

DENSO INDIA LIMITED

Registered & Head Office: B-1/D-4, Ground Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110044, India • Tel: +91 - 11 - 26953994, 26952308 • Fax: +91 - 11 - 26953993 • Website: http://www.denso.co.in/DNIN/

This public announcement (the “**Public Announcement**”) is being issued by DENSO Corporation, Japan (the “**Acquirer**”) to the public shareholders of DENSO India Limited (the “**Company**”) in accordance with Regulation 10 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (“**Delisting Regulations**”) in respect of the proposed acquisition and delisting of fully paid-up equity shares of the Company (hereinafter, referred to as the “**Offer**”/“**Delisting Offer**”).

1. THE DELISTING OFFER

1.1 The Company is a public limited company incorporated and registered in India under the Companies Act, 1956, having its registered office at B-1/ D-4, Ground Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110044, India. The paid-up equity share capital of the Company (the “**Equity Capital**”) is ₹ 278,796,440/- comprising of 27,879,644 fully paid-up equity shares having face value of ₹ 10/- each (the “**Equity Shares**”). The Equity Shares are listed on the BSE Limited (the “**BSE**”), Delhi Stock Exchange Limited (the “**DSE**”) and Madras Stock Exchange Limited (the “**MSE**”) (collectively referred to as “**Stock Exchanges**”). Further the Equity Shares of the Company are permitted to be traded by National Stock Exchange of India Limited (the “**NSE**”).

1.2 The Acquirer, one of the promoters of the Company, is a company incorporated and registered under the laws of Japan having its head office at 1-1, Showa-cho, Kariya, Aichi 448-8661, Japan and holds 13,362,091 Equity Shares, representing 47.93% of the Equity Capital.

1.3 The Acquirer is making this Public Announcement to the public shareholders of the Company (defined to mean all the shareholders of the Company other than the promoters and hereinafter referred to as the “**Public Shareholders**”) to acquire, in accordance with the Delisting Regulations and on the terms and conditions set out below, up to 7,398,019 Equity Shares, representing 26.54% of the Equity Capital (the “**Offer Shares**”). Consequent to the Delisting Offer and upon the combined shareholding of the Acquirer and the other promoters of the Company reaching a minimum of 90% of the Equity Capital and fulfilment of other conditions stipulated under the Delisting Regulations, the Company will seek to voluntarily delist the Equity Shares from the BSE, DSE and MSE in accordance with the Delisting Regulations and withdraw permitted to trade status from NSE.

1.4 On April 26, 2013, Acquirer intimated its intention to make the Delisting Offer to the Company and requested the board of directors of the Company (the “**Board of Directors**”) to convene a meeting to consider the proposal of delisting, to place the proposal of delisting before the shareholders of the Company for their consideration and approval by a special resolution passed through postal ballot in accordance with Regulation 8(1)(b) of the Delisting Regulations, and to seek in-principle approval of the BSE, DSE and MSE for delisting the Equity Shares in accordance with Regulation 8(1)(c) of the Delisting Regulations.

1.5 The Board of Directors vide its resolution dated April 27, 2013, approved the proposal received from the Acquirer to initiate the Delisting Offer in accordance with the provisions of the Delisting Regulations, subject to applicable law, approval of the shareholders of the Company and in-principle approval of the BSE, DSE and MSE. A special resolution has been passed by the shareholders of the Company through postal ballot, the result of which was declared on June 17, 2013 and notified to the Stock Exchanges on June 17, 2013, approving the proposed delisting of the Equity Shares from the BSE, DSE and MSE in accordance with the Delisting Regulations. The votes cast by Public Shareholders in favour of the Delisting Offer were 3,308,657, being more than two times the number of votes cast by the Public Shareholders against it (i.e. 230,579). The BSE, DSE and MSE have issued their in-principle approvals for the Delisting Offer, subject to compliance with the Delisting Regulations, vide their letter dated July 26, 2013, July 29, 2013 and June 26, 2013, respectively.

1.6 Subsequently, the Acquirer has vide their letter dated July 17, 2013 informed the Board of Directors that after considering the prevailing market conditions and for providing good exit opportunity to Public Shareholders, they are willing to accept Equity Shares tendered in the delisting offer at a price of ₹ 95/- per Equity Share (the “**Indicative Price**”). The Indicative Offer Price is a premium over the floor price (i.e., ₹ 59.70 per share).

1.7 This Public Announcement is being issued in the following newspapers as required under Regulation 10(1) of the Delisting Regulations:

Newspaper	Language	Editions
Economic Times	English	All
Financial Express	English	All
Jansatta	Hindi	All
Mumbai Lakshadeep	Marathi	Mumbai

1.8 Modifications to this Public Announcement, if any, will be notified by issuing a corrigendum in all of the aforementioned newspapers.

1.9 The Acquirer reserves the right to withdraw the Delisting Offer in certain cases as more fully set out in paragraph 11 (Conditions to the Delisting Offer) of this Public Announcement.

2. INFORMATION ON THE ACQUIRER

2.1 The Acquirer is incorporated under the laws of Japan having its Head office at 1-1, Showa-cho, Kariya, Aichi 448-8661, Japan. The Acquirer is engaged in the business of automotive technology, systems and components, the major product categories include Powertrain Control Systems, Electronic Systems, Thermal Systems, Information & Safety Systems and Small Motors.

2.2 As on the date of this Public Announcement, the issued and paid-up share capital of the Acquirer is JPY 187,457 million (Japanese Yen One hundred and eighty seven thousand four hundred and fifty seven million), consisting of 884,068,713 (Eight hundred and eighty four million sixty eight thousand and seven hundred and thirteen) equity shares. A brief summary of the audited financials of the Acquirer for the years ended March 31, 2011, March 31, 2012 and March 31, 2013 being the last three financial years for which audited financials are available for the Acquirer, is provided below:

Particulars	For the financial year ended March 31 (audited) (in Millions of Yen)		
	2011	2012	2013
Net Sales	3,131,460	3,154,630	3,580,923
Operating income	188,331	160,732	162,376
Profit after tax	143,033	89,298	181,682
Earnings per Share (JPY)	177.49	110.81	226.59
Particulars	As at March 31 (audited) (in Millions of Yen)		
	2011	2012	2013
Current Assets	1,864,511	2,120,108	2,281,886
Property, Plant and Equipment	823,228	800,888	886,160
Investments and other assets	692,694	686,701	811,047
Total Assets	3,380,433	3,607,697	3,979,093
Current Liabilities	792,471	813,342	973,546
Long term Liabilities	515,519	677,154	578,686
Total Equity	2,072,443	2,117,201	2,426,861
Total Equity and Liabilities	3,380,433	3,607,697	3,979,093
Return on Equity (%)	7.4%	4.5%	8.4%

3. OBJECTIVE OF DELISTING

3.1 The objective of delisting the Equity Shares is to (i) increase ownership in the Company, which will provide the Acquirer with increased operational flexibility to support the Company's business; and (ii) to provide an exit opportunity to the Public Shareholders of the Company, given the low liquidity in the Equity Shares of the Company.

3.2 Accordingly, the Acquirer is making this Delisting Offer to the Public Shareholders of the Company to acquire the Offer Shares constituting 26.54% of the Equity Capital of the Company and to voluntarily delist the Equity Shares from BSE, DSE and MSE and withdraw permitted to trade status from NSE in accordance with the Delisting Regulations.

4. INFORMATION ON THE COMPANY

4.1 The Company is a public limited company incorporated under Companies Act, 1956 having its registered office at B-1/ D-4, Ground Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110044, India. The Equity Shares are listed on the BSE, DSE and MSE. Further the Equity Shares of the Company are permitted to be traded by NSE.

4.2 The Company is engaged in the business of manufacture and sale of automobile components and spares for both two and four wheelers. Its major products include alternator, starter, and capacitor discharge ignition (CDI).

4.3 The Company was originally incorporated on November 22, 1984, in the name of SRF Nippondenso Limited, under the Companies Act, 1956. Subsequently, its name was changed to Nippondenso India Limited with effect from October 19, 1994 post which it was changed to DENSO India Limited with effect from October 1, 1996. Prior to its current location, the registered office of the Company was located at 3rd Floor, Left Wing, The Capital Court, Olof Palme Marg, Munirka, New Delhi - 110067. Further prior to this, the registered office of the Company was located at Express Building 9-10, Bahadur Shah Zafar Marg, New Delhi - 110002.

4.4 A brief summary of the audited financial statements of the Company for the financial years ended March 31, 2011, March 31, 2012 and March 31, 2013 is provided below.

Particulars	For the financial year ended March 31 (audited) (in ₹ millions)		
	2011	2012	2013
Net Sales/ Income from operations	9,251	10,328	12,151
Other operating income	23	34	35
Total income from operations	9,274	10,362	12,186
(Loss)/ Profit before tax	50	(717)	190
(Loss)/ Profit after tax	20	(722)	128
Basic and Diluted Earnings per Share (₹)	0.71	(25.88)	4.59
Paid-up Equity Share Capital	279	279	279
Reserves excluding revaluation reserves	1,814	1,092	1,220
Net Worth	2,093	1,371	1,499
Non-Current Liabilities	81	815	808
Current Liabilities	2,498	3,957	3,783
Total Equity and Liabilities	4,672	6,143	6,090
Non-Current Assets	1,836	1,820	2,044
Current Assets	2,836	4,323	4,046
Total Assets	4,672	6,143	6,090
Return on Net Worth (%)	0.96%	-	8.92%

Source: Audited financials of the Company for the financial year ended on March 31, 2013, March 31, 2012 and March 31, 2011.

Note: Return on Net Worth is Profit after tax/ Average net worth

4.5 Further information about the Company may be obtained from its website http://www.denso.co.in/DNIN/

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

5.1 The Equity Shares are presently listed and traded on the BSE, DSE and MSE.

5.2 Further, the Equity Shares of the Company are permitted to be traded by NSE.

5.3 The Equity shares are sought to be delisted from BSE, DSE and MSE and the permitted to trade status withdrawn from NSE.

6. INFORMATION REGARDING STOCK MARKET DATA

6.1 The high, low and average prices of the Equity Shares (in ₹ per share) on BSE and NSE during the preceding three calendar years on the stock exchanges were as follows:

Calendar Year	BSE			NSE		
	High (₹)	Low (₹)	Average* (₹)	High (₹)	Low (₹)	Average* (₹)
2010	116.90	78.00	93.52	116.95	75.00	95.10
2011	87.00	45.00	63.89	88.50	45.20	63.81
2012	63.25	41.60	49.30	63.90	36.05	49.25

* Average of the closing prices over the period

** Equity Shares were permitted to trade on NSE with effect from June 30, 2010

There was no trading in Equity Shares on MSE and DSE during the preceding three calendar years.

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

Calendar month	BSE			NSE		
	High (₹)	Low (₹)	Total Volume**	High (₹)	Low (₹)	Total Volume**
July-13	108.90	83.05	515,093	108.80	83.50	343,198
Jun-13	85.00	73.50	326,954	85.00	73.00	199,606
May-13	81.45	61.15	714,156	80.50	57.65	112,661
Apr-13	58.25	42.15	168,798	54.95	43.10	103,508
Mar-13	51.45	40.00	191,671	52.85	40.00	212,005
Feb-13	47.40	36.50	76,594	42.45	36.05	59,874

** Monthly trading volume

There was no trading in Equity Shares on MSE and DSE during the six calendar months preceding the date of this Public Announcement.

7. PRESENT CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

7.1 The authorized share capital of the Company is ₹ 300,000,000 comprising of 30,000,000 Equity Shares. The Equity Capital comprises of 27,879,644 Equity Shares.

7.2 As on the date of this Public Announcement, the Company has no outstanding preference shares, partly paid-up shares, convertible instruments, or stock options. None of the Equity Shares are subject to any lock-in requirements.

7.3 The shareholding pattern of the Company, as on August 9, 2013 is as under:

Category	Number of Equity Shares	% of Equity Capital
a) Promoter & Promoter Group		
Indian	2,862,758	10.27%
Foreign	17,618,867	63.20%
SUB-TOTAL (a)	20,481,625	73.46%
b) Public		
Institutional Investors		
Mutual Funds/UTI	4,500	0.02%
Financial Institutions/Banks/ Insurance companies	400	0.00%
Foreign Institutional Investors	1,974,263	7.08%
Non Institutional Investors		
Bodies Corporate	1,154,930	4.14%
Individuals (including NRIs / OCB)	4,146,954	14.87%
Clearing Member	110,601	0.40%
Trust	6,371	0.02%
SUB-TOTAL (b)	7,398,019	26.54%
TOTAL (a) + (b)	27,879,644	100.00%

7.4 Other than the shareholding mentioned herein, neither the Acquirer nor any other promoter or any of their respective directors hold any Equity Shares, as on the date of this Public Announcement.

8. LIKELY POST DELISTING CAPITAL STRUCTURE

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

Shareholder(s)	No. of Equity Shares	% of Equity Capital
Acquirer	20,760,110	74.46%
Other Promoters & Promoter Group	7,119,534	25.54%
Non Promoter Shareholding	-	-
TOTAL	27,879,644	100.00%

9. DETERMINATION OF THE FLOOR PRICE

9.1 The Acquirer proposes to acquire the Offer Shares of the Company pursuant to a reverse book-building process (the “**RBP**”) conducted in accordance with the terms of the Delisting Regulations.

9.2 The decision of the meeting of the Board of Directors held for considering the Offer was notified to the Stock Exchanges on April 27, 2013.

9.3 As per the trading data, the Equity Shares of the Company are frequently traded on BSE and infrequently traded on other stock exchanges, and hence, the floor price has been determined in terms of Regulation 15(2) of the Delisting Regulations.

9.4 The average of the weekly high and low of the closing prices of the Equity Shares during the twenty six weeks or two weeks preceding the date on which the Stock Exchanges were notified of the board meeting in which the delisting proposal was considered (i.e. April 27, 2013), whichever is higher, as quoted on BSE provides a floor price of ₹ 47.68/- per Equity Share.

9.5 Further, M/s S. S. Kothari Mehta & Co. Chartered Accountants, having its office at 146-149, Tribhuvan Complex, Ishwar Nagar, Mathura Road, New Delhi -110065, by its valuation report dated May 10, 2013 (the “**Valuation Report**”), have arrived at a floor price of ₹ 59.70 /- per Equity Share.

9.6 The Acquirer, in consultation with the Manager to the Offer has considered the floor price of ₹ 59.70/- per Equity Share contained in the Valuation Report.

9.7 The Acquirer has not acquired any Equity Shares (a) during the twenty six weeks prior to the date on which the Stock Exchanges were notified of the meeting of the Board of Directors held to consider the Offer i.e. the twenty six week period prior to April 27, 2013; and (b) between April 27, 2013 and the date of this Public Announcement.

9.8 Therefore, in accordance with the applicable provisions of Regulation 15 (3) of the Delisting Regulations, the floor price for the Offer per Equity Share was determined by the Acquirer to be ₹ 59.70/- (Rupees Fifty Nine Seventy Paise Only) (the “**Floor Price**”).

10. DETERMINATION OF DISCOVERED PRICE AND EXIT PRICE

10.1 All Public Shareholders can tender Offer Shares of the Company during the Bid Period (as hereinafter defined) as set out in paragraph 12 of this Public Announcement.

10.2 The minimum price per Equity Share (the “**Discovered Price**”) payable by the Acquirer for the Offer Shares it acquires pursuant to the Delisting Offer, as determined in accordance with the Delisting Regulations, will be the price at which the maximum number of Offer Shares are tendered pursuant to a reverse book-building process in the manner as specified in Schedule II of the Delisting Regulations.

10.3 The Acquirer has intimated the Board of Directors vide letter dated July 17, 2013 that they are willing to accept Equity Shares tendered in the delisting offer at a price of ₹ 95/- per Equity Share (the “**Indicative Price**”). The Indicative Offer Price is a premium over the floor price (i.e., ₹ 59.70 per share). The Indicative Price should in no way be construed as either (a) a ceiling or maximum price for the purposes of acquisition under the reverse book-building process and the Public Shareholders are free to tender their Equity Shares at any price higher than the Indicative Price in accordance with the Delisting Regulations, or (b) a commitment by the Acquirer to accept the Equity Shares tendered in the delisting offer if the discovered price (price at which maximum Equity Shares have been tendered in the reverse book building process) is less than the Indicative Price, or (c) an obligation on the Acquirer to pay the Indicative Price in the event the discovered price is lower than the Indicative Price or (d) any restriction on the ability of Acquirer to acquire Equity Shares at a price higher or lower than the Indicative Price.

10.4 The Acquirer may, at its sole discretion, accept the Discovered Price for the Offer Shares or offer to pay a price higher than the Discovered Price for the Offer Shares. The price so accepted or offered by the Acquirer is referred to in this Public Announcement as the exit price (the “**Exit Price**”). The Acquirer is under no obligation to accept the Discovered Price or to offer a price higher than the Discovered Price.

10.5 If the Acquirer accepts or offers an Exit Price, the Acquirer will acquire all Offer Shares which have been tendered at prices up to and equal to the Exit Price, for a cash consideration equal to the Exit Price for each such Offer Share. The Acquirer will not accept Offer Shares offered at a price that exceeds the Exit Price.

10.6 If the Acquirer does not accept the Discovered Price, the Acquirer will have no right or obligation to acquire the Offer Shares tendered in the Delisting Offer, the Delisting Offer will be withdrawn and the dematerialized Offer Shares deposited in the ‘Special Depository Account’ or pledged in favour of the Manager to the Offer as per paragraph 13.6 and 13.7 of this Public Announcement and physical Offer Shares tendered as per paragraph 13.9 of this Public Announcement, will be returned to the relevant Public Shareholders within ten working days from the Bid Closing Date, as stipulated under the Delisting Regulations. The Acquirer shall announce its decision to reject the Discovered Price or offer the Exit Price (if any) in the same newspapers in which this Public Announcement has appeared, in accordance with the timetable set out in this Public Announcement.

11. CONDITIONS TO THE DELISTING OFFER

11.1 The acquisition of Offer Shares by the Acquirer and the Delisting Offer are conditional upon:

- The Acquirer deciding in its sole and absolute discretion to accept or offer the Exit Price;
- A minimum number of Offer Shares being tendered at or below the Exit Price so as to cause the combined shareholding of the promoters and promoter group in the Company to reach a minimum of 90% of the Equity Capital;
- The Acquirer obtaining all statutory and regulatory approvals, as stated in paragraph 17 of this Public Announcement; and
- There being no amendments to the Delisting Regulations or other applicable laws or regulations or conditions imposed by any regulatory/ statutory authority/ body or order from a court or competent authority which would in the sole opinion of the Acquirer, prejudice the Acquirer from proceeding with the Delisting Offer, provided that withdrawal on this count shall be subject to the receipt of regulatory approvals, if any, required for the same.

12. DATES OF OPENING AND CLOSING OF THE BID PERIOD

12.1 Public Shareholders may tender their Offer Shares by submitting a Bid Form (as hereinafter defined) to the relevant Bid Centre (as hereinafter defined) during the Bid Period (as hereinafter defined) (the “**Bids**”). The period during which Public Shareholders may tender their Offer Shares to the Acquirer pursuant to the reverse book-building process (the “**Bid Period**”) shall commence at 10.00 a.m. on September 17, 2013 (the “**Bid Opening Date**”) and close at 3.00 p.m. on September 23, 2013 (the “**Bid Closing Date**”).

12.2 Bid Forms received after 3.00 p.m. on the Bid Closing Date will not be considered as valid Bids and shall not be accepted for the purpose of determining the Discovered Price payable for the Offer Shares by the Acquirer pursuant to the reverse book-building process.

12.3 Letters inviting Public Shareholders to tender their Offer Shares to the Acquirer by way of submission of Bids (the “**Bid Letters**”), containing the necessary forms and detailed instructions for submitting Bids will be dispatched to all Public Shareholders as per the timetable provided in paragraph 15 of this Public Announcement. The Bid Letters would be dispatched to only those Public Shareholders whose names appear on the register of members of the Company or the depository on the Specified Date (as stated in paragraph 15 of this Public Announcement).

12.4 In the event some Public Shareholders do not receive, or misplace their Bid Letters, they may obtain a copy by writing to MAS Services Limited (the “**Registrar to the Offer**”) at T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi - 110020, clearly marking the envelope “**DENSO India - Delisting Offer**”. Alternatively, Public Shareholders may obtain copies of Bid Forms (as hereinafter defined) at the Bid Centres (as hereinafter defined) or may obtain a soft copy of the Bid Letter from website of BSE Limited www.bseindia.com and also on the website of the Registrar to the Offer http://www.masserv.com.

13. PROCEDURE FOR BIDDING

13.1 The reverse book-building process shall be made available through the electronic system provided by BSE. In this regard the Acquirer has appointed a trading member to facilitate the lodging of Bids by and on behalf of the Public Shareholders (the “**Trading Member**”). The name and address of the Trading Member is Kary Stock Broking Limited, Avenue - 4, Road no. 10, Banjara Hills, Hyderabad 500034

13.2 Public Shareholders must submit their Bids only through the Trading Member.

13.3 The details of centres of the Trading Member where the Bids shall be submitted by hand delivery (the “**Bid Centres**”) are as follows:

S. No.	Bid Centre/City	Address of the Trading Member	Contact Person	Tel No
1	AHMEDABAD	403, Samedh Complex, B/S Associate Petrol Pump C G Road, Ahmedabad-380006, Gujarat	Mr. Anand Modi	079-66627919
2	BANGALORE	51/2, Tkn Complex, Vanivilas Road, Opp National College, Basavangudi, Bangalore-560004, Karnataka	Ms. Gayatri Alva	080-26606125
3	BARODA	T-2 61-62 Savoy Complex Haribhakti Extension Opp Abs Towers Old Padra Road, Baroda-390007, Gujarat	Ms. Krishna Joshi	0265 - 3051501
4	CHANDIGARH	Sco-371-372, Above Hdfc Bank Sector 35-B, Chandigarh-160035, Punjab	Mr. Arvind Kumar	0172 -4342603
5	CHENNAI	A8 3rd Floor Mehabubani Towers No. 48 Dr. B.N.Road T Nagar, Chennai-600017, Tamil Nadu	Mr. C M Prem Kumar	044 -42023762
6	COIMBATORE	Snv Chambers 482/483 Crosscut Road Opp. Power House, Coimbatore-641012, Tamil Nadu	Ms. Uma Maheshwari	0422-4343211
7	COCHIN	Building No 28/3223-B 53/595b 1 st Floor Cheruparambath Road, Ist Cross, Kadavanthra, Kochi-682020, Kerala	Mr. Joby Jose	0484-2322724
8	DELHI	Flat No 7 B 7 th Floor Vandhana Building Tolstoy Marg, New Delhi-110001, Delhi	Mr. Praveen Jain	011-42536702
9	GHAZIABAD	1 st Floor C-7 Lohia Nagar, Ghaziabad-201001, Uttar Pradesh	Mr. Manish Agarwal	0120-2706586
10	GURGAON	Ffg 302 Shushant Shopping Arcade Sushant Lok Dif, Gurgaon-122002, Uttar Pradesh	Mr. Sachin Chopra	0124-4233950
11	GUWAHATI	Ramkumar Plaza Room No11 2 nd Floor Room No 11 Chatrabari Road, Guwahati-781001, Assam	Mr. Midul Sarma	0361- 2608102
12	HYDERABAD	5 th Floor Kary Naina Towers 8-2-609/NT ROAD 10 BANJARA Hills, Hyderabad-500034, Andhra Pradesh	Mr. G. Suresh Kumar	04

- as well as the share certificate(s) and transfer deed(s) delivered to the Manager to the Offer by the Company or the share transfer agent, as the case may be, in accordance with paragraph 13.9 above, until the Acquirer completes its obligations under the Delisting Offer in accordance with the Delisting Regulations.
- 13.11 The ISIN for the Equity Shares is INE502A01017.
- 13.12 It shall be the responsibility of the Public Shareholders tendering in the Delisting Offer to obtain all requisite approvals (including corporate, statutory or regulatory) if any, prior to tendering in the Delisting Offer and the Acquirer shall take no responsibility for the same. The Public Shareholders should attach a copy of any such approval to the Bid Form, wherever applicable. Once the dematerialized Offer Shares are credited or pledged to the Special Depository Account, the Acquirer shall assume that the Public Shareholders have submitted their Bids only after obtaining all applicable approvals, if any. In any case, the Acquirer reserves the right to reject those Bids which are submitted without attaching a copy of such required approvals, including approvals, if any, from the Reserve Bank of India (the "RBI"). For further details on the documents / information required from participating Public Shareholders, please refer to the Bid Letter.
- 13.13 The Offer Shares to be acquired under this Delisting Offer are to be acquired free from all liens, charges and encumbrances and together with all rights attached thereto. Offer Shares that are subject to any liens, charges or encumbrances are liable to be rejected.
- 13.14 Clause 5 of Schedule II of the Delisting Regulations provides that Public Shareholders, who have tendered their Offer Shares by submitting Bids pursuant to the terms of this Public Announcement and the Bid Letter, may withdraw or revise their Bids upwards not later than one day before the Bid Closing Date. Downward revision of the Bids is not permitted. Any such request for revision or withdrawal of the Bids can only be exercised by submitting the Form of Withdrawal or Form of Revision respectively so as to reach the Trading Member at Mr. Pravin Jain, Karvy Stock Broking Limited, Flat No 7 B, 7th Floor, Vandhana Building, Tolstoy Marg, Delhi - 110001, Tel: 011 42536702 on or before 3.00 p.m. on one day before the Bid Closing Date. Any such request for revision or withdrawal of the Bids received after 3.00 p.m. on one day before the Bid Closing Date shall not be accepted. **Please note that the Form of Withdrawal and/or Form of Revision will not be accepted at other Bid Centres.**
- 13.15 Shareholders who obtain shares after the Specified Date may request for a form as per paragraph 12.4 above.
14. **PROCEDURE FOR SETTLEMENT**
- 14.1 If the Acquirer accepts or offers the Exit Price and all other conditions attaching to the Delisting Offer are satisfied, the Acquirer shall acquire all Offer Shares that have been tendered at prices up to and equal to the Exit Price, for a cash consideration equal to the Exit Price for each such Offer Share, subject to applicable taxes as described in paragraph 18 of this Public Announcement. For this purpose, Acquirer will, immediately on ascertaining success of the Delisting Offer, open a special account and transfer thereto, the entire amount due and payable as consideration in respect of the Offer Shares tendered in the Delisting Offer at or below the Exit Price, from the Escrow Amount (as hereinafter defined).
- 14.2 All the Public Shareholders whose bids are verified to be genuine in accordance with the Delisting Regulations shall be paid the Exit Price stated in the public announcement within ten working days from Bid Closing Date (i.e. by October 8, 2013) by way of crossed account payee cheque/demand draft/pay order/electronic credit. All cheques/demand drafts/pay orders/electronic credit will be drawn in the name of the first holder in case of joint holders of Equity Shares. Dispatches involving payment of monies by way of crossed account payee cheque / demand draft / pay order will be made by the registered post / courier / speed post.
- 14.3 Additionally, if and once the Equity Shares have been delisted, all Public Shareholders whose Offer Shares have not been acquired by the Acquirer may validly tender their Offer Shares to the Acquirer at the Exit Price up to a period of one year following the date being the later of, the date of delisting of the Equity Shares from the BSE, MSE and DSE, and the withdrawal of the permitted to trade status from the NSE (the "Exit Window"). Such Public Shareholders may tender their Offer Shares by submitting the required documents to the Registrar to the Offer within the Exit Window pursuant to the exit offer letter issued by the Acquirer to such Public Shareholders. A separate exit offer letter in this regard will be sent to the Public Shareholders who continue to hold Equity Shares after the Offer. Such Public Shareholders will be required to submit the required documents to the Registrar to the Offer within the stipulated time.
- 14.4 If the Acquirer does not accept or offer an Exit Price, all dematerialized Offer Shares deposited in the Special Depository Account or pledged with the Manager to the Offer in favour of the Special Depository Account, in accordance with paragraphs 13.6 and 13.7 of this Public Announcement and physical Offer Shares tendered in accordance with paragraph 13.9 of this Public Announcement,, shall be (i) in the case of dematerialized Offer Shares deposited in the Special Depository Account, be credited back to the respective depository account with the respective depository participants as per the details furnished by the relevant Public Shareholder in the Bid Form; (ii) in the case of dematerialized Offer Shares pledged to the Manager to the Offer in favour of the Special Depository Account, have the pledge revoked; and (iii) in the case of physical Offer Shares, be dispatched together with the share transfer deed to the relevant Public Shareholders by registered post / speed post / courier, at the Public Shareholder's sole risk; the actions in respect of (i), (ii) and (iii) above being completed within Ten (10) working days from the Bid Closing Date (i.e., by October 8, 2013), as stipulated under the Delisting Regulations.
- 14.5 Offer Shares from any invalid Bid will: (i) in the case of dematerialized Offer Shares deposited in the Special Depository Account, be credited back to the respective depository account with the respective depository participants as per the details furnished by the relevant Public Shareholder in the Bid Form; (ii) in the case of dematerialized Offer Shares pledged to the Manager to the Offer in favour of the Special Depository Account, have the pledge revoked; and (iii) in the case of physical Offer Shares, be dispatched together with the share transfer deed to the relevant Public Shareholders by registered post / speed post / courier, at the Public Shareholder's sole risk; the actions in respect of (i), (ii) and (iii) above being completed within ten working days from the Bid Closing Date (i.e., by October 8, 2013), as stipulated under the Delisting Regulations.
15. **PROPOSED TIMETABLE FOR THE DELISTING OFFER**
- 15.1 The proposed timetable for the Delisting Offer is as follows:

Activity	Date ¹	Day
Resolution for delisting of Equity Shares passed by the Shareholders of the Company	June 17, 2013	Monday
Publication of Public Announcement by the Acquirer	August 13, 2013	Tuesday
Specified Date ²	August 16, 2013	Friday
Dispatch of Bid Letter/ Bid Forms to Public Shareholders as on the Specified Date	August 21, 2013	Wednesday
Bid Opening Date (10.00 a.m.)	September 17, 2013	Tuesday
Last date for upward revision or withdrawal of Bids (3.00 p.m.)	September 20, 2013	Friday
Bid Closing Date (3.00 p.m.)	September 23, 2013	Monday
Last date for making Public Announcement of Discovered Price/ Exit Price and Acquirer's acceptance/ rejection of Discovered Price/ Exit Price	October 4, 2013	Friday
Last date for payment of consideration for the Offer Shares to be acquired in case of a successful Delisting Offer ³	October 8, 2013	Tuesday
Last date for return to Public shareholders of Offer Shares tendered but not acquired under the Delisting Offer	October 8, 2013	Tuesday

- All dates are subject to change and depend on obtaining the requisite statutory and regulatory approvals, as may be applicable. Changes to the proposed timetable, if any, will be notified to Public Shareholders by way of a public announcement in the same newspapers where this Public Announcement is being issued.*
 - Specified Date is only for the purpose of determining the names of the Public Shareholders as on such date to whom Bid Letters will be sent. However, all Public Shareholders (registered or unregistered) of the Equity Shares are eligible to participate in the Delisting Offer any time before and on the Bid Closing Date.*
 - Subject to the acceptance of the Discovered Price (if it is higher than the Floor Price) or offer of an Exit Price higher than the Discovered Price by the Acquirer.*
16. **DETAILS OF THE ESCROW AMOUNT**
- 16.1 The estimated consideration payable under the Delisting Regulations, being the Floor Price of ₹ 59.70/- per Equity Share multiplied by the number of Equity Shares outstanding with the Public Shareholders, i.e. 7,398,019 Equity Shares, is ₹ 441,661,735 (as may be increased from time to time, the "**Escrow Amount**").
- 16.2 In accordance with Regulations 11(1) and 11(3) of the Delisting Regulations, the Acquirer, the Manager to the Offer and ICICI Bank Limited, acting through its branch at ICICI Bank, Capital Markets Division, Rajabahadur Mansion, 30, Mumbai Samachar Marg, Fort, Mumbai - 400001 (the "**Escrow Bank**"), have entered into an escrow agreement dated June 12, 2013, pursuant to which the Acquirer has opened an escrow account number 000405103197 in the name of "ESCROW A/C DENSOINDIA L DELISTING OFFER", with the Escrow Bank (the "**Escrow Account**"), and amount of ₹ 441,661,735 (Indian Rupees Four Hundred Forty One Million and Six Hundred Sixty One Thousand Seven Hundred Thirty Five only), which is equal to the estimated consideration payable as calculated in paragraph 16.1 above, has been deposited in the Escrow Account. The Manager to the Offer has been duly authorized to operate the Escrow Account in accordance with the Delisting Regulations.
- 16.3 In accordance with Regulations 11(1) and 11(3) of the Delisting Regulations, upon determination of Exit Price and making of public announcement under Regulation 18 of the Delisting Regulations accepting the Exit Price, the Acquirer will forthwith increase the Escrow Amount by such additional sum (in the form of cash) as may be sufficient to make up the entire sum due and payable as consideration in respect of the Offer Shares, as may be required under the Delisting Regulations. In the event of default by the Acquirer in fulfilling its obligations under the Delisting Regulations, the Manager to the Offer has been authorised to realise the value of the Escrow Amount, as per the provisions of the Delisting Regulations.
17. **STATUTORY AND REGULATORY APPROVALS**
- 17.1 The Acquirer vide its letter dated May 28, 2013 had applied to the RBI for obtaining approval for acquiring up to 26.54% of the Equity Capital comprising of 7,398,019 Equity Shares from the Public Shareholders, including non-resident Indians (the "**NRIs**") and Overseas Corporate Bodies (if any), at the Exit Price, in accordance with applicable laws and regulations. RBI has granted such approval for the Delisting Offer vide their letter dated July 29, 2013, subject to compliance with conditions stated therein.
- 17.2 To the best of the Acquirer's knowledge, as of the date of this Public Announcement, there are no other statutory or regulatory approvals required to acquire the Offer Shares and implement the Delisting Offer, other than as indicated above. If any statutory or regulatory approvals become applicable, the acquisition of Offer Shares by the Acquirer and the Delisting Offer will be subject to receipt of such statutory or regulatory approvals.
- 17.3 It shall be the responsibility of the Public Shareholders tendering in the Delisting Offer to obtain all requisite approvals (including corporate, statutory or regulatory approvals), if any, prior to tendering the Equity Shares held by them in the Delisting Offer, and the Acquirer shall take no responsibility for the same. The Public Shareholders should attach a copy of any such approval to the Bid Form, wherever applicable.
- 17.4 The Acquirer reserves the right not to proceed with the Delisting Offer in the event the approvals indicated above are not obtained or conditions which the Acquirer considers in its sole discretion to be onerous are imposed in respect of such approvals.
- 17.5 In the event that receipt of the requisite statutory and regulatory approvals are delayed, the Acquirer may, with such permission as may be required, make changes to the proposed timetable or may delay the Delisting Offer and any such change shall be intimated by the Acquirer by issuing an appropriate corrigendum in all the newspapers where this Public Announcement is published.
18. **TAX DEDUCTED AT SOURCE**
- Summary of key provisions related to Tax Deduction at Source (the "**TDS**" or the "**Withholding Tax**") under the Income Tax Act, 1961 (the "**IT Act**"):
- 18.1 All Public Shareholders would be either classified as resident or non-resident. The status as resident or non-resident is to be determined on the basis of criteria laid down in Section 6 of IT Act. In case a shareholder happens to be a resident of India as well as another country, his residential status will have to be determined having regard to provisions of the tax treaty with the relevant country read with the provisions of Section 6 of the IT Act aforesaid.
- 18.2 No tax is required to be deducted on payment of consideration to resident Public Shareholders. The consideration payable to non-resident Public Shareholders would be subject to deduction of tax at source at applicable rate of tax.
- 18.3 As per the provisions of Section 195(1) of the IT Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Where, the Delisting Offer consideration is chargeable to tax as capital gains under the IT Act, the Promoter/ Acquirer will need to deduct tax at source (including applicable surcharge and cess) at the capital gains tax rate on the amount of capital gains payable to the Public Shareholders. Income by way of capital gains is to be computed as provided in Section 48 of the IT Act, by deducting cost of acquisition from the value of consideration. The rate at which tax is to be deducted at source varies depending upon the period for which the shares tendered under the Delisting Offer are held by the non-resident Public Shareholders. Capital gains arising on shares held for more than 12 months from the date of acquisition would be regarded as 'long term capital gains', else the gains would be treated as 'short term capital gains'.
- 18.4 As per the provisions of Section 195 of the IT Act, any income by way of capital gains payable to non resident Indians or foreign companies, shall be liable to the provisions of withholding tax (at applicable tax rates plus surcharge and education cess on the amount of capital gains), subject to the provisions of the relevant tax treaty. Accordingly, income tax may have to be deducted at source in the case of a non-resident Indian/ foreign company at the rate under the IT Act or under the tax treaty, whichever is beneficial to the selling shareholder unless a lower withholding tax certificate obtained from the tax authorities is furnished to the Promoter / Acquirer.
- 18.5 The rate of deduction of tax in case of non-resident Public Shareholders is dependent on various factors. All Public Shareholders are required to declare information with respect to inter-alia the following factors while submitting the Bid Form:
- Residential status of the Public Shareholder i.e. resident or non-resident
 - Category to which the non-resident shareholder belongs i.e.

- Non Resident Indian (Individual), or
 - Overseas Corporate Body, or
 - Non-domestic company, or
 - Foreign Institutional Investor (the "**FI**") registered as a company, or
 - FI other than a company, or
 - any other non-resident
- 18.6 As per the provisions of Section 2(37A)(iii) of the IT Act for the purposes of deduction of tax under Section 195, the rate or rates of income-tax specified in this behalf in the applicable Finance Act or the rate or rates of income tax specified in an agreement entered into by the Central Government under Section 90 of the IT Act or an agreement notified by the Central Government under Section 90A of the IT Act, whichever is applicable by virtue of the provisions of Section 90, or Section 90A, as the case may be, i.e. whichever is beneficial, would be the applicable rate of tax.
- 18.7 In case the aforementioned categories of Public Shareholders require the Acquirer not to deduct tax or to deduct tax at a lower rate or on a lower amount, they would need to obtain a certificate from the income tax authorities either under Section 195(3) or under Section 197 of the IT Act, and submit the same to the Acquirer while submitting the Bid Form. In the absence of any such certificate from the income tax authorities, the Acquirer will deduct tax as aforesaid, and a certificate in the prescribed form would be issued to that effect.
- 18.8 All the Public 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 tax rates and other provisions may undergo changes.
19. **CERTIFICATION BY THE BOARD OF DIRECTORS OF THE COMPANY**
- 19.1 The Board of Directors of the Company have confirmed that:
- the Company has not raised capital by issuing securities during the five years preceding the date of this Public Announcement; and
 - all material information which is required to be disclosed under the provisions of the listing agreement executed by the Company with the BSE, DSE and MSE pertaining to continuous listing have been disclosed to BSE, DSE and MSE.
20. **COMPLIANCE OFFICER**
- 20.1 The Compliance Officer of the Company is:
- Alok Mathur
Company Secretary
Tel: 011-26953994/26952308
Fax: 011-26953993
- 20.2 In case the Public Shareholders have any queries concerning the non-receipt of credit or payment for Offer Shares, they may address the same to the Registrar to the Offer or the Manager to the Offer.
21. **BSE DISCLAIMERS**
- 21.1 It is to be distinctly understood that the permission given by BSE to use their electronic automated facilities and infrastructure for "Online reverse book building facility for delisting of securities" should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by the Company, Acquirer or the Manager to the Offer, are cleared or approved by BSE; nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements; nor does BSE have any financial responsibility or liability in this regard; nor does BSE take responsibility in any way for the financial or other soundness of the Company, its promoters or its management.
- 21.2 It is also to be distinctly understood that the approval given by BSE should not in any way be deemed or construed to mean that the Public Announcement has been cleared or approved by BSE, nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the announcements, nor does BSE warrant that the securities will be delisted.
- 21.3 Every person who desires to avail of the exit opportunity may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE or against the Investor Protection Fund set up by BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through the reverse book building process whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.
22. **GENERAL DISCLAIMER**
- 22.1 Every person who desires to avail of the Offer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Acquirer, the Manager to the Offer or the Company whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of Offer Shares through RBP.

This PA is issued on behalf of the Acquirer by the Manager to the Offer.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 ICICI Securities Limited ICICI Centre, H. T. Parekh Marg, Churchgate, Mumbai - 400020, India. Tel: +91 22 2288 2460, Fax: +91 22 2282 6580 SEBI Registration No.: INM000011179 Email: denso.delisting@icicisecurities.com Contact Person: Mr. Sumit Agarwal	 MAS Services Limited T-34, 2 nd Floor, Okhla Industrial Area, Phase II, New Delhi - 110020 Tel.: +91 11 26387281 - 83 Fax :+91 11 26387384 SEBI Registration No.: INR000000049 Email: densorb@masserv.com Contact Person: Mr. N.C. Pal

For **DENSO Corporation, Japan** (in its capacity as the Acquirer)
(On behalf of the Board of Directors of **DENSO Corporation**)

Sd/-
Akio Tajima

Sd/-
Masanori Asawaka

Date : August 12, 2013
Place : Kariya, Japan