

DETAILED PUBLIC STATEMENT

For the attention of the Equity Shareholders of

TECIL CHEMICALS & HYDRO POWER LIMITED

CIN: L24299KL1945PLC001206

Regd Office: P.O. Chingavanam, Dist Kottayam, Chingavanam - 686531, Kerala.; Tel: 0481-2439110 e-mail : tecilchemicals@gmail.com

Open Offer for Acquisition of upto 49,30,562 Equity Shares from shareholders of TECIL Chemicals & Hydro Power Limited ("the Target Company") by Mr. Varghese Kurian ("Acquirer") at a price of Rs. 13/- per Equity Share

This Detailed Public Statement ("DPS") is being issued by **Arihant Capital Markets Limited**, the Manager to the Offer ("Manager") on behalf of **Mr. Varghese Kurian** (hereinafter referred to as "**the Acquirer**") in compliance with Regulation 13(4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI SAST Regulations**") pursuant to the Public Announcement filed on March 10, 2017 with the BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"); and on March 14, 2016 with Securities and Exchange Board of India (SEBI) and the Target Company in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations.

I. DETAILS OF ACQUIRER, TARGET COMPANY AND THE OFFER

(A) Acquirer

(a) The Offer is being made by Mr. Varghese Kurian

Mr. Varghese Kurian, aged about 55 years, is a Non-Resident Indian, holding Indian Passport No. 22386908 dated 26.11.2014 and PAN ADOPV5056E residing at Flat No. 1, Building 108, Road 3302, Block 333 Umm Al Hassam, Bahrain and having permanent Indian residence at Puthenpurakkal House, Kochukoickal, P.O. Pathanamthitta, Kerala-689667, India; Tel : 0484-2707015; e-mail : middleeasthotel@yahoo.co.in. Mr. Kurian did his Civil Engineering from SN Engineering College, Kollam, Kerala. After a brief stint with his father's construction company in Kerala, Mr. Kurian moved to the Kingdom of Bahrain in 1986 to set up business there. Mr. Kurian has been engaged in real estate development for the last 20 years, having successfully developed, managed, marketed and sold over 200 commercial and residential buildings across the Kingdom of Bahrain with property values in excess of BHD 100 million. He is presently the chairman of the VKL Holdings and Al Namal group of Companies whose business include real estate, property development and management, construction, health and hospitality divisions. He is also the Chairman of New Horizon School, which is one of the leading Indian educational institutions in Bahrain.

Apart from expanding his business empire, Mr. Kurian is actively involved into various charitable organizations and has established a charitable trust in the name of his parents for pursuing welfare programmes for the poor. He now plays a vital role in nurturing the interests of Non-resident Indians in Bahrain.

In recognition of his remarkable achievements in business and industry and his distinguished services in the field of social work, Mr. Kurian was honoured with the prestigious P V Sami Memorial Industrial and Socio-Cultural Award on September 1, 2013 at the Tagore Centenary Hall in Kozhikode, Kerala. He was also presented with the Human Rights 2012 Award at a ceremony held in Kochi, Kerala. He was also presented with the World Malayalee Council's Outstanding Pravasi Entrepreneur Award in 2009. Mr. Kurian also received the Pravasi Bharatiya Samman, the highest honour conferred on overseas Indians, from Shri Pranab Mukherjee, President of India, at Delhi on January 9, 2014.

Save for the Equity Shares proposed to be acquired under the Share Purchase Agreement (SPA), Mr. Varghese Kurian does not have any relationship / interest in the Target Company.

Mr. S. Rajeeva Pai, Chartered Accountant, Partner, S.R. Pai & Co., having their office at 1st floor, CC No. 28/733 B, Near Alazhath Temple, Opp Union Bank of India, K.P. Vallon Road, Kadavanthra, Cochin – 682 020 (Membership No. 214230, Firm Registration No. 010793S); Tel: 0484-3070933; has certified vide their certificate dated March 10, 2017 that the net worth of Mr Varghese Kurian as on December 31, 2016 is Rs. 567,70,30,724/- (Rupees Five Hundred Sixty Seven Crores Seventy Lakhs Thirty Thousand Seven Hundred Twenty Four only) and that he has sufficient liquid assets as on date to fulfil the monetary obligations under this Open Offer.

(b) The Acquirer has not been prohibited by the Securities and Exchange Board of India (hereinafter referred to as "SEBI") from dealing in securities, in terms of directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "SEBI Act") or under any of the Regulations made under the SEBI Act.

(c) The Acquirer is the Chairman of VKL Holding and Al Namal Group of Companies.

(B) Details of Sellers

(a) The Acquirer has entered into Share Purchase Agreement on March 10, 2017 to acquire in aggregate 75,45,657 Equity Shares ("**Sale Shares**") having face value of Rs.10/- each constituting 39.79% of the paid-up equity and voting share capital of the Target Company with the following persons forming part of the Promoter Group of the Target Company ("**Sellers**") at a price of Rs. 12.85 per Equity Share ("**Negotiated Price**") :

Sr. No	Name & Residential Address of the sellers	Shareholding	% to paid-up Equity
1	Mr. Shreeniwas Somani 5 th Floor, Shreeniketan, 86-A, N.S. Road, Marine Drive, Mumbai – 400 002	13,02,090	6.87
2	Mrs. Shanta Somani 5 th Floor, Shreeniketan, 86-A, N.S. Road, Marine Drive, Mumbai – 400 002	1,21,390	0.64
3	Mrs. Aradhana Somani 5 th Floor, Shreeniketan, 86-A, N.S. Road, Marine Drive, Mumbai – 400 002	83,250	0.44
4	Mr. Shrikant Somani 5 th Floor, Shreeniketan, 86-A, N.S. Road, Marine Drive, Mumbai – 400 002	3,48,537	1.84
5	Chemo Pharma Laboratories Limited Registered Office : 5, Kumud Apartment CHS Limited, Karnik Road Chikan Ghar, Kalyan Dist. Thane – 421301	52,36,930	27.61
6	Citric India Limited Registered Office : Panchak, G.D. Somani Marg, Nasik 422 101, Maharashtra	4,40,710	2.32
7	India Ener-Gen Private Limited # Registered Office : Empire House, 3 rd Floor,214, Dr. D. N. Road, Mumbai – 400 001	12,750	0.07
	Total	75,45,657	39.79

Originally incorporated as *Tecil Finance Limited* on August 5, 1994. The name was changed to *India Ener-Gen Limited* on December 7, 1998 and again changed to *India Ener-Gen Private Limited* on December 31, 2015.

The pre and post-transaction shareholding of the Sellers in the Target Company would be as under :

Name	Details of shares/voting rights held by the selling shareholders			
	Pre-transaction		Post-transaction	
	No. of Shares	%	No. of Shares	%
Shreeniwas Somani	13,02,090	6.87%	-	-
Shanta Somani	1,21,390	0.64%	-	-
Aradhana Somani	83,250	0.44%	-	-
Shrikant somani	3,48,537	1.84%	-	-
Chemo Pharma Laboratories Ltd	52,36,930	27.61%	-	-
Citric India Limited	4,40,710	2.32%	-	-
India Ener-Gen Private Limited	12,750	0.07%	-	-
	75,45,657	39.79%	-	-

(a) The sellers form part of the promoter group of the Target Company.

(b) The sellers have not been prohibited by SEBI from dealing in securities, in terms of direction under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

(c) Chemo Pharma Laboratories Limited, one of the promoter / seller, is listed on BSE Limited.

(C) Target Company

(a) The Target Company was incorporated as The Travancore Electro Chemical Industries Limited under the Travancore Companies Act, 9 of 1114 and obtained the Certificate of Incorporation on Twenty-second day of Meenam one thousand one hundred and twenty as per Malayalam calendar (which corresponds to April 4, 1945 according to English calendar) from the Registrar of Joint Stock Companies, Travancore. The Certificate of Commencement of Business was issued by the said Registrar on Nineteenth day of Edavam one thousand one hundred and twenty as per Malayalam calendar (which corresponds to June 1, 1945). Pursuant to passing of necessary resolution in terms of Section 21 of the Companies Act, 1956, the name of the Target Company was changed to TECIL Chemicals And Hydro Power Limited and a fresh Certificate of Incorporation consequent on change of name was issued by the Registrar of Companies, Kerala on December 28, 1994.

(b) The Target Company is managed by Mr. Shreeniwas B. Somani and associates since 1964. The Target Company had a Lime Kiln, Calcium Carbide, Acetylene Black, Desulphurisation Compound and Ferro Silicon plants at Chingavanam, Dist Kottayam, Kerala. However, the manufacturing operations ceased since 1999 and in 2011-12, the plant and machinery and other assets, except land, were sold off. Presently, the company does not have any manufacturing operations. It has invested its funds on which it earns interest income.

(c) There have been no merger/de-merger / spin off during the last 3 years involving the Target Company

(d) The Equity Shares of the Target Company are listed at BSE and NSE. All the Equity Shares of the Target Company are issued and held in physical form. The Equity Shares of the Target Company are suspended from trading by BSE and NSE.

(e) **Based on the parameters set out in the Regulation 2(i) of SEBI SAST Regulations, the Equity Shares of the Target Company are infrequently traded.**

(f) The brief audited financial information of the Target Company for the last 3 years are as follows :

	(Rs. in lacs)		
Particulars	31/03/2016	31/03/2015	31/03/2014
Total Income	63.03	69.83	354.06
(Loss) / Profit After Tax	(51.03)	(46.31)	(447.88)
EPS (Rs.)	-	-	-
Networth	(646.98)	(516.34)	(464.16)

(D) Details of the Offer

(a) This open offer is being made pursuant to Regulation 3(1) and 4 of the SEBI SAST Regulations as aforesaid, to the public equity shareholders of TECIL Chemicals & Hydro Power Limited by Mr. Varghese Kurian to acquire 49,30,562 Equity Shares of Rs. 10 each representing 26% of the paid up equity voting share capital of the Target Company, at a price of Rs. 13/- per Share ("Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter (the "Open Offer" or "Offer"). There are no persons who are acting in concert with the Acquirer for the purpose of the Open Offer.

(b) The offer is being made to all the equity shareholders of the Target Company except the shareholders who are parties to the SPA and the persons deemed to be acting in concert with such selling shareholders.

(c) There are no partly paid up equity shares of the Target Company. There are no outstanding warrants or similar instruments issued by the Company.

(d) No approval from any bank or financial institutions is required for the purpose of this Open Offer. As on the date of DPS, no other statutory approvals are required to be obtained for the purpose of this Open Offer. The Open Offer would be subject to all the statutory approvals that may become applicable at a later date before the completion of the Open Offer.

(e) The Offer is not subject to any minimum level of acceptance from the shareholders i.e. it is not a conditional offer and the Acquirer will be obliged to acquire all the equity shares tendered in response to the Offer, subject to a maximum of 49,30,562 Equity Shares that are tendered in valid form in terms of the Offer subject to all the terms and conditions mentioned in this DPS and the Letter of Offer ("**LOF**") to be sent to the shareholders of the Target Company.

(f) This is not a competing offer.

(g) The Acquirer may withdraw the offer only in compliance with Regulation 23 of the SEBI SAST Regulations, 2011.

(E) The Acquirer currently does not plan to dispose off or otherwise encumber any asset of the Target Company in the next 2 years except in the ordinary course of business of the Company. The Acquirer undertakes not to sell / dispose off or otherwise encumber any substantial asset of the Target Company for a period of 2 years except with the prior approval of the shareholders of the Target Company through Special Resolution in terms of Regulation 25(2) of the SEBI SAST Regulations.

(F) The Target Company does not have any subsidiary.

(G) Upon completion of this offer, assuming full acceptance, the public shareholding in the Target Company will not fall below the minimum public shareholding requirement as per the Securities Contract (Regulations) Rules, 1957 as amended and the Securities and Exchange Board of India (Listing Obligations and Disclosure Regulations), 2015 (SEBI LODR Regulatios).

(H) As indicated above, the Acquirer has entered into SPA on March 10, 2017 to acquire in aggregate 75,45,657 Equity Shares of Rs.10/- each constituting 39.79% of the paid-up equity and voting share capital of the Target Company with the selling shareholders. The condition stipulated in the SPA, the underlying agreement, meeting of which are outside the reasonable control of the Acquirer are as under :

- *The parties to the Agreement agree that in the event of non-compliance of any of the provisions of SEBI Takeover Regulations, this Agreement shall not be acted upon by any of the parties*

II. BACKGROUND OF THE OFFER

(a) The Acquirer has entered into SPA on March 10, 2017 to acquire in aggregate 75,45,657 Equity Shares of Rs. 10/- each constituting 39.79% of the paid-up equity and voting share capital of the Target Company at a price of Rs. 12.85 per equity share payable in cash with the selling shareholders thereby triggering Open Offer under Regulation 3(1) and 4 of SEBI SAST Regulations.

(b) The Acquirer intends to gain control over the Target Company and make changes in the Board of Directors of the Target Company in accordance with the provisions of SEBI SAST Regulations.

(c) The main objects of the Target Company inter-alia includes carrying on the business in manufacture / dealing in carbon and graphite in various forms and types viz. coal, charcoal, coke, activated carbon etc. and other finished products like electrodes plates, blocks, linings, battery carbons, welding / lighting carbons etc. Presently, the company does not have any manufacturing operations.

The Acquirer, upon completion of the present open offer and subject requisite approvals, intends to establish an ITES (Information Technology enabled services) township project at the existing land of the Target Company situated at Kottayam district, Kerala, with infrastructure and facilities for IT Companies.

III. SHAREHOLDING AND ACQUISITION DETAILS

The current and the proposed shareholding of the Acquirer is as under:

Details	No. of Shares	% to paid-up Equity
Shareholding as on the Public Announcement (PA) date	-	-
Shares agreed to be acquired under the SPA	75,45,657	39.79%
Shares acquired between the PA date and the DPS date	NIL	N.A
Acquisition under Open offer	49,30,562	26.00
Post offer shareholding (*)	1,24,76,219	65.79

* assuming full acceptance under the Open Offer

Save for the Shares agreed to be acquired under the SPA dated March 10, 2017, the Acquirer does not hold any Equity Shares in the Target Company.

IV. OFFER PRICE

(a) The shares of the Target Company are listed on BSE and NSE.

(b) All the shares of the Target Company are listed on BSE and NSE. However, the Equity Shares of the Target Company are suspended for trading by the Stock Exchanges on account of non compliance of the Listing Agreement / SEBI LODR Regulations. As such, the Equity Shares of TECIL Chemicals & Hydro Power Limited are deemed to be infrequently traded shares within the meaning of Regulation 2(i) of SEBI SAST Regulations during the 12 calendar months preceding the month in which Public Announcement is made at BSE / NSE.

(c) Justification of offer price

The offer price of Rs. 13/- per Equity Share of the Target Company has been determined after considering the following in terms of Regulations 8(1) and 8(2) of the SEBI SAST Regulations:

PARTICULARS	Price (Rs.)
1. Negotiated price	12.85
2. Volume weighted average price paid/payable for acquisitions during the 52 weeks preceding the date of public announcement	Nil
3. Highest price paid/payable for acquisition during the 26 weeks preceding the date of public announcement	Nil
4. Volume weighted average market price of shares for a period of 60 trading days immediately preceding the date of public announcement (<i>where the shares are frequently traded</i>)	N.A.
5. Fair Value determined in accordance with parameters of Regulation 8(2) (e)*	5.44
6. Highest of the above	12.85
7. Offer Price	13.00

* The fair value of Equity Shares is Rs. 5.44 (Rupees Five and Paise Forty Four only) as certified by Mr. S. Rajeeva Pai, Chartered Accountant, Partner, S.R. Pai & Co., having their office at 1st floor, CC No. 28/733 B, Near Alazhath Temple, Opp Union Bank of India, K.P. Vallon Road, Kadavanthra, Cochin – 682 020 (Membership No. 214230, Firm Registration No. 010793S); Tel: 0484-3070933; vide their certificate dated March 10, 2017

(d) There is no revision in offer price since the date of public announcement made on March 10, 2017. The offer price does not warrant any adjustment for corporate actions.

(e) In case the Acquirer acquires or agrees to acquire whether by themselves or through or with persons deemed to be acting in concert with them any shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition and would be notified to the shareholders. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.

(f) Subject to other Regulations, the Acquirer may, in terms of Regulation 18(4) of the SEBI SAST Regulations, make upward revision of the offer price at any time prior to the commencement of the last three working days before the commencement of the tendering period. Announcement of such revision would also be made in all the newspapers in which this DPS is made.

V. FINANCIAL ARRANGEMENTS

(a) Assuming full acceptance, the total fund requirements to meet this Offer is Rs. 6,40,97,306/- (Rupees Six Crore Forty Lakhs Ninety Seven Thousand Three Hundred Six only).

(b) The Acquirer has adequate resources to meet the financial requirements of the Offer. The fund requirements will be met from own sources/Net Worth and no borrowings from Banks / FIs or Foreign sources such as NRIs or otherwise is envisaged by the Acquirer. The Acquirer hereby declares and confirms that he has adequate and firm financial resources to fulfill the total financial obligation under the Offer.

(c) In accordance with Regulation 17 of the SEBI SAST Regulations, the Acquirer has deposited Rs. 6,41,00,000/- (Rupees Six Crore Forty One Lakhs only) by way of cash, being over 100% of the entire amount of the consideration (assuming full acceptance by the shareholders) in an Escrow Account with ICICI Bank, Capital Market division, 1st floor, 122 Mistry Bhawan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai- 400020 – with exclusive authority to operate the account in favour of Arihant Capital Markets Ltd., the Manager to the Offer. The Acquirer has duly empowered the Managers to the Offer to realise the value of the Escrow Account in terms of Regulation 21(1) of the SEBI SAST Regulations.

(d) Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements for funds for payment through verifiable means have been put in place by the Acquirer to fulfill his obligations in relation to the Offer in accordance with the SEBI SAST Regulations.

VI. STATUTORY AND OTHER APPROVALS

(a) As on the date, no statutory approvals are required by the Acquirer to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

(b) Non-resident equity shareholders who wish to tender their equity shares in the Target Company in this Offer will be required to submit all the applicable Reserve Bank of India (hereinafter referred to as "RBI") approvals that they would have obtained for acquiring, the equity shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer reserves the sole right to reject the equity shares tendered in the Offer.

(c) In terms of Regulation 18(11) of the SEBI SAST Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirer agreeing to pay interest to the Shareholders as may be specified by the SEBI.

(d) The Acquirer may withdraw the offer only in compliance with Regulation 23 of the SEBI SAST Regulations.

(e) As indicated above, the Acquirer has entered into SPA on March 10, 2017 to acquire in aggregate 49,30,562 Equity Shares of Rs.10/- each constituting 39.79% of the paid-up equity and voting share capital of the Target Company with the selling shareholders. The condition stipulated in the SPA, the underlying agreement, meeting of which are outside the reasonable control of the Acquirer are as under :

- *The parties to the Agreement agree that in the event of non-compliance of any of the provisions of SEBI Takeover Regulations, this Agreement shall not be acted upon by any of the parties*

VII. TENTATIVE SCHEDULE OF ACTIVITY

Activity	Day and Date
Public Announcement Date	Friday, March 10, 2017
Detailed Public Statement Date	Monday, March 20, 2017
Filing of draft Letter of Offer (LOF) with SEBI	Monday, March 27, 2017
Last date for competing offer	Wednesday, April 12, 2017
SEBI observations on draft LOF	Thursday, April 20, 2017
Identified Date (Identified date is only for the purpose of determining the shareholders to whom the LOF shall be sent)	Monday, April 24, 2017
Date by which LOF will be despatched to the shareholders	Tuesday, May 2, 2017
Last date by which the Board of Target Company shall give its recommendation	Friday May 5, 2017
Issue Opening Advertisement Date	Monday, May 8, 2017
Date of commencement of tendering period (open date)	Tuesday, May 9, 2017
Date of expiry of tendering period (closure date)	Tuesday, May 23, 2017
Date by which all requirements including payment of consideration would be completed	Tuesday, June 6, 2017

VIII. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF LOF

1. The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism as provided under the SEBI SAST Regulations and the SEBI circular CIR/CFD/POLICY/CELL/ 1/2015 dated April 13, 2015 issued by SEBI.

2. The Acquirer has appointed Arihant Capital Markets Limited ("Buying Broker") for the Open Offer through whom the purchase and settlement of the Offer Shares tendered in the Open Offer shall be made. The contact details of the Buying Broker are as mentioned below:

Arihant Capital Markets Limited
1011, Solitaire Corporate Park, 1st floor
Guru Hargovindji Road, Chakala, Andheri (E)
Mumbai – 400 093
Tel : 022-42254800; Fax : 022-42254880
e-mail : mbd@arihantcapital.com

3. As per the Stock Exchange mechanism, the tendering of Equity Shares (physical and demat) can be done only through registered stock brokers. The shareholders are therefore advised to open trading and/or demat accounts with such registered brokers for participating in the open offer, if they do not already have trading account.

4. All public shareholders who desire to tender their equity shares under the Open Offer would have to intimate their respective stock brokers ("Selling Broker") within the normal trading hours of the secondary market, during the tendering period.

5. Persons who have acquired Equity Shares but their 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 Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

6. The detailed process of Stock Exchange will be provided in the Letter of Offer which shall be sent to all eligible public Shareholders of the Target Company.

IX. The detailed procedure for tendering the shares in the Open Offer will be available in the Letter of Offer that would be mailed to the shareholders of the Target Company as on the identified date.

X. OTHER INFORMATION

(a) The Acquirer accepts full responsibility for the information contained in the Public Announcement / Detailed Public Statement and also for the obligations of the Acquirer as laid down in the SEBI SAST Regulations.

(b) Pursuant to Regulation 12 of the SEBI SAST Regulations, the Acquirer has appointed **Arihant Capital Markets Limited**, having office at 1011, Solitaire Corporate Park, Building No. 10, 1st floor, Guru Hargovindji Road, Chakala, Andheri (E), Mumbai – 400093; Tel:022-42254800; Fax:022-42254880 Email:mbd@arihantcapital.com as **Manager to the Offer**. The contact person is Mr. Amol Kshirsagar / Mr. Satish Kumar P.

(c) The Acquirer has appointed **Sharex Dynamic (India) Private Limited** as Registrar to the Offer having office at Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri-Kurla Road, Andheri (East), Mumbai – 400 072; Tel: 022-28515606; email: sharexindia@vsnl.com. The contact person is Mr. B.S. Baliga.

(d) This Detailed Public Statement will also be available on SEBI's website at www.sebi.gov.in.

MANAGER TO THE OFFER	
ARIHANT capital markets ltd.	
Merchant Banking Division SEBI REGN NO.: INM 000011070 1011, Solitaire Corporate Park, 1 st floor Building No. 10, Guru Hargovindji Road Chakala, Andheri (E), Mumbai - 400 093 Tel : 022-42254800/862; Fax : 022-42254880 Email: mbd@arihantcapital.com Website: www.arihantcapital.com Contact Persons: Mr. Amol Kshirsagar / Mr. Satish Kumar P.	

Issued by Manager to the Offer on behalf of Mr Varghese Kurian, the Acquirer

Place: Mumbai
Date: March 20, 2017