

RIGHTS ENTITLEMENT LETTER FOR THE RIGHTS ISSUE OF NORTH EASTERN CARRYING CORPORATION LIMITED

FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY.

THIS LETTER CONTAINS 5 PAGES.

PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES



NORTH EASTERN CARRYING CORPORATION LIMITED

Registered Office: 9062/47, NECC House, Ram Bagh Road, Azad Market, Delhi-110006, India;

Contact Number: +91-11-23517515/16/19;

Contact Person: Ms. Mamta Bisht, Company Secretary & Compliance Officer;

Email-ID: cs@neccgroup.com; Website: www.neccgroup.com.

Corporate Identification Number: L51909DL1984PLC019485.

Wednesday, May 24, 2023

DP ID- Client ID/Folio Number:

Application Number:

Sole/First Holder Name:

Add 1:

Add 2:

Add 3:

Add 4:

PIN

Joint Holder 1:

Joint Holder 2:

Joint Holder 3:

Dear Shareholder,

SUB: RIGHTS ISSUE OF UP TO 4,51,77,602 (FOUR CRORES FIFTY-ONE LAKHS SEVENTY-SEVEN THOUSAND SIX HUNDRED AND TWO) PARTLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS.10.00/- (RUPEE TEN ONLY) ('EQUITY SHARES') EACH AT A PRICE OF RS.18.00/- (RUPEES EIGHTEEN ONLY) PER RIGHTS SHARE (INCLUDING A PREMIUM OF RS.8.00/- (RUPEES EIGHT ONLY) PER RIGHTS SHARE) ('ISSUE PRICE') ('RIGHTS SHARES') FOR AN AMOUNT AGGREGATING UP TO RS. 8,131.97 LAKHS* ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE SHAREHOLDERS OF NORTH EASTERN CARRYING CORPORATION LIMITED IN THE RATIO OF 9 (NINE) RIGHTS SHARES FOR EVERY 10 (TEN) EQUITY SHARES HELD BY SUCH ELIGIBLE EQUITY SHAREHOLDERS AS ON THE RECORD DATE I.E., FRIDAY, JUNE 02, 2023, ('ISSUE'). THE ISSUE PRICE IS 1.8 TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED 'TERMS OF THE ISSUE' BEGINNING ON PAGE 153 OF THIS LETTER OF OFFER.

**Assuming full subscription and receipt of First and Final Call Money with respect to Right Shares.*

Reference: Letter of Offer, and Abridged Letter of Offer dated Wednesday, May 24, 2023, issued by the Company to the Eligible Equity Shareholders pursuant to the Rights Issue.

We are happy to inform that our Company is proposing a Rights Issue of Equity Shares as mentioned in the captioned subject in 9 (Nine) Rights Shares for Every 10 (Ten) Equity Shares Held by the Eligible Equity Shareholders as on the Record Date, i.e., on Friday, June 02, 2023.

With reference to the above, please find below the details of the Equity Shares held by you as on the Record Date, i.e., Friday, June 02, 2023, along with your Rights Entitlements calculated on the basis of the above-mentioned ratio for your kind information:

FOLIO NUMBER/ DP OR CLIENT ID	NUMBER OF EQUITY SHARES HELD BY YOU AS ON RECORD DATE I.E. FRIDAY, JUNE 02, 2023	NUMBER OF RIGHTS ENTITLEMENT	FRACTIONAL ENTITLEMENT

The Issue Price is Rs. 18.00/- (Rupees Eighteen Only) per Rights Share issued in 1 (One) Rights Entitlement, (i.e., Rs. 18.00/- (Rupees Eighteen Only) per Rights Share including a premium of Rs.8.00/- (Rupees Eight) per Rights Share). On Application, Investors will have to pay Rs. 9.00/- (Rupees Nine Only) per Rights Share which constitutes 50.00% (Fifty Percent) of the Issue Price and the balance Rs.9.00/- (Rupees Nine Only) per Rights Share which constitutes 50.00% (Fifty Percent) of the Issue Price, will have to be paid, on first and final Call, as determined by our Board/ Committee at its sole discretion, from time to time. You are requested to take note of the Issue Schedule as provided:

ISSUE OPENS ON	LAST DATE FOR MARKET RENUNCIATION*	ISSUE CLOSES ON
Wednesday, June 14, 2023	Thursday, June 22, 2023	Tuesday, June 27, 2023

**Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlement are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

Kindly note that pursuant to the provisions of the SEBI (ICDR) Regulations and the SEBI – Rights Issue Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the Rights Entitlements, as mentioned above, shall be credited only in dematerialized form in your demat account before the Issue Opening Date with ISIN: INE553C20016.

The Eligible Equity Shareholders, who hold Equity Shares in physical form as on the Record Date are required to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than Thursday, June 22, 2023, being 2 (Two) Working Days prior to the Issue Closing Date being Tuesday, June 27, 2023, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue. For further details, please refer to the headings ‘*Terms of the Issue- Receipt of Rights Shares in Dematerialized Form*’ beginning on page 178 of the Letter of Offer.

You can obtain the details of your respective Rights Entitlements from the website of the Registrar to the Issue at support@purvashare.com, by entering your DP-ID and Client-ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). You may also communicate with the Registrar to the Issue with the helpline number (+ 91-22-2301 2518 / 6761) and through their email address support@purvashare.com.

Fractional Entitlements

The Rights Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 9 (Nine) Rights Shares for every 10 (Ten) Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 10 (Ten) Equity Shares or is not in the multiple of 10 (Ten) Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored will be given preferential consideration for the Allotment of one (1) additional Rights Equity Share if they apply for additional Rights Shares over and above their Rights Entitlements, if any, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds 9 (Nine) Equity Shares, such Equity Shareholder will be entitled to 8 (Eight) Rights Share and will also be given a preferential consideration for the Allotment of one (1) additional Rights Share if such Eligible Equity Shareholder has applied for additional Rights Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 1 (One) Equity Shares shall have ‘zero’ entitlement for the Rights Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Shares and will be given preference in the Allotment of one Rights Share, if such Eligible Equity Shareholders apply for additional Rights Shares, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favor of third parties.

Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders

Pursuant to provisions of SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars and in terms of the Letter of Offer, the Rights Entitlements of the Eligible Equity Shareholders have been credited in their respective demat account under the ISIN: INE553C20016. For details of credit of the Rights Entitlements, see ‘*Terms of the Issue - Credit of Rights Entitlements in dematerialised account*’ on page 157 of the Letter of Offer.

Trading of the Rights Entitlements

In accordance with the SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on BSE Limited and National Stock Exchange of India Limited under Rights Entitlement ISIN: INE553C20016. Prior to the Issue Opening Date, our Company will obtain the approval from Stock Exchanges for trading of Rights Entitlements. Investors shall be able to trade/ transfer their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism. For more details, see ‘*Terms of the Issue - Trading of the Rights Entitlements*’ on page 158 of the Letter of Offer.

Renunciation of Rights Entitlement

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by way of On Market or through Off-Market transfer. For details, see ‘*Procedure for Renunciation of Rights Entitlements*’ on page 165 of the Letter of Offer.

The On Market Renunciation shall take place only during the Renunciation Period, i.e., from Wednesday, June 14, 2023, to Thursday, June,

22, 2023 (both days inclusive). Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Rights Shares in the Issue. For details, see '*Procedure for Renunciation of Rights Entitlements*' on page 165 of the Letter of Offer.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE '*PROCEDURE FOR APPLICATION*' ON PAGE 162 OF THE LETTER OF OFFER.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

Application Process for Rights Issue

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars, and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA detailed under the Paragraph titled '*Procedure for Application through the ASBA Process*' on 164 of this Letter of Offer.

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, please see the section entitled '*Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*' on page 155 of this Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI (ICDR) Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, please see the section entitled '*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*' on page 166 of Letter of Offer.

In accordance with the SEBI (ICDR) Regulations, ASBA Circular, our Company will send/dispatch at least 3 (Three) days before the Issue Opening Date, the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other applicable Issue Materials only to the Eligible Equity Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions.

In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

ATTENTION FOR PHYSICAL SHAREHOLDERS

The Eligible Equity Shareholders shall send a letter to the Registrar to the Issue containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, speed post, courier, or hand delivery so as to reach to the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date.

In accordance with SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialized form only. Accordingly, the Rights Entitlements of the Physical Equity Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar to the Issue not later than being 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their demat accounts at least 1 (One) day before the Issue Closing Date being Monday, June 26, 2023.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar to the Issue and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE, I.E., JUNE 02, 2023 AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR TO THE ISSUE OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Availability of Issue materials

You can also access the Letter of Offer, the Abridged Letter of Offer and Application Form (provided that investors are eligible to subscribe for the Rights Shares under applicable securities laws) on the websites of:

- a) Our Company www.neccgroup.com;
- b) Registrar to the Issue www.purvashare.com;
- c) BSE Limited at www.bseindia.com;
- d) National Stock Exchange of India Limited at www.nseindia.com;
- e) Lead Manager at www.capitalsquare.in

Other important links and helpline numbers

You can visit the link accessible at www.purvashare.com for below-mentioned purposes:




- a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors.
- b) Updating of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company
- c) Updating of demat account details by resident Eligible Equity Shareholders holding shares in physical form

THE RIGHTS ENTITLEMENTS AND THE RIGHTS SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT, 1933, AS AMENDED, OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OF AMERICA OR THE TERRITORIES OR POSSESSIONS THEREOF OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, "U.S. PERSONS" (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND RIGHTS SHARES REFERRED TO IN THIS LETTER OF OFFER ARE BEING OFFERED IN INDIA AND IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE RIGHTS SHARES AND/ OR RIGHTS ENTITLEMENTS ARE PERMITTED UNDER LAWS OF SUCH JURISDICTIONS, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THIS THE LETTER OF OFFER, AND ABRIDGED LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY SECURITIES OR RIGHTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES OR RIGHTS.

ACCORDINGLY, THIS THE LETTER OF OFFER, THE ABRIDGED LETTER OF OFFER, ENTITLEMENT LETTER, AND APPLICATION FORM SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

NEITHER OUR COMPANY NOR ANY PERSON ACTING ON BEHALF OF OUR COMPANY WILL ACCEPT SUBSCRIPTIONS OR RENUNCIATION FROM ANY PERSON, OR THE AGENT OF ANY PERSON, WHO APPEARS TO BE, OR WHO OUR COMPANY OR ANY PERSON ACTING ON BEHALF OF OUR COMPANY HAS REASON TO BELIEVE, IS IN THE UNITED STATES WHEN THE BUY ORDER IS MADE. NO PAYMENTS FOR SUBSCRIBING FOR THE RIGHTS SHARES SHALL BE MADE FROM US BANK ACCOUNTS AND ALL PERSONS SUBSCRIBING FOR THE RIGHTS SHARES AND WISHING TO HOLD SUCH RIGHTS SHARES IN REGISTERED FORM MUST PROVIDE AN ADDRESS FOR REGISTRATION OF THE RIGHTS SHARES IN INDIA. THE RIGHTS SHARES ARE TRANSFERABLE ONLY IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED IN 'SELLING RESTRICTIONS' IN THE CHAPTER TITLED 'OTHER REGULATORY AND STATUTORY DISCLOSURES' ON PAGE 149 OF THE LETTER OF OFFER.

In case of any queries, you may contact the Company or the Lead Manager or Registrar as per the details mentioned herein:

COMPANY DETAILS	REGISTRAR TO THE ISSUE	LEAD MANAGER
		
NORTH EASTERN CARRYING CORPORATION LIMITED 9062/47, NECC House, Ram Bagh Road, Azad Market, Delhi-110006, India; Contact Details: +91-11- 23517516-19; Email-ID: cs@neccgroup.com ; Website: www.neccgroup.com Contact Person: Ms. Mamta Bisht, Company Secretary and Compliance Officer; Corporate Identification Number: L51909DL1984PLC019485	PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai- 400011, Maharashtra, India; Contact Number: +91 22-3199 8810 / 4961 4132 Website: www.purvashare.com ; E-mail/Investor grievance ID: support@purvashare.com ; Contact Person: Ms. Deepali Dhuri; SEBI Registration Number: INR000001112; Validity: Permanent	CAPITALSQUARE ADVISORS PRIVATE LIMITED 205-209, 2 nd Floor, AARPEE Center, MIDC Road No 11, CTS 70, Andheri (E), Mumbai – 400093, Maharashtra, India; Contact Details: +91-22-66849999; Website: www.capitalsquare.in ; Email ID: mb@capitalsquare.in ; Investor Grievance ID: investor.grievance@capitalsquare.in; Contact Person: Mr. Mihir Pandhi; SEBI Registration Number: INM000012219 Validity : Permanent

Note: All capitalized terms, unless defined herein, shall have the meaning ascribed to them in the Letter of Offer.

For **NORTH EASTERN CARRYING CORPORATION LIMITED**

Sd/-

Mamta Bisht

Company Secretary and Compliance Officer

Membership no. A30347

Date: Wednesday, May 24, 2023

Place: Delhi