

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is sent to you as a public equity shareholder(s) of Phoenix Lamps Limited. If you require any clarification about action to be taken, you may consult your stockbroker or investment consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your equity shares in Phoenix Lamps Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-acknowledgement and Transfer Deed (s) to the member of the stock exchange through whom the said sale was effected.

OPEN OFFER BY

SUPRAJIT ENGINEERING LIMITED (hereinafter referred as "Acquirer" or "SEL")

having registered office at No.100, Bommasandra Industrial Area, Bangalore, Karnataka - 560099,

Ph: 91 80-27833827/28; Fax: 91 80-27833279; Email:investors@suprajit.com; website: suprajit.com

to acquire 72,85,018 Equity Shares of Rs.10/- each, representing in aggregate 26% of Issued and Subscribed Capital and Voting Capital of

PHOENIX LAMPS LIMITED

(herein after referred as "Target Company" or "PLL")

having registered office at: 59 - A, Noida Special Economic Zone Phase II Gautam Budh Nagar, Noida, Uttar Pradesh - 201305

Tel: 91 120 4012222; **Fax:** 91 120 2562943; **Email:** investor.relations@phoenixlamps.co.in; **Website:** www.phoenixlamps.co.in

at a price of Rs.100/- (Rupees One Hundred only) per fully paid-up equity share of face value of Rs.10/- each, payable in cash, pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof [**SEBI (SAST) Regulations, 2011**]

- This Offer is being made by the Acquirer pursuant to Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 for substantial acquisition of shares/voting rights accompanied with change in control and management of the Target Company.
- This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations,
- To the best of the knowledge of the Acquirer, there are no statutory approvals required for the purpose of this Offer. If any statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such statutory approvals
- **This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011**
- **If there are competing offers, the public offers under all the subsisting bids shall open and close on the same date. As per the information available with the Acquirer/ Target Company, no competitive bid has been announced as of the date of this Draft Letter of Offer.**
- Upward revision/withdrawal, if any, of the Open Offer would be informed by way of a public announcement in the same newspapers where the original Detailed Public Statement ("DPS") has appeared. The Acquirer is permitted to revise the Open Offer Price upwards only at any time prior to the last three working days before the commencement of the tendering period i.e. up to 17th June, 2015. Such revised Open Offer Price would be payable for all the Shares validly tendered anytime during the tendering period of the Open Offer.
- A copy of the Public Announcement, DPS and this Draft Letter of Offer (including Form of Acceptance cum Acknowledgment) are also available on SEBI's website www.sebi.gov.in

MANAGER TO THE OFFER

REGISTRAR TO THE OFFER



Karvy Investor Services Limited

46, Avenue 4, Street No.1, Banjara Hills,

Hyderabad-500 034,

Telangana, India.

Ph.: 91 40 2342 8774/2331 2454

Fax: 91 40 2337 4714

Email: cmg@karvy.com

Investor Grievance email id :igmbd@karvy.com

Website: www.karvy.com

Contact Person: Mr. V Madhusudhan Rao

SEBI Registration No: INM000008365



Karvy Computershare Private Limited

Karvy Selenium Tower B,

Plot No.31 & 32, Gachibowli Financial District,

Nanakramguda, Hyderabad - 500 032,

Telangana, India

Telephone: 91 40 6716 2222

Fax : 91 40 2300 1153

Toll Free No: 1800-345-4001

Email: murali.m@karvy.com;

Website: www.karvy.com

Contact Person: Mr. M.Muralikrishna

SEBI Registration No: INR000000221

OFFER OPENS ON: Monday, 22nd June 2015

OFFER CLOSES ON: Friday, 3rd July 2015

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Nature of the Activity	Date	Day
Date of Public Announcement	6 th May 2015	Wednesday
Publication of Detailed Public Statement in newspapers	13 th May 2015	Wednesday
Filing of draft letter of offer with SEBI along with soft copies of Public Announcement and detailed Public Statement	18 th May 2015	Monday
Last date for a competing offer	3 rd June 2015	Wednesday
Last date for receipt of comments from SEBI on the draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Offer)	8 th June 2015	Monday
Identified Date*	8 th June 2015	Monday
Last date for dispatch of the Letter of Offer to the public shareholders of the Target Company as on the identified Date	17 th June 2015	Wednesday
Last date for upward revision of the Offer Price and / or the Offer Size	17 th June 2015	Wednesday
Last date by which the recommendation of the committee of independent directors of the Target Company will be published.	18 th June 2015	Thursday
Date of public announcement for opening of the Offer in the newspapers where the DPS has been published.	19 th June 2015	Friday
Date of Commencement of tendering period	22 nd June 2015	Monday
Date of Closing of tendering period	3 rd July 2015	Friday
Last date of communicating rejection/acceptance and payment of consideration for accepted Equity Shares and /or Equity Shares Certificate /demat delivery instruction for rejected Equity Shares will be dispatched /issued.	17 th July 2015	Friday

() Identified date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All shareholders (registered or unregistered) of equity shares of the Target Company (except Acquirer and Sellers) are eligible to participate in the Offer any time before the closure of the Offer.*

Note: Duly signed Form of Acceptance-cum-Acknowledgment/transfer deed(s) together with share certificate(s) (in case of physical shares) or copies of delivery instruction slips (in case of dematerialized shares) should be dispatched by registered post/courier or hand delivered to the Registrar to the Offer so as to reach on or before Closure of the Tendering Period (i.e. before 5 PM on 3rd July, 2015).

RISK FACTORS

RISKS RELATED TO THE TRANSACTION, THE OPEN OFFER AND THE PROBABLE RISK INVOLVED IN ASSOCIATING WITH THE ACQUIRER

RISK RELATED TO THE TRANSACTION

1. The acquisition of shares of the Target Company by the Acquirer from the Sellers as part of the transaction pursuant to the SPA, underlying the Open Offer, is subject to the fulfilment or waiver of certain conditions agreed between the Acquirer and the Sellers in the SPA, as outlined in Part 3 – Details of the Offer - paragraph 3.1.7 (b) herein below.

RISK RELATED TO THE OFFER

1. The Offer involves an offer to acquire up to 26% of the Issued, Subscribed Capital and Voting Capital of PLL. In the case of oversubscription in the Offer, as per the SEBI (SAST) Regulations, 2011 acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
2. In the event that (a) there is any litigation leading to a “stay” of the Offer, or (b) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this draft Letter of Offer. Consequently, the payment of consideration to the shareholders of the Target Company whose shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirer may be delayed.
3. Shareholders should note that shareholders who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance during the tendering period even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.
4. The Shares tendered in the Offer will be held in trust by the Registrar until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of the Target Company. Accordingly, the Acquirer makes no assurance with respect to the market price of the shares both during the tendering period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any shareholder of the Target Company on whether to participate or not to participate in the Offer.
5. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOF)/ Detailed Public Statement (DPS)/Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

RISK IN ASSOCIATION WITH THE ACQUIRER

1. The Acquirer makes no assurance with respect to the financial performance of the Target Company and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.
2. The Acquirer makes no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
3. The Acquirer does not provide any assurance with respect to the market price of the equity shares of the Target Company before, during or after the Offer.

The risk factors set forth above, pertain to the transaction, the Offer and associating with the Acquirer, and are not in relation to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any, for analyzing all the risks with respect to their participation in the Offer.

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1. DEFINITIONS AND ABBREVIATIONS

Acquirer/SEL	Suprajit Engineering Limited
Book Value	Book Value of each Equity Share as on the date referred to
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act	The Companies Act, 1956, as amended and the Companies Act, 2013, as amended, as the case may be
Detailed Public Statement or DPS	Detailed Public Statement of the Open Offer made by the Acquirer, which appeared in the newspapers on May 13, 2015.
Depository Escrow a/c	The depository account opened by the Registrar to the Offer with Karvy Stock Broking Limited. The DP ID is IN300394 and the beneficiary client ID is 19086434
Depositories	CDSL and NSDL
DIN	Director Identification Number
DP	Depository Participant
Draft Letter of Offer/DLOF	This Draft Letter of Offer dated 16 th May, 2015
Eligible Person(s) / Eligible Shareholder(s) for the Offer/Public Shareholders	All shareholders / beneficial owners (registered or otherwise) of the shares of the Target Company except the Acquirer and the Sellers.
EPS	Earnings per Equity Share
Escrow Bank	Citibank NA., Fort, Mumbai – 400 001
Escrow Demat Account	The depository account opened by the Registrar to the Offer with Karvy Stock Broking Limited, for receiving equity shares during the Open Offer from eligible persons Shareholders who hold equity shares in demat form.
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time.
FII	Foreign Institutional Investor registered with SEBI
Form of Acceptance/FOA	Form of Acceptance cum Acknowledgement
Identified Date	Date for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent.
Karvy Investor Services Limited/KISL/Manager to the Offer/MB/Merchant Banker	Karvy Investor Services Limited, the Merchant Banker appointed by the Acquirer pursuant to Regulation 12 of the SEBI (SAST) Regulations, 2011 having registered office at 46, Avenue 4, Street No.1, Banjara Hills Hyderabad - 500 034, Telangana, India.
Phoenix Lamps Limited / PLL / Target Company	A company incorporated under the Companies Act, 1956 and having its registered office at 59 – A, Noida Special Economic Zone Phase II Gautam Budh Nagar, Noida, Uttar Pradesh – 201 305
NAV	Net Asset Value per Equity Share
Negotiated Price	Rs. 89/- (Rupees Eighty Nine only) per fully paid-up Equity Share of face value of Rs.10/- each.
NEFT	National Electronic Funds Transfer
NRI	Non Resident Indians and Persons of Indian origin residing abroad
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
Offer /Open Offer	This Open Offer, being made by the Acquirer to the public shareholders of the Target Company (other than parties to the SPA,) to acquire upto 72,85,018 fully paid-up equity shares of face value of Rs.10/- each, constituting 26% of the issued and subscribed share capital and voting capital of the Target Company.

Offer Price	Rs.100/- (Rupees one hundred only) per fully paid up equity share of Rs.10/- each.
PA /Public Announcement	Public Announcement of the Open Offer issued by the Manager to the Offer, on behalf of the Acquirer on May 6, 2015.
Persons eligible to participate in the Offer	Registered, unregistered shareholders of Phoenix Lamps Limited, other than the parties to the SPA.
PAN	Permanent Account Number
PAT	Profit after Tax
PBDIT	Profit Before Depreciation, Interest and Tax
PBT	Profit Before Tax
RBI	Reserve Bank of India.
Registrar/ Registrar to the Offer/ RTA	Karvy Computershare Private Limited
Regulations / SEBI (SAST) Regulations, 2011/ SAST Regulations/ Takeover Code	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof.
Rs. or Rupees	Indian Rupees.
RTGS	Real Time Gross Settlement.
SCRR	Securities Contract (Regulations) Rules, 1957 and subsequent amendments thereto.
SEBI	Securities & Exchange Board of India
SEBI Act	Securities & Exchange Board of India Act, 1992
SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof
Seller 1	Argon India Limited, Les Cascades, Edith Cavell Street, Port Louis, Mauritius
Seller 2	Argon South Asia Limited, Les Cascades, Edith Cavell Street, Port Louis, Mauritius
Share(s)	Equity Shares of Rs.10/- (Rupee Ten only) each of the Target Company
SPA / Share Purchase Agreement	Share Purchase Agreement dated May 6, 2015 entered amongst the Acquirer, Sellers and Target Company.
Tendering period	Period within which shareholders may tender their shares in acceptance of this open offer i.e. from 22 nd June, 2015 to 3 rd July 2015
Working Day	A working day of SEBI at Mumbai

Note: All terms beginning with a capital letter used in this Draft Letter of Offer, but not otherwise defined herein, shall have the meaning ascribed thereto in the Regulations unless specified.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS, 2011. THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF PHOENEX LAMPS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR FOR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, KARVY INVESTOR SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 16, 2015 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1 Background to the Offer

- 3.1.1 On May 6, 2015, the Acquirer has entered into a Share Purchase Agreement (“SPA”) with Argon India Limited and Argon South Asia Limited, the promoters of the Target Company (the “Sellers”), whereby the Acquirer has agreed to acquire in the first instance, 1,42,89,843 equity shares of face value Rs.10/- each of the Target Company (“**First Tranche Acquisition**”), which constitutes 51.00% of the total issued and subscribed equity share capital and voting capital of the Target Company as on May 6, 2015.
- 3.1.2 The Acquirer has also agreed that in the event that the number of equity shares validly tendered and accepted in the Offer is less than 67,24,632 equity shares (24% of the total issued equity share capital of the Target Company), then subject to receipt or waiver (as envisaged in the SPA) of necessary statutory approval, the Acquirer would upon the completion of 5 business days from the expiry of the offer period or waiver (as envisaged in the SPA) of necessary statutory approval, as applicable, further acquire from the Sellers up to 30,47,312 equity shares (“**Second Tranche Acquisition**”), constituting 10.88% of the total issued and subscribed equity share capital and voting capital of the Target Company as on May 06, 2015, to the extent that the Second Tranche Acquisition does not cause the total number of equity shares held by the Acquirer, including equity shares acquired pursuant to the Offer, to exceed the maximum promoter holding in the Target Company as prescribed in the SCRR. Notwithstanding the aforesaid, in the event that the offer period has not completed by the fifth business day prior to October 15, 2015, the Acquirer has agreed to complete the Second Tranche Acquisition, subject to receipt or waiver (as envisaged in the SPA) of necessary statutory approval, by acquiring the remaining 30,47,312 equity shares held by the Sellers on October 15, 2015.
- 3.1.3 Both the First Tranche Acquisition and the Second Tranche Acquisition have been agreed to be completed at a price of Rs. 89/- (Rupees Eighty Nine only) per fully paid up equity share (“**Negotiated Price**”), and the aggregate consideration for the First Tranche Acquisition is Rs. 127,17,96,027/- (Rupees One Hundred and Twenty Seven Crores Seventeen Lakhs Ninety Six Thousand and Twenty Seven only) (“**Purchase**

Consideration") payable in cash. The aggregate consideration for the Second Tranche Acquisition will be calculated upon finalization of the number of equity shares of the Target Company to be acquired by the Acquirer as part of the Second Tranche Acquisition.

- 3.1.4 Pursuant to the entering into of the abovementioned SPA, this Offer is being made by the Acquirer, under Regulation 3(1) and 4 of SEBI (SAST) Regulations, 2011.
- 3.1.5 Upon expiry of twenty-one working days from the date of the DPS, and subject to fulfillment or waiver (as envisaged in the SPA) of the conditions specified in the SPA, the Acquirer shall in accordance with Regulation 22(2) of the SEBI (SAST) Regulations, 2011, complete the First Tranche Acquisition, following which the Acquirer shall become the Promoter of the Target Company, and the Sellers shall cease to be Promoters of the Target Company. At the completion of the First Tranche Acquisition, the Sellers shall procure that Mr. Ganapati Rathinam and Mr. Shomik Mukherjee resign from the board of directors of the Target Company, Mr. Pranay D. Gandhi resigns as Managing Director and Director of the Target Company and the Acquirer's nominees are appointed to the board of directors of the Target Company.
- 3.1.6 Pursuant to the First Tranche Acquisition, the Acquirer will hold the majority of the equity shares by virtue of which it will be in a position to exercise effective management and control over the Target Company.
- 3.1.7 A summary of some of the salient features of the Share Purchase Agreement, which are all subject to detailed terms in the Share Purchase Agreement, is as follows:
- a) The purchase price payable shall be Rs. 89/- (Rupees Eighty Nine only) per equity share held by each of the Sellers.
 - b) The sale and purchase of the equity shares under the First Tranche Acquisition and Second Tranche Acquisition shall be completed subject to the fulfillment or waiver of the following conditions agreed between the Acquirer and the Sellers in the SPA:
 - (i) The Acquirer having received approval, if required, from the Reserve Bank of India for the acquisition of shares under the First Tranche Acquisition as well as Second Tranche Acquisition from the Sellers under the SPA at the Negotiated Price either unconditionally or on terms reasonably satisfactory to the Sellers and the Acquirer.
 - (ii) The Company having published its audited financial statements for the financial year commencing on 1 April 2014 and ending on 31 March 2015.
 - (iii) Necessary consents having been obtained from Axis Bank Limited and Corporation Bank, lenders to the Target Company, under the terms of borrowing facilities availed by the Target Company, in respect of the consequent change in management of the Company and the divestiture by the Sellers in the Company.
- Provided that approval at (i) above may be waived between the Sellers and the Acquirer in the manner provided in the SPA, and the other conditions may be waived by the Acquirer at its discretion.
- c) If the offer period has not expired (in terms of Regulation 2(p) of the SEBI (SAST) Regulations, 2011) by the fifth business day prior to October 15, 2015, then notwithstanding non-completion of the Offer and provided that the condition for the Second Tranche Acquisition has been fulfilled or waived (in terms of the SPA), the Acquirer shall complete the Second Tranche Acquisition by acquiring 30,47,312 equity shares held by the Sellers on October 15, 2015.
 - d) The Sellers shall use their best endeavours to procure, insofar as it is within their power, influence and control and legally able, as majority shareholders of the Company that the Target Company shall not (except with the Acquirer's written consent) take certain actions between the date of execution of the SPA and the date of completion of the First Tranche Acquisition, including in relation to, incurring any capital expenditure in excess of the amount specified in the SPA, settling or commencing any litigation where the liabilities are in excess of the amount specified in the SPA, terminating or changing employment terms of

specified key employees; and employing or making offers of employment to persons for positions occupied by specified key employees.

- e) The Sellers are under an obligation to procure that the Sellers and their affiliates, through their respective officers and employees, provide the Acquirer with reasonable assistance towards ensuring a smooth transition of the management of the Target Company for a period of 18 weeks following the date of completion of the First Tranche Acquisition.
 - f) The SPA contains mutual customary representations and warranties between the Acquirer and the Sellers, including in relation to valid incorporation, authority, share capital and compliance with applicable laws.
- 3.1.8 The Offer is a mandatory offer in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations pursuant to the execution of the Share Purchase Agreement, in terms of which the Acquirer has agreed to acquire more than 25% (twenty five per cent) of the Voting Share Capital of the Target Company accompanied with a change in control of the Target Company.
- 3.1.9 The Acquirer does not hold any Equity Shares in the Target Company as on date
- 3.1.10 There is no separate arrangement for the proposed change in control of the Target Company except for the terms as mentioned in SPA.
- 3.1.11 Neither the Acquirer nor the Sellers have been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.
- 3.1.12 The Acquirer may, after completion of the First Tranche Acquisition and in compliance with the first proviso to Regulation 24(1) of the SEBI (SAST) Regulations, reconstitute the board of directors of the Target Company by appointing its representatives, as it may deem fit. As on date, the Acquirer has not decided on the names of persons who may be appointed on the Board of Directors of the Target Company pursuant to the First Tranche Acquisition.
- 3.1.13 As per Regulation 26(6) and 26(7) of SEBI (SAST) Regulations, 2011, the Board of Directors of the Target Company upon receipt of the DPS is required to constitute a committee of its independent directors to provide written reasoned recommendations on the Open Offer to the Shareholders and such recommendations shall be published at least two Working Days prior to the commencement of the Tendering Period i.e., on June 18, 2015 in the same newspapers where the DPS was published and simultaneously a copy of such recommendation is required to be sent to SEBI, BSE, NSE and to the Manager to the Open Offer.

3.2 Details of the Proposed Offer

- 3.2.1 A Detailed Public Statement as per Regulation 14(3) of SEBI (SAST) Regulations, 2011 was made in the following Newspapers, on May 13, 2015:

Name of the Newspaper	Language	Edition
Financial Express	English	All Editions
Janasatta	Hindi	All Editions
Loksatta	Marathi	Mumbai

- 3.2.2 A copy of the Detailed Public Statement for the Open Offer is also available on the SEBI website (www.sebi.gov.in)
- 3.2.3 The Acquirer is making an Offer in terms of Regulation 3(1) and 4 of the SEBI (SAST) Regulations, 2011, to acquire 72,85,018 (**Seventy Two Lakhs Eighty Five Thousand and eighteen**) equity shares of Rs 10/- each fully paid up representing **26.00%** of the share/voting capital of "PLL" at a price of Rs.100/- (Rupees

One Hundred only) per fully paid up equity share ("**Offer Price**") payable in cash, from the public shareholders of Target Company other than the Acquirer and the parties to the Share Purchase Agreement including persons deemed to be acting in concert with such parties, and subject to the terms and conditions set out in the Public Announcement, Detailed Public Statement and this Draft Letter of Offer.

- 3.2.4 The Acquirer has not acquired any shares of the Target Company after the date of Public Announcement upto the date of this Draft Letter of Offer.
- 3.2.5 This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011 and there is no competing offer.
- 3.2.6 The Open Offer is unconditional and not subject to any minimum level of acceptance from the shareholders of the Target Company, in terms of Regulation 19(1) of the SEBI (SAST) Regulations, 2011.
- 3.2.7 There are no Persons acting in Concert in relation to this Offer and the equity shares tendered and accepted pursuant to the Offer will be acquired by the Acquirer only.
- 3.2.8 The Manager to the Offer, Karvy Investor Services Limited does not hold any Equity Shares in the Target Company as at the date of PA. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.
- 3.2.9 The Equity Shares of the Target Company acquired by the Acquirer shall be free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.10 Pursuant to the transaction contemplated under the SPA and completion of the Open Offer, if the public shareholding of the Target Company falls below minimum level of public shareholding specified under Rule 19A of the **SCRR**, for the purpose of listing on continuous basis, leading to the Target Company being in non-compliance with Clause 40A of the Listing Agreement read with Rule 19A of the SCRR, the Acquirer undertakes that its shareholding in the Target Company will be reduced, within the time period specified in the SCRR, such that the Target Company complies with the required minimum level of public shareholding.

3.3 Object of the Acquisition

- 3.3.1 The Offer to the Shareholders of PLL is for the purpose of acquiring up to 26% of Issued and Subscribed capital and Voting Capital of the Target Company. After the completion of the First Tranche Acquisition, the Acquirer shall hold the majority of Equity Shares by virtue of which it will be in a position to exercise effective management and control over the Target Company.
- 3.3.2 The object of acquisition is to acquire substantial shares/voting rights accompanied with change in management and control of the Target Company. The Acquirer reserves the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders. Any change in the structure that may be carried out, will be in accordance with the laws applicable. The Acquirer may reorganize and/or streamline various businesses for commercial reasons and operational efficiencies.
- 3.3.3 The Acquirer has no plans to alienate any significant assets of the Target Company for a period of two years except in the ordinary course of business of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of Regulation 25(2) of SEBI (SAST) Regulations, 2011.

4 BACKGROUND OF THE ACQUIRER

- 4.1.1 The Offer is being made by Suprajit Engineering Limited (CIN: L29199KA1985PLC006934).
- 4.1.2 Suprajit Engineering Limited was incorporated under the provisions of the Companies Act, 1956 on May 24, 1985 as "Suprajit Engineering Private Limited" with the Registrar of Companies, Karnataka, Bangalore. The name of the Acquirer was changed to "Suprajit Engineering Limited" and a fresh Certificate of Incorporation consequent on change of name was issued on June 15, 1995. At present the Registered Office of SEL is located at: No.100, Bommasandra Industrial Area, Bangalore, Karnataka-560099; Tel: 91 80 27833827/28; Fax: 91 80 27833279; Email: investors@suprajit.com; website: www.suprajit.com.
- SEL is engaged in producing a variety of control cables catering to a wide spectrum of automotive and non-automotive cable requirements. SEL produces an exhaustive range of mechanical control cables for motorcycles, cars, commercial vehicles and various non-automotive cables. It also specializes in the production of instruments, speedometers and many other parts. SEL also manufactures cables for exports through its 100% export oriented subsidiary, Suprajit Automotive Private Limited.
- 4.1.3 The Acquirer does not belong to any group and there is no person acting in concert with the Acquirer for the present offer.
- 4.1.4 As on the date of this DPS the Authorized Share Capital of SEL is Rs. 1,500.00 Lakhs comprising of 15,00,00,000 equity shares of Re. 1/- each. The Issue, Subscribed and Paid-up capital of SEL is Rs. 1,200.20 Lakhs comprising of 12,00,20,000 equity shares of Re. 1/- each.
- 4.1.5 As on the date of the DPS, the Acquirer does not hold any equity shares in the Target Company.
- 4.1.6 The Acquirer is not related to the Target Company, its Directors and Promoters in any manner whatsoever.
- 4.1.7 SEL has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulation made under the SEBI Act.
- 4.1.8 The details of the promoters of the Acquirer and their shareholding is as under:

S.No.	Name of the Promoter	No. of Equity Shares	% of Total Issued capital
1	K. Ajith Kumar Rai	4,55,48,399	37.95
2	Supriya A Rai	1,56,27,958	13.02
3	Akhilesh Rai	10,36,800	0.86
	Total	6,22,13,157	51.84

- 4.1.9 Shareholding pattern of SEL as on May 8, 2015 is as under:

S. No.	Shareholders	No. of Equity Shares	% of shareholding
1	Promoter and Promoter Group	6,22,13,157	51.84
2	FII/Mutual-Funds/FIs/Banks	75,16,284	6.26
3	Public		
	- Bodies Corporate	1,55,80,646	12.98
	- Residential Individuals	3,11,89,578	25.98
	- NRIs	30,76,240	2.56
	- Clearing Member	4,44,095	0.37
	- Trust	--	--
	Total	12,00,20,000	100.00

4.1.10 The details of Board of Directors of the Acquirer are:-

Name, address & DIN	Date of Appointment	Qualification	Experience
Mr. K. Ajith Kumar Rai "Tara" # 144/1/, 4 th Main 1 st Cross, Defence Colony, Indiranagar, Bangalore – 560 038 DIN : 01160327	24.05.1985	Bachelor Degree in Mechanical Engineering and M.A .Sc (Canada)	29 years
Dr. C. Mohan # 23, 6 th D Main, 2 nd Phase, 2 nd Stage West of Chord Road, Bangalore – 560 086. DIN: 05229359	12.03.2012	Bachelor of Engineer, MBA Phd.	35 years
Mr. Diwakar.S.Shetty "Divya" Opp Palm Beach, Dr.R.S.Jain Marg, Gandhigram Road, Juhu, Mumbai – 400 049. DIN: 00432755	21.10.2006	B.Com	35 years
Mr. Jayarama Shetty "Sanjeevini" Mahalakshminagar, Batawadi, Tumkur - 572 103. DIN: 00303743	14.04.1995	B.Com, LLB , FCA	35 years
Mr. B.S.Patil # 149, 5 th Cross, 10 th Main Sadashivanagar, Rajamahal Extension, Bangalore – 560 003. DIN: 00061959	19.06.2006	IAS (Retired)	35 years
Mr. Suresh Shetty 35 Asian Games Village Complex, Ranjit Singh Block, New Delhi – 110 049 DIN: 00316830	31.01.2011	Chartered Accountant	35 years
Mr. Ian Williamson # 10, Edmonton Way LE 15 6JE, Oakham, United Kindom DIN: 01805348	31.07.2007	Degree in Electrical Sciences (UK)	30years
Dr. Supriya A Rai "Tara" # 144/1, 4 th Main 1 st Cross, Defence Colony, Indiranagar, Bangalore – 560 038. DIN: 01756994	30.05.2014	BDS, MDS	25 years

4.1.11 None of the Directors of the Acquirer is director on the Board of the Target Company.

4.1.12 Brief audited financials for the years ended March 31, 2014, 2013 and 2012 (on standalone basis), are as follows:-

Profit & Loss Account

(Rs. in Lakhs)

Particulars	Year ended		
	31-Mar-14	31-Mar-13	31-Mar-12
	(Audited)	(Audited)	(Audited)
Income from Operations	48,229.58	42,098.17	37,871.85
Other Income	283.40	832.67*	218.26
Total Income	48,512.98	42,930.84	38,090.10
Total Expenditure	39,715.15	34,832.55	31,219.02
Profit/(Loss) before Depreciation, Interest and Tax	8,797.83	8,098.29	6,871.09
Depreciation	694.52	567.15	511.76
Interest	1,181.67	958.61	863.64
Profit/(Loss) before Tax	6,921.64	6,572.53	5,495.69
Provision for Tax (Current tax including priors year and Deferred Tax)	2,156.10	1,827.36	1,573.55
Profit/(loss) after tax	4,765.54	4,745.17	3,922.14

*includes exceptional income of Rs.518.36 lakhs.

Balance Sheet Statement

(Rs. in Lakhs)

Particulars	As at		
	31-Mar-14	31-Mar-13	31-Mar-12
	(Audited)	(Audited)	(Audited)
Sources of funds			
Paid up Equity Share Capital	1,200.20	1,200.20	1,200.20
Reserves & Surplus (excluding revaluation reserve)	18,725.13	15,293.56	11,598.27
Net Worth	19,925.33	16,493.76	12,798.47
Secured Loans	12,747.24	9,395.80	7,115.66
Unsecured Loans	66.93	194.70	271.41
Deferred Tax Liabilities (Net)	658.06	529.06	411.70
Total	33,397.56	26,613.32	20,597.24
Uses of funds			
Net Fixed Assets	13,403.68	12,048.96	10,207.73
Investments	9,542.09	6,601.54	3,869.21
Net Current Assets	10,451.79	7,962.82	6,520.30
Total Miscellaneous Expenditure not written off	Nil	Nil	Nil
Total	33,397.56	26,613.32	20,597.24

Other Financial Data

Particulars	31-Mar-14	31-Mar-13	31-Mar-12
	(Audited)	(Audited)	(Audited)
Final Dividend (%)	50%	40%	35%
Interim Dividend(%)	45%	35%	30%
Total Dividend (%)	95%	75%	65%
Earnings per share (Basic and diluted) (Rs.) (excluding prior period and exceptional items)	3.97	3.54	3.27
Earnings per share (Basic and diluted) (Rs.) (including prior period and exceptional items)	3.97	3.95	3.27

Unaudited financial results of the Acquirer, for the nine months ended December 31, 2014 (on standalone basis) are as under (based on financials as filed with Stock Exchanges and Limited Review by the Statutory Auditors):

<i>Particulars</i>	<i>(Rs. in lakhs)</i>
Income from operations	38,894.96
Other Operating Income	430.67
Total Income	39,325.63
Total Expenditure	33,326.65
PBIT	5,998.98
Interest/finance cost	1,026.58
PBT	4,972.40
Provision for Tax	1,590.00
Profit / (Loss) After Tax	3,382.40
Share Capital	1,200.20

4.1.13 The details of Contingent Liabilities and commitments not provided for as on March 31, 2014 are as under:-

Particulars	(Rs. In lakhs)
Contingent Liabilities	
Corporate Guarantees issued on behalf of a subsidiary to their bankers [GBP 500,000 (PY: GBP 500,000)]	504.25
B-17 Bond Executed in favour of customs	150.00
Bank Guarantee furnished to Tax Authorities for availing concessions	7.50
Other Bank Guarantees	71.81
Disputed Excise/ service tax dues pending in appeal *	4.33
Demand raised by VAT authorities disputed with Joint Commissioner of Commercial Taxes - Appeals (JCCT - Appeals) * [Against this demand, a bank guarantee of amount of Nil (PY- Rs. 1,31,58,834/-) is furnished].	--
Other sums the Company is contingently liable *	12.00
Total	749.89
* No provision has been made in these accounts for these disputed duty, tax demands as the management is confident that the matter will be ultimately decided in favour of the Company.	
Commitments	
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	149.03
Total Contingent Liabilities and Commitments	898.92

4.1.14 The equity shares of SEL are listed on NSE and BSE. As on the date of PA, the closing Market Price of the Equity Shares of the Acquirer was Rs. 120.10 on BSE and Rs. 119.20 on NSE.

4.1.15 Status on Corporate Governance

The Acquirer is compliant with Clause 49 of the Listing Agreement in respect of Corporate Governance and has been regular in filing of the Compliance Report on Corporate Governance with the Stock Exchanges.

4.1.16 Details of the Compliance Officer of the Acquirer

Mr. Medappa J Gowda, Company Secretary

Address: No.100, Bommasandra Industrial Area, Bangalore, Karnataka-560099: Tel: 91 80 27833827/28;

Fax: 91 80 27833279; Email: investors@suprajit.com.

4.1.17 There are no pending litigations against the Acquirer the outcome of which may materially adversely affect the ability of the Acquirer to complete the Open Offer or discharge its obligations under the SPA.

4.1.18 SEL has not undergone for any merger/de-merger, spin-off during the past three years.

5. BACKGROUND OF THE TARGET COMPANY

5.1 Phoenix Lamps Limited was incorporated as a public limited company by the name of 'Phoenix Lamps India Limited' on March 26, 1991 in Noida, Uttar Pradesh. It obtained its certificate of commencement of business on June 11, 1991. Subsequently the name of "Phoenix Lamps India Limited" was changed to "Phoenix Lamps Limited" vide fresh certificate of incorporation dated October 8, 2003. Further, Phoenix Lamps Limited was changed to "Halonix Limited" vide fresh certificate of incorporation dated 16th January, 2009. Subsequently "Halonix Limited" name was changed to "HALONIX LIMITED" vide fresh certificate of incorporation dated 14th December, 2009. Further, "HALONIX LIMITED" was changed to "Phoenix Lamps Limited" vide fresh certificate of incorporation dated 16th September, 2013.

5.2 The Registered Office of the Target Company is situated at 59 - A, Noida Special Economic Zone Phase II Gautam Budh Nagar, Noida, Uttar Pradesh - 201305.

5.3 The Company is presently engaged in the business of manufacturing and trading of automotive halogen lamps and caters to both domestic and international markets.

5.4 The Authorized Share Capital of PLL as on March 31, 2014 is Rs.7,000.00 lakhs, comprising of 4,10,00,000 equity shares of Rs.10 (Rupee Ten Only) each and Rs. 2900.00 lakhs, comprising of 29,00,000 redeemable preference shares of Rs. 100/- each. The issued, subscribed and paid-up equity share capital of the Company as on date stands at Rs. 2,801.93 lakhs comprising of 2,80,19,300 fully paid up equity share of Rs.10 (Rupees Ten only) each.

Paid up Equity shares of Target Company	No. of shares/ voting rights	% of shares/ voting rights
Fully Paid up equity Shares	2,80,19,300	100%
Partly Paid up equity shares	-	-
Total paid up equity shares	2,80,19,300	100%
Total Voting rights in Target Company	2,80,19,300	100%

5.5 The Equity shares of the Target Company are currently listed on the NSE and BSE.

5.6 The Target Company does not have any outstanding convertible instruments to be exercised at a later date.

5.7 The Board of Target Company as on the date of this Draft Letter of Offer, comprises of 6 (Six) Directors.

Name & Designation	DIN	Date of Appointment	Residential Address
Mr. Padmanabh P.Vora Chairman	00003192	20-05-2011	Flat No.503/504, 5 th Floor, Mount Everest Tower, "A" Wing Bhakti Park, Wadala, Mumbai - 400 037. India.
Mr. Pranay D. Gandhi Managing Director	02805099	19-11-2013	Flat No.201, Priya Sab T.V. Lane, OFF NEW Link Road, Raviraj Oberoi Complex, Andheri - West, Mumbai Maharashtra - 400053
Mr. Gurdeep Singh Director	00036922	25-09-2006	B-17, Vasant Marg, Vasant Vihar, New Delhi - 110 057.
Mr. Ganapati Rathinam* Director	00171207	30-06-2009	141 B Wing Tanna Residency, Veer Savarkar Marg, Prabhadevi Mumbai - 400 025.
Mr. Shomik Mukherjee* Director	02185373	20-05-2011	I-502, Som Vihar Apartments, R K Puram, Delhi- 110022
Ms. Sunita Mathur Additional Director	00008923	23-03-2015	B-237, Sector 50 Noida - 201301, Uttar Pradesh India.

* Nominee Directors of Argon India Limited and Argon South Asia Limited.

Note: As on the date of this Draft Letter of Offer, there are no persons representing the Acquirer on the Board of Directors of the Target Company.

5.8 There was no merger/demerger, spin off during last three years involving the Target Company except the following:-

- **During December 2012**

The Target Company acquired International Lamps Holding Co. SA, Luxembourg along with its two downstream operating subsidiaries viz. Trifa Lamps Germany GmbH. and Luxlite Lamps Sarl, Luxembourg.

- **During July 2013 the Target Company entered into:**

- A Business Transfer Agreement with Halonix Technologies Limited to sell its General Lighting Business on a Slump Sale basis and;
- A Share Purchase Agreement with Argon India Limited and Argon South Asia Limited to sell its holding of 50,000 Equity Shares in Halonix Technologies Limited.

- 5.9 Brief audited financials for the years ending March 31, 2014, 2013 and 2012, on standalone basis is as follows:-

Profit & Loss Account

(Rs. in Lakhs)

Particulars	Year ended March 31		
	2014	2013	2012
Income from Operations	37,088.26	43,726.05	45,339.28
Other Income	1,787.03	438.41	66.49
Total Income	38,875.29	44,164.46	45,405.77
Total Expenditure	30,721.95	41,603.99	40,957.08
Profit/(Loss) before Depreciation, Interest and Tax	8,153.34	2,560.47	4,448.69
Depreciation	930.90	1,419.88	1409.30
Finance Costs	1,128.79	1,996.04	2,284.93
Profit before Tax and exceptional items	6,093.65	(855.45)	754.46
Exceptional Items	3,990.92	-	(389.43)
Profit before Tax and after exceptional items/prior period adjustments	10,084.57	(855.45)	365.03
Provision for Tax	1,068.10	-	(205.64)
Tax relating to prior years	-	-	-
Profit/(loss) after tax	9,016.47	(855.45)	570.67

Balance Sheet Statement

(Rs. in Lakhs)

Particulars	As at March 31		
	2014	2013	2012
Sources of funds			
Paid up Equity Share Capital	2,801.93	2,801.93	2,801.93
Paid up Preference Share Capital	1,316.00	1,316.00	1,316.00
Reserves & Surplus	12,074.43	8,302.95	9,158.40
Net Worth	16,192.36	12,420.88	13,276.33
Secured loans	3,899.63	13,451.71	15,605.50
Unsecured loans	0.00	0.00	0.00
Other Long Term Liabilities	0.00	9.16	0.00
Long Term Provisions	411.23	494.02	587.67
Total	20,503.22	26,375.77	29,469.50
Uses of funds			
Net Fixed Assets	3,139.11	9,084.80	10,263.85
Capital Work-in progress	5.93	0.00	39.35
Investments	7,926.68	28.69	25.04
Net Current Assets	8,313.14	16,798.38	18770.76
Long Term Loans & Advances	1,005.93	310.73	361.26
Other Non Current Assets	0.00	153.17	9.24
Deferred Tax Asset/(Liability)	112.43	0.00	0.00
Total	20,503.22	26,375.77	29,469.50

Other Financial Data

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Dividend (%)	160.00	-	-
Earnings per share (Rs.)	32.18	(3.05)	2.04
Return on Net Worth (%)	56.00	(7.00)	4.00
Book Value per Share (Rs.)	57.79	44.33	47.38

Unaudited financial results of the Target Company, for the nine months ended December 31, 2014 (on standalone basis) are as under (based on financials as filed with Stock Exchanges and Limited Review by the Statutory Auditors):

Particulars	(Rs. in lakhs)
Income from operations	18,351.67
Other Income	35.06
Total Income	18,386.73
Total Expenditure	14,962.10
PBIT	3,424.63
Interest/finance cost	309.66
PBT	3,114.97
Provision for Tax	784.32
Profit / (Loss) After Tax	2,330.65
Share Capital	2,801.93

5.10 Pre and Post-Offer shareholding pattern of the PLL is as per the following table:-

Shareholding pattern of the FLL as per the following table:									
S. No.	Shareholders' Category	Shareholding & voting rights prior to the agreement/ acquisition on and after		Shareholding & Voting Rights acquired through SPA		Shares/Voting rights to be acquired in open offer (assuming full acceptances)		Share holding / voting rights after the acquisition and offer	
		No.	%	No.	%	No.	%	No.	%
(1) Promoter Group									
a. Parties to agreement		1,73,37,155	61.88	(Between 1,42,89,843 and 1,73,37,155)\$	(Between n 51.00 and 61.88)\$	Nil	Nil	Between 0 and 30,47,312\$	Between 0 and10.88\$
b. Promoters other than (a) above		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total 1(a+b)		1,73,37,155	61.88	(Between 1,42,89,843 and 1,73,37,155)\$	(Between n 51.00 and 61.88)\$	Nil	Nil	Between 0 and 30,47,312\$	Between 0 and10.88\$
(2) Acquirer									
a. M/s. Suprajit Engineering Limited		Nil	Nil	Between 1,42,89,843 and 1,73,37,155\$	Between n 51.00 and 61.88\$	72,85,018	26.00	Between 2,15,74,861\$ And 2,46,22,173	Between 77.00\$ and 87.88\$
b. PACs		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total 2(a+b)		Nil	Nil	Between 1,42,89,843 and 1,73,37,155\$	Between n 51.00 and 61.88\$	72,85,018	26.00	Between 2,15,74,861\$ And 2,46,22,173	Between 77.00\$ and 87.88\$
(3) Public (other than parties to agreement, Acquirer)		-	-	-	-	-	-	33,97,127	12.12
a) Institutions (Mutual Funds / FIs/ Banks/ FIIs		6,70,533	2.39	-	-	(72,85,018)	26.00		
b) Others		1,00,11,612	35.73						
Total (3)(a+b)				Nil	Nil	Nil	Nil	-	-
GRAND TOTAL (1+2+3)		2,80,19,300	100.00	Nil	Nil	Nil	Nil	2,80,19,300	100.00

\$ **Note:** In terms of the SPA, the Acquirer has agreed to complete the acquisition of 51% of the equity shares in the Target Company from the Sellers in accordance with regulation 22(2) of the SEBI (SAST) Regulations, 2011, subject to receipt of necessary statutory approval, whereupon the Acquirer shall become the sole Promoter of the Target Company and the Sellers shall cease to be Promoters of the Target Company. The Acquirer has also agreed that in the event that the number of Equity Shares validly tendered and accepted in the Open Offer is less than 67,24,632 Equity Shares (24% of the total issued equity share capital of the Target Company), then subject to receipt of necessary statutory approval, the Acquirer would further acquire from the Sellers up to 30,47,312 Equity Shares, subject to such further acquisition not causing the total number of equity shares held by the Acquirer, including equity shares acquired pursuant to the Open Offer, to exceed the maximum promoter holding in the Target Company as prescribed in the SCRR. However, if the Offer period has not expired (in terms of Regulation 2(p) of

the SEBI (SAST) Regulations, 2011) by the fifth business day prior to October 15, 2015, then notwithstanding non-completion of the Offer and provided that the condition for the Second Tranche Acquisition has been fulfilled or waived (in terms of the SPA), the Acquirer shall purchase 30,47,312 equity shares under the Second Tranche Acquisition on October 15, 2015, in which case the shareholding of the Acquirer post the completion of the Offer, assuming full subscription to the Open Offer, and full acceptance of shares offered in the Open Offer, would amount to 2,46,22,173 equity shares or 87.88% of the Issued, Subscribed Capital and Voting Capital of the Target Company.

5.11 The number of shareholders in PLL in public category is 23,415 as on May 08, 2015.

5.12 The Target Company has duly complied with all the disclosure requirements as per Chapter II of SEBI (SAST) Regulations, 1997. *(Source: Target Company)*

5.13 Upon completion of the transactions contemplated under the SPA and this Offer, assuming full acceptance, considering the shareholding of the Acquirer, the public shareholding in the Target Company will fall below the minimum public shareholding requirement as per SCRR and the Listing Agreement entered into between the Target Company and the Stock Exchanges. However, the Acquirer undertakes that its shareholding in the Target Company will be reduced, within the time period specified in the SCRR, such that the Target Company complies with the required minimum level of public shareholding.

5.14 Compliance Officer

Mr. Aditya Rungta

59A Noida Special Economic Zone

Phase II Gautam Budh Nagar,

Noida,

Uttar Pradesh - 201 305

Phone No. : 91 120 4012222

Fax No. : 91 120 2562943

Email id : investor.relations@phoenixlamps.co.in

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of offer price

6.1.1 The Equity Shares are listed on BSE and NSE. The trading turnover in the Equity Shares based on the trading volumes on the NSE and BSE during the twelve calendar months preceding the month in which the PA was issued (i.e., May 2014 to April 2015) is given below:-

Name of stock Exchange	Total No. of shares traded during 12 calendar months prior to the month in which PA was made	Total Number of Equity Shares listed	Total Trading Turnover (as % of total equity shares listed)
BSE	49,05,401	2,80,19,300	17.51%
NSE	1,32,63,701	2,80,19,300	47.34%

(Source: www.bseindia.com and www.nseindia.com)

6.1.2 Based on the above, the equity shares of the Target Company are frequently traded on BSE and NSE within the meaning of Regulation 2(1)(j) of SEBI (SAST) Regulations, 2011. Accordingly, the Offer Price determined in terms of regulation 8(1) and 8(2) of SEBI (SAST) Regulations, 2011, being the highest of the following:

(a)	The Negotiated Price	Rs.89/-
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(b)	The Volume-Weighted average price paid or payable for acquisition, by the Acquirer during the 52 weeks immediately preceding the date of the PA.	Not Applicable
(c)	The Highest price paid or payable for any acquisition, by the Acquirer, during the 26 weeks immediately preceding the date of the PA.	Not Applicable
(d)	The Volume-Weighted average market price of the equity shares of the Target Company for a period of 60 trading days immediately preceding the date of the PA on NSE	Rs.99.54

6.1.3 In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs.100/- (Rupees One Hundred only) per fully paid-up equity share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

6.1.4 As per Regulation 8(2)(d) of the SEBI (SAST) Regulations, 2011, the calculation of the volume-weighted average market price of the equity shares, for a period of sixty (60) trading days immediately preceding the date of PA i.e. May 06, 2015, as traded on NSE is as follows:

S.No.	Date	Total Quantity Traded	Turnover (Rs. In Lakhs)
1	4-Feb-15	61,796	67.43
2	5-Feb-15	77,331	84.07
3	6-Feb-15	65,119	67.47
4	9-Feb-15	43,021	44.16
5	10-Feb-15	27,580	28.62
6	11-Feb-15	41,675	43.73
7	12-Feb-15	71,077	76.15
8	13-Feb-15	23,320	24.9
9	16-Feb-15	1,09,264	111.6
10	18-Feb-15	1,21,872	120.37
11	19-Feb-15	2,79,074	284.35
12	20-Feb-15	83,908	89.2
13	23-Feb-15	56,407	59
14	24-Feb-15	27,499	27.83
15	25-Feb-15	49,557	49.89
16	26-Feb-15	20,379	20.4
17	27-Feb-15	51,806	51.9
18	28-Feb-15	65,467	66.15
19	2-Mar-15	43,944	45.12
20	3-Mar-15	47,361	48.28
21	4-Mar-15	49,762	50.76
22	5-Mar-15	1,24,528	120.43
23	9-Mar-15	36,415	35.77
24	10-Mar-15	21,440	21.14
25	11-Mar-15	31,554	31.01
26	12-Mar-15	32,443	31.79
27	13-Mar-15	30,354	29.24
28	16-Mar-15	34,194	32.28
29	17-Mar-15	19,996	18.89
30	18-Mar-15	26,880	25.06
31	19-Mar-15	1,59,009	144.91
32	20-Mar-15	58,164	52.4
33	23-Mar-15	64,891	57.07

34	24-Mar-15	55,285	49
35	25-Mar-15	83,754	75.24
36	26-Mar-15	33,723	30.34
37	27-Mar-15	40,750	35.92
38	30-Mar-15	29,688	26.92
39	31-Mar-15	38,982	35.91
40	1-Apr-15	34,179	33.1
41	6-Apr-15	39,326	39.48
42	7-Apr-15	44,679	45.72
43	8-Apr-15	34,834	35.37
44	9-Apr-15	15,217	15.34
45	10-Apr-15	57,333	59.09
46	13-Apr-15	79,181	83.72
47	15-Apr-15	43,248	46.38
48	16-Apr-15	24,610	25.6
49	17-Apr-15	9,697	9.98
50	20-Apr-15	19,273	19.49
51	21-Apr-15	18,440	18.23
52	22-Apr-15	22,335	22.22
53	23-Apr-15	22,989	23.13
54	24-Apr-15	25,940	25.64
55	27-Apr-15	34,498	33.01
56	28-Apr-15	17,716	17.05
57	29-Apr-15	15,726	15.37
58	30-Apr-15	16,401	16.26
59	4-May-15	29,786	30.45
60	5-May-15	39,876	41.57
	Total	29,84,553	2,970.9
Volume Weighted Average Market Price (Total Turnover divided by the Total Number of shares traded)			99.54

- 6.1.5 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations, 2011.
- 6.1.6 In the event of further acquisition of Shares of the Target Company by the Acquirer during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer shall not acquire any Shares of the Target Company after the third working day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.
- 6.1.7 If there is any revision in the Offer Price on account of future purchases / competing offers, such revision will be done only up to the period prior to three (3) working days before the commencement of the Tendering Period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall (i) make corresponding increases to the escrow amounts; (ii) make a public announcement in the same newspapers in which DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision. The revised Offer Price would be paid for all Shares accepted under the Offer.

6.1.8 If the Acquirer acquires Equity Shares of the Target Company during the period of 26 (Twenty six) weeks after the Closure of Tendering Period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all public shareholders whose Equity Shares have been accepted in this Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, 2011 or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 as amended or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of Equity Shares of the Target Company whether by way of bulk deals, block deals or in any other form.

6.2 Details of Financial Arrangements:

- 6.2.1 Total consideration payable by the Acquirer to acquire 72,85,018 fully paid-up equity shares at the Offer Price of Rs.100/- (Rupees One Hundred only) per fully paid-up equity share, assuming full acceptance of the Offer would be Rs.72,85,01,800/- (Rupees Seventy Two Crores Eighty Five Lakhs, One Thousand and Eight Hundred only).
- 6.2.2 In accordance with Regulation 17 of the SEBI (SAST) Regulations, 2011, the Acquirer has opened an Escrow Account with Citibank N.A., having one of its branches at Fort, Mumbai – 400 001, Maharashtra bearing number 0020958006 and deposited an amount of Rs. 72,86,00,000/- (Rupees Seventy Two Crores Eighty Six Lakhs only), in cash, being more than 100% of the Consideration payable under the Offer.
- 6.2.3 The Acquirer has authorised the Manager to the Offer i.e. Karvy Investor Services Limited to operate and to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.4 The Acquirer has adequate financial resources and has deposited more than 100% of the consideration for implementation of the Open Offer, in terms of regulation 25(1) of the SEBI (SAST) Regulations, 2011. The Open Offer obligation shall be met by the Acquirer through internal resources.
- 6.2.5 As per Certificate dated May 09th, 2015 from Mr.R. Kesavadas (Membership No. 23862), Partner of Messrs Varma & Varma Chartered Accountants, (FRN 004532S) being statutory auditor of the Acquirer having their office at # 424, 4th C Main, 6th Cross, OMBR Layout, Banaswadi, Bangalore – 560 043, Tel: 91 80 4244 4999, the Acquirer has adequate liquid resources to meet the funds requirements/obligations under this offer. As per the said certificate, the aggregate liquid resources available with the Acquirer are Rs 16920.22 lakhs comprising of Mutual Fund investments at market value as on 08th May, 2015.
- 6.2.6 Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations, 2011. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligation.
- 6.2.7 In case of any upward revision in the Offer Price or the Offer Size, the value of the Escrow Amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirer prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations, 2011.

7. TERMS AND CONDITIONS OF THE OFFER

- 7.1.1 The Offer is not subject to any minimum level of acceptances from shareholders.
- 7.1.2 The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholder(s) of the Target Company (except the Acquirer, deemed PACs, the Promoters and persons who are or may hold shares which have been locked in pursuant to provisions of SEBI ICDR Regulations)

whose name appear on the Register of Members and to the beneficial owners of the shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours on 8th June, 2015 ("Identified Date").

- 7.1.3 The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.4 The LOF alongwith the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website.
- 7.1.5 Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.6 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance cum Acknowledgement sent along with the other documents duly filled in and signed by the applicant shareholder(s).
- 7.1.7 Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from transferring the equity shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these equity shares are not received together with the equity shares tendered under the Offer.
- 7.2 Locked in shares –**
As on date, the Target Company does not have any equity shares under lock-in period.
- 7.3 Persons eligible to participate in the Offer**
All the owners of the equity shares of the Target Company, registered or unregistered, except the parties to SPA, including persons deemed to be acting in concert with such parties, are eligible to participate in this Open Offer, at any time during the Tendering Period for this Open Offer.
- 7.4 There has been no revision in the Offer Price as of the date of this Draft Letter of Offer. Further revisions in the Offer Price for any reason including competing offers shall be done prior to the commencement of the last three Working Days before the commencement of the Tendering Period and will be notified to the Shareholders by (i) notification to the Stock Exchanges, SEBI and the Target Company at its registered office, and (ii) public announcement in the same newspapers in which the DPS has been published. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations, 2011.
- 7.5 Incomplete Forms of Acceptance-cum-Acknowledgement, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the Equity Shares tendered are liable to be rejected.
- 7.6 Eligible Shareholders who have accepted the Offer by tendering their Shares and requisite documents in terms of the PA, the DPS and this Letter of Offer are not entitled to withdraw such acceptance during the Tendering Period.
- 7.7 The Acquirer will not be responsible for any loss of share certificate(s) and the Offer acceptance documents during transit and the Eligible Shareholders are advised to adequately safeguard their interests in this regard.
- 7.8 Statutory and Other Approvals**

- 7.8.1 As of the date of this DLOF, to the best of the knowledge of the Acquirer, there are no statutory approvals required by the Acquirer to acquire the equity shares tendered pursuant to this Offer other than an approval of the Reserve Bank of India, if any, for the acquisition of the Equity Shares from the non-resident shareholders (Non-Resident Indians ("NRIs") or Overseas Corporate Bodies ("OCBs")/Foreign Shareholders) of the Target Company. NRI and OCB holders of equity shares, if any, must obtain all requisite approvals required to tender the equity shares held by them pursuant to this Open Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the Letter of Offer. Further, if holders of the equity shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI or the FIPB) in respect of the equity shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the equity shares, to tender the equity shares held by them pursuant to this Open Offer, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirer reserve the right to reject such equity shares tendered in this Open Offer.
- 7.8.2 However, in case of any statutory approvals being required by the Acquirer at a later date before the closure of the tendering period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such approvals. The Acquirer will not proceed with the Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011.
- 7.8.3 In case of delay in receipt of any statutory approval(s) becoming applicable prior to completion of the Offer, SEBI has the power to grant extension of time to Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011. Provided where the statutory approvals extend to some but not all equity shareholders, the Acquirer has the option to make payment to such shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer. Further, in case the delay occurs on account of wilful default by the Acquirer in obtaining any statutory approvals in time, the amount lying in the Escrow Account will be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (10) of Regulation 17 of SEBI (SAST) Regulations, 2011

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1.1 The Acquirer has appointed M/s. Karvy Computershare Private Limited, as the Registrar to the Offer.
- 8.1.2 The eligible shareholders of the Target company, who wish to accept the Open Offer and tender their equity shares pursuant to the Open Offer can submit/deliver the duly completed and signed Form of Acceptance along with the relevant documents as mentioned in the Draft Letter of Offer, to the Registrar to the Offer at the collection centre mentioned below, either by Registered Post/Speed Post/Courier, at their own risk or by Hand Delivery, so as to reach on or before the Date of Closure of the Tendering Period i.e. Friday, 3rd July, 2015:

Name and Address	Working Days & Timings	Mode of Delivery
Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No.31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032, Telangana, India	Monday to Friday from 9 AM to 5 PM	Registered Post/Speed Post/Courier/Hand Delivery

The centre will be closed on Sundays and Public Holidays.

8.13 Form of Acceptance, Share Certificate(s), Share Transfer Deed(s) and other documents, if any should be sent only to the Registrar to the Offer, at the address mentioned above and should not be sent to the Manager to the Offer or the Acquirer or the Target Company.

8.14 As on date, the Target Company is having the connectivity with NSDL and CDSL.

8.15 The Manager to the Offer has opened an Escrow Demat Account with Karvy Stock Broking Limited for receiving equity shares during the Tendering Period from eligible shareholders who hold equity shares in demat form. Beneficial owners are requested to fill in the following details in the delivery instruction slip for the purpose of crediting their equity shares in the Escrow Demat Account:

Account Name	KCPL- Phoenix Lamps Limited – Open Offer-Escrow Account
Depository	National Securities Depository Limited
DP Name	Karvy Stock Broking Limited
DP ID Number	IN 300 394
Client ID Number	19086434
Mode	Off-Market

8.16 It is the sole responsibility of the Shareholder to ensure credit of its Equity Shares in the Depository Escrow Account above, on or before Friday, 3rd July, 2015 i.e. Closure of the Tendering Period.

8.17 Eligible Shareholders having their beneficiary account in the Central Depository Services (India) Limited (“CDSL”) shall use the inter-depository delivery instruction slip for the purpose of crediting their Shares in favor of the Depository Escrow Account with NSDL.

8.18 The Letter of Offer along with Form of Acceptance will be dispatched to all the eligible shareholders of the Target Company. In case of non receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity shares of the Target Company.

8.17 Eligible shareholders of the Target Company, who wish to tender their shares under this Open Offer should enclose the following documents duly completed:

FOR EQUITY SHARES HELD IN PHYSICAL FORM:

A Registered Shareholders should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
- Original Share Certificate(s).
- Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with PLL and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with this LoO.
- Self attested copy of the PAN card.

In case of non receipt of the aforesaid documents, but receipt of the original share certificate(s) and transfer deed(s) duly signed, the Open Offer shall be deemed to be accepted.

The transfer deed should be left blank, except for the signatures as mentioned above. If the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with the Target Company or are not in the same order, such equity shares are liable to be rejected under this Open Offer even if the Open Offer has been accepted by a bona fide owner of such equity shares.

B Unregistered owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein.
- Original Share Certificate(s).
- Original Broker Contract Note.
- Valid Share Transfer form(s) as received from the market.
- Self attested copy of the PAN card of all the proposed transferees.

The details of the buyer should be left blank failing which the same will be invalid under the Open Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.

II FOR EQUITY SHARES HELD IN DEMAT FORM:

C. Beneficial owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose names appear in the beneficiary account, as per the records of the respective depositories, and in the same order therein.
- Photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP.
- For each Delivery Instruction, the beneficial owner should submit separate Form of Acceptance.
- The Beneficial Owners who hold shares in demat form are required to execute a trade by tendering the Delivery Instruction for debiting their Beneficiary Account with the concerned DP and crediting the Special Depository Account. The credit in the Special Depository Account should be received on or before 5.00 pm as on the date of closure of the Offer, i.e., 3rd July, 2015.

In case of non-receipt of the aforesaid documents, but receipt of the equity shares in the Escrow Demat Account, the Open Offer shall be deemed to be accepted.

In the case of equity shares in dematerialized form, the shareholders are advised to ensure that their equity shares are credited in favour of Escrow Demat Account, before the Closure of the Tendering Period. The Form of Acceptance of such dematerialized equity shares not credited in favour of the Escrow Demat Account before the Closure of the Tendering Period is liable to be rejected.

D. Shareholders who have sent their equity share certificates for dematerialization should enclose:

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.
- A copy of the dematerialisation request form duly acknowledged by the beneficial owners DP. Such shareholders should ensure that the process of getting shares dematerialized is completed well in time so that the credit in the depository account should be received on or before the Date of Closing of Tendering Period, else the Form of Acceptance, in respect of dematerialized equity shares not credited to the Escrow Demat Account, is liable to be rejected. Alternatively, if the shares sent for dematerialisation are yet to be processed by the beneficial owners DP, the shareholders can withdraw their dematerialization request and tender the equity share certificates in the Open Offer as per procedure mentioned in this Letter of Offer.

E. The shareholders should also provide all relevant documents, which are necessary to ensure transferability of the equity shares in respect of which the acceptance is being sent in connection with the Open Offer. Such documents may include, but are not limited to:

- Duly attested death certificate and succession certificate (in case of single shareholder) in case original Shareholders has expired;
- Duly attested Power of Attorney if any person apart from the shareholder has signed the Form of
- Acceptance and/or transfer deed(s);
- In case of companies, the necessary corporate authorization (including applicable resolutions, consents and approvals of the applicable governing bodies of such companies); and
- Any other relevant documentation.

F. While tendering the equity shares under this Open Offer, NRIs/Overseas Corporate Bodies/foreign shareholders will be required to submit the previous RBI approvals (specific or general) that they would have obtained at the time of acquisition of the Target Company's equity shares. In case the previous RBI approvals are not submitted, the Acquirer reserve the right to reject such equity shares tendered. While tendering the shares under the Open Offer, NRIs/OCBs/foreign shareholders will also be required to submit a Tax Clearance Certificate from Income Tax Authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 ('Income Tax Act'), before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

G. Equity shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'no objection certificate' from lenders is attached with the Form of Acceptance. Equity Shares that are the subject of litigation, wherein the Shareholders may be prohibited from transferring their Equity Shares during the pendency of the said litigation, are liable to be rejected, if the directions/orders regarding these Equity Shares are not received together with the Equity Shares tendered in this Offer. The Letter of Offer, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

H. Procedure for tendering the shares in case of non receipt of Letter of Offer:

Persons who have acquired the shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Open Offer by submitting an application on plain paper giving details regarding their shareholding and confirming their consent to participate in this Open Offer on the terms and conditions of this Open Offer as set out in the PA, DPS and the Letter of Offer. Any such application must be sent to the Registrar to the Offer at the address mentioned below so as to reach the Registrar to the Offer on or before the Date of Closing of the Tendering Period, together with:

i. ***In the case of equity shares in physical form:*** The registered shareholders can send their application in writing to the Registrar, on plain paper, stating name, address, the number of equity shares held, the number of equity shares offered and the distinctive numbers and folio number, together with the original share certificate(s) and valid transfer deeds. Unregistered shareholders can send their application in writing to the Registrar, on plain paper, stating the name and address of the first holder, name(s) and address(es) of joint holder(s) (if any), the number of equity shares held, the number of equity shares offered and the distinctive numbers and folio number, together with the original share certificate(s), valid share transfer deeds and the original contract note(s) issued by the broker through whom they acquired their equity shares and/or such other documents as may be specified;

Shareholders who have lodged their equity shares for transfer with the Target Company must also send the acknowledgement received, if any, from the Target Company towards such lodging of equity shares.

ii. *In the case of equity shares held in dematerialized form:* name, address, number of equity shares held, number of equity shares offered, the Depository Participant ("DP") name and the DP ID and beneficiary account number, together with a photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the equity shares in favour of the Escrow Demat Account, the details of which are mentioned in above. Any shareholders tendering equity shares in dematerialized form should ensure that the equity shares are credited in the favour of the Escrow Demat Account during the Tendering Period of this Open Offer.

Shareholders who have sent their share certificates for dematerialisation should send a copy of the dematerialized request form duly acknowledged by their depository participant.

Alternatively, such eligible shareholders of the Target Company may download the Form of Acceptance-cum-acknowledgement in relation to this Open Offer annexed to the Letter of Offer from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity shares of the Target Company.

- I. The Registrar to the Offer will hold in trust the share certificates pertaining to the equity shares held in physical form, equity shares lying in the credit of the Escrow Demat Account pertaining to the equity shares held in dematerialised form, along with the documents submitted by the Shareholders, on behalf of the Shareholders who have tendered their equity shares, till the drafts / pay order for the consideration or payment of consideration has been made through electronic modes or the unaccepted equity shares / share certificates are dispatched / returned / credited.
- J. Where the number of Equity Shares surrendered by the shareholders are more than the Equity Shares agreed to be acquired by Acquirer, the Acquirer will accept the offers received from the shareholders on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. The marketable lot of the Target Company is 100 (Hundred) shares for physical shares and 1 (One) share for dematerialized segment.
- K. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.
- L. The payment of consideration for equity shares accepted under the Open Offer may be made through a crossed Demand Draft / Bankers' Cheque or through any other electronic mode including but not limited to Direct Credit ('DC'), National Electronic Funds Transfer ('NEFT'), Real Time Gross Settlement ('RTGS'), National Electronic Clearing Services ('NECS'), at specified centers where clearing houses are managed by the Reserve Bank of India, within 10 working days from the Date of Closing of the Tendering Period. Shareholders who opt for receiving consideration through DC/NEFT/RTGS/NECS are requested to give the authorization for the same in the Form of Acceptance and enclose a photocopy of cheque along with the Form of Acceptance and also provide Indian Financial System Code (IFSC).
- M. The bank account details for DC/NEFT/RTGS/NECS will be directly taken from the depositories' database or from the details as mentioned by the shareholders in the Form of Acceptance. It is advised that shareholders provide bank details in the Form of Acceptance so that same can be incorporated in the Demand Draft/ Bankers' Cheque.
- N. For those shareholders, who have opted for physical mode of payment and shareholders whose payment consideration is not credited by electronic mode due to technical error or incomplete/ incorrect bank account details or due to unavoidable reasons, payment consideration will be made by crossed Demand Draft / Bankers' Cheque.

- O. The Demand Draft / Bankers' Cheque or unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by Registered post / Speed Post at the shareholders / unregistered owners sole risk to the sole/first shareholder/unregistered owner.
- P. Unaccepted shares, share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder// unregistered owner. Unaccepted equity shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective DPs when transferred by the Registrar to the Offer.

8.18 General

- 8.18.1 Eligible Shareholders who wish to tender their Shares must submit the information all at once as given in the Form of Acceptance-cum-Acknowledgement and those that may be additionally requested for by the Acquirer. The documents submitted by the Eligible Shareholders along with the Form of Acceptance-cum-Acknowledgement will be considered as final. Any further/delayed submission of additional documents, unless specifically requested by the Acquirer may not be accepted. In case the documents/information as requested in the Letter of Offer/Form of Acceptance-cum-Acknowledgement are not submitted by a Public Shareholder, or the Acquirer considers the documents/information submitted by a Public Shareholder to be ambiguous/incomplete/conflicting, the Acquirer reserve the right to withhold tax on the gross consideration at the maximum marginal rate as applicable to the category of the shareholder.
- 8.18.2 Based on the documents and information submitted by the Eligible Shareholders, the final decision to deduct tax or not, or the quantum of taxes to be deducted rests solely with the Acquirer.
- 8.18.3 Taxes once deducted will not be refunded by the Acquirer under any circumstances.
- 8.18.4 The Acquirer shall deduct tax (if required) as per the information provided and representation made by the Eligible Shareholders. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/to be provided by the Eligible Shareholders, such Eligible Shareholders will be responsible to pay such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information/documents that may be necessary and co-operate in any proceedings before any income tax/appellate authority.
- 8.18.5 All Eligible Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the public shareholders of Target Company at the office of the Manager to the Offer, Karvy Investor Services Limited, Karvy House, 46 Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500 034 on any day (except Saturdays, Sundays and public holidays) between 10.30 a. m. to 2.00 p.m. during the period from the Date of Commencement of the Tendering Period till the Date of Closing of the Tendering Period.

1. Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.
2. Certificate of Incorporation, Memorandum and Articles of Association of the Acquirer.
3. Certificate dated May 09th, 2015 from Mr. R.Kesavadas (Membership No. 23862), Partner of Messrs. Varma & Varma, Chartered Accountants, being statutory auditor of the Acquirer having their office at # 424, 4th C Main, 6th Cross, OMBR Layout, Banaswadi, Bangalore Tel: 91 80 4244 4999, confirming that the Acquirer has adequate financial resources available for meeting its obligations under the Open Offer.
4. Audited Financials of Phoenix Lamps Limited for the years ended March 31, 2014, 2013, 2012 and Limited Review results for the nine months period ended 31st December, 2014.
5. Audited Financials of Suprajit Engineering Limited for the years ended March 31, 2014, 2013, 2012 and Limited Review results for the nine months period ended 31st December, 2014.
6. Copy of letter dated May 08, 2015 from Citibank N.A., confirming the cash deposit of Rs. 72,86,00,000 (Rupees Seventy Two Crores Eighty Six Lakhs Only) in the escrow account .
7. Copy of the SPA dated May 6, 2015 between the Acquirer and Sellers for acquisition of Equity Shares.
8. Copy of the PA dated May 06, 2015.
9. Published copy of the Detailed Public Statement which appeared in the newspaper on May 13, 2015.
10. Copy of the recommendation made by Committee of Independent Directors of the Target Company, as required under Regulation 26(7) of SEBI (SAST) Regulations, 2011.
11. Memorandum of Understanding dated May 06, 2015 between Lead Manager i.e. Karvy Investor Services Limited and Acquirer.
12. SEBI Observation Letter dated [●], 2015 bearing reference number [●].
13. Copy of Client Master List for opening of Special Depository Account for the purpose of the Offer.

10. DECLARATION BY THE ACQUIRER

1. For the purpose of disclosures in this draft Letter of Offer relating to the Target Company and the Sellers, the Acquirer has relied on the information available from public sources or provided by the Target Company and/or the Sellers and the accuracy thereof has not been independently verified by the Acquirer and/or the Manager to the Offer. Subject to the aforesaid, the Acquirer, including the Board of Directors of Suprajit Engineering Limited accept full responsibility for the information contained in this Draft Letter of Offer and also accepts responsibility for the obligations of the Acquirer as laid down in terms of the SEBI (SAST) Regulations, 2011. All the information contained in this document is as on date of the Public Announcement, unless stated otherwise.
2. The Manager to the Offer hereby states that the person signing this Letter of Offer is duly and legally authorised by the Board of Directors of the Acquirer to sign this Draft Letter of Offer.

Signed by the Acquirer
For Suprajit Engineering Limited

K. Ajith Kumar Rai
Chairman and Managing Director

Date: May 16, 2015
Place: Bangalore

Encl.:

1. Form of Acceptance-cum-Acknowledgement
2. Blank Share Transfer Deed(s) in the case of shares held in physical mode.

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

(Please send this Form with enclosures to Registrar to the Offer, Karvy Computershare Private Limited, at their address given in the Letter of Offer as per the mode of delivery mentioned in the Letter of Offer)

From:

Folio No./DP ID No./Client ID No.: Name:

Address:

TENDERING PERIOD FOR THE OFFER

OPENS ON: Monday, 22nd June, 2015

CLOSES ON: Friday, 3rd July 2015

Tel. No.

Fax No.:

E-mail: To

Karvy Computershare Private Limited
Karvy Selenium Tower B,
Plot No.31 & 32, Gachibowli Financial District,
Nanakramguda, Hyderabad – 500 032,
Telangana, India

Dear Sir,

Sub: Open Offer to acquire upto 72,85,0180 fully paid-up equity shares of Rs.10/- each, constituting 26% of the share capital and voting capital of Phoenix Lamps Limited ('Target Company'), at a price of Rs.100/- per fully paid-up equity share by Suprajit Engineering Limited (referred as 'Acquirer').

I / We refer to the Letter of Offer dated [•], 2015 for acquiring the equity shares held by me / us in Phoenix Lamps Limited. Capitalised terms not defined here shall have the meanings ascribed to them under the Letter of Offer.

I / We, the undersigned, have read the Public Announcement, the Detailed Public Statement and the Letter of Offer and understood its contents and unconditionally accepted the terms and conditions as mentioned therein.

FOR EQUITY SHARES HELD IN PHYSICAL FORM

I / We, holding the equity shares in physical form, accept the Open Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my / our equity shares as detailed below:

S. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
1.					
2.					
3.					
Total Number of Equity Shares					

(In case the space provided is inadequate, please attach a separate sheet with the above details and authenticate the same)

FOR EQUITY SHARES HELD IN DEMAT FORM

I / We, holding the equity shares in dematerialized form, accept the Open Offer and enclose a photocopy of the Delivery Instruction in "Off-market" mode, duly acknowledged by my / our Depository Participant ('DP') in respect of my / our equity shares as detailed below:

DP Name	DP ID	Client ID	Number of Equity Shares	Name of Beneficiary

I / We have executed an 'Off-Market' transaction for crediting the shares via

☐ A delivery instruction from my account to the Special Depository Account with the following particulars:

Depository	:	NSDL
DP Name	:	Karvy Stock Broking Limited
DP ID	:	IN300394
Client ID	:	19086434
ISIN	:	INE455B01016
Mode of Instruction	:	Off -Market
Account Name	:	KCPL - PHOENIX LAMPS LIMITED - OPEN OFFER ESCROW ACCOUNT

I / We confirm that the equity shares which are being tendered herewith by me / us under this Open Offer, are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter and that I / We have obtained any necessary consents to sell the equity shares on the foregoing basis.

I / We also note and understand that the obligation on the Acquirer to pay the purchase consideration arises only after verification of the certification, documents and signatures submitted along with this Form of Acceptance-cum-Acknowledgment.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of equity shares under the Income Tax Act, 1961. I / We are not debarred from dealing in equity shares.

I / We note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration as mentioned in the Letter of Offer or the date by which Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.

I/We note and understand that the Shares would lie in the Special Depository Account till the date the Acquirer makes payment of consideration as mentioned in the Letter of Offer.

I / We confirm that in case the Acquirer are of the view that the information / documents provided by me / us is inaccurate or incomplete or insufficient, then tax may be deducted at source at the applicable maximum marginal rate on the entire consideration paid to the Public Shareholders

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us, I / we will indemnify the Acquirer for such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

I / We note and understand that the equity shares would lie in the Escrow Demat Account until the time the Acquirer make payment of purchase consideration as mentioned in the Letter of Offer. I / We authorise the Acquirer to accept the equity shares so offered or such lesser number of equity shares which they may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the Letter of Offer and I / we further authorize the Acquires to return to me / us, share certificate(s) in respect of which the Open Offer is not found valid / not accepted without specifying the reasons thereof.

I/We authorise the Acquirer to send payment consideration by electronic mode or physical mode as per the option selected. In cases where the payment consideration is to be done in physical mode, the cheque / demand draft / pay order, in settlement of the amount and excess share certificate(s), if any, will be sent by registered post / speed post to the sole/first holder at the address given hereunder and if full address is not given below, the same will be forwarded at the address registered with the Target Company.

Please indicate the preferred mode of receiving the payment consideration. (Please tick)

Electronic Mode:

☐

or **Physical Mode:**

☐

So as to avoid fraudulent encashment in transit, the shareholder(s) holding Shares in physical form, who wish to receive payment of consideration through Electronic Mode, should provide details of bank account along with a cancelled copy of the cheque of the first / sole Shareholder and the consideration amount will be remitted accordingly through electronic credit / cheque or demand draft or pay order.

In order to receive payment consideration through Electronic mode, the shareholders are requested to compulsorily provide their following bank details:

Name of the Bank	:	
Branch /Address	:	
Account No.	:	
Account Type (Savings/Current/ Others (please specify)	:	
IFSC	:	
MICR Code (9 Digits)	:	

For equity shares that are tendered in demat form, the bank account details as contained from the beneficiary position provided by the depository will be considered for the purpose of payment of Open Offer consideration through electronic means and the draft / warrant / cheque, if required, may be issued with the bank particulars mentioned herein above.

Yours faithfully, Signed &

Delivered:

	Full Name	PAN	Signature
First/ Sole Holder			
Second Holder			
Third Holder			

Note: In case of joint holdings, all must sign. In case of body corporate, the common seal should be affixed and necessary Board resolutions should be attached.

Place: _____

Date_____

----- Tear along this line -----

ACKNOWLEDGEMENT SLIP

Received from Mr. / Ms. / Mrs.:

Address:

Form of Acceptance-cum-Acknowledgement for Shares along with:

☐ **Physical Shares:** _____ Share Certificate(s) along with _____ number of Transfer Deed(s) under Folio Number (s) _____

☐ **Demat Shares:** Copy of delivery instruction slip / inter-depository delivery slip
from DP ID _____ Client ID _____

(Tick whichever is applicable)

Stamp of Registrar to the Offer:		Signature of the Official:		Date of Receipt:	
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All future correspondence, if any, should be addressed to the Registrar to the Offer at their address quoting your Folio No. / DP ID and Client ID.