



CMMI Level 5 Company

CES Limited

Reg office: 7th Floor Ramky
Selenium Building,
Nanakramguda, Gachibowli,
Hyderabad - 500032.

27th December, 2024

To,
BSE Limited,
Phiroze Jeejeebhoy Towers, 25th Floor,
Dalal Street, Fort, Mumbai - 400001
Scrip Code: 512341

Dear Sir/Madam,

Subject: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company is in receipt of the letter of intention dated 27th December, 2024 to voluntarily delist the equity shares of the Company from Mr. Venkateswara Rao Davarapalli and Mrs. Sreevani Kancharla, Promoters of the Company as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "**Promoters**" or "**Acquirers**") and initial public announcement dated 27th December, 2024 made by **Finshore Management Services Limited**, manager to the offer, on behalf of Mr. Venkateswara Rao Davarapalli and Mrs. Sreevani Kancharla, in accordance with Regulation 8 of the SEBI (Delisting of Equity Shares) Regulations, 2021 ("**SEBI Delisting Regulations**") inter alia expressing the intention to voluntarily delist the equity shares of the Company ("**Initial Public Announcement**").

We are enclosing herewith the copies of the letter of intention and Initial Public Announcement as stated above.

Thanking you,
Yours Faithfully,
For **CES Limited**

Suraj Kumar Garg



Suraj Kumar Garg
Company Secretary & Compliance Officer
Membership No- A55178

Encl: as above

Phone: +91 (40) 4242-1122 | Fax No: +91 (40) 4010-2456

CIN: L55100TG1985PLC045963

www.cesltd.com

To
The Board of Directors
CES Limited
Seventh Floor, Tower- A, Ramky Selenium Building,
Plot No.31& 32, Nanakramguda, Gachibowli,
Hyderabad-500032,
Telangana, India

Dear Sir,

Subject: Proposal to voluntarily delist the equity shares of CES Limited ("Company") in accordance with the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended ("SEBI Delisting Regulations") from BSE Limited

1. We, Mr. Venkateswara Rao Davarapalli (24.28%) and Mrs. Sreevani Kancharla (2.40%) Promoters of the Company as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "Promoters" or "Acquirers") along with other members of the Promoter and Promoter Group, presently hold 2,72,42,012 fully paid-up equity shares of the Company ("Equity Shares") aggregating to 74.84 % of the paid-up equity share capital of the Company as on date.
2. We, the Acquirers either individually/collectively are desirous of:
 - (a) acquiring all the Equity Shares that are held by the public shareholders of the Company (as defined under the SEBI Delisting Regulations, to be referred to as "Public Shareholders") in accordance with the SEBI Delisting Regulations (the "Delisting Offer") subject to receipt of all necessary approvals. As on date, the Public Shareholders hold 91,57,988 Equity Shares aggregating to 25.16 % of paid-up equity share capital of the Company; and
 - (b) consequently, voluntarily delist the Equity Shares from BSE Limited ('BSE'), the recognized stock exchange where the Equity Shares are presently listed by making a delisting offer in accordance with the SEBI Delisting Regulations if the Delisting Offer is successful. (Collectively, to be referred to as "Delisting Proposal")

3. Rationale of the Delisting Proposal:

- (a) the proposed delisting would enable the members of the Promoter & Promoter Group to obtain full ownership of the Company, which in turn will provide enhanced operational flexibility. As the Company will no longer remain listed in India, there will be reduction in dedicated management time to comply with the requirements associated with continued listing of equity shares, which can be refocused on its business.
 - (b) the proposed delisting will result in reduction of the ongoing substantial compliance costs which includes the costs associated with listing of equity shares such as annual listing fee and fees payable to share transfer agents or such other expenses required to be incurred as per the applicable securities law.
 - (c) the long-term business plan involves expanding operations into new geographies and new business activities, which may have different risk profiles, longer gestation periods compared to the current risk profile of the Company;
 - (d) it would enhance Company's operational, financial and strategic flexibility including but not limited to corporate restructurings, acquisitions, exploring new financing structures including financial support from the members of the Promoter Group; and
 - (e) the proposed delisting is in the interest of the Public Shareholders as it will provide them an opportunity to exit from the Company at a price determined in accordance with the Delisting Regulations, providing immediate liquidity given the heightened market volatility.
4. The Discovered price will be determined through the reverse book building process specified in Schedule II of the SEBI Delisting Regulations, after fixation of the 'floor price' which will be determined in terms of Regulation 20(1) of SEBI Delisting Regulations. We will separately inform the Company of the floor price determined in accordance with the aforesaid provisions, in due course.
5. The discovered price shall be determined as the price at which shares are accepted through eligible bids, that takes the shareholding of the Acquirers (along with the persons acting in concert) to ninety per cent of the total issued shares of that class excluding the shares which are held by following:
- (i) a custodian(s) holding shares against which depository receipts have been issued overseas;
 - (ii) a trust set up for implementing an Employee Benefit scheme under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (iii) shares held by inactive shareholders such as vanishing companies, struck off companies, shares transferred to Investor Education and Protection Fund account and shares held in terms of sub-regulation (4) of regulation 39 read with Schedule VI of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

6. In terms of the SEBI Delisting Regulations, in order to proceed with the delisting proposal, it is inter-alia necessary to obtain:
- (a) approval of the board of directors of the Company towards the delisting proposal;
 - (b) approval of the shareholders of the Company by way of a special resolution through postal ballot and/or e-voting in accordance with the SEBI Delisting Regulations and other applicable laws wherein the number of votes cast by the Public Shareholders in favour of the Delisting Proposal is at least two times the number of votes cast by the Public Shareholders against the Delisting Proposal.
 - (c) receipt of the approval of BSE in accordance with the Delisting Regulations and/ or any other statutory/ regulatory approvals and third-party consents, as may be required, in relation to the Delisting Proposal;
 - (d) the acceptance by the Acquirers of the discovered price determined by the reverse book building process in accordance with the SEBI Delisting Regulations including other rights and obligations in terms of the SEBI Delisting Regulations;
 - (e) the number of Equity Shares being validly tendered in the delisting offer is sufficient enough to result in the delisting offer being successful in accordance with the SEBI Delisting Regulations.

In this respect we have appointed Finshore Management Services Limited-Merchant Banker as Manager to the Offer.

7. Considering the aforesaid, we request the board of directors of the Company to consider our request and undertake the following:
- (a) To take all such other actions as may be required to be undertaken by the Company under the SEBI Delisting Regulations in order to give effect to the Delisting Proposal, including appointment of a Peer Review Company Secretary to undertake due diligence and provide all relevant information necessary for undertaking the due diligence and make relevant applications to BSE and/ or to any other regulatory authorities, as may be required in connection to the Delisting Proposal.
 - (b) Convene meetings of the board of directors of the Company to consider and approve the delisting proposal under Regulation 8 of the SEBI Delisting Regulations.
 - (c) Take necessary steps to:
 - (i) seek approval of the shareholders of the Company through postal ballot and/or e-voting;
 - (ii) seek approval of BSE for the proposed delisting of the Equity Shares in accordance with the SEBI Delisting Regulations.
8. Any acquisition of Equity shares pursuant to the delisting proposal will be subject to applicable regulatory approvals, the terms and conditions set out in the public announcement and the letter of offer proposed to be sent to the public shareholders in accordance with the SEBI Delisting Regulations as well as the Acquirer(s) right under the SEBI Delisting Regulations to accept or reject the discovered price or provide a counter offer.

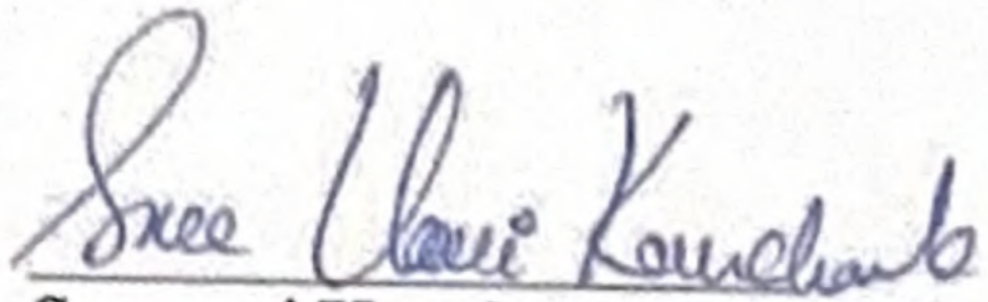
Kindly take the above on your record and undertake requisite activities as per the SEBI Delisting Regulations and other relevant Acts.

Thanking you.

Yours sincerely.



Venkateswara Rao Davarapalli (Promoter /Acquirer)



Sree Vanee Kancharla (Promoter /Acquirer)

**CC: Finshore Management Services Ltd
(SEBI Registered CAT-I Merchant Banker)
Anandlok, Block-A, Room no:207, 227 AJC Bose Road
Kolkata-700020**

Place : Hyderabad
Date : 27-12-2024

**INITIAL PUBLIC ANNOUNCEMENT UNDER REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING
OF EQUITY SHARES) REGULATIONS, 2021
FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF**

CES LIMITED

Corporate Identity Number: L55100TG1985PLC045963
Registered Office: Seventh Floor, Tower- A, Ramky Selenium Building,
Plot No.31& 32, Nanakramguda, Gachibowli,
Hyderabad-500032, Telangana, India
Tel. No.: +91 (40) 4242-1122; **Fax:** +91 (40) 4010-2456

This Initial public announcement ("**Initial Public Announcement**") is being issued by Finshore Management Services Limited ("**Manager**" or "**Manager to the Offer**") for and on behalf of Mr. Venkateswara Rao Davarapalli and Mrs. Sreevani Kancharla, Promoters of the Company as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "**Promoters**" or "**Acquirers**"), to the Public Shareholders (*as defined below*) expressing their intention to: (a) acquire all the Equity Shares (*as defined below*) that are held by Public Shareholders, either individually/collectively, as the case may be; and (b) consequently, voluntarily delist the Equity Shares from the Stock Exchange (*as defined below*), by making a delisting offer in accordance with the SEBI Delisting Regulations (*as defined below*) ("**Delisting Proposal**").

For the purpose of this Initial Public Announcement, the following terms have the meanings assigned to them as below:

- (a) "**Acquirers**" shall mean Mr. Venkateswara Rao Davarapalli and Mrs. Sreevani Kancharla Promoters of the Company as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "**Promoters**" or "**Acquirers**") as defined in Regulation 2(b) of the SEBI Delisting Regulations.
- (b) "**Board**" shall mean the board of directors of the Company;
- (c) "**Company**" shall mean CES Limited;
- (d) "**Equity Shares**" shall mean fully paid-up equity shares of the Company, each having the face value of Rs. 10/-;
- (e) "**Public Shareholders**" shall mean the public shareholders of the Company as defined under Regulation 2(1)(t) of the SEBI Delisting Regulations;
- (f) "**SEBI**" shall mean the Securities and Exchange Board of India;



- (g) “SEBI Delisting Regulations” shall mean the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (h) “Stock Exchange” shall mean the stock exchange where the Equity Shares are presently listed i.e., BSE Limited or BSE.
- (i) “Promoter Group” shall mean members of the Promoter and Promoter group of the Company as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

1. Details of the Delisting Proposal:

- 1.1. Mr. Venkateswara Rao Davarapalli and Mrs. Sreevani Kancharla, Promoters pursuant to their letter dated 27th December, 2024, have *inter alia* expressed their intention to voluntarily delist the Equity Shares of the Company in accordance with the SEBI Delisting Regulations by acquiring Equity Shares that are held by the public shareholders of the Company either individually/collectively. Pursuant to the said letter, the Acquirers have appointed Finshore Management Services Limited as the manager to the offer as per the requirements of Regulation 9 of the SEBI Delisting Regulations.
- 1.2. As on date, Mr. Venkateswara Rao Davarapalli and Mrs. Sreevani Kancharla along with other members of the Promoter and Promoter Group holds 2,72,42,012 fully paid-up equity shares of the Company (“Equity Shares”) aggregating to 74.84 % of the paid-up equity share capital of the Company as on date. The Public Shareholders hold 91,57,988 Equity Shares aggregating to 25.16 % of paid-up equity share capital of the Company.

2. Rationale for Delisting Proposal:

- 2.1. In terms of Regulation 8(3)(a) of the Delisting Regulations, the rationale for the Delisting Proposal is as follows:
- (a) the proposed delisting would enable the members of the Promoter & Promoter Group to obtain full ownership of the Company, which in turn will provide enhanced operational flexibility. As the Company will no longer remain listed in India, there will be reduction in dedicated management time to comply with the requirements associated with continued listing of equity shares, which can be refocused on its business.
 - (b) the proposed delisting will result in reduction of the ongoing substantial compliance costs which includes the costs associated with listing of equity shares such as annual listing fee and fees payable to share transfer agents or such other expenses required to be incurred as per the applicable securities law.
 - (c) the long-term business plan involves expanding operations into new geographies and new business activities, which may have different risk profiles, longer gestation periods compared to the current risk profile of the Company.
 - (d) it would enhance Company’s operational, financial and strategic flexibility including but not limited to corporate restructurings, acquisitions, exploring new financing structures including financial support from the members of the Promoter Group; and



- (e) the proposed delisting is in the interest of the Public Shareholders as it will provide them an opportunity to exit from the Company at a price determined in accordance with the Delisting Regulations, providing immediate liquidity given the heightened market volatility.

3. Undertakings/ Confirmations:

3.1. In terms of Regulation 8(3)(b) of the Delisting Regulations, we hereby undertake and confirm that none of the members of the Promoter Group:

- (a) have sold the Equity Shares during the period of 6 months prior to the date of this Initial Public Announcement; and
- (b) will not directly or indirectly, in connection with proposed delisting,
 - (i) employ any device, scheme or artifice to defraud any shareholder or other person; or
 - (ii) engage in any transaction or practice that operates as a fraud or deceit upon any shareholder or other person; or
 - (iii) engage in any act or practice that is fraudulent, deceptive or manipulative.

4. Price/ Consideration:

- 4.1. The discovered price will be determined through the reverse book building process specified in Schedule II of the SEBI Delisting Regulations, after fixation of the 'floor price' which will be determined in terms of Regulation 20(1) of the Delisting Regulations. We will separately inform the floor price determined in accordance with the aforesaid provisions, in due course.
- 4.2. In terms of the SEBI Delisting Regulations, the discovered price will be determined as the price at which shares are accepted through eligible bids, that takes the shareholding of the members of the Promoters and Promoter Group, to 90% of the total issued shares excluding the shares which are held by following:
 - (a) custodian(s) holding shares against which depository receipts have been issued overseas;
 - (b) a trust set up for implementing an employee benefit scheme under the SEBI (Share Based Employee Benefits) Regulations, 2014; and
 - (c) inactive shareholders such as vanishing companies, struck off companies, shares transferred to Investor Education and Protection Fund account and shares held in terms of Regulation 39(4) read with Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- 4.3. The Acquirers shall have the sole discretion to accept or reject the discovered price or make a counter-offer in accordance with SEBI Delisting Regulations.



5. Conditions:

- 5.1. The acquisition of Equity Shares by the Acquirers, either individually/ collectively, as the case may be, from the Public Shareholders will be conditional upon the following:
- (a) approval of the board of directors of the Company towards the delisting proposal;
 - (b) approval of the shareholders of the Company by way of a special resolution through postal ballot and/or e-voting in accordance with the SEBI Delisting Regulations and other applicable laws wherein the number of votes cast by the Public Shareholders in favour of the Delisting Proposal is at least two times the number of votes cast by the Public Shareholders against the Delisting Proposal.
 - (c) receipt of the approval of BSE in accordance with the SEBI Delisting Regulations and/ or any other statutory/ regulatory approvals and third-party consents, as may be required, in relation to the Delisting Proposal;
 - (d) the acceptance by the Acquirers (and/ or other members of the Promoter Group, as the case may be) of the discovered price determined by the reverse book building process including other rights and obligations in terms of the SEBI Delisting Regulations;
 - (e) the number of Equity Shares being validly tendered in the delisting offer is sufficient enough to result in the delisting offer being successful in accordance with the SEBI Delisting Regulations; and
 - (f) such other terms and conditions as may be set out in the 'detailed public announcement' or the 'letter of offer' to be made/ dispatched to the Public Shareholders in accordance with the SEBI Delisting Regulations.

6. Other Details:

- 6.1. The Acquirers hereby confirm that they have firm financial arrangements for fulfilling the payment obligations under the delisting offer and they are able to implement the delisting offer, subject to any statutory approvals for the delisting offer that may be necessary.
- 6.2. The Acquirers accept full responsibility for the information contained in this Initial Public Announcement and confirm that such information is true, fair and adequate in all material aspects. The Acquirers are aware of and will comply with the obligations under the Delisting Regulations.
- 6.3. All the information pertaining to the Company contained in this Initial Public Announcement has been obtained from publicly available sources, and the accuracy thereof has not been independently verified by the Manager to the Offer.



ISSUED BY THE MANAGER TO THE OFFER ON BEHALF OF THE ACQUIRERS:

Finshore Management Services Ltd,

Anandlok Block A, Room-207,

227, AJC Bose Road,

Kolkata-700020

Tel: +91 33 22895101

Website: www.finshoregroup.com

Investor Grievance email id : investors@finshoregroup.com

Contact Person: Mr. S Ramakrishna Iyengar

SEBI Registration No: INM000012185

For and on behalf of Acquirers

Sd/-	Sd/-
Venkateswara Rao Davarapalli	Sreevani Kancharla

Place: Kolkata

Date: 27th December, 2024

