



**ESAB INDIA LIMITED**

ESAB/NSE/2012

9 March, 2012

National Stock Exchange of India Limited  
Exchange Plaza  
Plot No.C/1, G Block  
Bandra-Kurla Complex  
Bandra (E)  
Mumbai 400 051.

**Scrip Code : ESABINDIA**

Dear Sir,

Sub: **Reasoned recommendations of the Committee of Independent Directors of ESAB India Limited with respect to the open offer made by Colfax Corporation**

With regard to the open offer made by Colfax Corporation to acquire 26% of the equity shares of the Company, upon receipt of the Detailed Public Statement (DPS), the Board of Directors of the Company had constituted a Committee of Independent Directors to provide reasoned recommendations on such open offer in terms of Regulation 26 (6) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

The said Committee had met on 28 February, 2012 and had provided its recommendations to the shareholders in the format prescribed by SEBI and the recommendations have been published in the newspapers, in which the DPS had been published, on 9 March, 2012 and a copy of the written recommendations is being enclosed in terms of Regulation 26 (7) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

We request you to take this on record and inform the members of the exchange regarding this.

Thanking you,  
Yours truly,  
**For ESAB India Limited**

**S. Venkatakrishnan**  
**Company Secretary**

Encl: As above

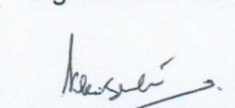
**Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the Shareholders of the Target Company under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011**

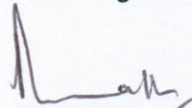
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|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date                                                                         | 28 February 2012                                                                                                                                                                                                |
| Name of the Target Company (TC)                                              | ESAB India Limited                                                                                                                                                                                              |
| Details of the Offer pertaining to TC                                        | Open Offer made by Colfax Corporation under Regulations 3(1), 4 and 5(1) to acquire 26% of the shares of ESAB India Limited.<br><br>Offer Price: <b>Rs 550.10</b> per equity share<br><br>Mode of payment: Cash |
| Name(s) of the acquirer and PAC with the acquirer                            | Acquirer – Colfax Corporation, USA<br>PAC:<br>1. Colfax UK Holdings Ltd<br>2. Exelvia Group India B.V.<br>3. ESAB Holdings Ltd                                                                                  |
| Name of the Manager to the offer                                             | <b>HSBC Securities and Capital Markets (India) Private Limited</b><br>SEBI Registration Number: INM000010353                                                                                                    |
| Members of the Committee of Independent Directors                            | Mr. K. Vaidyanathan<br>Mr. P. Mallick<br>Mr. V. Tandon<br>Mr. S. N. Talwar<br>Mr. S. Chand                                                                                                                      |
| IDC Member's relationship with the TC                                        | Mr. S. N. Talwar holds 1,440 shares of ESAB India Limited. No other director has any other relationship or interest in the Company.                                                                             |
| Trading in the Equity shares/other securities of the TC by IDC Members       | Mr. S. N. Talwar holds 1,440 shares of ESAB India Limited. Other members of the Committee do not hold shares in the Company.                                                                                    |
| IDC Member's relationship with the acquirer                                  | No relationship exist between the members of this Committee and the acquirer                                                                                                                                    |
| Trading in the Equity shares/other securities of the acquirer by IDC Members | The members of this Committee do not hold any share/other securities of the acquirer                                                                                                                            |

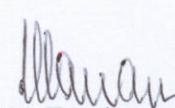
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|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recommendation on the Open offer, as to whether the offer is fair and reasonable | The Committee of Independent Directors of the Target Company have perused the letter of offer and other documents as released by HSBC Securities and Capital Markets (India) Private Limited as Manager to the offer on behalf of Colfax Corporation, USA. Based on the independent advice received from Grant Thornton India, Hari Bhakti & Co. and PKF Sridhar and Santhanam and based on their judgement, the Independent Committee of Directors are of the opinion that the price of Rs. 550.10 offered by Colfax is in line with the guidelines prescribed by SEBI under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. |
| Summary of reasons for recommendation                                            | The opinions received from the independent advisors are available in the website of the Company – <a href="http://www.esabindia.com">www.esabindia.com</a> under the head - Investor Information for the information of the shareholders.                                                                                                                                                                                                                                                                                                                                                                                                               |
| Details of Independent Advisors, if any.                                         | 1. Hari Bhakti & Co.<br>2. Grant Thornton India<br>3. PKF Sridhar and Santhanam                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Any other matter(s) to be highlighted                                            | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

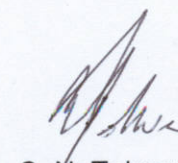
"To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the TC under the Takeover Code."

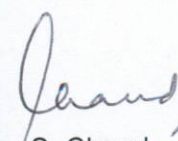
Signature of the Authorised Signatory

  
K. Vaidyanathan  
Director

  
P. Mallick  
Director

  
V. Tandon  
Director

  
S. N. Talwar  
Director

  
S. Chand  
Director

Place: Chennai

Date: 28 February 2012