Promoter in terms of Regulation 18 of the Delisting Regulations.
