

**DRAFT LETTER OF OFFER**

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

This Draft Letter of Offer is sent to you as a registered equity shareholder of Techno Electric and Engineering Company Limited (referred to as "TEECL" or the "Company") as on the Record Date in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (referred to as the "Buyback Regulations"). If you require any clarifications about the action to be taken, you should consult your Stock Broker or Investment Consultant or the Manager to the Buyback Offer (Narnolia Financial Advisors Limited) or to the Registrar to the Buyback Offer (Niche Technologies Private Limited). Please refer to the section on "Definitions" for the definition of capitalized terms used therein.



**TECHNO ELECTRIC & ENGINEERING COMPANY LIMITED**

(Formerly Simran Wind Project Limited)

CIN: L40108UP2005PLC094368

Regd. Office: C-218, Ground Floor (GR-2), Sector-63 Noida Gautam Buddha Nagar-201307

Corporate Office: 1B, Park Plaza, South Block, 71, Park Street, Kolkata-700016

Phone No: (033) 4051 3000, Fax No: (033) 4051 3326,

Website: [www.techno.co.in](http://www.techno.co.in); E-mail: [desk.investors@techno.co.in](mailto:desk.investors@techno.co.in); Company Secretary and Compliance Officer :Mr. Niranjana Brahma

**Cash offer to buyback not exceeding 26,82,400 (Twenty Six Lakhs Eighty Two Thousand Four Hundred Only) fully paid up equity shares of face value of Rs. 2/- each representing 2.38% of the present outstanding equity shares of the Company from all the existing public shareholders/beneficial owners of the Company as on the record date i.e. January 03, 2019 on a proportionate basis through the tender offer route at a price of Rs. 410/- (Rupees Four Hundred Ten only) per equity share for an aggregate amount of up to Rs. 109,97,84,000 (Rupees One Hundred Nine Crores Ninety Seven Lakhs Eighty Four Thousand Only).**

1. The Buyback is in accordance with the provisions contained in the Article 16 of the Articles of Association of the Company, Section 68, 69, 70, and all other applicable provisions, if any, of the Companies Act, 2013 (the "Companies Act"), the Companies (Share Capital and Debentures) Rules, 2014 (hereinafter referred to as the "Share Capital Rules") and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "Buyback Regulations") including any amendments, statutory modifications of re-enactments thereof, and such other approvals, permissions and exemptions as may be required, from time to time, from the National Stock Exchange of India Limited ("NSE") and the BSE Limited (the "BSE") where the equity shares of the Company are listed and from any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board and/or any other committee thereof. The Buyback would be undertaken in accordance with Circular No. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 (the "SEBI Circular") issued by the Securities and Exchange Board of India, which prescribes mechanism for tendering of shares through Online trading platform of the Stock Exchange. In this regard, the Company will request BSE to provide the Acquisition Window. For the purpose of this Buyback, BSE would be the Designated Stock Exchange.
2. The Buyback Offer Size is 9.10% of the fully paid up equity share capital and free reserves of the Company based on Standalone accounts for the financial year ended March 31, 2018 and is within the statutory limits of 10% of the fully paid-up equity share capital and free reserves as per the last standalone audited accounts of the Company.
3. This letter of Offer will be sent to the Equity Shareholder(s)/Beneficial Owner(s) of Equity shares of the Company as on the Record Date i.e., January 03, 2019.
4. The procedure for Tender and Settlement is set out in paragraph 20 of this Draft Letter of Offer. The Form of Acceptance-cum-Acknowledgement ("Tender Form") is enclosed together with this Draft Letter of Offer.
5. For mode of payment of consideration to the Equity Shareholders refer Paragraph 20.22 of Draft Letter of Offer.
6. A copy of the Public Announcement and this Draft Letter of Offer (including Tender Form) will be available on the website of Securities and Exchange Board of India- [www.sebi.gov.in](http://www.sebi.gov.in)
7. Equity Shareholders are advised to refer to paragraph 17 (Details of Statutory Approvals) and paragraph 21 (Note on Taxation) before tendering their Equity Shares in the Buyback.



**BUYBACK OPENS ON: [●], 2019**

**BUYBACK CLOSES ON: [●], 2019**

**LAST DATE/TIME OF RECEIPT OF COMPLETED APPLICATIONS, FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE**

**CERTIFICATES BY THE REGISTRAR: [●]**

All future correspondence in relation to Buyback, if any should be addressed to the Manager to the Buyback Offer or the Registrar to the Buyback Offer at the respective addresses mentioned below:

	<b>MANAGER TO THE OFFER:</b> <b>NARNOLIA FINANCIAL ADVISORS LIMITED</b> (Formerly Microsec Capital Limited) 201, 2 <sup>ND</sup> Floor, Marble Arch 236B, A.J.C Bose Road, Kolkata – 700020 Tel No: (033) 4050 1500 Fax: (033) 4050 1549 Email: <a href="mailto:mgoenka@narnolia.com">mgoenka@narnolia.com</a> Website: <a href="http://www.narnolia.com">www.narnolia.com</a> <b>Contact Person:</b> Mr. Manav Goenka <b>SEBI REGN NO:</b> INM000010791		<b>REGISTRAR TO THE OFFER:</b> <b>NICHE TECHNOLOGIES PRIVATE LIMITED</b> SEBI REGN NO: INR000003290 (Contact Person: Mr. S. Abbas) 3A, Auckland Place, 7th Floor Room No. 7A & 7B, Kolkata – 700 017 Phone No.: (033) 2280- 6616/6617/6618 Fax No.: (033) 2280-6619 Email-Id: <a href="mailto:nichetechpl@nichtetechpl.com">nichetechpl@nichtetechpl.com</a> Website: <a href="http://www.nichtetechpl.com">www.nichtetechpl.com</a>

*Note: The name of the Manager to the Offer has been changed from "Microsec Capital Limited" to "Narnolia Financial Advisors Limited" pursuant to change of control. The change in name has been duly effected in the records of the Registrar of Companies, West Bengal. The application for fresh registration in the new name of "Narnolia Financial Advisors Limited" pursuant to change of control is under process with SEBI.*

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**1. SCHEDULE OF ACTIVITIES OF THE OFFER**

<b>ACTIVITY</b>	<b>DATE</b>	<b>DAY</b>
Date of Board Meeting Approving the Proposal of the Buyback	December 13, 2018	Thursday
Date of Publication of Public Announcement for the buyback	December 17, 2018	Monday
Record date for determining the Buyback entitlement and the names of the eligible shareholders	January 03, 2019	Thursday
Date of Opening of the buyback Offer	[●]	[●]
Date of Closing of the Buyback Offer	[●]	[●]
Last date of receipt of the completed tender forms and other specified documents including physical Equity share certificates by the Registrar	[●]	[●]
Last Date of verification by the Registrar to the Buyback Offer	[●]	[●]
Last date of providing acceptance to the Stock Exchange by the Registrar to the Buyback Offer	[●]	[●]
Last date of Settlement of Bids on the Stock Exchange	[●]	[●]
Last date of payment to shareholders/dispatch of Share certificate(s)/return of unaccepted demat shares by Stock Exchange to Selling Member	[●]	[●]
Last date of Extinguishment of equity shares	[●]	[●]

## 2. DEFINITION OF KEY TERMS

Acceptance	Acceptance of Equity Shares, tendered by Eligible Persons in the Buyback Offer
Act	The Companies Act, 2013 and any amendment thereof
Additional Shares / Additional Equity Shares	Eligible Equity Shares tendered by an Eligible Person over and above the Buyback Entitlement of such shareholder.
Company / TEECL	Techno Electric & Engineering Company Limited
Board of Directors/ Board	Board of Directors of the Company, or the Committee of Directors or Buyback Committee for the purpose of the Buyback.
NSE	National Stock Exchange of India Limited
BSE	BSE Limited
Buyback Entitlement	The number of Equity Shares that a Shareholder is entitled to tender in the Buyback Offer, based on the number of Equity Shares held by that Shareholder, on the Record date and the Ratio of Buyback applicable in the category, to which such Shareholder belongs to.
Buyback Offer	Offer by Techno Electric & Engineering Company Limited to buy back up to maximum of 26,82,400 fully paid-up Equity Shares of face value of Rs. 2/- each at a price of Rs. 410/- per Equity Share from all the Equity Shareholders/beneficial owners of the Company through Tender Offer process, on a proportionate basis.
CDSL	Central Depository Services (India) Limited
DP	Depository Participant
Eligible Person(s)	Person(s) eligible to participate in the Buyback Offer and would mean all Equity Shareholders / Beneficial Owner(s) of Equity Shares of the Company as on the Record Date i.e., January 03, 2019.
Equity Shares / Shares	Fully paid up Equity Shares of face value of Rs. 2/- each of Techno Electric & Engineering Limited
Escrow Account	The Escrow Account opened with [●] Kolkata
Form/ Tender Form	Form of Acceptance-cum-Acknowledgement
LOF/ Offer Document	Letter of Offer
Non-Resident Shareholders	Includes Non-Resident Indians (NRI), Foreign Institutional Investors (FII) and Overseas Corporate Bodies (OCB)
NSDL	National Securities Depository Limited
Offer Price / Buyback Price	Price at which Equity Shares will be bought back from the Shareholders i.e. Rs. 410/- per fully paid up Equity Share, payable in cash
Offer Size / Buyback Size	Number of Equity Shares proposed to be bought back (i.e. 26,82,400 Equity Shares) multiplied by the Offer Price (i.e. Rs. 410/- per Equity Share) aggregating to Rs. 109,97,84,000 /- (Rupees One Hundred Nine Crores Ninety Seven Lakhs Eighty Four Thousand Only).
PA / Public Announcement	Public Announcement regarding the Buyback dated December 13, 2018, published in Business Standard (English), Business Standard (Hindi) and Pioneer (Hindi) on December 17, 2018.
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the entitlement and the names of the Shareholders, to whom the Letter of Offer and Tender Offer Form will be sent and who are eligible to participate in the proposed Buyback offer in accordance with the Regulations. The Record Date in this Buy Back offer is January 03, 2019.
Registrar to the Offer / Registrar to the Buyback	Niche Technologies Private Limited
Regulations / SEBI	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018

Regulations / SEBI Buyback Regulations / Buyback Regulations	including any statutory modifications or re-enactments thereof
SEBI	Securities and Exchange Board of India
Small Shareholder	A Shareholder, who holds Equity Shares whose market value, on the basis of closing price of shares or other specified securities on the Recognized Stock Exchanges in which the highest trading volume in respect of such security as on Record Date i.e. January 03, 2019 is not more than two lakh rupees.
Stock Exchanges/Stock Exchange	NSE and BSE, being the Stock Exchanges where the equity shares of the Company are listed.
Narnolia/ Manager to the Buyback Offer	Narnolia Financial Advisors Limited (Formerly Microsec Capital Limited)

### 3. DISCLAIMER CLAUSE

As required, a copy of the Draft Letter of Offer has been submitted to Securities and Exchange Board of India (SEBI). It is to be distinctly understood that submission of the Draft Letter of Offer to SEBI should not, in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements or opinions expressed in the Offer document. The Manager to the Buyback Offer, Narnolia Financial Advisors Limited has certified that the disclosures made in the Offer document are generally adequate and are in conformity with the provisions of Companies Act and Buyback Regulations. This requirement is to facilitate investors to take an informed decision for tendering their Equity Shares in the Buyback.

It should be clearly understood that while the company is primarily responsible for the correctness, adequacy and disclosures of all relevant information in the Offer Document, the Manager to the Buyback Offer is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback Offer, Narnolia Financial Advisors Limited has furnished to SEBI a Due Diligence Certificate dated December 21, 2018 in accordance with Buyback Regulations which read as follows:

“We have examined various documents and materials contained in the annexure to this letter, as part of the due-diligence carried out by us in connection with the finalization of the Public Announcement and the Draft Letter of Offer. On the basis of such examination and the discussions with the Company, we hereby state that:

- The Public Announcement and the Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback offer;
- All the legal requirements connected with the said offer including SEBI (Buy Back of Securities) Regulations, 2018, as amended, have been duly complied with;
- The disclosures in the Public Announcement and the Draft Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well informed decision in respect of the captioned Buyback offer.
- Funds used for buy back shall be as per the provisions of the Companies Act, 2013.

The filing of Offer Document with SEBI, does not, however, absolve the Company from any liabilities under the provisions of the Companies Act, 2013, as amended or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

Promoters / Directors declare and confirm that no information / material likely to have a bearing on the decision of investors has been suppressed / withheld and / or incorporated in the manner that would amount to mis-statement / misrepresentation and in the event of it transpiring at any point of time that any information / material has been suppressed / withheld and / or amounts to a mis-statement/ misrepresentation, the Promoters / Directors and the Company shall be liable for penalty in terms of the

provisions of the Companies Act, 2013 as amended and the SEBI (Buy- Back of Securities) Regulations, 2018, as amended.

Promoters / Directors also declare and confirm that funds borrowed from Banks and Financial Institutions will not be used for the Buyback.

**Disclaimer for U.S. Persons:**

The information contained in this Draft Letter of Offer is exclusively intended for persons who are not U.S. Persons as defined in Regulations of the U.S. Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in the United States of America or in any other jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions.

**Disclaimer for persons in other foreign countries:**

This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation would subject the Company or the Manager to the Offer to any new or additional requirements or registrations. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any applicable legal requirement or restrictions.

This Draft Letter of Offer has been prepared for the purposes of compliance with the SEBI Buyback Regulations. Accordingly, the information disclosed herein may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of this Draft Letter of Offer. The Letter of Offer shall be dispatched to all Eligible Shareholders (Equity Shareholders as on the Record Date) either through email or physically. However, receipt of the Letter of Offer by any Equity Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Equity Shareholders as an offer being made to them. Any Equity Shareholder who tenders his, her or its Equity Shares in the Buyback shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorised under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

**Forward Looking Statement:**

This Draft Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as 'believe', 'aim', 'anticipate', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'will', 'will pursue', or other words or phrases of similar import. 8 Similarly, statements that describe our objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, inter-alia, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally,

changes in domestic laws, regulations and taxes and changes in competition in the industries in which the Company operates.

#### 4. TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING

"**RESOLVED THAT** pursuant to the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended (the "**Companies Act**"), and in accordance with Article 16 of the Articles of Association of the Company, the Companies (Share Capital and Debentures) Rules, 2014 (the "**Share Capital Rules**") to the extent applicable, and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended (the "**Buyback Regulations**"), and any statutory modification(s) or re-enactment thereof, for the time being in force and, subject to such other approvals, permissions and sanctions of Securities and Exchange Board of India ("**SEBI**"), Registrar of Companies, Uttar Pradesh ("**ROC**") and/ or other authorities, institutions or bodies (the "**Appropriate Authorities**"), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the "**Board**" which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the buy back by the Company of its fully paid-up equity shares of face value of Rs. 2/- each not exceeding 26,82,400 (Twenty Six Lakhs Eighty Two Thousand Four Hundred Only) equity shares (representing 2.38% of the present total number of equity shares in the paid-up equity share capital of the Company) at a price of Rs. 410/- (Rupees Four Hundred Ten Only) per equity share (the "**Buy Back Offer Price**") payable in cash for an aggregate consideration not exceeding Rs. 109,97,84,000 (Rupees One Hundred Nine Crores Ninety Seven Lakhs Eighty Four Thousand Only) (excluding Company's transaction cost such as brokerage, securities transaction tax, service tax, stamp duty etc.) (the "**Buyback Offer Size**") being 9.10%, which is not exceeding 10% of the aggregate of the fully paid-up equity share capital and free reserves (including securities premium) as per the standalone audited accounts of the Company for the financial year ended 31<sup>st</sup> March, 2018 from the equity shareholders of the Company, as on the record date, on a proportionate basis, through the **Tender Offer** route as prescribed under the Buyback Regulations.

**RESOLVED FURTHER THAT** January 03, 2019 shall be the record date for the purposes of the Buyback ("Record Date").

**RESOLVED FURTHER THAT** all of the shareholders of the Company who hold Equity Shares as on the Record Date shall be eligible to participate in the Buyback.

**RESOLVED FURTHER THAT** BSE Limited be and hereby appointed as the Designated Stock Exchange for the purpose of Buyback.

**RESOLVED FURTHER THAT** the Company do implement the Buyback using the "Mechanism for acquisition of shares through Stock Exchange", to the extent legally permissible as notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including any further amendments thereof.

**RESOLVED FURTHER THAT** the Buyback would be subject to maintaining minimum public shareholding requirements as specified in Regulation 38 of the Securities and Exchange of Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations").

**RESOLVED FURTHER THAT** such Buyback be made out of the Company's internal accruals as may be permitted by law through "**Tender Offer**" route and as required by the Buyback Regulations and the Companies Act, the Company may buyback equity shares from all the existing members holding equity shares of the Company on a proportionate basis, provided **15% (fifteen percent)** of the number of equity shares which the Company

proposes to buyback or number of equity shares entitled as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders, as prescribed under proviso to Regulation 6 of the Buyback Regulations.

**RESOLVED FURTHER THAT** the Company has complied and shall continue to comply with, Section 70 of the Companies Act, 2013 wherein:

- a) It shall not directly or indirectly purchase its own shares:
  - (i) through any subsidiary company including its own subsidiary companies; or
  - (ii) through any investment company or group of investment companies; or
- b) There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years.
- c) The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** confirmation is hereby made by the Board of Directors that:

- a) all equity shares of the Company are fully paid up;
- b) the Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- c) the Company shall not issue and allot any shares or other specified securities including byway of bonus, till the date of closure of this Buyback;
- d) the Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of its subsisting obligations.
- e) the Company shall not buyback locked-in shares Equity shares and non-transferable equity shares till the pendency of the lock-in or till the equity shares become transferable.
- f) the Company shall not buy back its equity shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- g) that the aggregate consideration for Buyback not exceeding Rs.109,97,84,000(Rupees One Hundred Nine Crores Ninety Seven Lakhs Eighty Four Thousand Only), does not exceed 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest standalone audited accounts of the Company for the financial year ended 31<sup>st</sup>March, 2018 (the last audited financial statements available as on the date of the Board meeting);
- h) that the maximum number of equity shares proposed to be purchased under the Buyback i.e. 26,82,400 (Twenty Six Lakhs Eighty Two Thousand Four Hundred Only) equity shares, does not exceed 10% of the total present number of equity shares in the paid-up share capital of the company;
- i) the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback as prescribed under the Companies Act, 2013 and rules made thereunder;
- j) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 2013, as on date.

**RESOLVED FURTHER THAT** as required by Clause (x) of Schedule I under Regulation 5(iv)(b) of the Buyback Regulations, the Board hereby confirms that the Board of Directors have made a full enquiry into the affairs and prospects of the Company and that based on such full inquiry conducted into the affairs and prospects of the Company, the Board of Directors has formed an opinion that:

- a) immediately, following the date of this Board meeting, there will be no grounds on which the Company could be found unable to pay its debts;

- b) As regards the Company's prospects for the year immediately following the date of this meeting, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting; and
- c) In forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company was being wound up under the provisions of The Companies Act, 1956 (to the extent applicable), The Companies Act, 2013 and/or the Insolvency and Bankruptcy Code, 2016 (as amended) as the case may be, including prospective and contingent liabilities.

**RESOLVED FURTHER THAT** the proposed Buyback be implemented from the existing shareholders excluding the Promoter(s)/Promoter Group of the Company as have been disclosed under the shareholding pattern filings made by the Company under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011, as amended ("SEBI Takeover Regulations") as the Board may consider appropriate, from out of its internal accruals of the Company and by such mechanisms as may be permitted by Law, and on such terms and conditions as the Board / Buyback Committee may decide from time to time, and in the absolute discretion of the Board / the Buyback Committee, as it may deem fit.

**RESOLVED FURTHER THAT** Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their equity shares in the Buyback.

**RESOLVED FURTHER THAT** the Company shall not Buyback the locked-in equity shares or other specified securities, if any and non-transferable equity shares or other specified securities, if any, till the pendency of the lock-in or till the equity shares or other specified securities become transferable.

**RESOLVED FURTHER THAT** the draft of the Declaration of Solvency along with the annexures including the Statement of Assets and Liabilities as at 31<sup>st</sup> March, 2018, prepared in the prescribed form and supporting affidavit and other documents in terms of Section 68(6) of the Companies Act and Regulation 8 of the Buyback Regulations, draft as placed before the meeting and Mr. P. P. Gupta, Managing Director and Mr. Ankit Saraiya, Whole-time Director of the Company be and are hereby authorized to finalize and sign the same, for and on behalf of the Board, and file the same with the ROC, Stock Exchanges and SEBI in accordance with applicable law.

**RESOLVED FURTHER THAT** the Buyback from shareholders who are persons resident outside India including the Foreign Institutional Investors, Overseas Corporate Bodies, if any, shall be subject to such approvals, if, and to the extent necessary or required including approvals from Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999 (as amended) and the rules and regulations framed there under, if any.

**RESOLVED FURTHER THAT** as per the provisions of Section 68(8) of the Companies Act, 2013, the Company will not issue same kind of shares or other specified securities within a period of 6 months after the completion of the Buyback except by way of bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares.

**RESOLVED FURTHER THAT** no information/ material likely to have a bearing on the decision of the investors has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to mis-statement/misrepresentation, the Board and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 2013 and Buyback Regulations.

**RESOLVED FURTHER THAT** the buyback is being proposed keeping in desire to enhance overall shareholders value and the buyback would lead to decrease in number of equity shares.



**RESOLVED FURTHER THAT** the approval of Board for appointment of intermediaries such as Manager to the Offer i.e. Narnolia Financial Advisors Limited (Formerly Microsec Capital Limited), Registrar and Transfer Agent i.e. Niche Technologies Private Limited and Escrow Account Bank i.e. YES Bank Ltd. be and is hereby accorded.

**RESOLVED FURTHER THAT** a Committee be constituted ("Buyback Committee") comprising of Mr. P. P. Gupta, Managing Director, Mr. Ankit Saraiya, Whole-time Director and Mr. Samarendra Nath Roy, Director, and that Mr. Niranjana Brahma, Company Secretary shall act as the Secretary to the Buyback Committee. Further, the Buyback Committee is hereby authorized, to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper, as the Buyback Committee may consider to be in the best interests of the shareholders, including but not limited to:

- a) finalizing the terms of buyback like the mechanism for the buyback, record date, entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the buyback;
- b) to enter into escrow arrangements as may be required in terms of the Buyback Regulations;
- c) opening, operation and closure of all necessary accounts, including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorizing persons to operate the said accounts;
- d) preparation, signing and filing of public announcement, the draft letter of offer/ letter of offer with the SEBI, ROC, the stock exchanges and other Appropriate Authority;
- e) making all applications to the Appropriate Authority for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
- f) extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or the Board, as required under applicable law;
- g) appoint any intermediaries / agencies / persons as may be required for the purposes of the Buyback and decide and settle the remuneration for all such intermediaries/ agencies/persons, including by the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
- h) to affix the Common Seal of the Company on relevant documents required to be executed for the buyback of shares in accordance with the provisions of the Articles of Association of the Company.
- i) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, stock exchanges, depositories and/or other Appropriate Authorities.
- j) obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law.
- k) dealing with stock exchanges (including their clearing corporations), where the shares of the Company are listed, and to sign, execute, and deliver such documents may be necessary or desirable in connection with implementing the Buyback using "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI circular CIR/CFD/POL|CYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 09, 2016.
- l) to delegate all or any of the authorities conferred on them to any Director(s)/ Office(s)/Authorized Signatory(ies)/ Representative(ies) of the Company.
- m) to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback.
- n) to settle and resolve any queries or difficulties raised by SEBI, stock exchanges, ROC and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buyback.

**RESOLVED FURTHER THAT** the quorum for any meeting of the Buyback Committee for implementing the Buyback shall be any two Directors.

**RESOLVED FURTHER THAT** in terms of Regulation 24(ii) of the Buyback Regulations, **Mr. Niranjana Brahma**, Company Secretary be and is hereby appointed as the Compliance Officer for the purpose of Buyback.

**RESOLVED FURTHER THAT** nothing contained herein shall confer any right on any shareholder to offer and/ or any obligation on the Company or the Board or the Buyback Committee to buyback any shares and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such buyback, if so permissible by Law.

**RESOLVED FURTHER THAT** the Company do maintain a register of securities bought back wherein details of equity shares bought back, consideration paid for the equity shares bought back, date of cancellation of equity shares and date of extinguishing and physically destroying of equity shares and such other particulars as may be prescribed, shall be entered and that the Company Secretary of the Company be and is hereby authorised to authenticate the entries made in the said register.

**RESOLVED FURTHER THAT** any of the Directors of the Company and /or the Company Secretary for the time being, be and are hereby severally authorized to file necessary e-forms with the Registrar of Companies, Uttar Pradesh and other regulatory authorities as maybe required under the Companies Act and the Buyback Regulations and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions."

## 5. DETAILS OF PUBLIC ANNOUNCEMENT

The Public Announcement dated December 13, 2018 was published on December 17, 2018 in the following newspapers, in accordance with Regulation 7(i) of the Buyback Regulations, within two working days from the date of passing of the Resolution in the meeting of Board of Directors for the Buyback, on December 13, 2018.

Publication	Language	Edition
Business Standard	English	All India editions
Business Standard	Hindi	All India editions
Pioneer	Hindi	Delhi NCR edition

The Company will publish further notices or corrigenda, if any, in the abovementioned newspapers.

A copy of the Public Announcement is available on the Company's website i.e., [www.techno.co.in](http://www.techno.co.in), the website of SEBI i.e., [www.sebi.gov.in](http://www.sebi.gov.in) and on the websites of Stock Exchanges, i.e., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

## 6. DETAILS OF THE BUYBACK

Techno Electric & Engineering Company Limited has announced the Buyback of not exceeding 26,82,400 Equity shares from all the existing public shareholders/ beneficial owners of equity shares, on a proportionate basis, through the Tender Offer route at a price of Rs. 410/- (Rupees Four Hundred And Ten Only) per equity share payable in cash for an aggregate amount of Rs. 109,97,84,000 (Rupees One Hundred Nine Crores Ninety Seven Lakhs Eighty Four Thousand Only) (excluding Company's transaction cost such as brokerage, securities transaction tax, service tax, stamp duty etc.). The maximum number of equity shares proposed to be bought back represents 2.38% of the present total number of equity shares in the Paid-Up Equity share capital of the Company.

The Buyback is in accordance with the provisions contained in the Article 16 of the Articles of Association of the Company, Section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended ("**Companies Act**"), the Companies (Share Capital and Debentures) Rules, 2014 as amended ("**Share Capital Rules**") and in compliance with the Securities and Exchange Board of India (Buyback of Securities) Regulations 2018, (the "**Buyback Regulations**") including any amendments, statutory modifications of re-enactments thereof, and such other approvals, permissions and sanctions, as may be required, from time to time, from the stock exchanges where the equity shares of the Company are listed and from any other

statutory and /or regulatory authority, as may be required and which may be agreed to by the Board and/ or any other committee thereof.

The Buyback would be undertaken in accordance with Circular No. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI Circular no CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by the Securities and Exchange Board of India which prescribes mechanism for tendering of shares through Online Trading Platform of the Stock Exchange. In this regard, the Company will request BSE to provide the Acquisition Window. For the purpose of this Buyback, BSE would be the designated Stock Exchange.

The Buyback Offer Size is 9.10% of the fully paid-up equity share capital and free reserves as per the standalone audited accounts of the Company for the financial year ended March 31, 2018 and is within the statutory limits of 10% of the fully paid-up equity share capital and free reserves as per the last audited accounts of the Company. The Buyback Offer Size does not include Company's transaction costs such as brokerage, securities transaction tax, service tax, stamp duty etc.

The aggregate shareholding of the Promoters, Promoter Group, directors of the Promoter Group companies holding shares in the Company and of Persons who are in control of the Company as on the date of the Public Announcement (i.e., December 17, 2018) is as follows:

a) Shareholding of the companies/entities forming part of the Promoter Group

Sl. No	Name	Equity shares held	% of the total paid up equity share capital
1.	Ankit Saraiya	216000	0.192
2.	Avantika Gupta	72000	0.064
3.	P.P. Gupta (HUF)	598800	0.531
4.	Padam Prakash Gupta	6000	0.005
5.	Raj Prabha Gupta	92440	0.082
6.	Checons Limited	2353806	2.089
7.	Kusum Industrial Gases Ltd	14591000	12.949
8.	Pragya Commerce Private Limited	1435506	1.274
9.	Techno Leasing And Finance Co. Pvt. Ltd.	13788000	12.236
10.	Techno Power Projects Ltd.	6408000	5.687
11.	Trimurti Associates Private Limited	2034924	1.806
12.	Varanasi Commercial Ltd.	24604800	21.835
	Total	66201276	58.750

b) Shareholding of Directors of the Promoter Group Companies [mentioned in point (a) above]:

Name of Directors	Directorships held in companies mentioned under point no. (a) above	No. of Equity Shares	% of Shareholding
Avantika Gupta	Checons Limited	72000	0.064
Avantika Gupta	Kusum Industrial Gases Ltd	72000	0.064
Ankit Saraiya	Techno Leasing And Finance Co. Pvt. Ltd.	216000	0.192
Padam Prakash Gupta	Techno Power Projects Ltd	6000	0.005
Avantika Gupta	Techno Power Projects Ltd	72000	0.064

c) Shareholding of Directors and Key Managerial Personnel of the Company:

Name	Designation	No. of Equity Shares	% of Shareholding
Padam Prakash Gupta	Managing Director	6000	0.005
Ankit Saraiya	Whole time Director	216000	0.192
Avantika Gupta	Director	72000	0.064

Kadenja Krishna Rai	Director	2000	0.00
Rajendra Prasad Singh	Director	Nil	-
Vasudevan Kotivenkatesan	Director	Nil	-
Krishna Murari Poddar	Director	Nil	-
Samarendra Nath Roy	Director	Nil	-
Pradeep Kumar Lohia	CFO	Nil	-
Niranjan Brahma	Company Secretary	Nil	-

- d) No equity shares of the Company have been purchased/ sold by the persons referred to in Para 6.a above during the period six months preceding the date of the Board Meeting i.e., December 13, 2018 at which the Buyback was approved.
- e) The Promoters have expressed their intention not to participate in the Buyback. The Promoters have not been involved in any transactions and there has been no change in their holdings for the last six months prior to the date of the Board Meeting at which the Buyback was approved i.e., December 13, 2018.
- f) Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their entitlement, the aggregate shareholding of the Promoters/Promoter Group, post Buyback will increase to 60.18% of the Post Buyback Equity Share Capital of the Company. Post Buyback the Non- Promoter Shareholding of the Company will not fall below the Minimum Statutory Limit as per the Listing Norms.

## 7. AUTHORITY FOR THE BUYBACK

The Buyback is in accordance with the provisions contained in the Article 16 of the Articles of Association of the Company, Section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended ("**Companies Act**"), the Companies (Share Capital and Debentures) Rules, 2014 as amended ("**Share Capital Rules**") and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, (the "**Buyback Regulations**") including any amendments, statutory modifications of re-enactments thereof, and such other approvals, permissions and sanctions, as may be required, from time to time, from the stock exchanges where the equity shares of the Company are listed and from any other statutory and /or regulatory authority, as may be required and which may be agreed to by the Board and/ or any other committee thereof.

The Board of Directors at their meeting on December 13, 2018 passed a resolution approving Buyback of Equity Shares of the Company.

## 8. NECESSITY OF THE BUYBACK

Share buyback is the acquisition by a Company of its own shares. The objective is to return surplus cash to the shareholders holding equity shares of the Company. The Board at its meeting held on December 13, 2018, considered the accumulated free reserves as well as the cash liquidity reflected in the Standalone audited accounts for the financial year ended March 31, 2018 and considering these, the Board decided to allocate a sum of Rs. 109,97,84,000 (Rupees One Hundred Nine Crores Ninety Seven Lakhs Eighty Four Thousand Only) for distributing to the shareholders holding equity shares of the Company through the Buyback.

After considering several factors and benefits to the shareholders holding equity shares of the Company, the Board decided to recommend Buyback of not exceeding 26,82,400 (Twenty Six Lakhs Eighty Two Thousand Four Hundred Only) equity shares (representing 2.38% of the total number of shares in the present paid-up equity share capital of the Company) at a price of Rs. 410/- (Rupees Four Hundred And Ten Only) per equity share for an aggregate consideration of Rs. 109,97,84,000 (Rupees One Hundred Nine Crores Ninety Seven Lakhs Eighty Four Thousand Only). Buyback is a more efficient form of distributing surplus cash to the shareholders holding equity shares of the Company, inter-alia, for the following reasons:

- (i). The Buyback will help the Company to distribute surplus cash to its shareholders holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;
- (ii). The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of 15% of the outlay to small shareholders. The Company believes that this reservation of 15% for small shareholders would benefit public shareholders, who would get classified as “Small Shareholder”;
- (iii). The Buyback would help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders’ value;
- (iv). The Buyback gives an option to the shareholders holding equity shares of the Company, who can choose to participate and get cash in lieu of equity shares to be accepted under the Buyback Offer or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buyback Offer, without additional investment;
- (v). The Buyback will help in optimizing the capital structure.

## **9. MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF THE BUYBACK ON THE COMPANY**

- 9.1 The Company believes that the Buyback is not likely to cause any material impact on the profitability/earnings of the Company except a reduction in the investment income, which the Company could have otherwise earned on the amount distributed towards Buyback. Assuming there is full response to the buyback, the funds deployed by the Buyback would be Rs. 109,97,84,000 (Rupees One Hundred Nine Crores Ninety Seven Lakhs Eighty Four Thousand Only). This shall impact the investment Income earned by the Company, on account of the reduced amount of funds available for investments.
- 9.2 The buyback will not in any manner impair the ability of the Company in meeting to pursue growth opportunities or meet its cash requirements for business operations.
- 9.3 The Promoter and Promoter Group of the Company have expressed their intention not to participate in the proposed Buyback, in writing and have irrevocably waived their rights as shareholders in respect of this Buyback offer.
- 9.4 The Buyback of Equity shares of the Company will not result in a change in control or otherwise effect the existing management structure of the Company.
- 9.5 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the public Equity Shareholders upto their entitlement, the aggregate shareholding of the Promoter Group/Persons in Control, post Buyback will increase to 60.18% from 58.75%(Pre- Buyback shareholding) and the aggregate shareholding of the Public in the Company shall decrease to 39.82% (Post Buyback shareholding) from 41.25% (Pre Buyback shareholding).
- 9.6 Consequent to the Buyback and based on the number of Equity shares bought back from the Non-resident Shareholders, Indian Financial Institutions, Mutual Funds and the Public including other bodies corporate, their shareholding would undergo a change.
- 9.7 The debt-equity ratio post buyback will be compliant with the permissible limit of 2:1 prescribed by the Companies Act, even if the response to the buyback is to the extent of 100% (full acceptance).
- 9.8 The Company shall not issue any equity shares or other securities (including by way of Bonus) till the date of closure of buyback.
- 9.9 The Company shall not raise further capital for a period of one year from the closure of Buyback except in discharge of subsisting obligations.

9.10 Salient Financial Parameters consequent to the Buyback based on the latest Standalone audited results as on March 31, 2018 are as under:

Parameters	Standalone	
	Pre Buyback <sup>^</sup>	Post Buyback <sup>^</sup>
Networth (Rs in lakhs)	122,298.31	111,300.47
Return on Networth	16.38%	18.00%
Earnings Per Equity Share (net of tax) (Basic & Diluted) * (Rs.)	17.78	18.21
Book value per share (Rs.)	108.53	101.18
P/E based as on latest audited financial results \$		
NSE	14.65	14.30
BSE	14.65	14.30
Total Debt/Equity Ratio	0.05	0.06

**Notes:**

<sup>^</sup>Pre and Post Buyback Calculations are based on financial numbers as on March 31, 2018. Post Buyback numbers are calculated by reducing the net worth by the proposed buyback amount (assuming full acceptance) without factoring any impact on the Profit & Loss.

\*Earnings Per Equity Shares and Book Value per share as on March 31, 2018.

\$ P/E ratio based on the closing market price as on December 17, 2018, i.e., the date of publication of the Public Announcement Rs. 260.45 on NSE and Rs. 260.40 on BSE.

**Note:**

1. Net worth = Equity Capital + Reserves and Surplus
2. Total Debt = Long Term Borrowings + Other Long Term Liabilities + Short Term Borrowings + Current Maturities of Long Term Borrowings.

The key ratios have been computed as below:

Key Ratios	Basis
Basic Earnings per share (Rs.)	Net profit after tax attributable to the Equity Shareholders/ Weighted average number of Shares outstanding during the year
Book Value per share (Rs.)	(Paid up Equity Share Capital + Reserves and Surplus) / Number of Equity Shares subscribed outstanding at year end
Return on Net worth (%)	Net profit after tax attributable to the Equity Shareholders/Net Worth (excluding revaluation reserves)
Debt-Equity Ratio	Total Debt/Net Worth
P/E Ratio	Market Value per Equity Share/ Earnings per Equity Share (Market price considered is based on the closing price on National Stock Exchange of India Limited as of December 17, 2018, being the date on which Board resolution was passed approving Buyback of equity shares, for both pre and post Buyback P/E ratio).

## 10. BASIS OF CALCULATING THE BUYBACK PRICE

10.1 The Buyback Offer Price has been arrived at after considering various factors such as the volume weighted average market prices of the equity shares of the Company on the NSE and BSE where the equity shares of the Company are listed, the net worth of the Company and the impact of the Buyback

on the key financial ratios of the Company. The buyback price represent a premium of 43.86% and 40.58% over the volume weighted average price on BSE (i.e., Rs. 285.00) and NSE (i.e., Rs. 291.64) respectively, as on December 04, 2018 i.e., date of intimation to the BSE and NSE regarding the convening of the Board Meeting.

10.2 For trends in the Market price of the equity shares please refer to paragraph 16.

10.3 The Buyback price of Rs. 410 is higher by 277.78% of the adjusted book value per equity share of the Company, which pre buyback, as on March 31, 2018, is Rs. 108.53 on a standalone basis.

10.4 The basic adjusted earnings per share of the Company pre buyback as on March 31, 2018 is Rs. 17.78 on a standalone basis, which will increase to Rs. 18.21, post buyback assuming full acceptance.

10.5 The Return of adjusted net worth of the Company Pre- Buyback as on March 31, 2018 is 16.38% on a standalone basis, which will increase to 18.00% post Buyback assuming full acceptance of the Buyback, as calculated at 9.10 above.

## **11. SOURCES OF FUNDS FOR THE BUYBACK**

11.1 Assuming full acceptances, the funds that will be employed by the Company for the purpose of Buyback of 26,82,400 equity shares at a price of Rs. 410/-per equity share would be Rs. 109,97,84,000 (Rupees One Hundred Nine Crores Ninety Seven Lakhs Eighty Four Thousand Only).

11.2 The funds for the Buyback will be sourced from cash balances available with the Company and/or liquidation of financial instruments held by the Company. These funds have been generated through internal accruals. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Accordingly, borrowed funds will not be used for the Buyback. However, if required, the Company may borrow funds in the ordinary course of its business.

## **12. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN**

12.1 In accordance with the Regulation 9(xi) of the Buyback Regulations, the Company has appointed Yes Bank Limited as the ("Escrow Agent") having its branch at "[●].

12.2 In accordance with the Escrow Agreement, the Company has opened an Escrow Account in the name and style "[●]" bearing Account No.[●] with the Escrow Agent. In accordance with Regulation 9(xi) of the Buyback Regulations, the Company have deposited [●] in the Escrow Account and has procured a bank guarantee for Rs. [●]from [●], in favour of the Manager to the Buyback Offer. In accordance with the Buyback Regulations, the Manager to the Buyback Offer is empowered to operate the Escrow Account. Bank guarantee is valid until March 31, 2019 i.e., exceeding 30 days after the Buyback closing date.

12.3 M/s. P. K. Jaiswal & Co. Chartered Accountants (Firm Registration number 326643E), located at 56/1/1, King's Road, Trimurti Villa Complex, Ground Floor, Howrah- 711101, signing through their Partner Mr. P. K. Jaiswal (Membership Number: 065000) have certified, vide their certificate dated December 13, 2018 that the Company has adequate funds for the purposes of buyback of 26,82,400 Equity Shares at Rs. 410/- each amounting to Rs. 109,97,84,000.

12.4 Based on the aforementioned certificate, the Manager to the Buyback Offer has satisfied itself regarding the ability of the Company to Implement the Buyback Offer in accordance with the Buyback Regulations.

## **13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN**

13.1 The capital Structure of the Company as on the date of the Public announcement is as follows:

Particulars	No. of Shares	Amount (Rs)
Authorized Equity Share Capital		
• Preference Shares of Rs. 10/- each	8,00,20,000	80,02,00,000
• Equity shares of Rs. 2/- each	1,39,99,00,000	279,98,00,000
Total		360,00,00,000
Issued, Subscribed and Paid-up Equity Shares of face value of Rs. 2/- each	11,26,82,400	22,53,64,800

13.2 The Company has not bought back any equity shares under any buyback programme, during the 3 years preceding the date of the Public Announcement.

13.3 As on the date of the Public Announcement there are no outstanding preference shares, partly paid-up equity shares or outstanding convertible instruments or calls in arrears.

13.4 The shareholding pattern of the Company pre-buyback, taken on Record date i.e., January 03, 2019, as well as Post Buyback shareholding pattern, is as shown below:

Particulars	Pre- Buyback		Post Buyback#	
	No. of equity shares	% of existing equity share capital	No. of equity shares	% of Post-Buyback equity share capital
Promoters and persons acting in Concert (Collectively “the Promoters”)	[●]	[●]	[●]	[●]
Foreign Investors (Including Non Resident Indians, FII and Foreign Mutual Funds)	[●]	[●]	[●]	[●]
Financial Institutions/Banks & Mutual Funds promoted by Banks/Institutions	[●]	[●]		
Others (Public, Public Bodies Corporate etc.)	[●]	[●]		
<b>Total</b>	[●]	[●]	[●]	[●]

*#Note: Assuming the full Acceptance of the Buyback Offer Size in accordance with the Buyback Entitlement for all Eligible Shareholders. However, the post-Buyback shareholding pattern may differ.*

13.5 The (i) promoters; (ii) members of the promoter group (iii) directors of the promoter and members of the promoter group where such promoter or member of the promoter group is a company; (iv) persons who are in control of the Company, and (v) directors and key managerial personnel of the Company have neither purchased nor sold the Equity Shares or other specified securities of the Company, during a period of:

- six months preceding the date of the Board Resolution(i.e., December 13, 2018); and
- twelve months preceding the date of publication of the Public Announcement (December 17, 2018).



- 13.6 Assuming 100% response to the Buyback Offer, the Issued, Subscribed and Paid-up Equity Share Capital of the Company after the completion of the Buyback Offer will be as follows:

Particulars	No. of shares	Amount(Rs.)
Issued, Subscribed and paid up equity share	11,00,00,000	22,00,00,000

- 13.7 Assuming response to the Buyback is 100% (full acceptance) from all the equity shareholders upto their entitlement, the aggregate shareholding of the Promoter Group/ Persons in control Post Buyback, will increase to 60.18% of the Post Buyback equity share capital of the Company.

#### 14. BRIEF INFORMATION ABOUT THE COMPANY

- 14.1 Techno Electric & Engineering Company Limited was incorporated on October 26, 2005 in Pune as a private limited company in the name and style of Simran Wind Project Private Limited under the Companies Act, 1956 with the Registrar of Companies, Maharashtra. The registered office of the Company was shifted to Kolkata under the jurisdiction of Registrar of Companies, West Bengal and subsequently the registered office was shifted to Noida under the jurisdiction of Registrar of Companies, Uttar Pradesh with effect from June 23, 2017. The status of the Company was changed to public limited company and the name of the Company was changed to Simran Wind Project Limited vide certificate of the Registrar of Companies, West Bengal dated June 14, 2013. Further the name of our Company was again changed to the "Techno Electric & Engineering Company Limited" with effect from July 24, 2018 pursuant to the Scheme of Amalgamation, being the date of filing of Order of Hon'ble NCLT with the Registrar of Companies. The Corporate Identification Number of our Company is U40108UP2005PLC094368. The Company was listed with BSE and NSE w.e.f December 04, 2018 (Post Amalgamation). The new CIN shall be L40108UP2005PLC094368.
- 14.2 Techno is headquartered in Kolkata, West Bengal, with operations across India and abroad (including Uganda, Afghanistan and Kenya) with team of 450+ dynamic individuals from diverse technical streams such as engineering and commercial and also comprises graduates and postgraduates. Techno is a well established engineering, procurement and construction (EPC) contracting company with its focus primarily on the Indian power sector. It provides engineering, procurement and construction services for fuel oil storage and handling systems, comprehensive piping systems including power cycle piping, process plant installation, fire protection systems, EHV switchyards, EHV sub stations, power plant cabling system, plant electrical distribution system including plant earthing systems and lightning protection system and plant illumination systems and such like. Techno also possess specific domain knowledge that enables it to serve the steel, fertilizer, metals and petrochemicals sectors along with specialized jobs in diversified manufacturing.

Techno is one of the country's leading turnkey projects execution company. Since inception, Techno has groomed itself in the field of comprehensive engineering, procurement and construction and rendered services to core sector industries such as Power, Steel, Petro-Chemicals & Metallurgical. Systems executed include all Mechanical and/or Electrical Auxiliary Systems i.e. Comprehensive Fuel Oil Handling System, Comprehensive Piping Systems including Power Cycle Piping, Process Plant Installation, Fire Protection Systems, Air-conditioning and Ventilation, EHV Switchyards/EHV Sub Stations, Power Plant Cabling System, Construction Power Systems, Plant Electrical Distribution System including Plant Earthing and Lightning Protection System and Plant Illumination Systems, all in the largest sizes and complexities installed nationwide on Engineering, Procurement & Construction (EPC) basis. Bearing testimony to Techno's quality and consistency of performance, not to mention its position as a market leader in India, are repeat Orders from reputed Public Sector Undertakings (PSU) and State Electricity Boards etc., amongst others. Techno has also forayed into international markets like Uganda, Afghanistan, Kenya etc.

14.3 The Equity Shares are currently traded in compulsory dematerialised mode under the trading code542141 at BSE and Symbol “TECHNOE” at NSE. The ISIN of the Equity Shares is INE285K01026.

14.3 Details of the changes in share capital of the company since incorporation:

Date of the Board resolution authorizing allotment	No. of equity shares issued	% of total outstanding equity share capital	Cumulative equity share capital		Remarks
			No. of equity shares	Amount (Rs)	
On Incorporation	10,000	0.0089	10,000	1,00,000	Subscribers to MOA
28.08.2006	2,40,000	0.2129	2,50,000	25,00,000	Rights Issue
12.10.2007	400	0.0000	2,50,400	25,04,000	Rights Issue
11.03.2008	6,09,25,000	54.0678	6,11,75,400	61,17,54,000	Rights Issue
31.03.2008	16,00,000	1.4199	6,27,75,400	62,77,54,000	Rights Issue
24.09.2008	2,92,25,000	25.9357	9,20,00,400	92,00,04,000	Rights Issue
31.03.2010	1,44,00,000	12.7792	10,64,00,400	106,40,04,000	Rights Issue
31.03.2011	4,50,00,000	39.9352	15,14,00,400	151,40,04,000	Rights Issue
06.07.2011	15,00,000	1.3311	16,64,00,400	166,40,04,000	Private Placement
30.05.2013	-		83,20,02,000	166,40,04,000	Sub-division from FV of Rs. 10 to FV of Rs. 2.
14.03.2017	5,90,54,331	52.4077	89,10,56,331	178,21,12,662	Rights Issue
10.08.2018			89,10,56,331	178,21,12,662	Cancelled pursuant to Scheme of Amalgamation.
10.08.2018	11,26,82,400	100.0000	11,26,82,400	22,53,64,800	Allotted pursuant to Scheme of Amalgamation.

14.4 Details of the Board of Directors as on the date of Public Announcement:

SR. NO	NAME, AGE AND DIN	DESIGNATION	QUALIFICATION AND OCCUPATION	DATE OF APPOINTMENT/R E-APPOINTMENT	OTHER DIRECTORSHIP
1.	Mr. Padam Prakash Gupta Age: 70 years DIN: 00055954	Managing Director	Qualification: Bachelor in Engineering and a Post Graduate in Business Management from IIM, Ahmedabad  Occupation: Industrialist	25.07.2018	1) Techno Power Projects Ltd. 2) Ascu Arch Timber Protection Ltd. 3) Deserve Vincom Pvt. Ltd. 4) Jhajjar KT Transco Private Limited 5) Horizon Vintrade Pvt. Ltd.
2.	Mr. Krishna Murari Poddar Age: 72years DIN : 00028012	Independent Director	Qualification: B.Com  Occupation: Industrialist	25.07.2018	1) Ceeta Industries Limited 2) Mindstream Logistics Private Limited

3.	Mr. Kotivenkatesan Vasudevan Age: 78 years DIN : 00018023	Independent Director	Qualification: Bachelor of Engineering (Electrical)  Occupation: Professional	25.07.2018	Nil
4.	Mr. Kadenja Krishna Rai Age: 73 years DIN : 00629937	Independent Director	Qualification: Bachelor of Arts and member of CAIIB  Occupation: Professional	25.07.2018	Nil
5.	Mr. Samarendra Nath Roy Age: 74 years DIN : 00408742	Independent Director	Qualification: Bachelor of Engineering (Electrical)  Occupation: Professional	18.11.2009	1)Teloijan Techno Agro Limited 2) North Dinajpur Power Limited 3) Rajgarh Agro Products Limited 4) Techno Ganga Nagar Green Power Generating Company Limited 5) Techno Birbhum Green Power Generating Company Limited 6) Techno Power Grid Company Ltd. 7) WPIL Limited
6.	Dr. Rajendra Pratap Singh, Age: 69 years DIN : 00004812	Independent Director	Qualification: Graduation and post-graduation, in mechanical engineering & Degree of Doctor of Science (Honoris Causa) by BHU in 2007.  Occupation: Professional	25.07.2018	1) Bajaj Electricals Limited 2) Vijai Electricals Limited 3) Rajasthan Rajya Vidyut Prasaran Nigam Limited 4) Azure Power Global Limited 5) Rajasthan Rajya Vidyut Utpadan Nigam Limited 6) Rajasthan Urja Vikas Nigam Limited 7) Azure Power India Private Limited 8) Power Transmission & Distribution IC of L&T

7.	Mr. Ankit Saraiya Age: 31 years DIN : 02771647	Whole time Director	Qualification: B.Sc (Corporate Finance & Accounting)  Occupation: Service	02.04.2012	1) Techno International Ltd 2) Techno Clean Energy Private Ltd. 3) Techno Wind Power Private Ltd. 4) Techno Green Energy Private Limited 5) Jhajjar Power Transmission Pvt. Ltd. 6) Saffron Enclave Private Limited 7) Gagan Realdev Private Limited 8) Techno Infra Developers Private Ltd. 9) Techno Leasing & Finance Co. Pvt Ltd 10) Direction Barter Private Limited 11) Deserve Vincom Private Limited 12) Ankit Credits Pvt Ltd 13) Eneritech Engineers India Pvt Ltd
8.	Ms. Avantika Gupta Age: 27 years DIN : 03149138	Director	Qualification: BSc (Economics & Finance)  Occupation: Service	25.03.2015	1) Kusum Industrial Gases Ltd 2) Checons Ltd 3) Techno International Ltd 4) Saffron Enclave Private Limited 5) Pinnacle Commodeal Private Limited 6) Direction Barter Private Limited 7) Techno Power Projects Ltd 8) Raj Projects Pvt Ltd

14.5 The details of the Changes in the Board of Directors during the last 3 years

Sr. No.	Name	Appointment/Cessation/ Re-appointment/Change in Designation	Effective date	Reasons for Change
01.	Mr. Ankit Saraiya	Re-Appointment	02.04.2018	Re-appointed as Wholetime Director
02.	Ms. Avantika Gupta	Appointment	07.02.2015	Appointed as Director
03.	Mr. Padam Prakash Gupta	Appointment	25.07.2018	Appointed as Director by Board

	Mr. Padam Prakash Gupta	Appointment	10.08.2018	Appointed as Managing Director by Board
	Mr. Padam Prakash Gupta	Change in Designation	29.09.2018	Appointment as Managing Director confirmed at AGM
04.	Mr. Samarendra Nath Roy	Appointment	29.09.2018	Appointed as Independent Director at AGM.
05.	Dr. Rajendra Prasad Singh	Appointment	29.09.2018	Appointed as Independent Director at AGM.
06.	Mr. K. Vasudevan	Appointment	29.09.2018	Appointed as Independent Director at AGM.
07.	Mr. K. Krishna Rai	Appointment	29.09.2018	Appointed as Independent Director at AGM.
08.	Mr. Krishna Murari Poddar	Appointment	29.09.2018	Appointed as Independent Director at AGM.

14.6 The Buyback will not result in any benefit to any directors/Promoters/person in control of the Company/group companies and the changes in their shareholding as per the response received in the Buyback Offer, as a result of the cancellation of Equity Shares which will lead to a reduced Equity Share capital post Buyback.

## 15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1) The salient Financial Information of the Company on a standalone basis is extracted from the Audited Accounts and limited review financials results are given below:

Key Financials	30.09.2018 (Unaudited & Certified)@	Year ended 31 March, 2018 (Audited figures) @	(Rs. In Lakhs)	
			Year ended 31 March, 2017 (Audited figures) #	Year ended 31 March, 2016 (Audited figures) #
Revenue from operations	53,160.95	129,436.34	123,634.52	103,283.78
Other income	2,308.15	3,696.47	4,168.84	2,804.69
<b>Total Revenue</b>	<b>55,469.10</b>	<b>133,132.81</b>	<b>127,803.36</b>	<b>106,088.47</b>
Materials and Stores	3,0765.14	89,382.36	8,9476.40	81,321.07
(Increase) /Decrease in Inventories	617.74	(760.98)	3,771.26	(3,165.13)
Employees Benefits expense	2,037.00	3,937.09	3,376.92	2,906.47
Finance Cost	810.27	2,354.88	1,594.26	2,081.09
Depreciation and Amortization	2,086.65	4,236.15	1,305.26	1,359.23
Other expenses	3,010.69	7,467.07	6,793.52	6,362.24
<b>Total Expenditure</b>	<b>39,327.49</b>	<b>106,616.57</b>	<b>106,317.62</b>	<b>90,864.87</b>
P/L before tax	16,141.61	26,516.24	21,485.74	15,223.50
<b>Tax Expenses</b>				
Current Tax	3,717.30	6,218.60	6,576.06	2,707.74
Deferred Tax	414.65	267.51	363.01	1,801.79
P/L after tax	<b>12,009.66</b>	<b>20,030.13</b>	<b>14,546.67</b>	<b>10,713.97</b>
Paid up equity share capital	2,253.65	2,253.65	2,283.64	1,141.82
Reserves & surplus (excluding Capital Reserve and Debenture Redemption Reserve)	132,041.32	120,044.66	79,909.94	66,624.61
Net worth	134,294.97	122,298.31	851,393.58	71,766.43
Total Debt <sup>§</sup>	8,706.35	6,674.60	3,000.00	17,154.82

Financial Ratios on Standalone Basis are as under:

Key Ratios	30.09.2018 (unaudited & Certified)@	Year ended 31 March, 2018 @	Year ended 31 March, 2017 #	Year ended 31 March, 2016 #
Basic Earnings per shares	10.65	17.78	12.76	9.35
Diluted Earnings per shares	10.65	17.78	12.76	9.35
Book value per equity shares	119.18	108.53	74.61	62.85
Return on Net worth (%)	8.94%	16.38%	17.07%	14.93%
Debt/ Equity Ratio	0.06	0.05	0.04	0.24

#### \$ Total Debt

(Rs. In Lakhs)

Long Term Borrowing	707.34	2,244.01	-	3,000.00
Short Term Borrowing	4,952.02	225.74	-	10,154.82
Current Maturities of long Term Borrowing	3,046.99	4,204.85	3,000.00	4,000.00
Total	8,706.35	6,674.60	3,000.00	17,154.82

@ The figures for the half year ended 30th September 2018 and Financial Year 2017-18 are based on the financial statement of Techno Electric & Engineering Company Ltd. (formerly Simran wind Project Ltd.) which represents the financial information of the merged entity i.e. after providing the impact of amalgamation of M/s. Techno electric & Engineering Co. Ltd. with Simran Wind Project Ltd. as per the order of the NCLT. The name of M/s. Simran Wind Project Ltd. was subsequently changed to Techno Electric & Engineering Company Ltd.

# The figures for the Financial Year ended 31st March 2017 and Financial Year ended 31st March 2016 are based on the audited financial statement of Techno Electric & Engineering Company Ltd. (Before Amalgamation) on standalone basis. The Company has since been amalgamated with Simran Wind Project Ltd. (name subsequently changed to Techno Electric & Engineering Company Limited).

The figures of Earning per share and book value per share for the year ended 31st March 2016 are adjusted for Bonus issue in the year 2016-17 by Techno Electric & Engineering Company Ltd. (Before Amalgamation).

15.2 The Company will comply with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended), wherever and if applicable. The Company hereby declares that it has complied with Section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended, the Companies (Share Capital and Debentures) Rules, 2014 as amended and in compliance with the Securities and Exchange Board of India (Buyback of Securities) Regulations 2018.

## 16. STOCK MARKET DATA

16.1 The Stock Market Data is based on the information of the erstwhile Techno Electric & Engineering Company Limited which was merged with Simran Wind Project Limited w.e.f. July 24, 2018 and the name changed to Techno Electric & Engineering Company Limited. Pursuant to the scheme of amalgamation, trading in the shares of erstwhile Techno Electric & Engineering Company was suspended by the stock exchanges with effect from August 08, 2018. The new equity shares allotted in the merged entity pursuant to Amalgamation were listed on BSE and NSE on December 04, 2018. The high, low and average market prices in the preceding three financial years (April to March period) and the monthly high, low and average market prices for the six months preceding the date of Public Announcement from June 01, 2018 to November 30, 2018 is presented accordingly as follows:

BSE

Period	High (Rs.)	Date of High	No. of shares traded on the date of high	Low (Rs.)	Date of Low	No. of shares traded on the date of low	Average price (Rs.)	No. of shares traded in that period
<b>Preceding 3 years</b>								
April 1, 2015 to March 31, 2016	579.85	09.09.2015	7,513	366.50	29.04.2015	15,447	490.65	25,46,838
April 1, 2016 to September 05, 2016	720.00	01.08.2016	5,447	500.05	23.05.2016	10	575.44	7,03,926
September 06, 2016 to March 31, 2017	404.00	31.03.2017	9,086	261.60	09.11.2016	6,985	328.02	52,44,534
April 1, 2017 to March 31, 2018	438.95	08.06.2017	9,029	314.50	27.09.2017	6,474	378.27	55,14,874
<b>Preceding 6 months</b>								
June 01, 2018- June 30, 2018	339.80	11.06.2018	2,584	255.25	27.06.2018	5,160	285.97	6,78,747
July 01, 2018- July 31, 2018	307.50	31.07.2018	12,426	232.95	20.07.2018	9,397	257.17	60,950
August 01, 2018- August 31, 2018	299.00	03.08.2018	21,150	263.00	07.08.2018	5,130	277.9	30,504
September 01, 2018- September 30, 2018	-	-	-	-	-	-	-	-
October 01, 2018- October 31, 2018	-	-	-	-	-	-	-	-
November 01, 2018- November 30, 2018	-	-	-	-	-	-	-	-

**NSE**

Period	High (Rs.)	Date of High	No. of shares traded on the date of high	Low (Rs.)	Date of Low	No. of shares traded on the date of low	Average price (Rs.)	No. of shares traded in that period
<b>Preceding 3 years</b>								
April 1, 2015 to March 31, 2016	590.00	31.08.2015	25,571	351.95	27.04.2015	5,942	491.56	74,14,590
April 1, 2016 to September 05, 2016	723.00	08.08.2016	67,421	500.35	23.05.2016	3,577	574.90	24,79,108
September 06, 2016 to March 31, 2017	404.00	30.03.2017	1,22,059	242.50	09.11.2016	57,471	327.96	1,35,55,465
April 1, 2017 to March 31, 2018	438.90	08.06.2017	48,287	312.40	27.09.2017	2,52,920	378.65	1,89,48,739
<b>Preceding 6 months</b>								
June 01, 2018- June 30, 2018	315.95	08.06.2018	67,634	256.55	27.06.2018	24,581	288.60	16,02,630
July 01, 2018- July 31, 2018	318.95	31.07.2018	1,20,544	230.75	20.07.2018	1,07,579	257.80	13,62,940
August 01, 2018- August 31, 2018	298.00	03.08.2018	1,08,214	256.35	07.08.2018	20,16,121	277.62	22,79,309
September 01, 2018- September 30, 2018	-	-	-	-	-	-	-	-
October 01, 2018- October 31, 2018	-	-	-	-	-	-	-	-
November 01, 2018- November 30, 2018	-	-	-	-	-	-	-	-

\* There has been a bonus issue by the company in the ratio of 1:1 made in the month of September, 2016 by erstwhile Techno Electric & Engineering Company Limited.



16.2 The Closing Market price of the equity shares of the Company:

- a) As on December 12, 2018 i.e. the trading day before December 13, 2018 being the date of Board Meeting approving the Buyback was Rs. 233.15 per Equity Share on BSE and Rs. 233.35 per Equity Share on NSE.
- b) As on December 13, 2018 i.e. the date of Board Meeting approving the Buyback was Rs. 244.80 per Equity share on BSE and Rs. 245.00 per Equity share on NSE.
- c) As on December 14, 2018 i.e. the day immediately after December 13, 2018 being the date of Board Meeting approving the Buyback was Rs. 257.00 per Equity Share on BSE and Rs. 257.25 per Equity Share on NSE.
- d) As on December 17, 2018 i.e. the date of the publication of Public Announcement, was Rs. 260.40 per Equity Share on BSE and Rs. 260.45 per Equity Share on NSE.

## 17 DETAILS OF THE STATUTORY APPROVALS

17.1 The Buyback offer is subject to approval, if any required, under the provisions of Companies Act, FEMA, Buyback Regulations, and/or such other rules and regulations for the time being in force.

17.2 Non-Resident Shareholders (excluding OCBs) permitted under general permissions under the consolidated Foreign Direct Investment Policy issued by the Government of India read with applicable FEMA Regulations, are not required to obtain approvals from RBI.

17.3 As of date, there is no other statutory or regulatory approval required to implement the Buyback offer other than the mentioned above. If any statutory or Regulatory approval becomes applicable subsequently, the Buyback offer will be subject to such statutory or regulatory approval(s). In the event of any delay in the receipt of statutory or regulatory approval, the changes in the time table of the Buyback offer, if any, shall be intimated to the NSE and BSE.

## 18 DETAILS OF THE REGISTRAR TO THE BUYBACK

Eligible persons who wish to tender their equity shares in the Buyback offer can hand deliver the tender form and the TRS generated by the Exchange Bidding System along with all the relevant documents at the below mentioned address of the Registrar to the Buyback offer in accordance with the procedure set out in this Letter of Offer. Equity shareholders are advised to ensure that Tender forms and other documents including TRS are complete in all respect; otherwise the same are liable to be rejected.

### **M/s. Niche Technologies Private Limited.**

Contact Person: Mr. S. Abbas,

3A, Auckland Place, 7th Floor, Room No. 7A & 7B

Kolkata – 700 017,

Tel No.: (033) 2280- 6616/6617/6618, Fax No.: (033) 2280- 6619

Email: Email: nichetechpl@nichtechpl.com,

Website: www.nichtechpl.com

Equity shareholders who cannot hand deliver the tender form, TRS and other documents at the above mentioned address may send the same by Speed post/ Registered post/Recognized Courier at their own risk, by super subscribing the envelope as “**TEECL-Buyback Offer 2018**” to the Registrar to the Buyback at their abovementioned Office address, so the same are received not later than 2 (two) days of Buyback Closing Date (.) by 5:00 p.m..

***The TRS and other documents should not be sent to the Company or the Manager to the Buyback Offer.***

## 19 PROCESS AND METHODOLOGY FOR THE BUYBACK

19.1 The Company proposes to Buyback not exceeding 26,82,400 Equity shares of the Company from all the existing public shareholders/beneficial owners of Equity shares of the Company, on a proportionate basis, through the Tender Offer route, at a price of Rs. 410/- per equity share for an aggregate amount of Rs. 109,97,84,000 (Rupees One Hundred Nine Crores Ninety Seven Lakhs Eighty Four Thousand Only). The maximum number of Equity shares proposed to be bought back represents 2.38% of the present outstanding equity shares of the Company. The Buyback is in accordance with the provisions contained in the Article 16 of the Articles of Association of the Company, Section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 (the “**Companies Act**”), the Companies (Share Capital and Debentures) Rules, 2014 (hereinafter referred to as the “**Share Capital Rules**”) and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018, as amended (the “**Buyback Regulations**”). The aggregate Buyback Offer size represents 9.10% of the fully paid up equity share capital and free reserves of the Company based on Standalone audited financials of the Company for the financial year ended March 31, 2018.

19.2 The aggregate shareholding of the Promoter Group/ Persons in Control is 6,62,01,276 equity shares which represents 58.75% of the existing equity share capital of the Company. In terms of the buyback regulations, under the Tender Offer Route the Promoters of the Company have the option to participate in the proposed buyback. **In this regard the Promoter and Promoter Group of the Company have expressed their intention not to participate in the Buyback and have irrevocably waived their rights as shareholders in respect of this Buyback Offer.**

19.3 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their entitlement, the aggregate shareholding of the Promoter Group/Persons in Control, post Buyback will increase to 60.18% from 58.75%(Pre- Buyback shareholding) and the aggregate shareholding of the Public in the Company shall decrease to 39.82% (Post Buyback shareholding) from 41.25%(Pre Buyback shareholding).

### 19.4 Record Date, ratio of Buyback and entitlement of each shareholder.

- a. The Board of Directors have fixed January 03, 2019 as the Record Date for the purpose of determining the entitlement and the names of the shareholders who are eligible to participate in the Buyback offer.
- b. The equity shares proposed to be bought back shall be divided into two categories:
  - Reserved category for small shareholders (“**Reserved Category**”).
  - General category for all shareholders other than small shareholders (“**General Category**”).
- c. As defined in the Buyback Regulations, a “small shareholder” is a shareholder who holds equity shares whose market value, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date, is not more than Rs. 2,00,000/- (Rupees Two Lakhs only). As on Record Date i.e., January 03, 2019, the volume of Shares traded on NSE was [●]Shares and on BSE was [●] Shares. Accordingly, [●] being the stock exchange with highest turnover, the closing price was Rs. \_\_\_\_\_ and hence all Shareholders holding not more than [●] Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buyback Offer.
- d. Based on the above definition, there are [●]Small shareholders with aggregate shareholding of [●] shares as on the Record Date, which constitutes[●] of outstanding paid up equity share capital of the company and [●] of the equity shares which the Company proposes to Buyback as a part of this Buyback Offer.

- e. In compliance with Regulation 6 of the Buyback Regulations, the reservation for small shareholders will be equity shares which are higher of:
- 15% of the number of equity shares which the company proposes to buyback i.e., 15% of 26,82,400 Equity shares which works out to 4,02,360 Equity shares;
  - The number of Equity shares entitled as per their holding as on the Record Date (i.e.,  $(\bullet) / (\bullet) \times 26,82,400$ ) which is  $(\bullet)$  equity shares.
- f. Accordingly, General Category shall consist of  $(\bullet)$  Equity shares.
- g. Based on the above the entitlement ratio of Buyback for both categories is decided as below:

Category	Entitlement ratio of buyback
Reserved Category	$(\bullet)$ equity shares out of every $(\bullet)$ fully paid up equity shares as on record date i.e., January 03, 2019.
General Category	$(\bullet)$ equity shares out of every $(\bullet)$ fully paid up equity shares as on record date i.e., January 03, 2019.

*\* The above ratio of Buyback is approximate and provides an indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above ratio may provide a slightly different number due to rounding off. The actual Buyback Entitlement for Reserved Category for Small Shareholders is  $(\bullet)\%$  and General Category for all other than eligible Shareholders is  $(\bullet)\%$ .*

#### 19.5 Fractional Entitlement

If the entitlement under Buyback, after applying the abovementioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of 1 Equity Share) then the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buyback Offer, for both categories of Shareholders.

On account of ignoring the fractional entitlement, those small shareholders who hold  $(\bullet)$  equity shares as on Record Date, will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender additional Equity Shares as part of the Buyback Offer and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered for additional Equity Shares.

#### 19.6 Basis of acceptance of equity shares validly tendered in the Reserved Category

Subject to the provisions contained in this Letter of Offer, the Company will accept the Shares tendered in the Buyback Offer by the Small Shareholders in the Reserved Category in the following order of priority:

- a) Full acceptance of Shares from Small Shareholders in the Reserved Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b) Post the acceptance as described in paragraph 19.6 (a), in case, there are any Shares left to be bought back in the Reserved Category, the Small Shareholders who were entitled to tender zero Shares (on account of ignoring the fractional entitlement), and have tendered Additional Shares, shall be given preference and one Equity Share each from the Additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.
- c) Post the acceptance as described in paragraph 19.6 (a) and (b), in case there are any validly tendered unaccepted shares in the Reserved 19.6 Category (“**Reserved Category Additional Shares**”) and shares left to be bought back in the Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the Reserved Category Additional Shares by the Shareholder divided by the total

Reserved Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with paragraph 19.6 (b), shall be reduced by one.

- d) Adjustment for Fractional results in case of proportionate acceptance, as described in Paragraph 19.6 (c), will be made as follows:
- For any shareholder, if the number of additional shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - For any shareholder, if the number of additional shares to be accepted, calculated on a proportionate basis is not in the multiples of 1 and the Fractional acceptance is less than 0.50, then the Fraction shall be ignored.

### **19.7 Basis of acceptance of equity shares validly tendered in the General Category**

Subject to the provisions contained in this Letter of Offer, the Company will accept the shares tendered in the Buyback Offer by shareholders (other than the small shareholders) in the General category in the following order of priority:

- a. Full acceptance of shares from shareholders in the General Category who have validly tendered their shares, to the extent of their Buyback entitlement, or the number of shares tendered by them, whichever is less.
- b. Post the acceptance as described in paragraph 19.7(a), in case there are any validly tendered unaccepted shares in the General Category ("**General Category Additional Shares**") and shares left to be bought back in General Category, the General Category shares will be accepted in a proportionate manner and the acceptances shall be made in accordance with Buyback Regulations, i.e., valid acceptances per shareholders shall be equal to General Category additional shares by the shareholders divided by the total General Category Additional shares and multiplied by the total number of additional shares remaining to be bought back in the General Category.
- c. Adjustment for Fractional Results in case of proportionate acceptance as described in paragraph 19.7(b) will be made as follows:
  - For any shareholder, if the number of additional shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to next higher integer.
  - For any shareholder, if the number of additional shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than equal to 0.50, then the fraction shall be ignored.

### **19.8 Basis of acceptance of equity shares between the two Categories**

- a. After acceptance of tenders, as mentioned in paragraph 19.6 and 19.7, in case there are any shares left to be bought back in one category ("**Partially Filled Category**") and there are additional unaccepted validly tendered shares ("**Further Additional Shares**") in the second category ("**Over Tendered Category**"), then the further additional shares in the over tendered category shall be accepted in a proportionate manner i.e., valid acceptances per shareholder shall be equal to further additional shares validly tendered by the shareholder in the over tendered category divided by the total further additional shares in the over tendered category and multiplied by the total shares left to be bought back in the partially filled category.
- b. If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has received a Tender Form with zero Buyback Entitlement and who has tendered Additional Shares shall be eligible for priority acceptance of one Equity Share before acceptance in paragraph 19.8(a) out of the Shares left to be bought back in the Partially Filled Category provided no acceptance could take place from such Shareholder in accordance with paragraph 19.6.

- c. Adjustment for Fractional Results in case of proportionate acceptance as described in paragraph 19.8(b) will be made as follows:
  - For any shareholder, if the number of additional shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to next higher integer.
  - For any shareholder, if the number of additional shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than equal to 0.50, then the fraction shall be ignored.

**19.10 For avoidance of doubt, it is clarified that:**

- a) the Equity Shares Accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares tendered by the respective Eligible Shareholder;
- b) the Equity Shares Accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares held by respective Eligible Shareholder as on the Record Date; and
- c) the Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the paragraphs above.

**19.11 Clubbing of Entitlements**

In order to ensure that the same Eligible Shareholders with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Company proposes to club together the Equity Shares held by such Eligible Shareholders with a common PAN for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical and where the PANs of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the name of joint shareholders are identical. In case of Eligible Shareholders holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, pension funds/trusts and insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback as per the shareholder records received from the depositories.

**20 PROCEDURE FOR TENDER OFFER AND SETTLEMENT**

**A. GENERAL**

- 20.1 The Buyback is open to all public equity shareholders/ beneficial owners of the Company holding Equity Shares either in physical and/or electronic form on the Record Date.
- 20.2 The Company proposes to effect the Buyback through a tender offer method, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed to Eligible Persons

**Eligible Person(s) which have registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. If Eligible Person(s) wish to obtain a physical copy of the Letter of Offer, they may send a request to the Company or Registrar at the address or email id mentioned at the cover page of the Letter of Offer.**

**Eligible persons which have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode**

- 20.3 The Company will not accept any Equity Shares offered for Buyback which are under any restraint order of a court for transfer/sale of such shares.
- 20.4 The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.
- 20.5 The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Persons, on the basis of their Buyback Entitlement as on the Record Date.
- 20.6 As elaborated under Clause 19.4 above, the Equity Shares proposed to be bought as a part of the Buyback is divided into two categories; (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Persons, and the Buyback Entitlement of a Eligible Person in each category shall be calculated accordingly.
- 20.7 After Accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Persons in that category, and thereafter, from Eligible Persons who have tendered over and above their Buyback Entitlement, in other category.
- 20.8 The non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any person who is eligible to receive the Letter of Offer, shall not invalidate the Buyback in any manner. In case of non receipt of the Letter of Offer, Eligible Shareholders may participate in the offer by applying on the Tender Form downloaded from the Company's website i.e. [www.techno.co.in](http://www.techno.co.in) or obtain a duplicate copy of the same by writing to the Registrar to the Buyback. Such Eligible Shareholders may also participate in the Buyback by providing their application in plain paper in writing signed by such shareholder (in case jointly held then signed by all shareholders), stating name, address, folio number number of shares held, Client ID number, DP name, DP ID number, number of Equity Shares tendered and other relevant documents as detailed in "Procedure to be followed by Eligible Shareholders holding Physical Shares" on page 29 in case of Physical Shares. If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar and Transfer Agent of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Buyback.
- 20.9 All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 20.10 The Buyback is open to all public equity shareholders/ beneficial owners of the Company holding Equity Shares either in physical and/or electronic form on the Record Date.
- 20.11 The Buyback shall be implemented using the "Mechanism for Acquisition of Shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and following the procedure prescribed in the Companies Act and the Buyback Regulations and as may be determined by the board (including the committee authorized to complete the formalities of the buyback) and on such terms and conditions as may be permitted by law from time to time.
- 20.12 For implementation of the Buyback, the Company has appointed Trans Scan Securities Private Limited as the registered broker of the Company (the "Company's Broker") through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:

**Trans Scan Securities Private Limited,**  
**Contact Person: Mr. Atul Jain**  
**Address: 3A, Auckland Place, 2nd Floor, Kolkata-700017.**  
**Tel: No.: (033) 4016 1916; Fax no.: (033) 2283 1658**  
**E-Mail: [customercare@transcansec.com](mailto:customercare@transcansec.com),**  
**Website: [www.transcansec.com](http://www.transcansec.com)**  
**SEBI Registration No of BSE: INB010783133**

- 20.13 The Company will request BSE to provide the separate Acquisition Window to facilitate placing of sell orders by shareholders who wish to tender Equity Shares in the Buyback. BSE would be the Designated Stock exchange for this Buyback
- 20.14 In the event Shareholder Broker(s) of Eligible Shareholder is not registered with BSE then that Eligible Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (UCC) facility through that BSE registered stock broker after submitting the details as may be required by that stock broker to be in compliance with the SEBI regulations. In case Eligible Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Eligible Shareholder may approach Company's Broker to bid by using quick UCC facility by submitting relevant documents.
- 20.15 The Eligible Shareholder approaching Designated Stock Exchange registered stock broker (with whom he does not have an account) may have to submit the requisite documents as may be required. The requirement of documents and procedures may vary from broker to broker.
- 20.16 At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through Company's Broker. During the tendering period, the order for selling the shares will be placed in the Acquisition Window by eligible sellers through their respective stock brokers during normal trading hours of the secondary market. The stock brokers ("Seller Member(s)") can enter orders for demat shares as well as physical shares. In the tendering process, the Company's broker may also process the orders received from the Equity Shareholders. The equity shareholder Broker can enter orders for demat as well as physical shares.
- 20.17 Procedure to be followed by Registered Equity Shareholders holding Equity shares in the dematerialized form:**
- a) Shareholders who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective Seller Member by indicating to their broker the details of Equity Shares they intend to tender under the Buyback.
  - b) The Seller Member would be required to place an order/bid on behalf of the Eligible Sellers who wish to tender Equity Shares in the Buyback using the acquisition window of the BSE. Before placing the bid, the concerned Eligible Seller / Seller Member would be required to transfer the tendered Equity Shares to the special account of Clearing Corporation, by using the settlement number and the procedure prescribed by the Clearing Corporation. This shall be validated at the time of order/bid entry.
  - c) The details of the special account shall be informed in issue opening circular that will be issued by BSE or Clearing Corporation.
  - 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 6.00 p.m. on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation
  - e) Upon placing the bid, the Seller member shall provide a Transaction Registration Slip ("TRS") generated by the Exchange Bidding System to the Shareholder. TRS will contain the details of

order submitted like Bid ID No., Application No., DP ID., Client ID, No. of equity Shares tendered etc.

- f) Eligible Sellers who have tendered their Equity Shares in the Buyback can 'hand deliver' Tender Form duly signed (by all Eligible Sellers in case Equity Shares are in joint names) in same order in which they hold the Equity Shares, along with the TRS generated by the exchange bidding system at the head-office (mentioned in paragraph 18 of this Letter of Offer) of Registrar to the Buyback. TRS will be generated by the respective Seller Members. Eligible Sellers who cannot hand deliver the Tender Form and other documents at the office of Registrar to the Buyback, may send the same by registered post / speed post, at their own risk, super scribing the envelope as "TEECL- Buyback Offer 2018", to the Registrar to the Buyback at their office mentioned on the cover page of this LOF, so that the same are received not later than 2 (two) days from the Buyback Closing Date (by 5 PM). One copy of TRS will be retained by the Registrar and it will provide acknowledgment of the same to the Seller Member/Eligible Seller.
- g) Modification and cancellation of the orders will be allowed during the tendering period of the Buyback.
- h) The Cumulative quantity tendered shall be made available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)) throughout the trading sessions and will be updated at specific intervals during the tendering period.
- i) The Eligible Shareholders who have tendered their Demat Shares in the Buyback will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or partial acceptance. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company.
- j) Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, Demat Shares or unaccepted Demat Shares, if any, will be returned to the respective custodian depository pool account.
- k) Eligible Shareholders who have tendered their Demat Shares in the Buyback shall also provide all relevant documents, which are necessary to ensure transferability of the Demat Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):
  - I. Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;
  - II. Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Shareholder is deceased or court approved scheme of merger/ amalgamation for a company; and
  - III. In case of companies, the necessary certified corporate authorisations (including board and/ or general meeting resolutions).

**20.18 Procedure to be followed by Registered Equity Shareholders holding Equity shares in the Physical Form:**

- a) Shareholders who are holding Physical Equity Shares and intend to participate in the Buyback will be required to approach the Seller Member along with the complete set of Documents for verification procedures to be carried out including the i) the Tender Form duly signed (by all Eligible Shareholders in case shares are in joint names) in the same order in which they hold the shares, ii) original share certificate(s), iii) valid share Transfer Form(s)/ Form SH-4 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) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, iv) self-attested copy of the shareholder's PAN Card, 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 Shareholder has undergone a change from the address registered in the register of Members of the Company, the 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, bank statement not older than two months or Passport.

- b) Upon Placing the Bid, the Seller member shall provide a TRS generated by the Exchange Bidding System to the shareholders. TRS will contain the details of order submitted like Folio No, Certificate No, Distinctive No., No. of Equity Shares tendered etc.
- c) The Seller Member/Shareholder has to deliver the original Share Certificate(s) & documents (as mentioned in paragraph 20.18.(a)above) along with the TRS either by registered post or Courier or Hand Delivery to the Registrar and Transfer Agent (“RTA”) (at the address mentioned in Paragraph 18) within 2 (two) days of bidding by Seller member. The envelope should be super scribed as the “**TEECL-Buyback Offer**”. One copy of the TRS will be retained by the RTA and it will provide acknowledgement of the same to the Seller Member/Shareholder.
- d) Shareholders holding Physical Equity Shares should note that physical Equity shares shall not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buyback by the company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. RTA will verify the bids based on the documents submitted on a daily basis and till such time the BSE Limited shall display such bids as “unconfirmed physical Bids”. Once, RTA confirms the Bids it will be treated as “Confirmed Bids”.
- e) In case any Eligible Seller has submitted Equity Shares in physical form for dematerialization, such Eligible Seller should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback before Buyback Closing Date
- f) All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company’s equity share certificate(s) enclosed with the Tender Form instead of the Equity Share certificate(s) of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar to the Buyback does not receive the Equity Share certificate(s); (iv) In case the signature on the Tender Form and Form SH-4 does not match as per the specimen signature recorded with Company/Registrar and Transfer Agent of the Company.
- g) **All Equity Shareholders holding the Physical Shares shall note that in accordance with the proviso to regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), read with SEBI’s press release dated December 3, 2018, transfers of securities shall not be processed unless the securities are held in the dematerialized form with a depository with effect from April 1, 2019. In case the applicable law restricts the buyback of Equity Shares held in physical form, the Company may not be able to accept the tender of such Equity Shares held in physical form from April 1, 2019.**

20.19 Modification/ cancellation of the orders will be allowed during the Tendering period of the Buyback.

20.20 The cumulative quantity tendered shall be made available on BSE Limited’s website- [www.bseindia.com](http://www.bseindia.com) throughout the Trading session and will be updated at specific intervals during the tendering period.

20.21 Additional requirements in respect of tenders by the Non-Resident Shareholders:

- a) While tendering their Equity Shares under the Buyback, all Eligible Shareholders being Non-Resident Shareholders (excluding FIIs) shall enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- b) In case the Equity Shares are held on a repatriation basis, the Non-Resident Eligible Shareholders shall obtain and enclose a letter from the Eligible Shareholder's authorised dealer/ bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the Non Resident shareholder from the appropriate account (e.g. NRE a/c) as specified by RBI in its approval. In case the Non-Resident shareholder is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non Resident Eligible Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares Accepted in the Buyback.
- c) If any of the above stated documents, as applicable, are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback are liable to be rejected.

The participation of the Eligible Shareholders in the Buyback is entirely at the discretion of the Eligible Shareholders. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of Share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard.

**B. ACCEPTANCE OF ORDERS**

The Registrar to the Buyback shall provide details of order Acceptance to the Clearing Corporation within specified timelines.

**20.22 METHOD OF SETTLEMENT**

Upon Finalization of the basis of acceptance as per Buyback Regulations:

- a. The settlement of Trades shall be carried out in the manner similar to the settlements of Trade in the secondary markets.
- b. The Company will pay the consideration to the Clearing Corporation on or before the pay-in date for settlement. For Equity Shares accepted under the Buyback, the Eligible Sellers holding Equity Shares in dematerialized form will receive funds payout in the Eligible Sellers bank account as provided by the depository system from Clearing Corporation and Seller Member (on behalf of the Eligible Sellers holding Equity Shares in physical form), will receive funds payout in their settlement bank account from Clearing Corporation.
- c. The equity shares bought back in the demat form would be transferred directly to the escrow account of the Company (the "**Demat Escrow Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Demat Escrow Account on receipt of the Equity Shares from the Clearing and Settlement Mechanism of the Stock Exchange.
- d. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Seller would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue, then such Equity Shares will be transferred to the Seller Member's pool account for onward transfer to the Eligible Seller. In case of custodian participant orders, excess demat Equity Shares or unaccepted demat Equity Shares, if any, will be returned to the respective custodian participant. Any excess Equity Shares held in physical form pursuant to proportionate acceptance/ rejection will be returned back to the Eligible Sellers directly by the Registrar through registered post/ speed post at the Eligible Sellers sole risk to the sole / first Equity Shareholder (in case of joint Eligible Sellers), at the address recorded with the Registrar / Company. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Eligible Sellers holding Equity Shares in the physical form.

- e. The settlements of fund obligation for dematerialized and physical Equity Shares shall be effected as per the SEBI circulars no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017 and as prescribed by Stock Exchanges and Clearing Corporation from time to time. The Clearing Corporation would settle the trades by making, direct funds payout to the Eligible Sellers holding Equity Shares in dematerialized form in Eligible Seller's bank account as provided by the depository system and Seller Member (on behalf of the Eligible Sellers holding Equity Shares in physical form), in their settlement bank account and the Seller Member would issue contract note. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback. If Eligible Sellers bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Eligible Sellers will be transferred to the Seller Member for onward transfer to the Eligible Sellers
- f. The Seller Member would issue Contract note & pay the consideration for the Equity Shares accepted under the Buyback and return the balance unaccepted equity shares to their respective clients. Company Broker would also issue a contract note to the Company for the equity shares accepted under the Buyback.
- g. In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas amount payable to the Eligible Shareholder pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the BSE and the Clearing Corporation from time to time.
- h. Shareholders who intend to participate in the Buyback should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the selling shareholders for Tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders from their respective Seller Member, in respect of accepted equity shares, could be net of such costs, charges and expenses (including brokerage) and the company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred by the selling shareholders.
- i. The Equity Shares lying to the credit of the Demat Escrow Account and the equity shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

#### **Special Account opened with the Clearing Corporation**

The details of transfer of the Demat Shares to the special account by trading member or custodians shall be informed in the issue opening circular that will be issued by the BSE or the Clearing Corporation.

#### **20.23 In case of Non- Receipt of this letter of Offer**

- a. **In case the equity shares are in Dematerialized form:** An eligible person may participate in the offer by downloading the Tender form from the website of the Company [www.techno.co.in](http://www.techno.co.in) or by providing their application in writing on plain paper, signed by all joint shareholders, stating name and address of shareholder(s), number of equity shares held as on the record date, Client ID Number, DP name/ID, beneficiary account number, and number of equity shares tendered for the Buyback.
- b. **In case the Equity shares are in Physical Form:** An eligible person may participate in the Offer by providing their application in writing on plain paper signed by all joint shareholders stating name, address, folio number, number of equity shares held, share certificate number, number of equity shares tendered for the Buyback offer and the distinctive numbers thereof, enclosing the Original share certificate(s), copy of Equity shareholder(s) PAN card(s) and executed share transfer form in favour of the Company. The transfer form SH-4 can be downloaded from the Company's website

www.techno.co.in. Equity shareholders must ensure that the tender form, along with the TRS and requisite documents (as mentioned in paragraph 20.18.(a), reach the collection centres before 5.00 PM (IST) on the closing date. If the signature(s) of the Equity Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or not in the same order (although attested), such applications are liable to be rejected under this Buyback offer.

**Please note that Eligible Person(s) who intend to participate in the Buyback will be required to approach their respective Seller Member (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Seller Member or broker in the electronic platform to be made available by BSE before the Closing Date.**

**The Company shall accept Equity Shares validly tendered by the Shareholder(s) in the Buyback on the basis of their shareholding as on the Record Date and the Buyback Entitlement. Eligible Person(s) who intend to participate in the Buyback using the 'plain paper' option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buyback Offer, before participating in the Buyback.**

20.24 Non receipt of this Letter of Offer by, or accidental omission to dispatch this Letter of Offer to, any Eligible Person shall not invalidate the Buyback Offer in any way.

20.25 The acceptance of the Buyback Offer made by the Company is entirely at the discretion of the Equity shareholders of the Company. The Company does not accept any responsibility for the decision of any equity shareholder to either participate or not to participate in the buyback offer. The Company will not be responsible in any manner for any loss of share Certificate(s) and other documents during transit and the Equity shareholders are advised to adequately safeguard their interest in this regard.

## **21 NOTES ON TAXATION**

**SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE ASSESSING OFFICERS IN THEIR CASE AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE.**

THE SUMMARY OF THE TAX CONSIDERATIONS IN THESE PARAGRAPHS ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS.

THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, ELIGIBLE SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUY BACK OF LISTED EQUITY SHARES ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

### **21.1 GENERAL**

The basis of charge of Indian Income-Tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 (hereinafter referred as Income Tax Act).

A person who is treated as non-resident for Indian Income-Tax purposes is generally subject to tax in India only on such person's income which is accrued or has been received in India. Any gains arising to a nonresident on

transfer of Equity Shares should be taxable in India under the Income Tax Act. Further, as per the provisions of the Income Tax Act, the non-resident can avail the beneficial provisions of the Double Taxation Avoidance Agreements (DTAA) between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.

The Income Tax Act also provides for different tax regimes / rates applicable to the gains arising on buyback of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary of tax implications on buyback of listed equity shares on the stock exchange is set out below. All references to equity shares in this note refer to listed equity shares unless stated otherwise.

#### **21.2) CLASSIFICATION OF SHARES AND SHAREHOLDERS**

##### **a) Based on the provisions of the Income Tax Act, shares can be classified under the following two categories:**

- i. Shares held as investment (Income from transfer taxable under the head “Capital Gains”)
- ii. Shares held as stock-in-trade (Income from transfer taxable under the head “Profits and Gains from Business or Profession”)

##### **b) Based on the provisions of the Income Tax Act, shareholders can be classified under the following categories:**

###### **i) Resident Shareholders being:**

- Individuals, HUF, AOP and BOI
- Others

###### **ii) Non- Resident shareholders being:**

- NRIs
- FIIs
- Others: Company; other than company

#### **21.2.1 CLASSIFICATION OF INCOME**

Shares can be classified under the following 2 (two) categories:

- a)** Shares held as investment (income from transfer taxable under the head “Capital Gains”)
- b)** Shares held as stock-in-trade (income from transfer taxable under the head “Profits and Gains from Business or Profession”)

Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade). Traditionally, the issue of characterization of income arising from sale of shares has been a subject matter of litigation with the tax authorities. The apex body of Income-tax has issued Circular no. 6 of 2016, as per which, if the taxpayer opts to consider the shares as stock-in-trade, the income arising from the transfer of such shares would be treated as its business income. Also, if such shares are held for a period of more than 12 months, and if the taxpayer desires to treat the income arising from the transfer thereof as “capital gains”, the same shall not be put to dispute by the Tax Officer.

Further, investments by FII in any securities in accordance with the regulations made under the Securities Exchange Board of India Act, 1992 would be treated as capital asset under the provisions of the Income Tax Act.

#### **21.2.2 SHARES HELD AS INVESTMENT**

As per the provisions of the Income Tax Act, where the shares are held as investments, income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital gains on buyback

of shares are governed by the provisions of Section 46A of the Income Tax Act and would attract capital gains in the hands of shareholders as per provisions of Section 48 of the Income Tax Act. The provisions of buy back tax under Section 115QA in Chapter XII-DA of the Income Tax Act do not apply for shares listed on the stock exchange and accordingly, the exemption provided under section 10(34A) of the Income Tax Act shall not be applicable.

### **21.2.3 Period of holding**

Depending on the period for which the shares are held, the gains would be taxable as “short term capital gain” or “long term capital gain”:

- In respect of equity shares held for a period of less than or equal to 12 months prior to the date of transfer, the same shall be treated as a short-term capital asset , and the gains arising there from shall be taxable as “short term capital gains” (“STCG”).
- Similarly, where equity shares are held for a period of more than 12 months prior to the date of transfer, the same shall be treated as a long-term capital asset , and the gains arising there from shall be taxable as “long term capital gains” (“LTCG”).

### **21.2.4 Buyback of shares through a recognized stock exchange.**

Since the buyback is undertaken on the stock exchange, such transaction is chargeable to Securities Transaction Tax (“STT”). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security.

Where transaction for transfer of such equity shares (i.e. buyback) is transacted through a recognized stock exchange and subjected to STT then the taxability will be as under (for all categories of shareholders):

#### **a) Long Term Capital Gains**

Prior to the introduction of Finance Act, 2017, section 10(38) of the Income Tax Act provided that the income arising from a transfer of long term capital asset, being equity share in a company is exempt from tax if the transaction is subjected to STT.

Vide Finance Act, 2017 section 10(38) of the Income Tax Act was amended to provide that the exemption under section 10(38) shall not be applicable in scenarios where the equity shares sold is purchased on or after 1 st October, 2004 without payment of STT. However, vide Notification No. 60/2018 dated 1st October 2018, an exemption from the requirement of STT being paid at the time of acquisition of shares provided to certain modes of acquisition including acquisition of shares by a non-resident under the FDI policy. If acquisition is made in such specified modes, the exemption under section 10(38) shall continue to apply, even if no STT was paid at the time of acquisition of the shares.

Further vide Finance Act, 2018 section 10(38) of the Income Tax Act was further amended to withdraw the exemption contained therein on income arising from transfer of equity share in a company after 1st April, 2018.

A new section namely section 112A was inserted in the Income Tax Act vide Finance Act, 2018 to provide for the following:

- Tax @ 10% on LTCG, exceeding INR 1 Lac, arising from transfer of equity share in a company on or after 1st April, 2018 without considering the benefit of the first proviso and the second proviso to section 48 of the Income Tax Act.
- Capital Gains accrued on such equity shares till 31st January, 2018 have been grandfathered.
- Cost of acquisition in respect of equity shares in a company transferred on or after 1st April, 2018 shall be as follows:

- In case where the equity share in a company is acquired before 1st February, 2018; higher of the following :
  - I. The actual cost of acquisition of such equity shares acquired before 1st February, 2018; or
  - II. The lower of the following :-
    1. The highest price of the equity share of the company quoted on a recognized stock exchange on 31st January, 2018; or
    2. The actual sale consideration received from transfer of such equity share in a company (The benefit of the first proviso and the second proviso to section 48 of the Income Tax Act will not be available)
- In case where the equity share in a company is acquired on or after 1st February, 2018, the cost of acquisition shall be the cost of acquisition without considering the benefit of the first proviso and the second proviso to section 48 of the Income Tax Act

Section 115AD of the Income Tax Act has been amended to provide that tax @ 10% shall be applicable on income arising to FII from transfer of long term capital asset being equity shares in a company.

If STT is not paid at the time of acquisition of the shares being bought back, entire LTCG arising to the shareholder shall be subject to tax @ 10% under Section 112 of the IT Act (or 20% after claiming indexation benefit which is relevant in case of resident shareholders).

#### **b) Short Term Capital Gains**

STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act.

In case of resident Individual or HUF, if the short term Capital Gain is below the maximum amount not chargeable to tax in that case such short term Capital Gain shall be reduced by the amount of shortfall. In addition to the above STCG tax, Surcharge, Health and education cess are leviable.

**For non-residents, taxability of capital gains would be subject to taxability under the Income tax act or beneficial provisions of applicable Double Taxation Avoidance Agreement (“DTAA”), whichever is more beneficial but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.**

### **21.3 SHARES HELD AS STOCK-IN-TRADE**

If the shares are held as stock-in-trade by any of the shareholders of the Company, then the gains would be characterized as business income and taxable under the head “Profits and Gains from Business or Profession. In such a case, the provisions of Section 46A of the Income Tax Act will not apply.

#### **21.3.1 Resident Shareholders.**

- (a) For individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
- (b) Domestic Company having turnover or gross receipts not exceeding INR 250 crore of the previous year 2018- 19 would be taxable @ 25%.
- (c) For persons other than stated in (a) and (b) above, profits would be taxable @ 30%.

In addition to the above, Surcharge and Health and education cess are leviable. Further no benefit of indexation by virtue of period of holding would be available in any case.

#### **21.3.2 Non-Resident Shareholders**

- a) When DTAA provisions are applicable:

Non-resident shareholders can avail beneficial provisions of the applicable DTAA entered into by India with relevant country in which the shareholder is resident, but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.

b) Where DTAA provisions are not applicable:

- For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates
- For foreign companies, profits would be taxed in India @ 40%
- For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, Surcharge, Health and education cess are leviable.

#### **21.4 TAX DEDUCTION AT SOURCE.**

##### **21.4.1 In case of Resident Shareholders.**

In absence of any specific provision under the Income Tax Act, the Company is not required to deduct tax on the consideration payable to resident shareholders pursuant to the said Buyback.

##### **21.4.2 In case of Non-resident Shareholders**

Since the buy-back is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is primarily on the non-resident shareholder. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India (either through deduction at source or otherwise) in consultation with their custodians / authorized dealers / tax advisors / stock broker appropriately.

In the event, the Company is held liable for the tax liability of the Shareholder, the same shall be to the account of the Shareholder and to that extent the Company is entitled to be indemnified. The non-resident shareholders also undertake to provide the Company, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.

#### **21.5 Notes.**

- a) **The above note on taxation sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the disposal of equity shares.**
- b) **This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein. Hence, you should consult with your own tax advisors for the tax provisions applicable to your particular circumstances.**
- c) **All the above benefits are as the per the current tax laws (including amendments made by the Finance Act, 2018), legislation, its judicial interpretation and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the benefits listed above. Accordingly, any changes or amendments in the law or relevant regulations would necessitate a review of the above.**
- d) **Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the provisions of the relevant sections under the relevant tax laws.**
- e) **The tax rate and other provisions may undergo changes.**



## **22. DECLARATION BY THE BOARD OF DIRECTORS**

Declaration as required under Clause (ix) and (x) of the Schedule I, of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as under:

- I. The Board of Director Confirms that are no defaults subsisting in repayment of deposits, redemptions of debentures or preference shares or repayment of term loans to any financial institutions or banks.
- II. The board of Directors confirm that based on a full enquiry conducted into the affairs and prospects of the Company and taking into account all the liabilities including prospective and Contingent liabilities payable as if the Company were being wound up under the companies Act, the board of Directors have formed an opinion that
  - a) that immediately following the date of the Board Meeting approving the Buyback, there will be no grounds on which the Company can be found unable to pay its debts;
  - b) as regards its prospects for the year immediately following the date of the Board Meeting approving the Buyback, and having regards to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the their view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of Board Meeting approving the Buyback, as the case may be;
  - c) in forming their opinion for the above purposes, the directors have taken into account the liabilities as if the company were being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code 2016 (including prospective and contingent liabilities);

This declaration is made and issued by the Board of Directors in terms of the Resolution passed at the meeting of Board of Directors on December13, 2018.

**For and on behalf of the Board of Directors of Techno Electric & Engineering Company Limited**

**Sd/-  
Padam Prakash Gupta  
Managing Director  
DIN: 00055954**

**Sd/-  
Ankit Saraiya  
Wholetime Director  
DIN: 02771647**

## 23 AUDITORS CERTIFICATE

The text of the Report dated December 13, 2018 received from M/s. Singhi & Co., Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

### QUOTE

**The Board of Directors  
Techno Electric & Engineering Company Limited  
(Formerly Simran Wind Project Limited)  
C-218, Ground Floor (GR-2), Sector 63  
Noida-201307**

Dear Sir/ Madam,

**Sub: Statutory Auditor's Report in respect of proposed buyback of equity shares by Techno Electric & Engineering Company Limited (Formerly Simran Wind Project Limited) (the "Company") not exceeding 10% of the aggregate of the fully paid up equity shares and free reserves as per the audited accounts of the company for the year ended March 31, 2018 on proportionate basis ("the Buy-back") from the eligible shareholders by way of tender offer through the Stock Exchange mechanism in terms of the clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (as amended) ("Buy-back Regulations").**

1. The Board of Directors of the Company have approved a proposal for buyback of 26,82,400 fully paid up equity shares for an aggregate consideration of Rs 109,97,84,000 /(Rupees One Hundred Nine Crores Ninety Seven Lacs Eighty Four Thousand Only) at its meeting held on December 13, 2018 in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013 (the "Act") and the Buyback Regulations. We have been requested by the Management of the Company to provide a report on the accompanying statement of permissible capital payment (including premium) ('Annexure A') as at March 31st 2018 (hereinafter referred to as the "Statement"). This statement has been prepared by the Management, which we have initialed for the purposes of identification only.

### Management's Responsibility

2. The preparation of the Statement in accordance with Section 68(2)(c) of the Companies Act, 2013 and the compliance with the Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

### Auditor's Responsibility:

3. Pursuant to the requirement of the Buyback Regulations, it is our responsibility to provide a reasonable assurance:
  - i. whether we have inquired into the state of affairs of the Company in relation to the audited standalone financial statements as at March 31, 2018 ;
  - ii. if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited standalone financial statements as at March 31, 2018 in accordance with Section 68(2) of the Companies Act, 2013; and
  - iii. if the Board of Directors of the Company, in their meeting held on December 13, 2018 have formed the opinion as specified in Clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and

that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of declaration adopted by the Board of Directors.

4. The standalone financial statements referred to in paragraph 3 above, have been audited by us, on which we have issued an unmodified audit opinion in our report dated August 10, 2018. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
5. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements

### **Opinion**

7. Based on enquiries conducted and our examination as above, we report that:
  - a. We have enquired into the state of affairs of the Company in relation to its audited standalone financial statements as at and for the year ended March 31, 2018 which has been approved by the Board of Directors of the Company on August 10, 2018 and adopted by the Shareholders in their meeting held on September 29, 2018.
  - b. The amount of permissible capital payment (including premium) towards the proposed buyback of equity shares as computed in the Statement attached herewith, is properly determined, in our view, in accordance with Section 68(2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone financial statements of the Company as at and for the year ended March 31, 2018;
  - c. The Board of Directors of the Company, in their meeting held on December 13, 2018 have formed their opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated December 13, 2018. Based on the above declaration of the Board of Directors and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we are not aware of anything to indicate that the above mentioned opinion expressed by the Directors is unreasonable in all the circumstances.

### **Restriction on Use**

8. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013 and the Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer, letter of offer and other documents pertaining to buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the Managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

**For Singhi & Co.**  
Chartered Accountants  
(Firm's Registration No. 302049E)  
Sd/-  
**Navindra Kumar Surana**  
Partner  
(Membership No. 053816)

Date: 13.12.2018  
Place: Kolkata

**Annexure A - Statement of permissible capital payment.**

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with section 68(2) (c) of the Companies Act 2013 ("the Act ") based on the audited standalone financial statements as at and for the year ended 31st March, 2018.

(Rs. In Lakhs)	
Particulars	As at March 31, 2018
Issued, Subscribed and fully paid up Equity Shares <b>(A)</b> 11,26,82,400 Equity Shares of Rs. 2 each, fully paid up	2253.65
Free Reserves– (Refer Note 1)	
- Securities Premium Account	10183.55
- General Reserve	84969.14
- Surplus (Retained Earnings)(Refer Note 2)	23319 .31
<b>(B)</b>	118472.00
<b>Total (A+B)</b>	<b>120725.65</b>
<b>Maximum amount permissible for the Buyback i.e. 10% of the aggregate of fully paid up equity share capital and free reserves</b>	<b>12072.56</b>

Note:

- 1) Free Reserves are as per Clause 43 of section 2 and explanation II to Section 68 of the Companies Act, 2013.
- 2) Net of re-measurement loss on defined benefit plan Rs 95.09 lacs as at March 31, 2018.

<p><b>For Singhi &amp; Co.</b> Chartered Accountants (Firm's Registration No. 302049E) Sd/- <b>Navindra Kumar Surana</b> Partner (Membership No. 053816)</p>	<p><b>For Techno Electric &amp; Engineering Company Limited.</b> (Formerly Simran Wind Project Limited) Sd/- <b>(Pradeep Kumar Lohia)</b> Chief Finance Officer</p>
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**UNQUOTE**

**24. DOCUMENTS FOR INSPECTION**

The following material documents are available for inspection by the shareholders of Techno Electric & Engineering Company Limited at their Corporate Office at 1B, Park Plaza, South Block, 71, Park Street, Kolkata-700 016 from 11.00 A.M. to 5.00 P.M. on any day except Saturdays, Sundays and public holidays, during the Tendering Period.

- a) Copy of the Certificate of Incorporation and the Memorandum and Articles of Association.
- b) Copy of the Annual Reports of Techno Electric and Engineering Company Limited for the year ended March 31, 2018, limited review financials for the period ended September 30, 2018 and of erstwhile Techno Electric & Engineering Company Limited for the year ended March 31, 2017 and March 31, 2016.
- c) Copy of the Resolution passed by the Board of Directors at its meeting held on December 13, 2018 approving proposal for Buyback.
- d) Copy of the Certificate dated December 13, 2018, received from M/s Singhi & Co, the Statutory Auditors of the company, in terms of Clause (xi) of Schedule I of the Buyback Regulations.

- e) Copy of the Declaration of Solvency and the Affidavit in form SH-9 as prescribed under section 68(6) of the Companies Act, 2013.
- f) Copy of the Escrow Agreement.
- g) Copy of the Certificate from Chartered Accountant on availability of sufficient resources.
- h) Copy of the Public Announcement published in the newspapers on December 17, 2018.
- i) SEBI Comments vide letter no. [●] dated [●].

## 25. COMPLIANCE OFFICER

Mr. Niranjan Brahma  
 Address: 1B, South Block (1<sup>st</sup> Floor), Park Plaza,  
 71, Park Street, Kolkata - 700016  
 Tel: +91 33 40513000 (B) 40513309 (D)  
 Email: niranjan.brahma@techno.co.in  
 Website: <http://www.techno.co.in>

## 26. DETAILS OF THE REMEDIES AVAILABLE TO THE SHAREHOLDERS/BENEFICIAL OWNERS

- a) In case of any Grievance related to the buyback Offer (i.e. non receipt of the buyback consideration, Share certificate, Demat Credit, etc) the investors can approach the compliance officer/or the Manager to the buyback Offer/or the Registrar to the buyback offer for redressal.
- b) If the Company makes any default in complying with the provisions of Section 68, 69, 70 of the Companies Act, 2013 or any rules made thereunder, the company or any officer of the Company who is in default shall be punishable for a term and its limit or with a fine or its limit or with both in terms of Companies Act, 2013, as applicable.
- c) The address of the Concerned office of the Registrar of Companies is as follows:  
 Registrar of Companies, Uttar Pradesh  
 37/17, Westcott Buidling, The Mall,  
 Kanpur - 208001

## 27. DETAILS OF THE INVESTOR SERVICE CENTRE

In case of any query, the eligible shareholders may contact the registrar to the buyback on any day except Saturday, Sunday and public holidays between 10 a.m. and 5 p.m. at the following address:

### **M/s. Niche Technologies Private Limited.**

Contact Person: Mr. S. Abbas,  
 3A, Auckland Place, 7th Floor, Room No. 7A & 7B  
 Kolkata – 700 017,  
 Tel No.: (033) 2280- 6616/6617/6618, Fax No.: (033) 2280- 6619  
 Email: Email: nichetechpl@nichtechnpl.com,  
 Website: [www.nichtechnpl.com](http://www.nichtechnpl.com)

## 28. MANAGER TO THE BUYBACK OFFER



**Narnolia Financial Advisors Limited**  
 (Formerly Microsec Capital Limited)  
 201, 2nd Floor, Marble Arch  
 236B, A.J.C Bose Road, Kolkata – 700020  
 Tel. No : (033) 4050 1500  
 Fax : (033) 4050 1549  
 Email: mgoenka@narnolia.com  
 Website: www.narnolia.com  
 Contact Person: Mr. Manav Goenka  
 SEBI REGN NO: INM000010791

**29. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE OFFER DOCUMENT**

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accept full and final responsibility for the information contained in this Draft Letter of Offer and confirms that this Draft Letter of Offer contains true, factual and material information and does not contain any misleading information. A copy of this Draft Letter of Offer will be available on the SEBI's website [www.sebi.gov.in](http://www.sebi.gov.in) during the period of the Buyback.

**For and on behalf of the Board of Directors of  
M/s. Techno Electric & Engineering Company Limited**

<b>Sd/ Padam Prakash Gupta Managing Director DIN: 00055954</b>	<b>Sd/- Ankit Sariya Whole time Director DIN: 02771647</b>	<b>Sd/- Niranjan Brahma Company Secretary and Compliance M. No.: A11652</b>
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Date: December 21, 2018

Place: Kolkata

**Enclosures:**

1. Tender Form for Demat Shareholders
2. Tender Form for Physical Shareholders along with Form SH4

**ANNEXURE I - TENDER FORM FOR ELIGIBLE SHAREHOLDERS HOLDING DEMAT SHARES**

**TENDER FORM (FOR ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN DEMATERIALIZED FORM)**

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT  
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN DEMATERIALIZED FORM)**

Buyback Opens On:	Date:
Buyback Closed On:	Date:
For Registrar's Use	

<b>Route of investment (Only Non-Resident Eligible Shareholders are required to fill this)</b>	
<b>Portfolio investment scheme</b>	
<b>Foreign Direct Investment scheme</b>	
<b>Others</b>	

**Date:**

India Tax Residency Status: Please tick appropriate box

Resident in India  
In the country of residence
     
  Non Resident In India
     
  Resident of \_\_\_\_\_ (Eligible Shareholder to fill-

To,  
 Techno Electric & Engineering Company Ltd  
 C/o Niche Technologies Private Limited,  
 3A, Auckland Place, 7th Floor,  
 Room No. 7A & 7B, Kolkata – 700 017

Status: Please tick appropriate box					
<input type="checkbox"/>	Individual	<input type="checkbox"/>	Foreign Institutional Investors/ Foreign Portfolio Investors	<input type="checkbox"/>	Insurance Company
<input type="checkbox"/>	Foreign Company	<input type="checkbox"/>	Non-Resident Indian / OCB	<input type="checkbox"/>	FVCI
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank / Financial Institution	<input type="checkbox"/>	Pension / PF
<input type="checkbox"/>	VCF	<input type="checkbox"/>	Partnership / LLP	<input type="checkbox"/>	Others (specify)

Dear Sir/ Madam,

**Sub: Letter of Offer dated [●]to Buy back upto 26,82,400 (Twenty Six Lakhs Eighty Two Thousand Four Hundred Only) Equity Shares of Techno Electric & Engineering Company Ltd (the "Company") at a price of Rs. 410/- (Rupees four hundred ten only) per Equity Share (the "Buyback Offer Price") payable in cash**

1. I / We having read and understood the Letter of Offer issued by the Company, hereby tender / offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
2. I / We authorize the Company to buyback the Equity Shares offered (as mentioned above) and to issue instruction(s) to the Registrar to the Buyback to extinguish such Equity Shares.
3. I / We hereby affirm that the Equity Shares comprised in this Tender Offer are offered for Buyback by me / us are free from all liens, pledges, equitable interest, charges and encumbrance.
4. I / We declare that there are no restraints / injunctions, or other order(s) / covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback and that I am/ We are legally entitled to tender/ offer the Equity Shares for Buyback.
5. I / We agree that the Company will pay the Buyback Price only after due verification of the validity of documents and that the consideration will be paid as per the secondary market mechanism.
6. I / We acknowledge that the responsibility to discharge the tax due on any gains arising on Buyback is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians / authorized dealers / tax advisors appropriately.
7. I / We undertake to indemnify the Company, if any tax demand is raised on the Company, on account of gains arising to me / us on Buyback of shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on Buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid, etc.
8. I / We agree that the excess demat Equity Shares or unaccepted demat Equity Shares tendered, if any, may be delivered/returned to the Selling Member by the Clearing Corporation in payout.
9. I / We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
10. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act, SEBI Buyback Regulations and any other applicable laws.
11. Details of Equity Shares held and tendered / offered for Buy-back:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (January 03, 2019)		
Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement)		
Number of Equity Shares offered for Buyback (including Additional Shares, if Any)		

**Note:** An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with Paragraph 19 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

12. Applicable for all Non-Resident shareholders.

- I / We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999, as amended (the "FEMA Regulations") and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

Tear along this line \_\_\_\_\_

**ACKNOWLEDGMENT SLIP: TECHNO ELECTRIC & ENGINEERING COMPANY LTD BUYBACK OFFER 2018**

*(To be filled by the Equity Shareholder) (Subject to verification)*

DP ID	Client ID		
Received from Mr./Ms./Mrs.			
<b>Form of Acceptance-cum-Acknowledgement, Original TRS along with:</b>			
No. of Equity Shares offered for Buyback (In Figures)		(in words)	
Please quote Client ID No. & DP ID No. for all future correspondence		Stamp	



- 13 Non-resident shareholders (including NRIs, OCBs and FIIs) are requested to 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. “Techno Electric & Engineering Company Ltd” and the price at which the Equity Shares are being transferred i.e. “Price determined in accordance with the SEBI Buyback Regulations” duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the Power of Attorney.
- 14 Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)		NSDL		CDSL
Name of the Depository Participant				
DP ID No.				
Client ID No. with the DP				

- 15 Equity Shareholders Details:

Particulars	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) Of the Holder(s)				
Signature(s)*				
PAN No.				
Address of the Sole/First Equity Shareholder				
Telephone No. of Sole/First Equity Shareholder		Email ID of Sole/First Equity Shareholder		

\* Corporate Accounts – Authorised signatories to sign & affix Company’s rubber stamp. The relevant corporate authorization should be enclosed with the application form submitted.

**Instructions:**

**This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form**

- This Offer will open on [●] and close on [●]
- This Tender form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Eligible Shareholders who desire to tender their equity shares in the dematerialized form under the Buyback would have to do so through their respective Shareholder’s Broker by indicating the details of equity shares they intend to tender under the Buyback.
- Shareholders may submit their duly filled Tender Form to the Office of Registrar to the Buyback (as mentioned in Paragraph 20.17 of the Letter of Offer) only post placing the bid via the Seller Member.
- In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company, as the registered shareholder is still incomplete, then such entity along with the Tender Form should file a copy of the following documents:
  - Approval from the appropriate authority for such merger;
  - The scheme of merger; and
  - The requisite form filed with MCA, intimating the merger.
- The Buyback shall be rejected for demat shareholders in case of receipt of the completed Tender Form and other documents but non-receipt of Shares in the special account of the Clearing Corporation or non-receipt of valid bid in the exchange bidding system.**
- The shares in the Offer shall be rejected if the tenderer is not an Eligible Shareholder of the Company as on the Record date or if there is a name mismatch in the demat account of the Shareholder or if the Eligible Shareholder has made a duplicate bid.
- An unregistered shareholder may also tender his Equity Shares for Buyback by submitting the duly executed transfer deed for transfer of shares, purchased prior to Record Date, in his name, along with the Tender Form, copy of his PAN card and of the person from whom he has purchased shares and other relevant documents as required for transfer, if any.
- The Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback, as may be decided by the Company / Registrar to the Buyback, in accordance with the SEBI Buyback Regulations.
- All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

11. By agreeing to participate in the Buyback, the NR and NRI shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
12. **The Tender Form and TRS is not required to be submitted to the Company, Manager to the Buyback or the Registrar, in case tendered in demat form. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.**

*All capitalised items not defined herein shall have the meaning ascribed to them in the Letter of Offer.*

-----Tear along this line-----**ALL FUTURE**  
**CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK AT**  
**THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID AND DP ID:**  
**Investor Service Centre: Techno Electric & Engineering Company Ltd Buyback Offer 2018**  
Niche Technologies Private Limited  
3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata – 700 017  
**Contact Person:** Mr. S. Abbas  
**Tel:** (033) 2280- 6616/6617/6618; **Fax:** (033) 2280- 6619; **E-mail:** nichetechpl@nichetechpl.com  
**Website:** www.nichetechpl.com; **SEBI Registration Number:** INR000003290  
**CIN:** U74140WB1994PTC062636

**ANNEXURE I - TENDER FORM FOR ELIGIBLE SHAREHOLDERS HOLDING PHYSICAL SHARES**

**TENDER FORM (FOR ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM)**

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT  
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)**

Buyback Opens On:	Date:
Buyback Closed On:	Date:
For Registrar's Use	

Route of investment (Only Non-Resident Eligible Shareholders are required to fill this)	
Portfolio investment scheme	
Foreign Direct Investment scheme	
Others	

**Date:**

India Tax Residency Status: Please tick appropriate box

Resident in India (the country of residence)     
  Non Resident In India     
  Resident of \_\_\_\_\_ (Eligible Shareholder to fill-in)

To,  
 Techno Electric & Engineering Company Ltd  
 C/o Niche Technologies Private Limited,  
 3A, Auckland Place, 7th Floor,  
 Room No. 7A & 7B, Kolkata – 700 017

Status: Please tick appropriate box					
<input type="checkbox"/>	Individual	<input type="checkbox"/>	Foreign Institutional Investors/ Foreign Portfolio Investors	<input type="checkbox"/>	Insurance Company
<input type="checkbox"/>	Foreign Company	<input type="checkbox"/>	Non-Resident Indian / OCB	<input type="checkbox"/>	FVCI
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank / Financial Institution	<input type="checkbox"/>	Pension / PF
<input type="checkbox"/>	VCF	<input type="checkbox"/>	Partnership / LLP	<input type="checkbox"/>	Others (specify)

Dear Sir/ Madam,

**Sub: Letter of Offer dated [●]to Buy back upto 26,82,400 (Twenty Six Lakhs Eighty Two Thousand Four Hundred Only) Equity Shares of Techno Electric & Engineering Company Ltd (the "Company") at a price of Rs. 410/- (Rupees four hundred ten only) per Equity Share (the "Buyback Offer Price") payable in cash**

1. I / We (having read and understood the Letter of Offer issued by the Company, hereby tender / Offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
2. I/ We authorize the Company to Buyback the Equity Shares offered (as mentioned above) and to issue instruction(s) to extinguish such Equity Shares.

3. I/ We hereby affirm that the Equity Shares comprised in this Tender Offer are offered for Buyback by me/us are free from all liens, pledges, equitable interest, charges and encumbrance.
4. I/ We declare that there are no restraints/ injunctions, or other order(s) / covenants of any nature which limits/ restricts in any manner my/ our right to tender Equity Shares for Buyback and that I am/ We are legally entitled to tender/ offer the Equity Shares for Buyback.
5. I/ We acknowledge that the responsibility to discharge the tax due on any gains arising on Buyback is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians / authorized dealers / tax advisors appropriately.
6. I/We undertake to indemnify the Company if any tax demand is raised on the Company, on account of gains arising to me/us on Buyback of shares. I/We also undertake to provide the Company, the relevant details in respect of the taxability/non-taxability of the proceeds arising on Buyback of shares by the Company, copy of tax return filed in India, evidence of tax paid, etc.
7. I/ We agree that the Company, is not obliged to accept any Equity Shares offered for Buyback where loss of share certificates has been notified to the Company.
8. I/ We agree that the Company will pay the Buyback Offer Price only after due verification of the validity of the documents and that the consideration may be paid to the first named Eligible Shareholder as per SEBI notified secondary market mechanism.
9. I/ We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
10. I/ We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by Company to effect the Buyback in accordance with the Companies Act, SEBI Buyback Regulations and any other applicable laws.
11. I/ We authorize the Company to split the Share Certificate and issue new consolidated Share Certificate for the unaccepted Equity Shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback.
12. Details of Equity Shares held and tendered / offered for Buy-back:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (January 03, 2019)		
Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement)		
Number of Equity Shares offered for Buyback (including Additional Shares, if Any)		

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with paragraph 19 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

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**ACKNOWLEDGMENT SLIP: TECHNO ELECTRIC & ENGINEERING COMPANY LTD BUYBACK OFFER 2018**

*(To be filled by the Equity Shareholder) (Subject to verification)*

DP ID	Client ID
Received from Mr./Ms./Mrs.	
<b>Form of Acceptance-cum-Acknowledgement, Original TRS along with:</b>	
No. of Equity Shares offered for Buyback (In Figures)	(in words)
Please quote Folio No. for all future correspondence	Stamp

13. Details of Share Certificate(s) enclosed:      Total No. of Share Certificates Submitted:

Sr. No	Folio No.	Share Certificate No.	Distinctive No(s)		No. of Shares
			From	To	
1.					
2.					
3.					
Total					

*In case the number of folios and share certificates enclosed exceed 3 nos., please attach a separate sheet giving details in the same format as above*

14. Details of other Documents (Please V as appropriate, if applicable) enclosed:

Power of Attorney	Previous RBI approvals for acquiring the Equity Shares of Techno Electric & Engineering Company Ltd hereby tendered in the Buyback
Death Certificate	Succession Certificate
Self-attested copy of PAN Card	Corporate authorisations
TRS	Others (please specify)

15. Applicable for all Non-resident shareholders

I / We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999, as amended (the "FEMA Regulations") and the rules and regulations framed thereunder, for tendering Equity Shares in the Buyback and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

16. Equity Shareholders Details:

Particulars	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) Of the Holder(s)				
Signature(s)*				
PAN No.				
Address of the Sole/First Equity Shareholder				
Telephone No. of Sole/First Equity Shareholder		Email ID of Sole/First Equity Shareholder		

*\*Corporate Accounts – Authorised signatories to sign & affix Company's rubber stamp. The relevant corporate authorization should be enclosed with the application form submitted. The relevant corporate authorization should be enclosed with the application form submitted.*

**Instructions:**

**This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form**

1. This Offer will open on [●] and close on [●].
2. Eligible Shareholders who wish to tender their Equity Shares in response to this Buyback should submit the following documents to their Broker, who in turn would deliver the said documents along with the Transaction Registration Slip (TRS) to the Registrar not later than two days from the Buyback Closing Date i.e. [●] by 5 p.m. The documents should be sent to the Registrar only after the placement of a valid bid; non-submission of the below mentioned documents directly to the Registrar shall result in the rejection of the tendered Equity Shares
  - I. The Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares.
  - II. Original share certificates
  - III. Valid share transfer form(s) (SH-4) 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 duly witnessed at the appropriate place authorizing the transfer in favor of the Company
  - IV. Self-attested copy of the Shareholder's PAN Card (all holders)
  - V. Any other relevant documents such as (but not limited to):
    - Duly attested Power of Attorney if any person other than the Equity Shareholder has signed the relevant Tender Form
    - Notarized copy of death certificate and succession certificate or probated will, as applicable, if the original Shareholder is deceased
    - Necessary corporate authorisations, such as Board Resolutions etc., in case of companies
  - VI. In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the 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.
3. In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form file a copy of the following documents:
  - I. Approval from the appropriate authority for such merger;
  - II. The scheme of merger; and
  - III. The requisite form filed with MCA intimating the merger.
4. Eligible Shareholders to whom the Buyback Offer is made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding the number of Shares held by them as on Record Date.
5. All documents / remittances sent by or to Eligible Shareholders will be at their own risk and the Eligible Shareholders are advised to adequately safeguard their interests in this regard.
6. For procedure followed by Eligible Shareholders for tendering shares in the buyback, please refer to Paragraph [●] of the Letter of Offer.
7. In case of non-receipt of the Letter of Offer, Eligible Shareholders may participate in the Buyback by providing their application in plain paper in writing signed by such shareholder (in case jointly held, then signed by all shareholders), stating name, address, folio number of shares held, Client ID number, DP name, DP ID number, number of Equity Shares tendered and other relevant documents as detailed in "Procedure to be followed by Eligible Shareholders holding Physical Shares" on page [●] of the Letter of Offer. Eligible Shareholders to whom the Offer is made are free to tender shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding their holding as on Record Date.
8. All documents as mentioned above shall be enclosed with the valid Tender Form otherwise the shares will be liable for rejection. The shares shall be liable for rejection on the following grounds amongst others:
  - a) If any other company share certificates are enclosed with the Tender Form instead of the share certificate of the Company;
  - b) Non-submission of Notarized copy of death certificate and succession certificate / probated/Will, as applicable in case any Eligible Shareholder is deceased.
  - c) If the Eligible Shareholder(s) bid the shares but the Registrar does not receive the share certificate;
  - d) In case the signature in the Tender Form and Form SH-4 doesn't match as per the specimen signature recorded with Company / Registrar.
  - e) If necessary corporate authorizations under official stamp are not accompanied with tender form
9. By agreeing to participate in the Buyback the NR and NRI shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
10. The Equity Shares tendered in the buyback shall be rejected if (i) the Shareholder is not a Eligible Shareholder of the Company on the Record Date; (ii) if there is a name mismatch in the share certificate of the Shareholder; or (iii) the documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of [●] by 5:00 p.m.

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**ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID AND DP ID:**

**Investor Service Centre: Techno Electric & Engineering Company Ltd Buyback Offer 2018**

Niche Technologies Private Limited

3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata – 700 017

**Contact Person:** Mr. S. Abbas

**Tel:** (033) 2280- 6616/6617/6618; **Fax:** (033) 2280- 6619; **E-mail:** nichetechpl@nichetechpl.com

**Website:** www.nichetechpl.com; **SEBI Registration Number:** INR000003290

**CIN:** U74140WB1994PTC062636