

# PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

## Essar Ports Limited

Registered Office: Administration Building, Essar Refinery Complex, Okha Highway (SH-25), Taluka Khambalia, District Jamnagar, Gujarat – 361305, India

Corporate Identity Number: L85110GJ1975PLC054824 Tel: +91 2833 661 449; Fax: +91 2833 662 929; Website: www.essarports.com Company Secretary and Compliance Officer: Mr. Manoj Contractor

This public announcement (“**Public Announcement**” / “**PA**”) is being issued by Imperial Consultants and Securities Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Chennai House, 5th Floor, New No. 7, Esplanade, Chennai, Tamil Nadu, India (“**ICS**”) the “**Promoter**”) in respect of the proposed acquisition and voluntary delisting (“**Offer**” / “**Delisting Offer**”) of the equity shares of face value of Rs. 10 each (“**Equity Shares**”) of Essar Ports Limited (“**Company**”) pursuant to Regulation 10 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended (“**Delisting Regulations**”), and in accordance with the terms and conditions set out below.

### 1. BACKGROUND OF THE DELISTING OFFER

- a) The Company is a public limited company incorporated under the Companies Act, 1956, having its registered office at Administration Building, Essar Refinery Complex, Okha Highway (SH-25), Taluka Khambalia, District Jamnagar, Gujarat - 361305, India. The Equity Shares are listed on both the BSE Limited (the “**BSE**”) and the National Stock Exchange of India Limited (the “**NSE**”, and together with the BSE, the “**Stock Exchanges**”).
- b) As of the date of this PA, authorized share capital of the Company comprises of 1,000,000,000 equity shares of Rs. 10/- each and 1,050,000 preference shares of Rs. 100/- each and the issued, subscribed and paid-up equity share capital of the Company comprises of 428,072,131 (excluding 246,648 issued and subscribed but forfeited shares) Equity Shares each fully paid up (the “**Total Share Capital**”).
- c) The Promoter along with Essar Shipping and Logistics Limited (“**ESLL**”), Essar Ports & Shipping Limited (formerly Essar Port Holdings Mauritius Limited), Essar Projects (India) Limited, Essar Steel India Limited, Essar Global Fund Limited (formerly Essar Global Limited) (collectively referred to as the “**Promoter Group**”) collectively hold 320,781,141 Equity Shares (representing 74.94% of the Total Share Capital).
- d) The Promoter seeks to acquire 107,290,990 Equity Shares (“**Offer Shares**”) representing the balance 25.06% of the Total Share Capital from the public shareholders of the Company (“**Public Shareholders**”) being all the shareholders of the Company other than the Promoter Group in accordance with Delisting Regulations. Further to such acquisition, the Promoter will apply to delist the Equity Shares from the Stock Exchanges pursuant to and in accordance with the Delisting Regulations and on the terms set out in the PA. If any of the employee stock options are vested pursuant to the employee stock option scheme and consequently Equity Shares are issued after the date of this PA resulting in an increase in the paid-up equity share capital of the Company, the Offer Shares would stand increased accordingly. In such event, the change in the issued and paid-up capital of the Company and consequently the Offer Shares will be announced by way of a corrigendum to this PA, which will be published in the same newspapers in which this PA appeared.
- e) The Promoter Group will pursue various options in relation to the Company’s businesses including acquisition, divestment, reorganization and / or restructuring of the businesses and assets of the Company. The Promoter Group believes that the capital market investors do not evince interest in the Company and its businesses/ assets which could be as a result of delay in implementation of some of its projects caused by lag in obtaining environmental and other regulatory approvals, nature of business of the Company which is perceived to be substantially captive to other Essar entities, limited trading volumes with regards to shares of the Company etc. The delisting would allow the Promoter Group to focus on the business over a longer term and in the private domain.
- f) Pursuant to a letter dated October 10, 2014, ESLL had informed the Company of its intention to make the Delisting Offer and requested the board of directors of the Company (“**Board of Directors**”) to approve the Delisting Offer and to seek the requisite approval for the Delisting Offer from the Public Shareholders in accordance with the Delisting Regulations.
- g) The Board of Directors at its meeting held on October 11, 2014, approved the proposal received from ESLL to initiate the Delisting Offer in accordance with the Delisting Regulations, and all other applicable laws and to seek the approval of the Public Shareholders of the Company. The outcome of the Board of Directors’ meeting on October 11, 2014 was notified to the Stock Exchanges on October 11, 2014. A special resolution was passed by the shareholders of the Company through postal ballot and e-voting, the result of which was declared on November 18, 2014 and notified to the Stock Exchanges on November 18, 2014, approving the proposed voluntary delisting of the Equity Shares from the Stock Exchanges in accordance with the Delisting Regulations. The votes cast by the Public Shareholders in favour of the Delisting Offer were 56,383,329, which were more than two times the number of votes cast by the Public Shareholders against it. The NSE and the BSE issued their in-principle approval to the Delisting Offer subject to compliance with the Delisting Regulations, vide their letters dated November 24, 2014 and December 2, 2014 respectively.
- h) The Public Announcement is being issued in the following newspapers as required under Regulation 10(1) of the Delisting Regulations:

Newspaper	Language	Editions
Business Standard	English	All
Business Standard	Hindi	All
Mumbai Tarun Bharat	Marathi	Maharashtra

- i) The Promoter will inform the Public Shareholders, by way of a notice in the aforementioned newspapers in which this Public Announcement is being published, of material changes, if any, to the information set out in the PA.
- j) The Promoter reserves the right to withdraw the Delisting Offer in certain cases as more fully set out in paragraph 13 of this Public Announcement.
- 2. OBJECT OF THE DELISTING OFFER**
- a) 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.
- b) The Promoter Group believes that the delisting of the Company’s Equity Shares will be in the interest of the Public Shareholders as it will provide them with an exit opportunity from the Company in an open and transparent manner at a price calculated by the reverse book building mechanism set out in the Delisting Regulations.
- 3. BACKGROUND OF THE PROMOTER**
- a) The Promoter is a company incorporated under Companies Act, 1956. The registered office of the Promoter is at Chennai House, 5th Floor, New No. 7, Esplanade, Chennai - 600108, Tamil Nadu, India. The shares of the Promoter are not listed on any stock exchange.
- b) As on date of the PA, the collective shareholding in the Company of a) the Promoter Group; b) persons acting in concert with the Promoter Group; c) directors of the Promoter Group; and d) persons in control of the Company is 74.94%.
- 4. BACKGROUND OF THE COMPANY**
- a) The Company, is a public limited company incorporated under the Companies Act, 1956, having its registered office at Administration Building, Essar Refinery Complex, Okha Highway (SH-25), Taluka Khambalia, District Jamnagar, Gujarat - 361305, India. The Company is engaged in the business of developing and operating ports and terminals and is one of the largest private sector port companies in India by capacity and cargo traffic. The Equity Shares of the Company are listed on the Stock Exchanges.
- b) A summary of the standalone audited financials of the Company for the financial years ending March 31, 2013, March 31, 2014 and March 31, 2015, is set out below. The financials have been prepared in accordance with the Generally Accepted Accounting Principles in India.

(Rs. in crore)

Particulars	Year ended March 31, 2013 (Audited)	Year ended March 31, 2014 (Audited)	Year ended March 31, 2015 (Audited)
Net Sales	35.40	40.13	34.63
Other Income	35.43	44.13	53.77
Total Income	70.83	84.26	88.40
Profit before tax	(38.32)	(25.75)	5.35
Profit after tax	(38.37)	(25.75)	0.60
Basic Earnings per Equity Share	(0.90)	(0.60)	0.01
Diluted Earnings per Equity Share	(0.90)	(0.60)	0.01
Paid-up Share Capital	428.02	428.02	428.02
Fixed Assets	81.18	73.48	65.99
Net Current Assets	(500.80)	(52.31)	(338.13)
Net Worth	2,728.35	2,674.14	2,684.96

(Source: As per the CA certificate dated October 15, 2015 provided by Rashmi B. Mundada)

- c) The authorized share capital of the Company comprises of 1,000,000,000 Equity Shares of Rs. 10/- each and 1,050,000 preference shares of Rs. 100/- each and the issued, subscribed and paid-up equity share capital of the Company comprises of 428,072,131 (excluding 246,648 issued and subscribed but forfeited shares) Equity Shares, each fully paid up. The Promoter Group entities are not participating in the Offer and will not tender their Equity Shares in the reverse book building process.
- d) The Company had introduced the Essar Ports Employee Stock Option Scheme 2011 (the “**Scheme**”) pursuant to approval granted by shareholders of the Company at the annual general meeting held on September 9, 2011, which was modified by a resolution approved at the annual general meeting held on September 27, 2012. Under the Scheme, each option is convertible into equivalent number of Equity Shares. Options granted shall vest in a graded manner in three equal installments, at the end of 3rd / 4th / 5th years from the grant date. The options can be exercised within 7 years from the date of vesting. As on the date of this PA, a total of 20,33,080 options have been granted, 3,81,905 options have been forfeited and 17,79,853 options are outstanding out of which 1,84,133 options have been vested and shares in respect of such vested options have been allotted to the Essar Ports ESOP Trust. If any of the options are vested, and consequently Equity Shares are issued after the date of this PA resulting in an increase in the paid-up equity share capital of the Company, the Offer Shares would stand increased accordingly. In such event, the change in the issued and paid-up capital of the Company and consequently the Offer Shares, will be announced by way of a corrigendum to this PA, which will be published in the same newspapers in which this PA appeared.
- e) ESLL holds foreign currency convertible bonds (“**FCCBs**”) issued by the Company and has undertaken to waive its rights to convert the FCCBs into Equity Shares of the Company in its letter dated October 10, 2014 to the Company.
- f) The shareholding pattern of the Company, as on September 30, 2015 is as under:

Particulars	No. of Shares	Shareholding (%)
Promoter Group	320,781,141	74.94
Foreign Institutional Investors	44,589,274	10.42
Bodies Corporate	22,748,531	5.31
Mutual Funds / UTI	35,446	0.01
Financial Institutions / Banks	57,472	0.01
Foreign Banks	14,915	0.00
Insurance Companies	5,753,409	1.34
Individuals	16,192,619	3.78
NRIs / Foreign Corporate Bodies	17,899,324	4.18
<b>Total</b>	<b>428,072,131</b>	<b>100.00</b>

Source: Company certification

The likely post-delisting shareholding pattern of the Company, assuming all the Offer Shares are acquired pursuant to the Offer will be as follows:

Shareholder	Number of Shares	% of Equity Share Capital
Promoter Group	428,072,131	100.00

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

The Equity Shares are listed on the Stock Exchanges and are proposed to be delisted from the Stock Exchanges 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 has appointed JM Financial Institutional Securities Limited having its registered office at 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, as the Manager to the Offer (“**JM Financial**” or “**Manager to the Offer**”).

### 7. ADVISOR TO THE OFFER

The Promoter has appointed Axis Capital Limited having its registered office at Axis House, Level 8, Axis House, C-2 Wadia International Centre, PB. Marg, Worli, Mumbai- 400025, India, as the advisor of the Promoter for the purpose of this Delisting Offer (“**Advisor**”).

### 8. REGISTRAR TO THE OFFER

The Promoter has appointed Link Intime India Private Limited having its registered office at C 13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078, INDIA as the Registrar to the Offer (“**Registrar to the Offer/Registrar**”).

### 9. STOCK BROKER OF THE PROMOTER

The Promoter has appointed JM Financial Services Limited having its registered office at 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India, as the stock broker of the Promoter (“**Stock Broker**”).

### 10. STOCK EXCHANGE DATA

a) The high, low and average price of the Equity Shares (in Rs. per share) during the three calendar years immediately preceding the date of this PA on the BSE and the NSE is as follows:

Calendar Year	BSE			
	High* (Rs.)	Low* (Rs.)	Average** (Rs.)	Volume
January 1, 2014 - December 31, 2014	110.00	48.00	77.85	1,93,44,496
January 1, 2013 - December 31, 2013	99.40	54.35	74.88	66,85,852
January 1, 2012 - December 31, 2012	106.75	49.60	86.00	1,95,86,673

(Source: BSE website)

\* High of intra-day high / low of intra-day lows during the period

\*\* Average of the closing prices during the period

Calendar Year	NSE			
	High* (Rs.)	Low* (Rs.)	Average** (Rs.)	Volume
January 1, 2014 - December 31, 2014	110.35	47.85	77.75	3,11,28,358
January 1, 2013 - December 31, 2013	99.50	54.80	74.83	2,05,11,605
January 1, 2012 - December 31, 2012	109.85	49.00	86.04	2,23,92,771

(Source: NSE website)

\* High of intra-day high / low of intra-day lows during the period

\*\* Average of the closing prices during the period

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

Month	BSE		
	High* (Rs.)	Low* (Rs.)	Volume
September 2015	104.90	86.50	117,961
August 2015	108.00	80.00	143,419
July 2015	114.70	97.60	736,662
June 2015	112.00	85.50	946,131
May 2015	135.00	105.00	129,864
April 2015	131.00	113.20	1,483,545

(Source: BSE website)

\* High of intra-day highs / low of intra-day lows during the period

Month	NSE		
	High* (Rs.)	Low* (Rs.)	Volume
September 2015	105.00	86.50	612,663
August 2015	108.05	78.65	1,308,213
July 2015	114.80	98.25	2,742,950
June 2015	111.35	92.50	2,933,289
May 2015	128.55	101.40	910,632
April 2015	130.80	111.80	2,661,871

(Source: NSE website)

\* High of intra-day highs / low of intra-day lows during the period

### 11. DETERMINATION OF THE FLOOR PRICE

- a) The Securities and Exchange Board of India (“**SEBI**”) has amended the Delisting Regulations with effect from March 24, 2015 by notification of the SEBI (Delisting of Equity Shares) (Amendment) Regulations, 2015 (“**Amended Regulations**”). The Amended Regulations came into force inter-alia amending the methodology of calculating the floor price for the purpose of voluntary delisting. Per the Amended Regulations, the floor price for the purpose of delisting of equity shares is required to be determined in accordance with Regulation 8 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the “**Takeover Regulations**”). Further SEBI, vide Frequently Asked Questions issued in respect of the SEBI (Delisting of Equity Shares) Regulations, 2009 (the “**Delisting FAQs**”), has clarified that the reference date for computing the floor price under the Delisting Regulations would be the date on which the recognized stock exchanges were notified of the board meeting, in which the delisting proposal was considered.
- i. Therefore, the floor price has been computed in accordance with:
- i. the Delisting Regulations in existence prior to the notification of the Amended Regulations (the “**Erstwhile Delisting Regulations**”) (“**Method 1**”); and
- ii. the Amended Regulations i.e. in accordance with Regulation 8 of the Takeover Regulations, with reference to the date on which Stock Exchanges were notified of the board meeting in which Board of Directors approved the Delisting Offer, i.e. October 11, 2014 (the “**Relevant Date**”) (“**Method 2**”).
- c) Method 1:**
- i. The Equity Shares of the Company are listed on the BSE and the NSE and were frequently traded on both the BSE and the NSE as of the Relevant Date. The Equity Shares were more frequently traded on NSE per Regulation 15(2) of the Erstwhile Delisting Regulations. The BSE and the NSE are the only stock exchanges where the Equity Shares of the Company are listed in India.
- ii. The annualized trading turnover based on the trading volume of the Equity Shares on the BSE & the NSE during the period from April 01, 2014 to September 30, 2014 (six calendar months prior to the month of the Relevant Date) is as under:

Stock Exchange	Total Traded Volumes from 01/04/2014 to 30/09/2014	Annualized Traded Turnover	Total number of equity shares (“TSO”) outstanding as at 30/09/2014	Annualized trading turnover (as a % of TSO)
BSE	1,35,24,987	2,70,49,974	42,78,87,998	6.32%
NSE	2,32,73,384	4,64,56,768	42,78,87,998	10.88%

(Source: CA certificate dated October 24, 2015 issued by SSPA & Co.)

- iii. Based on the above, the Equity Shares were more frequently traded on the NSE as of the Relevant Date.
- iv. The floor price computed in accordance with Regulation 15(2)(a) of the Erstwhile Delisting Regulations as on the Relevant Date is as under:

Particulars	Amount (Rs. per share)
Average of the weekly high and low of the closing prices of the Equity Shares during the 26 week preceding the Relevant Date (A)	81.66
Average of the weekly high and low of the closing prices of the Equity Shares during the 2 week preceding the Relevant Date (B)	90.50
<b>Higher of (A) and (B)</b>	<b>90.50</b>

(Source: CA certificate dated October 24, 2015 issued by SSPA & Co.)

- v. Based on the above, under Method 1, the floor price is Rs. 90.50 (Rupees Ninety and Fifty paise only) per Equity Share.
- d) Method 2:**
- i. The traded turnover on the BSE & the NSE during the twelve calendar months preceding the calendar month in which the delisting was approved by the Board of the Company i.e. during the period from October 01, 2013 to September 30, 2014 (twelve calendar months prior to the month of the Relevant Date) is as under:

Stock Exchange	October 01, 2013 to September 30, 2014	Total number of Equity Shares (the “TSO”) outstanding as at March 31, 2014	Annualized trading turnover (as a percentage of the TSO)
BSE	17,887,214	427,887,998	4.18%
NSE	27,102,958	427,887,998	6.33%

(Source: CA certificate dated October 24, 2015 issued by SSPA & Co.)

- ii. As per the Takeover Regulations “frequently traded shares” means shares of a target company, in which the traded turnover on any stock exchange, during the twelve calendar months preceding the calendar month in which the public announcement is made, is at least ten per cent of the total number of shares of such class of the target company.
- iii. Based on the above, the shares of the Company are infrequently traded. Hence in terms of Regulation 8 of the Takeover Regulations, the floor price shall be the higher of the following:

(a)	The highest negotiated price per Equity Share of the Company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer	Not Applicable
(b)	The volume weighted average price paid or payable for acquisitions, whether by the Promoter or by any person acting in concert with him, during the fifty-two weeks immediately preceding the Relevant Date	Not Applicable
(c)	The highest price paid or payable for any acquisition, whether by the Promoter or by any person acting in concert with him, during the twenty six weeks immediately preceding the Relevant Date	Not Applicable
(d)	The volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the Relevant Date, as traded on the stock exchange where the maximum volume of trading in the Equity Shares of the Company are recorded during such period	Not Applicable
(e)	Where the Equity Shares are not frequently traded, the price determined by the Promoter and the Manager to the 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	Rs. 93.66*
(f)	The per Equity Share value computed under Regulation 8(5) of the Takeover Regulations, if applicable	Not Applicable

\* As per the valuation report issued by SSPA & Co. dated October 24, 2015

(Source: CA certificate dated October 24, 2015 issued by SSPA & Co.)

- iv. Based on the above, under method 2, the floor price is Rs. 93.66 (Rupees Ninety Three and Sixty Six paise only) per equity share.
- v. Summary of calculation of floor prices under Method 1 and 2 is as follows:

Method	Floor Price
Method 1	Rs. 90.50 (Rupees Ninety and Fifty Paise only) per Equity Share.
Method 2	Rs. 93.66 (Rupees Ninety Three and Sixty Six Paise only) per Equity Share.

- vi. The Promoter proposes to offer the highest of (i) the floor price computed in accordance with Method 1 and (ii) the floor price computed in accordance with Method 2, as the floor price for the Offer. Accordingly, the floor price for the Offer is Rs. 93.66 (“**Floor Price**”) being the higher of Method 1 and Method 2.

### 12. DETERMINATION OF THE EXIT PRICE

- a) The Promoter 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 (the “**Acquisition Window Facility**”), conducted in accordance with the terms of the Delisting Regulations.
- b) All Public Shareholders can tender their Offer Shares during the Bid Period (as hereinafter defined) as set out in paragraph 16 of this Public Announcement.
- c) The minimum price per Offer Share payable by the Promoter 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 Promoter Group reaches 90% pursuant to a reverse book-building process through Acquisition Window Facility conducted in the manner specified in Schedule II of the Delisting Regulations (“**Discovered Price**”) which shall not be lower than the Floor Price.
- d) The Promoter may at its sole discretion acquire the Offer Shares subject to the conditions mentioned in paragraph 13 below at the Discovered Price or at a price higher than Discovered Price. Such price at which Delisting Offer is accepted by the Promoter (being not less than the Discovered Price) is referred to as the exit price (“**Exit Price**”).
- e) The Promoter 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 19.
- f) Once the Promoter announces the Exit Price, the Promoter 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 fulfillment of the conditions mentioned in paragraph 13 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.
- g) If the Promoter does not accept the Discovered Price, the Promoter 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.

### 13. CONDITIONS TO THE DELISTING OFFER

The acquisition of the Offer Shares by the Promoter is conditional upon:

- a) the Promoter deciding in its sole and absolute discretion to accept the Discovered Price or offer an Exit Price not less than the Discovered Price. It may be noted that notwithstanding anything contained in this Public Announcement, the Promoter reserves the right to reject the Discovered Price if the same is higher than the Floor Price;
- b) a minimum number of 64,483,777 Offer Shares being tendered at or below the Exit Price or such other higher number of shares (in the event some of the ESOP options are vested as described in paragraph 4(d), and Equity Shares are allotted in lieu thereof, prior to the closure of bidding period i.e. on the Bid Closing Date (as hereinafter defined) so as to cause the cumulative number of Equity Shares held by the Promoter Group as on date of this Public Announcement taken together with the Equity Shares acquired through the Acquisition Window Facility to be equal to or in excess of 385,284,918 Equity Shares or such higher number of Equity Shares on account of issuance of Equity Shares pursuant to vesting of options as per paragraph 4(d) above constituting 90% of the Total Share Capital;
- c) minimum number of 10,207 Public Shareholders (25% of number of Public Shareholders holding shares in dematerialized mode as on October 11, 2014) holding shares in dematerialized mode participate in the reverse book building process, in accordance with Regulation 17(b) of the Delisting Regulations, provided that if the Promoter along with the Manager to the Offer demonstrates to the Stock Exchanges that they have delivered the letter of offer of this Delisting 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 (referred to as the “**LoF Delivery Requirement**”), then the mandatory participation of aforementioned number of Public Shareholders is not applicable. Per the Delisting FAQs, SEBI has clarified that the LoF Delivery Requirement provided in proviso to Regulation 17(b) of the Delisting Regulations is deemed to have been complied with if the acquirer or merchant banker dispatches the letter of offer to all the Public Shareholders of the company by registered post or speed post through the Indian Post and is able to provide a detailed account regarding the status of delivery of the letters of offer (whether delivered or not) sent through India Post;
- d) the Promoter obtaining all statutory approvals, as stated in paragraph 20 of this Public Announcement; and
- e) 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, prejudice the Promoter from proceeding with the Delisting Offer, provided that withdrawal on this count shall be subject to the receipt of regulatory approvals, if any, required for the same.

### 14. DISCLOSURE REGARDING THE MINIMUM ACCEPTANCE CONDITION FOR SUCCESS OF THE OFFER

- a) 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 Promoter Group taken together with the Equity Shares accepted in the reverse book-building process through Acquisition Window Facility through eligible bids (“**Bids**”) at the Exit Price equals or exceeds 385,284,918 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 October 11, 2014, participate in the reverse book building if the LoF Delivery Requirement is not fulfilled or complied with. Please note that the LoF Delivery Requirement will be deemed to have been fulfilled and complied with if the Promoter 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.

### 15. ACQUISITION WINDOW FACILITY

- a) Pursuant to the Amended Regulations, the Promoter is required to facilitate tendering of the Equity Shares by the Public Shareholders of the Company and the settlement of the same, through the stock exchange mechanism provided by SEBI. SEBI vide its circular dated April 13, 2015 on ‘Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offer under Takeovers, Buy Back and Delisting’ (the “**SEBI Circular**”) sets out the procedure for tendering and settlement of Equity Shares through the Stock Exchanges (the “**Stock Exchange Mechanism**”). Further, it provides that the Stock Exchanges shall take necessary steps and put in place the necessary infrastructure and systems for implementation of the Stock-Exchange Mechanism and to ensure compliance with requirements of the SEBI Circular. Pursuant to the SEBI Circular, the BSE and the NSE have issued guidelines detailing the mechanism for acquisition of shares through Stock Exchange.
- Per the SEBI Circular, the Promoter has chosen Acquisition Window Facility provided by the NSE and has chosen the NSE as the designated stock exchange (“**Designated Stock Exchange**”).
- b) The cumulative quantity tendered shall be displayed on websites of the Stock Exchanges at specific intervals during Bid Period.



- r) If the Offer is successful, Stock Broker will fund its settlement bank account before settlement pay-in timeline towards fulfilling their obligation on settlement date. Successful seller member in Acquisition Window Facility process will receive funds payout in their settlement bank account.
- s) Share certificates for any invalid bid, will be dispatched to the Public Shareholders by registered post, at the Public Shareholder's sole risk by the Registrar within 10 working days of the Bid Closing Date.
- t) If the Offer is not successful or rejected by Promoter, then Public Shareholders holding shares in dematerialized form should contact stock broker through whom Acquisition Window Facility is used for checking on return of shares. For Public Shareholders holding shares in physical form, Registrar shall complete the dispatch of physical share certificates by registered post, at the Public Shareholder's sole risk within 10 working of Bid Closing Date.
- u) Where the Offer fails in the circumstances stated in paragraphs 13 / 14 of this Public Announcement:-
- the Offer Shares in physical form sent to Registrar by a seller member broker shall be returned or released to him within 10 (ten) working days from the Bid Closing Date in terms of the proposed timetable as set out in paragraph 19 below;
  - no final application shall be made to the Stock Exchanges for delisting of the Equity Shares; and
  - the Escrow Account (as defined in paragraph 18(b) of this PA) shall be closed.
- v) Public Shareholders who are holding physical Equity Shares and intend to participate in the Delisting Offer will be required to approach the their respective stock brokers along with the complete set of documents for verification procedures to be carried out including as below:
- original share certificate(s);
  - valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Public Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer. Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate/Notary Public/Bank Manager under their Official Seal;
  - Self attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors);
  - Bid Form duly signed (by all Public Shareholders in case Equity Shares are in joint names) in the same order in which they hold the shares; and
  - any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. In addition, if the address of the Public Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- w) Settlement of Offer Shares:
- The respective stock brokers submitting bids on behalf of Public Shareholders should use the settlement number to be provided by the clearing corporation to transfer the shares in favor of clearing corporation.
  - The pay out of the shares shall be made to the securities pool account of the respective stock brokers of the Public Shareholders placing their bids.
  - Once the Delisting Offer is determined to be successful, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the demat account opened by the Promoter.
  - Any excess physical shares pursuant to acceptance or allotment or rejection will be returned back to the Public Shareholders by the Registrar either directly or through their respective stock brokers.
- 17. PERIOD FOR WHICH THE DELISTING OFFER SHALL BE VALID**
- The Public Shareholders may submit their Bids to the broker member during the Bid Period. Additionally, once the Equity Shares have been delisted from the Stock Exchanges, the Public Shareholders whose Offer Shares have not been acquired by the Promoter may offer their Offer Shares for sale to the Promoter at the Exit Price for a period of one year following the date of the delisting of the Equity Shares from the Stock Exchange ("**Exit Window**"). A separate offer letter in this regard will be sent to these remaining Public Shareholders. Such Public Shareholders may tender their Offer Shares by submitting the required documents to the Registrar to the Offer during the Exit Window.
- 18. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN AND THE PROCEDURE FOR SETTLEMENT**
- a) The estimated consideration payable under the Delisting Regulations, being the Floor Price of Rs. 93.66 per Equity Share multiplied by the number of Offer Shares, i.e., 107,290,990 Offer Shares, is Rs. 10,048,874,123.40 (Rupees One Thousand and Four Crores Eighty Eight Lakhs Seventy Four Thousand and One Hundred Twenty Three and Forty paise only) ("**Escrow Amount**").
- b) In accordance with the Delisting Regulations, the Promoter, Yes Bank Limited ("Escrow Bank") and the Manager to the Offer have entered into an escrow agreement dated October 26, 2015, subsequent to which the Promoter has opened an escrow account with the Escrow Bank at their branch at Yes Bank Limited, First Floor, Moti Mahal, Dr Annie Basant Road, Worli 400018 ("Escrow Account") and Axis Bank Limited has issued a bank guarantee, pursuant to bank guarantee letter dated October 26, 2015, ("**Bank Guarantee**") in favor of the Manager to the Offer for an aggregate amount of Rs. 10,050,000,000 (Rupees One Thousand and Five Crores only) representing more than 100% of the Escrow Amount.
- c) On determination of the Discovered Price and making of the public announcement under Regulation 18 of the Delisting Regulations, the Promoter shall ensure compliance with Regulation 11(2) of the Delisting Regulations.
- d) In the event that the Promoter accepts the Discovered Price (or offers an Exit Price) and the Offer is successful (with all conditions thereto being satisfied), the Promoter shall increase the amount lying to the credit of the Escrow Account to the extent necessary to pay Public Shareholders at the Exit Price. In such a case, the Promoter shall also ensure that the Bank Guarantee remains valid until the expiry of the Exit Window.

e) Further, in such a case, the Promoter shall along with the Manager to the Offer, instruct the Escrow Bank to open a special account ("**Special Account**"), which shall be used for payment to the Public Shareholders who have validly tendered Offer Shares in the Delisting Offer During the Bid Period. It shall then deposit in the Escrow Account an amount equal to the amount payable to the Public Shareholders whose shares have been tendered and accepted in the Delisting Offer at the Exit Price. The Manager to the Offer shall instruct the Escrow Bank to transfer the necessary amount to the Special Account.

**19. PROPOSED TIMETABLE FOR THE OFFER**

Activity	Date	Day
Date of publication of the PA	October 27, 2015	Tuesday
Specified Date for determining the names of shareholders to whom the Offers Letters shall be sent	October 27, 2015	Tuesday
Dispatch of Offer Letters/ Bid Forms to Public Shareholders as on Specified Date	October 28, 2015	Wednesday
Bid Opening Date (bid starts at market hours)	October 30, 2015	Friday
Last Date of Revision (upwards) or withdrawal of bids	November 04, 2015	Wednesday
Bid Closing Date (bid closes at market hours)	November 05, 2015	Thursday
Announcement of Discovered Price/Exit Price and the Promoter's Acceptance/Non-acceptance of Discovered Price /Exit Price*	November 11, 2015	Wednesday
Final date of payment of consideration to Designated Stock Exchange #	November 13, 2015	Friday

\*This is an indicative date and the announcement may be made on or before November 16, 2015, being the fifth working day from the date of 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

The Specified Date is only for the purpose of determining the names of the Public Shareholders to whom the Offer Letter will be sent. However, all Public Shareholders, (whether registered or unregistered), are eligible to participate in the Offer by submitting their Bid in Acquisition Window Facility to broker member registered on NSE on or before Bid Closing Date. Changes to the proposed timeline, if any, will be notified to Public Shareholders by way of a public announcement in the same newspapers where this Public Announcement is published

**20. STATUTORY APPROVALS**

- a) The Public Shareholders of the Company have accorded their consent by way of special resolution passed on November 18, 2014, in respect of delisting of Equity Shares from the Stock Exchanges, in accordance with the Delisting Regulations.
- b) The BSE and the NSE have given their in-principle approvals for delisting of the Equity Shares vide letters dated December 2, 2014 and November 24, 2014 respectively.
- c) An application dated November 28, 2014 was made to the RBI seeking its approval for the Promoter Group entities to acquire Offer Shares validly tendered by NRIs in the Delisting Offer and during the Exit Window. The said approval was granted by RBI vide letter dated December 22, 2014.
- d) To the best of the Promoter's knowledge, as of the date of this Public Announcement, 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 and the Delisting Offer will be subject to receipt of such statutory or regulatory approvals.
- e) 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), except for the RBI approval referred to in paragraph c) above, if any, prior to tendering the Offer Shares held by them in the Delisting Offer, and the Promoter shall take no responsibility for the same. The Public Shareholders should attach a copy of any such approval to the Bid Form, wherever applicable.
- f) The Promoter reserves the right not to proceed with or withdraw the Delisting Offer in the event the conditions mentioned in paragraph 13 of this PA are not fulfilled or if the approvals indicated above are not obtained or conditions which the Promoter considers in its sole discretion to be onerous are imposed in respect of such approvals.
- g) In the event that receipt of the requisite statutory and regulatory approvals are delayed, the Promoter 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 by issuing an appropriate corrigendum in all the newspapers where this Public Announcement was published.

**21. TAXATION**

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.**

**22. CERTIFICATION BY BOARD OF DIRECTORS OF THE COMPANY**

The Board of Directors hereby certify that -

- there are no material deviations in utilization of the proceeds of the issues (as compared to the stated

objects in such issues) of securities made by the Company during the five years immediately preceding the date of this PA;

- all material information which is required to be disclosed under the provisions of the continuous listing requirements under the relevant Equity Listing Agreement entered into between the Company and the Stock Exchanges have been disclosed to the BSE and the NSE, as applicable;
- the Company is in compliance with the applicable provisions of securities laws;
- the Delisting Offer is in the interest of the Public Shareholders.

**23. COMPLIANCE OFFICER**

The Compliance Officer of the Company is:

Mr. Manoj Contractor

Company Secretary and Compliance Officer

Phone: +91 22 6660 1100/ 98197 30133

Fax: +91 22 2354 4312

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**

**LINK INTIME**  
**INDIA PVT LTD**



Link Intime India Private Limited  
Corporate Identity Number: U67190MH1999PTC118368  
C-13, Pannalal Silk Mills Compound, L.B.S. Marg  
Bhandup (West), Mumbai 400 078,  
India  
Tel: +91 22 6171 5400  
Fax: +91 22 2596 0329  
Email: epl.delisting@linkintime.co.in  
Contact Person: Mr. Ganesh Mhatre

**25. 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, 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 the a reverse book-building process through Acquisition Window Facility or otherwise.

This PA is issued on behalf of the Promoter by:

**JM FINANCIAL**

JM Financial Institutional Securities Limited  
Corporate Identity Number: U65192MH1995PLC092522  
7th Floor, Cnergy, Appasaheb Marathe Marg,  
Prabhadevi, Mumbai 400 025,  
India  
Tel.: +91 22 6630 3030  
Fax.: +91 22 6630 3330  
Email: epl.delisting@jmfll.com  
Contact Person: Ms. Lakshmi Lakshmanan

For Imperial Consultants and Securities Private Limited (For and on behalf of the board)

Sd/-  
**Manager / Company Secretary (ICS)**

Sd/-  
**Director (ICS)**

Sd/-  
**Director (ICS)**

Place: Mumbai  
Date: October 27, 2015